

DRAFT RED HERRING PROSPECTUS

Dated: May 31, 2018

(The Draft Red Herring Prospectus will be updated upon filling with the RoC)
Read with Section 32 of the Companies Act, 2013
100% Book Built Issue

**MANORAMA INDUSTRIES LIMITED**

Our Company was originally incorporated as "Manorama Industries Private Limited" at Raipur, Chhattisgarh, as a Private Limited Company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated August 9, 2005 bearing Corporate Identification Number U15142CT2005PTC17858 issued by Registrar of Companies, Madhya Pradesh & Chhattisgarh. Subsequently our Company was converted into a Public Limited Company pursuant to shareholders resolution passed at Extraordinary General Meeting of our Company held on February 06, 2018 and the name of our Company was changed to "Manorama Industries Limited" and a Fresh Certificate of Incorporation consequent upon conversion of company to Public Limited dated March 23, 2018 was issued by Registrar of Companies, Maharashtra. The Corporate Identification number of our Company is U15142MH2005PLC243687. For further details of change of name and registered office of our Company, please refer to chapters titled "General Information" and "Our History and Certain Other Corporate Matters" beginning on page 74 and 190 respectively of this Draft Red Herring Prospectus.

Registered Office: Office No 403, 4th Floor, Midas, Sahar Plaza, Andheri Kurla Road, Andheri East, Mumbai- 400059

Corporate Office: F-6, Anupam Nagar, Behind Ganesh Mandir, Raipur, Chhattisgarh- 492001

Corporate Identification Number: U15142MH2005PLC243687 **Tel. No.:** 022-67088148; **Fax No. NA**

Contact Person: Divya Jajoo, Company Secretary and Compliance Officer

Email: investors@manoramagroup.co.in; **Website:** www.manoramagroup.co.in

PROMOTER OF OUR COMPANY: VINITA SARAF**THE ISSUE**

INITIAL PUBLIC ISSUE OF UPTO 34,04,400* EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH FULLY PAID FOR CASH AT A PRICE OF RS. [•] PER EQUITY SHARE (THE "ISSUE PRICE") (INCLUDING A SHARE PREMIUM OF RS. [•] PER EQUITY SHARE) AGGREGATING UP TO RS. [•] LAKHS (THE "ISSUE"), OF WHICH UPTO [•] EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH FOR CASH AT A PRICE OF RS. [•] PER EQUITY SHARE, AGGREGATING RS. [•] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. NET ISSUE OF UPTO [•] EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH FOR CASH AT A PRICE OF RS. [•] PER EQUITY SHARE, AGGREGATING RS. [•] LAKHS IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE [•] % AND [•] % RESPECTIVELY OF THE FULLY DILUTED POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.**

Our Company is considering a Pre IPO Placement of upto 4,70,400 Equity Shares and/or aggregating upto Rs 900.00 lakhs with certain investors. The size of the Issue as disclosed in this Draft Red Herring Prospectus being 34,04,400 Equity Shares shall be reduced accordingly

THE FACE VALUE OF THE EQUITY SHARES IS RS. 10 EACH. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER ("BRLM") AND WILL BE ADVERTISED IN ALL EDITIONS OF THE ENGLISH NATIONAL NEWSPAPER [•]. ALL EDITIONS OF THE HINDI NATIONAL NEWSPAPER [•] AND MARATHI EDITION OF REGIONAL NEWSPAPER [•], EACH WITH WIDE CIRCULATION, AT LEAST 5 (FIVE) WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE WITH THE RELEVANT FINANCIAL RATIOS CALCULATED AT THE FLOOR PRICE AND THE CAP PRICE AND WILL BE MADE AVAILABLE TO THE SME PLATFORM OF BSE LTD. ("BSE SME", REFERRED TO AS THE "STOCK EXCHANGE") FOR THE PURPOSE OF UPLOADING ON THEIR WEBSITE

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

In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015, all potential investors shall participate in the Issue only through an Application Supported by Blocked Amount ("ASBA") process providing details about the bank account which will be blocked by the Self Certified Syndicate Banks ("SCSBs") for the same. For details in this regard, specific attention is invited to the chapter titled "Issue Procedure" beginning on page 283 of this Draft Red Herring Prospectus. A copy of Red Herring Prospectus and Prospectus will be delivered for registration to the Registrar as required under Section 32 and 26 of the Companies Act, 2013.

In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended (the "SCRR") the Issue is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. The Issue is being made in accordance with Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time ("SEBI (ICDR) Regulations"), wherein [•]% of the Net Issue shall be available for allocation on a proportionate basis to QIBs, provided that our Company, in consultation with the BRLM may allocate upto 60% of the QIB Portion to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Net Issue will be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Net Issue will be available for allocation to Retail Individual Investors, in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. All investors (except Anchor Investors) shall participate in this Issue mandatorily through the Applications Supported by Blocked Amount ("ASBA") process by providing details of their respective bank accounts which will be blocked by SCSBs. For further details please refer the section titled "issue information" beginning on page 271 of this Draft Red Herring Prospectus.

THE ISSUE IS BEING MADE IN ACCORDANCE WITH CHAPTER XB OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED FROM TIME TO TIME (SEBI (ICDR) REGULATIONS) READ WITH RULE 19(2)(b)(i) OF SECURITIES CONTRACT (REGULATION) ACT, 1957 (SCRR). FOR FURTHER DETAILS PLEASE REFER THE SECTION TITLED "ISSUE INFORMATION" BEGINNING ON PAGE 271 OF THIS DRAFT RED HERRING PROSPECTUS

RISKS IN RELATION TO FIRST ISSUE

This being the first public Issue of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is Rs. 10 each. The Floor Price is [•] times the face value and the Cap Price is [•] times the face value. The Issue Price (determined and justified by our Company in consultation with the BRLM as stated in "Basis for Issue Price" on page 117 should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the Draft Red Herring Prospectus. Specific attention of the investors is invited to the section "Risk Factors" beginning on page 21 of this Draft Red Herring Prospectus.

COMPANY'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 the Issue, which is material in the context of the Issue; 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.

LISTING

The Equity Shares of our Company issued through this Draft Red Herring Prospectus are proposed to be listed on the SME Platform of BSE Ltd. ("BSE SME") in terms of the Chapter XB of the SEBI (ICDR) Regulations, 2009 as amended from time to time. Our Company has received an In-principle approval letter dated [•] from BSE SME for using its name in the Issue document for listing of our shares on BSE SME. For the purpose of this Issue, SME Platform of the BSE Ltd. shall be the Designated Stock Exchange.

BOOK RUNNING LEAD MANAGER TO THE ISSUE

PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED
406-408, Keshava Premises, Behind Family Court, Bandra Kurla Complex,
Bandra (East), Mumbai – 400051, Maharashtra, India
Tel: +91-22 61946719
Fax: +91-22 2659 8690
Email: ipo@pantomathgroup.com
Website: www.pantomathgroup.com
Investor Grievance Id: ipo@pantomathgroup.com
Contact Person: Hardik Bhuta
SEBI Registration No: INM000012110

REGISTRAR TO THE ISSUE

LINK INTIME INDIA PRIVATE LIMITED
C-101, 1st Floor, 247 Park, L.B. Marg, Vikhroli (West), Mumbai 400083,
Maharashtra, India
Tel: +91 022 49186200; **Fax:** +91 022 49186195
Email: manorama.ipo@linkintime.co.in
Website: www.linkintime.co.in
Investor Grievance Id: manorama.ipo@linkintime.co.in
Contact Person: Shanti Gopkrishnan
SEBI Registration No: INR000004058
CIN: U67190MH1999PTC118368

ISSUE PROGRAMME

ISSUE OPENS ON [•]***

ISSUE CLOSES ON [•]

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

**Subject to finalisation of basis of allotment

***Our Company may, in consultation with the BRLM, consider participation by Anchor Investors. The Anchor Investor shall bid on the Anchor Investor Bidding Date i.e. one Working Day prior to the Bid / Issue Opening Date.

Our Company may, in consultation with the BRLMs, consider closing the Bidding by QIB Bidders one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI Regulations.

#All Correspondences shall be directed to Corporate Office

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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 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

In this Draft Red Herring Prospectus, unless the content otherwise requires, the terms and abbreviations stated hereunder shall have the meanings assigned therewith.

General Terms

Term	Description
“Manorama Industries Limited”, or “the Company” ,or “our Company” or “we”, “us”, “our”, or “Issuer” or the “Issuer Company”	Manorama Industries Limited, a Public Limited company incorporated under the provisions of the Companies Act, 1956 and having its registered office at Office No 403, 4 th Floor, Midas, Sahar Plaza, Andheri Kurla Road, Andheri East, Mumbai- 400059

Company Related Terms

Term	Description
Articles or Articles of Association or AOA	The Articles of Association of our Company, as amended from time to time
Auditor or Statutory Auditor	The Statutory Auditor of our Company, being Jain & Choudhary
Audit Committee	The committee of Board of Directors constituted in accordance with Section 177 of the Companies Act, 2013.
Banker to our Company	The Banker to our Company, being Federal Bank and State Bank of India
“Board” or “Board of Directors” or “our Board”	The Board of Directors of our Company, as duly constituted from time to time, or committee(s) thereof
Company Secretary and Compliance Officer	The Company Secretary and Compliance Officer of our Company being Divya Jajoo
CIN	Company Identification Number U15142MH2005PLC243687
Director(s)	The Director(s) of our Company, unless otherwise specified
Equity Shares	Equity Shares of our Company of face value of Rs. 10/- each fully paid up
Equity Shareholders	Persons / Entities holding Equity Shares of our Company
Group Companies	Such Companies as are included in the chapter titled “ <i>Our Group Companies</i> ” beginning on page no. 211 of this Draft Red Herring Prospectus
ISIN	ISIN International Securities Identification Number, in this case being [●]
Independent Director	A non-executive, Independent Director as per the Companies Act, 2013 and the Listing Regulations
Key Management Personnel	Key management personnel of our Company in terms of Regulation 2(1)(s) of the SEBI Regulations, Section 2(51) of the Companies Act, 2013 and as disclosed in “Our Management” beginning on page 195 of this Draft Red Herring Prospectus.
Memorandum of Association or Memorandum or MOA	The Memorandum of Association of our Company, as amended from time to time
Peer Reviewed Auditor	The Peer Reviewed Auditor of our Company means an, Independent Auditor having a valid Peer Review Certificate in our case being M/s PSD & Associates, Chartered Auditors
“Promoter”, “Promoters” or “our Promoters”	Promoter of our Company being Vinita Saraf

Term	Description
Promoter Group	Persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(zb) of the SEBI Regulations and as disclosed in the chapter titled “ <i>Our Promoters and Promoter Group</i> ” on page no. 208 of this Draft Red Herring Prospectus
Registered Office	The Registered office of our Company situated at Office No 403, 4 th Floor, Midas, Sahar Plaza, Andheri Kurla Road, Andheri East, Mumbai- 400059
RoC / Registrar of Companies	Registrar of Companies, Mumbai at 100, Everest, Marine Drive, Mumbai- 400002, Maharashtra, India
Shareholders	Shareholders of our Company

Issue Related Terms

Term	Description
Acknowledgement slip	Slip or document issued by designated Intermediary to a bidder as a proof of registration of the Bid
Allocation/ Allocation of Equity Shares	The Allocation of Equity Shares of our Company pursuant to Issue of Equity Shares to the successful Applicants
Allotment/ Allot/ Allotted	Issue and allotment of Equity Shares of our Company pursuant to Issue of the Equity Shares to the successful Applicants
Allottee(s)	Successful Applicant(s) to whom Equity Shares of our Company have been allotted
Applicant	Any prospective investor who makes an application for Equity Shares of our Company in terms of the Red Herring Prospectus. All the applicants should make application through ASBA only.
Allotment Advice	The note or advice or intimation of Allotment, sent to each successful Bidder who has been or is to be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion, who has Bid for an amount of at least Rs. 1000 Lakhs, in accordance with the requirements specified in the SEBI ICDR Regulations
Anchor Investor Allocation Notice	Notice or intimation of Allocation of Equity Shares sent to Anchor Investors who have been allocated Equity Shares, and includes any device, intimation or notice sent to Anchor Investors in the event that the Issue Price is higher than the Anchor Investor Allocation Price.
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated in terms of the Red Herring Prospectus and Prospectus to the Anchor Investors, which will be decided by our Company, in consultation with the BRLM, on the Anchor Investor Bidding Date.
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and Prospectus
Anchor Investor Bidding Date	One Working Day prior to the Bid/Issue Opening Date on which Bids by Anchor Investors shall be submitted, prior to or after which the members of the Syndicate will not accept any Bids from Anchor Investors and allocation to Anchor Investors shall be completed.
Anchor Investor Escrow Account(s)	Accounts opened for the Issue to which funds shall be transferred by Anchor Investors.
Anchor Investor Pay-in Date	With respect to Anchor Investors, it shall be the Anchor Investor Bidding Date, and, in the event the Anchor Investor Allocation Price is

Term	Description
	lower than the Issue Price, not later than two Working Days after the Bid/Issue Closing Date.
Anchor Investor Portion	Upto 60% of the QIB Portion, which may be allocated by our Company, in consultation with the BRLM to Anchor Investors on a discretionary basis, out of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price.
Application Amount	The amount at which the Applicant makes an application for Equity Shares of our Company in terms of the Red Herring Prospectus
Application Collecting Intermediaries	<ol style="list-style-type: none"> 1. a SCSB with whom the bank account to be blocked, is maintained 2. a syndicate member (or sub-syndicate member) If any 3. a stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity)('broker') if any 4. a depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity) 5. a registrar to an issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)
ASBA / Application Supported by Blocked Amount	Applications Supported by Blocked Amount (ASBA) means an application for Subscribing to the Issue containing an authorization to block the application money in a bank account maintained with SCSB
ASBA Account	Account maintained with SCSBs which will be blocked by such SCSBs to the extent of the Application Amount
ASBA Application Location(s) / Specified Cities	Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata, Raipur
ASBA Bidders	Any Bidder except Anchor Investor
ASBA form/ Bid Cum Application	An application form, whether physical or electronic, used by Bidders which will be considered as the application for Allotment in terms of this Draft Red Herring Prospectus.
Banker/Refund Banker to the Issue/ Public Issue Bank	The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public Issue Account and Refund Account will be opened and in this case being ICICI Bank Limited and HDFC Bank Limited.
Basis of Allotment	The basis on which Equity Shares will be Allotted to the successful Applicants under the Issue and which is described under chapter titled " <i>Issue Procedure</i> " beginning on page 283 of this Draft Red Herring Prospectus.
Bid	An indication to make an issue during the Bid/Issue Period by a Bidder (other than an Anchor Investor) or on Anchor Investor Bidding Date by an Anchor Investor, pursuant to submission of the Bid cum Application Form, 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 Amount	The highest value of optional Bids indicated in the Bid cum Application Form and in the case of Retail Individual Bidders Bidding at Cut Off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder and mentioned in the Bid cum Application Form and payable by the Retail Individual Bidder or blocked in the ASBA Account upon submission of the Bid in the Issue. However, for Eligible Employees applying in the Employee

Term	Description
	Reservation Portion the Bid Amount shall be Cap Price multiplied by the number of Equity Shares Bid for by such Eligible Employees mentioned in the Bid cum Application Form net of Employee Discount.
Bid cum Application Form	The application form in terms of which a bidder (including an ASBA Bidder) makes a Bid in terms of the Red Herring Prospectus and which will be considered as an application for allotment.
Bid Lot	[●] equity shares and in multiples of [●] equity shares thereafter
Broker Centres	Broker centres notified by the Stock Exchanges, where the applicants can submit the Application forms to a Registered Broker.
Bid/Issue Closing Date	Except in relation to Anchor Investors, the date after which the Syndicate, the Designated Branches and the Registered Brokers will not accept any Bids, which shall be notified in [●] edition of the English national newspaper [●], [●] 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/Issue Closing Date shall also be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI ICDR Regulations.
Bid/Issue Opening Date	Except in relation to Anchor Investors, the date on which the Syndicate, the Designated Branches and the Registered Brokers shall start accepting Bids, which shall be notified in [●] edition of the English national newspaper [●], [●] 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/Issue Opening Date also to be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI ICDR Regulations.
Bid/Issue Period	The period between the Bid/Issue Opening Date and the Bid/Issue Closing Date, inclusive of both days, during which Bidders other than Anchor Investor can submit their Bids, including any revisions thereof. Provided however that the Bidding/Issue Period shall be kept open for a minimum of three Working Days for all categories of Bidders, other than Anchor Investors.
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an ASBA Bidder and Anchor Investor
Bid/Issue Proceeds	Proceeds from the Issue that will be available to our Company, being [●] lakhs
Bidding/Collection Centres	Centres at which the Designated intermediaries shall accept the ASBA Forms, i.e Designated SCSB Branch for SCSBs, specified locations for syndicate, broker centre for registered brokers, designated RTA Locations for RTAs and designated CDP locations for CDPs
Book Building Process/Book Building method	The book building route as provided under Schedule XI of the SEBI (ICDR) Regulations, 2009 in terms of which this Issue is being made
Book Running Lead Manager/ BRLM	Book Running Lead Manager to the Issue in this case being Pantomath Capital Advisors Private Limited, SEBI Registered Category I Merchant Banker
Broker Centres	Broker centres notified by the Stock Exchanges, where the Bidders can submit the Bid cum Application form to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers, area available on the website of Bombay Stock Exchange

Term	Description
CAN/Confirmation of Allocation Note	The note or advice or intimation sent to each successful Bidder indicating the Equity Shares which will be Allotted/ transferred, after approval of Basis of Allotment by the Designated Stock Exchange. In the case of Anchor Investors, CAN shall mean the note or advice or intimation of Allotment of Equity Shares sent to the Anchor Investors to whom Equity Shares have been Allotted.
Collecting Centres	Centres at which the Designated Intermediaries shall accept the Application Forms, being the Designated SCSB Branch for SCSBs, Specified Locations for Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Cap Price	The higher end of the price band above which the Issue Price will not be finalised and above which no Bids (or a revision thereof) will be accepted.
Client ID	Client Identification Number maintained with one of the Depositories in relation to Demat account.
Collecting Depository Participant	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure applications at the Designated CDP Locations in terms of circular no CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Controlling Branch/ Designated Branch	Such branch of the SCSBs which coordinate Applications under this Issue by the ASBA Applicants with the Registrar to the Issue and the Stock Exchanges and a list of which is available at http://www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time
Cut Off Price	Any price within the Price Band finalised by our Company in consultation with BRLM. A bid submitted at Cut Off Price is a valid price at all levels within the Price Band. Only Retail Individual Bidders are entitled to Bid at the Cut Off Price, for a Bid Amount not exceeding Rs [●]. No other category of bidders is entitled to Bid at the Cut Off Price.
Demographic Details	The demographic details of the Applicants such as their address, PAN, occupation and bank account details
Depositories	Depositories registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time, being NSDL and CDSL
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996
Depositories Act	The Depositories Act, 1996 as amended from time to time
Designated CDP Locations	Such centres of the CDPs where Bidders can submit the Bid cum Application Forms. 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 (www.bseindia.com) and updated from time to time
Designated Date	The date on which the amount blocked by the SCSBs is transferred from the ASBA Account to the Public Issue Account or the amount is unblocked in the ASBA Account, as appropriate, after the Issue is closed, following which the Equity Shares shall be allotted to the successful Applicants
Designated RTA Locations	Such centres of the RTAs where Applicants can submit the Application Forms. The details of such Designated RTA Locations, along with the names and contact details of the RTAs are available on the respective

Term	Description
	website of the Stock Exchange (www.bseindia.com) updated from time to time
Designated Stock Exchange	SME Platform of Bombay Stock Exchange, BSESME
Designated CDP Locations	Such centres of the CDPs where Bidders can submit the Bid Cum Application Forms. 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 (www.bseindia.com) and updated from time to time.
Draft Red Herring Prospectus	The Draft Red Herring Prospectus dated May 31, 2018 issued in accordance with section 32 of the Companies Act, 2013 and filed with the BSESME under SEBI (ICDR) Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and size of the Issue.
Eligible NRIs	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the Red Herring Prospectus constitutes an invitation to subscribe to the Equity Shares offered herein
General Information Document	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.
First/ Sole Applicant	Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint bids, whose name shall also appear as the first holder of the beneficiary account held in joint names
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.
Floor Price	The lowest end of the Price Band, subject to any revision thereto, at or above which the Issue Price will be finalised and below which no Bids (or revisions thereof) will be accepted
Issue/ Issue Size/ Initial Public Issue/ Initial Public Offer/ Initial Public Offering/ IPO	Public Issue aggregating upto 34,04,400 Equity Shares of face value of Rs. 10 each fully paid of Manorama Industries Limited for cash at a price of Rs [●] per Equity Share (including a premium of Rs. [●] per Equity Share) aggregating Rs.[●] lakhs. Our Company is considering a Pre-IPO placement of upto 4,70,400 Equity Shares and/or aggregating upto 900.00 lakhs with certain investors ("Pre-IPO Placement"). The size of the Issue as disclosed in this Draft Red Herring Prospectus being 34,04,400 Equity Shares shall be reduced accordingly.
Issue Agreement	The agreement dated May 29, 2018 between our Company and the Book Running Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Price	The final price at which Equity Shares will be allotted in terms of the Red Herring Prospectus. The Issue Price will be decided by our Company in consultation with the BRLM on the Pricing Date in accordance with the Book Building Process and the Red Herring Prospectus.
Issue Proceeds	The proceeds of the Issue that is available to our Company. For further information about use of fresh proceeds, refer to the chapter titled

Term	Description
	“Objects of the Issue” beginning on page 104 of this Draft Red Herring Prospectus.
Indian GAAP	Generally Accepted Accounting Principles in India
IFRS	International financial reporting standard
Listing Agreement	The Equity Listing Agreement to be signed between our Company and the BSE Limited
Market Making Agreement	Market Making Agreement dated [●] between our Company, Book Running Lead Manager and Market Maker.
Market Maker	Market Maker appointed by our Company from time to time, in this case being Pantomath Stock Broker Private Limited who has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for any other period as may be notified by SEBI from time to time
Market Maker Reservation Portion	The Reserved Portion of [●] Equity Shares of face value of Rs. 10 each fully paid for cash at a price of Rs. [●] per Equity Share aggregating Rs. [●] lakhs for the Market Maker in this Issue
Mutual Fund(s)	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time
Mutual Fund Portion	[●] % of the QIB Portion (excluding the Anchor Investor Portion) i.e. [●] Equity Shares available for allocation to Mutual Funds, out of the QIB Portion
NIF	National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of Government of India published in the Gazette of India
Net Issue	The Issue (excluding the Market Maker Reservation Portion) aggregating upto [●] Equity Shares of face value of Rs. 10 each fully paid for cash at a price of Rs [●] per Equity Share aggregating Rs. [●] lakhs by our Company
Net Proceeds	The Issue Proceeds, less the Issue related expenses, received by the Company.
Net QIB Portion	The QIB Portion less the number of Equity Shares Allotted to the Anchor Investors.
Non Institutional Bidders	All Bidders, including Category III FPIs that are not QIBs or Retail Individual Investors, who have applied for Equity Shares for an amount of more than Rs. 2,00,000 but not including NRIs other than Eligible NRIs
Non-Resident	A person resident outside India, as defined under FEMA and includes FIIs and FPIs
OCB/ Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Issue
Pay-in Period	The period commencing on the Bid/Issue Opening Date and extending until the closure of the Anchor Investor Pay-in Date.
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

Term	Description
	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 (Floor Price) of Rs [●] and the maximum price (Cap Price) of Rs [●] and includes revisions thereof. The Price Band will be decided by our Company in consultation with the BRLM and advertised in two national daily newspapers (one each in English and in Hindi) with wide circulation and one daily regional newspaper with wide circulation at least five working days prior to the Bid/Issue Opening Date.
Pricing date	The date on which our Company in consultation with the BRLM, will finalize the Issue Price
Prospectus	The Prospectus to be filed with RoC on or after Pricing Date in accordance with Section 32 of the Companies Act, 2013, and the SEBI ICDR Regulations containing inter alia, the Issue Price, the size of the Issue and certain other information
Pre-IPO placement	Our Company is considering a Pre-IPO placement of upto 4,70,400 Equity Shares and/or aggregating upto 900.00 lakhs with certain investors ("Pre-IPO Placement"). The Pre-IPO Placement is at the discretion of our Company and at a price to be decided by our Company. Our Company will complete the issuance and allotment of such Equity Shares, if any, prior to the filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is completed, the issue size would be reduced to the extent of such Pre-IPO Placement, subject to a minimum Issue size of 25 per cent of the post issue paid up equity share capital being offered to the public. Promoters and members of the Promoter Group may participate in the Pre-IPO Placement. However, if they do not participate in the Pre-IPO Placement, they will not participate in the Issue. The Equity Shares allotted under the Pre-IPO Placement, if completed, shall be subject to a lock-in period of one (1) year from the date of Allotment pursuant to the Issue. This Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time. <i>The size of the Issue as disclosed in this Draft Red Herring Prospectus being 34,04,400 Equity Shares has been reduced accordingly.</i>
Public Issue Account	Account opened with the Banker to the Issue i.e. ICICI Bank Limited and HDFC Bank Limited under Section 40 of the Companies Act, 2013 to receive monies from the SCSBs from the bank accounts of the ASBA Applicants on the Designated Date.
Public Issue Account Agreement/ Banker to the Issue Agreement	Agreement entered on [●] amongst our Company, Book Running Lead Manager, the Registrar to the Issue and Public Issue Bank/Banker to the Issue for collection of the Application Amount on the terms and conditions thereof.
QIB Portion	The portion of the Issue being [●]% of the Net Issue, consisting of [●] Equity Shares, available for Allocation to QIBs (including Anchor Investors), subject to valid Bids being received at or above the Issue Price
Qualified Institutional Buyers or QIBs	Qualified Institutional Buyers as defined under Regulation 2(1)(zd) of the SEBI (ICDR) Regulations 2009
Red Herring Prospectus or RHP	The Red Herring Prospectus to be issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Issue, including any addenda or corrigenda thereto

Term	Description
Refund Account	Account to which Application monies to be refunded to the Applicants in case of failure of the Issue
Refund Bank(s) / Refund Banker(s)	Bank(s) which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Accounts will be opened, in this case being ICICI Bank Limited
Refund through electronic transfer of funds	Refunds through NECS, direct credit, RTGS or NEFT, as applicable
Registered Broker	Individuals or companies registered with SEBI as "Trading Members" (except Syndicate/Sub-Syndicate Members) who hold valid membership of BSE 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 http://www.bseindia.com/membership/dynaContent/find_a_broker.htm
Registrar /Registrar to the Issue	Registrar to the Issue, in this case being Link Intime India Private Limited, having its office at C-101,1st Floor, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai 400083, Maharashtra, India
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Registrar Agreement	Agreement dated May 29, 2018 entered into among our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue
Resident Indian	A person resident in India, as defined under FEMA
Retail Individual Investor(s)/ Retail Individual Bidder(s)/RII(s)/RIB(s)	Individual Applicants, or minors applying through their natural guardians, including HUFs (applying through their <i>Karta</i>), who apply for an amount less than or equal to Rs 2,00,000
Revision Form	The form used by the Applicants to modify the quantity of Equity Shares in any of their Application Forms or any previous Revision Form(s)
SCSB/ Self Certified Syndicate Banker	Shall mean a Banker to an Issue registered under SEBI (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which offer the service of making Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/RecognisedIntermediaries or at such other website as may be prescribed by SEBI from time to time
SEBI (Foreign Portfolio Investor) Regulations	Securities and Exchange Board of India (Foreign Portfolio Investor) Regulations, 2014
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SME Exchange	BSE SME
Specified Locations	Collection centres where the SCSBs shall accept application form, a list of which is available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.
Sub syndicate Member	A SEBI Registered member of Bombay Stock Exchange appointed by the BRLM and/or syndicate member to act as a Sub Syndicate Member in the Issue
Syndicate	Includes the BRLM, Syndicate Members and Sub Syndicate Members

Term	Description
Syndicate Agreement	The agreement dated [●] entered into amongst our Company, the BRLM and the Syndicate Members, in relation to the collection of Bids in this Issue.
Syndicate ASBA Building Locations	Bidding Centres where an ASBA Bidder can submit their Bid in terms of SEBI Circular no CIR/CFD/DIL/1/2011 dated April 29, 2011, namely Mumbai, Chennai, Kolkata, Delhi and Raipur
Syndicate Members/ Members of the Syndicate	Intermediaries registered with the SEBI eligible to act as syndicate member and who is permitted to carry on the activity as an underwriter, in this case being Pantomath Capital Advisors Private Limited
Transaction Registration Slip/TRS	The slip or document issued by the Syndicate or SCSB (only on demand), to the Bidder as proof of registration of the Bid
Underwriter	Pantomath Capital Advisors Private Limited
Underwriting Agreement	The agreement dated [●] entered into between the Underwriter and our Company.
US GAAP	Generally accepted accounting principal (United states)
Working Day	(i) Till Application / Issue closing date: All days other than a Saturday, Sunday or a public holiday; (ii) Post Application / Issue closing date and till the Listing of Equity Shares: All trading days of stock exchanges excluding Sundays and bank holidays in accordance with the SEBI circular no. SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016

Technical and Industry Related Terms

Term	Description
GDP	Gross Domestic Product
FY	Financial Year
FDI	Foreign Direct Investment
CAGR	Compounded Annual Growth Rate
PPP	Public Private Partnership
MIL	Manorama Industries Limited
CBE	Cocoa Butter Equivalent
CB	Cocoa Butter
Bn	Billion
Mn	Million
Cr	Crore
NAFTA	North America Free Trade Agreement
EMEA	Europe, Middle East, and Africa
APAC	Asia-Pacific
IIA	India Industries Association
MT	Metric Tonnes
YoY	year on year
TPA	Tonnes Per Annum
WEO	World Economic Outlook
CSO	Central Statistics Organization
IMF	International Monetary Fund
RBI	Reserve Bank of India
MGNREGA	Mahatma Gandhi National Rural Employment Guarantee Act
BCG	Boston Consulting Group
PPP	Purchasing Power Parity
SEZ	Special Economic Zones
CIPET	Central Institute of Plastics Engineering & Technology

Term	Description
MMT	Million Metric Tons

Conventional and General Terms / Abbreviations

Term	Description
A.Y./AY	Assessment Year
A/C	Account
AGM	Annual General Meeting
AIF	Alternative Investment Fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
AoA	Articles of Association
AS/Accounting Standard	Accounting Standards as issued by the Institute of Chartered Accountants of India
ASBA	Application Supported by Blocked Amount
BIFR	Board for Industrial and Financial Reconstruction
CAGR	Compounded Annual Growth Rate
Category I Foreign Portfolio Investors	FPIs who are registered as - Category I foreign portfolio investors under the SEBI FPI Regulations
Category II Foreign Portfolio Investors	FPIs who are registered as - Category II foreign portfolio investors under the SEBI FPI Regulations
Category III Foreign Portfolio Investors	FPIs who are registered as - Category III foreign portfolio investors under the SEBI FPI Regulations
CC	Cash Credit
CDSL	Central Depository Services (India) Limited
CENVAT	Central Value Added Tax
CFO	Chief Financial Officer
CIN	Corporate Identification Number
Cm	Centimetre
CMD	Chairman and Managing Director
Companies Act, 1956	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the Notified Sections) and the Companies Act, 2013.
Companies Act, 2013	The Companies Act, 2013, to the extent in force pursuant to the notification of the notified sections
CS	Company Secretary
CST	Central Sales Tax
Depositories	NSDL (National Securities Depository Limited) and CDSL (Central Depository Services Limited); Depositories registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time
Depositories Act	The Depositories Act, 1996, as amended from time to time.
DGFT	Directorate General of Foreign Trade
DIN	Director Identification Number
DIPP	Department of Industrial Policy & Promotion
DP	Depository Participant
DP ID	Depository Participant's Identity

Term	Description
EBIDTA	Earnings before interest, depreciation, tax, amortization and extraordinary items
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
EPFA	The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
EPS	Earnings Per Share
ESIC	Employee State Insurance Corporation
ESOP	Employee Stock Option Plan
ESPS	Employee Stock Purchase Scheme
F.Y./FY	Financial Year
FCNR Account	Foreign Currency Non Resident Account
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act 1999, as amended from time to time and the regulations framed there under
FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time.
FII(s)	Foreign Institutional Investor, as defined under the FII Regulations and registered with the SEBI under applicable laws in India
FIPB	The Foreign Investment Promotion Board, Ministry of Finance, Government of India
FIs	Financial Institutions
FPI(s)	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
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000
FTP	Foreign Trade Policy
GAAP	Generally Accepted Accounting Principles
GDP	Gross Domestic Product
GIR Number	General Index Registry number
GoI/ Government	Government of India
HNI	High Net-worth Individual
HUF	Hindu Undivided Family
I. T. Act	The Income Tax Act, 1961, as amended.
ICAI	Institute of Chartered Accountants of India
ICDR Regulations/ SEBI Regulations/ SEBI (ICDR) Regulations/Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time
IFRS	International Financial Reporting Standards
Indian GAAP	Generally Accepted Accounting Principles in India
INR	Indian National Rupee

Term	Description
IPO	Initial Public Offering
IRDA	Insurance Regulatory and Development Authority
IT Authorities	Income Tax Authorities
IT Rules	The Income Tax Rules, 1962, as amended from time to time
Key Managerial Personnel / KMP	The officers declared as a Key Managerial Personnel and as mentioned in the chapter titled “ <i>Our Management</i> ” beginning on page 195 of this Draft Red Herring Prospectus
Listing Regulations / SEBI Listing Regulations/ SEBI (LODR) Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
Ltd.	Limited
MD	Managing Director
MICR	Magnetic Ink Character Recognition
Mn	Million
MoA	Memorandum of Association
MoF	Ministry of Finance, Government of India
MoU	Memorandum of Understanding
N/A or N.A.	Not Applicable
NAV	Net Asset Value
NBFC	Non Banking Finance Company
Net Worth	The aggregate of the paid up share capital, share premium account, and reserves and surplus (excluding revaluation reserve) as reduced by the aggregate of miscellaneous expenditure (to the extent not adjusted or written off) and the debit balance of the profit and loss account
NI Act	Negotiable Instruments Act, 1881
NOC	No Objection Certificate
NR	Non Resident
NRE Account	Non Resident (External) Account
NRI	Non Resident Indian, is a person resident outside India, who is a citizen of India or a person of Indian origin and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time
NRO Account	Non Resident (Ordinary) Account
NSDL	National Securities Depository Limited
BSE	Bombay Stock Exchange
OCB	Overseas Corporate Bodies
p.a.	per annum
P/E Ratio	Price Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
Pvt.	Private
QIB	Qualified Institutional Buyer
RBI	Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934, as amended from time to time

Term	Description
RoC	Registrar of Companies
RoNW	Return on Net Worth
Rs. / INR	Indian Rupees
RTGS	Real Time Gross Settlement
SARFAESI	The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002
SCRA	Securities Contracts (Regulation) Act, 1956 as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957
SCSB	Self Certified Syndicate Bank
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI Insider Trading Regulations	The SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, including instructions and clarifications issued by SEBI from time to time
SEBI Takeover Regulations / Takeover Code	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 as repealed pursuant to the SEBI AIF Regulations
Sec	Section
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time
SME	Small Medium Enterprise
SSI Undertaking	Small Scale Industrial Undertaking
Stock Exchange (s)	Bombay Stock Exchange
STT	Securities Transaction Tax
Sub-Account	Sub-accounts registered with SEBI under the SEBI (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporate or foreign individuals.
TAN	Tax Deduction Account Number
TIN	Taxpayers Identification Number
TNW	Total Net Worth
TRS	Transaction Registration Slip
U.S. GAAP	Generally accepted accounting principles in the United States of America
u/s	Under Section
UIN	Unique Identification Number
UOI	Union of India

Term	Description
US/ U.S. / USA/ United States	United States of America
USD / US\$ / \$	United States Dollar, the official currency of the United States of America
UV	Ultraviolet
VAT	Value Added Tax
VCF / Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
w.e.f.	With effect from
WDV	Written Down Value
WTD	Whole-time Director
YoY	Year over year

Notwithstanding the following: -

- i. In the section titled “*Main Provisions of the Articles of Association*” beginning on page 340 of this Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;
- ii. In the chapter titled “*Financial Statements as Restated*” beginning on page 218 of this Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that chapter;
- iii. In the section titled “*Risk Factors*” beginning on page 21 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 120 of this Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that chapter; and
- v. In the chapter titled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page 219 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

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

FINANCIAL DATA

Unless stated otherwise, the financial data included in this Draft Red Herring Prospectus are extracted from the restated financial statements of our Company, prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditor, set out in the section titled ‘*Financial Statements*’ beginning on page 218 this Draft Red Herring Prospectus. Our restated financial statements are derived from our audited financial statements prepared in accordance with Indian GAAP and the Companies Act, and have been restated in accordance with the SEBI (ICDR) Regulations.

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

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

Any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*”, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” and elsewhere in this Draft Red Herring Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s restated financial statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditor, set out in the section titled ‘*Financial Statements*’ beginning on page 218 of this Draft Red Herring Prospectus.

CURRENCY OF PRESENTATION

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

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

INDUSTRY & MARKET DATA

Unless stated otherwise, Industry and Market data and various forecasts used throughout this Draft Red Herring Prospectus have been obtained from publically available Information, Industry Sources and Government Publications.

Industry Sources as well as Government Publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

Although we believe that industry data used in this Draft Red Herring Prospectus is reliable, it has not been independently verified by the Book Running Lead Manager or our Company or any of their affiliates or advisors. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in the section “*Risk Factors*” on page 21 of this Draft Red Herring Prospectus. Accordingly, investment decisions should not be based solely on such information.

Future looking statements speak only as of the date of this Draft Red Herring Prospectus. Neither we, our Directors, Book Running Lead Manager, 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, the BRLM and our Company will ensure that investors in India are informed of material developments until the grant of listing and trading permission by the Stock Exchange.

FORWARD LOOKING STATEMENT

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

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

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

For a further discussion of factors that could cause our actual results to differ, refer to section titled “Risk Factors” and chapter titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 21 and 219 respectively of this Draft Red Herring Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.

Future looking statements speak only as of the date of this Draft Red Herring Prospectus. Neither we, our Directors, Book Running Lead Manager, 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, the BRLM and our Company will ensure that investors in India are informed of material developments until the grant of listing and trading permission by the Stock Exchange Further, in accordance with Regulation 51A of the SEBI Regulations, the Company may be required to undertake an annual updation of the disclosures made in the Red Herring Prospectus/ Prospectus and make it publicly accessible in the manner specified by SEBI.

SECTION II – RISK FACTORS

An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information 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.

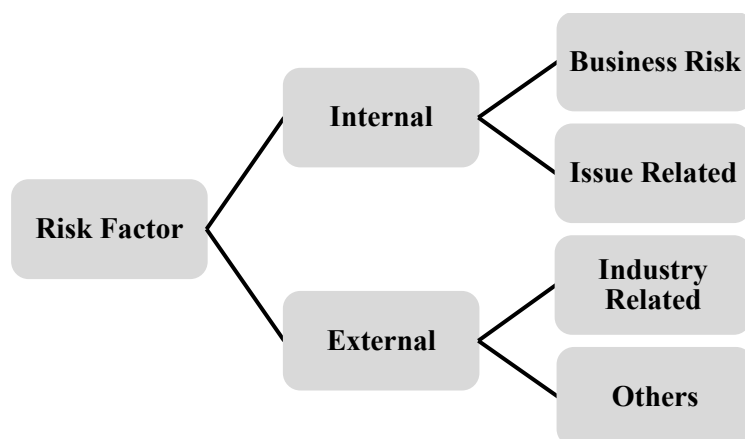
Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. Unless otherwise stated, the financial information of our Company used in this section is derived from our restated financial statements prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI ICDR Regulations. To obtain a better understanding, you should read this section in conjunction with the chapters titled “Our Business” beginning on page 161, “Our Industry” beginning on page 122 and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 219 respectively, of this Draft Red Herring Prospectus as well as other financial information contained herein.

The following factors have been considered for determining the materiality of Risk Factors:

- Some events may not be material individually but may be found material collectively;*
- Some events may have material impact qualitatively instead of quantitatively;*
- 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, the financial information of the Company used in this section is derived from our financial statements under Indian GAAP, as restated in this Draft Red Herring Prospectus. Unless otherwise stated, we are not in a position to specify or quantify the financial or other risks mentioned herein. For capitalized terms used but not defined in this chapter, refer to the chapter titled “Definitions and Abbreviation” beginning on page 3 of this 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.

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



1. *Our Company is currently involved in recovery and consumer related litigation which is pending at various stages; any adverse decision in such proceedings may render us liable to liabilities and penalties and may adversely affect our business and results of operations.*

Ashish Saraf and Deep Saraf are the Key Managerial Personnel (KMP) in our Company. Recovery proceedings have been initiated against them in the capacity of Guarantors for default in repayment of loans by various companies. For further details about litigation against them please refer the head “Outstanding litigation against other companies or any other person whose outcome could have an adverse effect on our Company” in Outstanding litigation chapter on page 241 of the Draft Red Herring Prospectus. A classification of legal proceedings is mentioned below:

Also, there is no assurance that in future, we, our promoters, our directors or group companies may not face legal proceedings; 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 and Subsidiaries see the chapter titled “Outstanding Litigation and Material Developments” on page 241 of this Draft Red Herring Prospectus.

Name of Entity	Criminal Proceedings	Civil/ Arbitration Proceedings	Tax Proceedings	Labour Disputes	Consumer Complaints	Complaints under Section 138 of NI Act, 1881	Aggregate amount involved (Rs. In lakhs)
Company							
By the Company	Nil	2	Nil	Nil	1	Nil	82.3*
Against the Company	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Promoters							
By the Promoter	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Against the Promoter	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Group Companies							
By Group Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Against Group Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Directors other than promoters							
By the Directors	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Against the Directors	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Subsidiaries							
By the Subsidiaries	N.A.**	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Against the Subsidiaries	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

*There may be additions in amount involved as per decision of courts in the matters.

**N.A. = Not Applicable

2. *The availability of our main raw materials is seasonal in nature. Further the same are sourced from tribals spread across the forests of Central India. Increase in costs or a shortfall in availability of the raw materials we purchase could have a material adverse effect on our Company's sales, profitability and results of operations.*

We mainly require tree borne seeds such as sal seeds, mango kernel, etc. for manufacturing our products. Such raw materials are mainly to be procured from forests of different regions of our country such as Chhattisgarh, Jharkand, Odisha and parts of Madhya Pradesh, etc. which is dependent on various factors such as season, forest produce, quality, availability, etc. Though we also import certain materials and procure from local government authorities at times, we are majorly dependent on the local tribes to meet our raw material requirements. We are therefore exposed to fluctuations in the prices of these raw materials as well as its unavailability, particularly as we typically do not enter into any long term supply agreements with our suppliers and our major requirement is met in the spot market. If we were to experience a significant or prolonged shortage of such materials due to severe climatic conditions, changes in government regulations, shortage due to sourcing by the tribals or other factors, and we cannot procure the raw materials from other sources, we would be unable to meet our production schedules and to deliver such products to our customers in timely fashion, which would adversely affect our sales, margins and customer relations. Any change in the supplying pattern of our products, the cost and availability of our raw materials and any increase in their cost and/or availability at a reasonable price or at all, could adversely affect our margins, sales and results of operations

Management Perception

Our procurement system has been established over a period of many years and is now at a developed stage. We have been servicing tribals on time and over the years, we have built goodwill in the community which help us getting the material consistently. There are around 18,000 collection centres over different areas which services our raw material requirements. As a part of our business strategy, we shall also diversify our raw material requirement to Shea seeds to the tune of 20-25% which shall be imported. For the year ended March 31, 2018 we have consumed 26,772 mt p.a. of Sal Seeds and 5,972 mt p.a. of mango kernel. Further with the growing demand for stearin and setting up of our new integrated manufacturing facility, we expect our proposed combined raw material consumption to be 28,000 mt p.a for FY 2018-19 and 38,400 mt pa. for FY 2019-20. As per CARE Industry Report, the estimated annual production for sal seeds is generally 10 lakhs mt and for mango kernel is generally 6 lakhs mt. Thus we do not foresee any issues due to non availability of raw material naturally.

3. *Our top five and top ten customers contributed 72.16% and 87.19% of our total revenue from operations for the year ended March 31, 2018. Any loss of business from one or more of them may adversely affect our revenues and profitability.*

Our top ten customers contributed to a substantial portion of our revenues for the year ended March 31, 2018. However, the composition and revenue generated from these clients might change as we continue to add new customers in normal course of business. Any decline in our quality standards, growing competition and any change in the demand for our products by these customers may adversely affect

our ability to retain them. 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. Also any delay or default in payment by these customers may adversely affect our business, financial condition and results of operations. 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.

4. *Our Company has recently ventured into cocoa butter equivalent manufacturing.*

In the erstwhile standards of chocolate, use of vegetable fat other than cocoa butter was not permitted, however use of vegetable fat other than cocoa butter was in the international practise in Europe, Japan, Russia. Therefore in line with International Practise and CODEX, the standard for chocolate in India has been revised to permit the use of vegetable fat other than Cocoa butter upto 5% of the finished products. Recently on January 1, 2018, the Food Safety and Standards (Food Products Standards and Food Additives) Fourth Amendment Regulations, 2017 notified and revised the standards vide F. No. Stds /SCSS&H/ Notification (02)/FSSAI-2016 for chocolate including addition of standards of two types of chocolate i.e. Praline and couverture. Prior to the above notification coming into effect, we used to mainly process and sell CBE related ingredients and other related products such as Sal stearin, Sal butter, Sal NBD fat, mango butter, Kokum, phulwara, mahua, dhupa, (fats),etc. We commenced processing and sale of CBE only pursuant to the above notification coming into effect and therefore have no operating history as an owner/operator upon which investors can evaluate its performance. The Company has currently started generating revenues in sales of CBE but expects to generate a substantial revenue from CBE as it envisages a huge demand for the product. We also propose to set up an integrated manufacturing facility for manufacturing Cocoa Butter Equivalent and other related products through the use of Net Proceeds. For further details, refer the chapter titled “Objects of the Issue” beginning on page 104 of the DRHP. Investors should understand that an investment in a business without operating history is significantly riskier than an investment in a business with any significant operating history.

There can be no assurance that the Company will achieve revenues or profitability from such line of products. The Company’s operations are subject to all of the risks inherent in the establishment of a new business initiative. The likelihood of our success must be considered in light of the problems, expenses, difficulties, complications and delays frequently encountered in connection with the formation of a pre-revenue business. Our lack of a significant and relevant operating history in domestic and export market makes it difficult to manage operations and predict future operating results. The time required for us to become profitable is uncertain, and there can be no assurance can be no assurance that we will achieve profitability on a sustained basis, if at all.

Management Perception: Our Company has been dealing in the ingredients of cocoa butter equivalents and other related products for more than a decade and believes that it shall not any face major challenges in developing a clientele base for cocoa butter equivalents as the same is next level value added product of our current products. Further our management envisages opportunities in this segment pursuant to the abovementioned notification coming to effect. We have also entered into an agreement with one of the leading chocolate manufacturers for supply of CBE for a period of two years from April, 2018.

5. *Our trading operations constituted more than 60% of our total revenue from operations for the last three financial years. However our Company has been experiencing a loss on such trading activities.*

Our Company generated 71.78%, 60.24% and 62.67% of total revenue from operations from its trading activities of agro based commodities such as rice, maize, soya DOC, etc. for the year ended March 31, 2018, 2017 and 2016 respectively. However we have generally experienced loss on our trading activities in the past years. We earlier harboured the ambition of becoming agro-product trading house along with manufacturing. However, the trading business could not yield results as envisaged by our management. We suffered trading losses on account of deterioration of storage facility resulting into damage of the product thereby reduction in realisation of the goods sold and scrap of the some materials. Though we

have implemented better operational controls and systems, as a part of our future business strategy, our Company may not pursue the trading business going forward.

6. *We utilise services of certain third parties for carrying out solvent extraction process required for manufacturing our products.*

Our manufacturing process can be broadly divided into two parts i.e solvent extraction and fractionation. At present, we are utilising services of certain third parties at Chhatisgarh for carrying out solvent extraction process required for manufacturing our products. Although we conduct quality checks on sample basis and such process is carried out under supervision of our team, any semi finished goods received by us which do not comply with the quality specifications or standards prevalent in the business or market segment, may result in deterioration of our final products leading to customer dissatisfaction, and consequently may have an adverse effect on our sales and profitability. Another important factor in our industry is timeliness of delivery. Any refusal from suppliers to adhere to the delivery schedules or to supply in the necessary quantities may adversely affect our ability to deliver orders on time and as a result we may lose customers.

Though our management have not experienced any quality deterioration so far and believes that there shall be no difficulties in finding new solvent extraction facilities if required, there can be no assurance that our existing or potential solvent extraction facility providers will continue to provide us with the necessary services, at the desired level of quality and within the scheduled timelines. Further we are in the process of establishing an integrated manufacturing facility at Birkoni, near Raipur and once the said factory is set, such activities shall be carried in house only.

7. *If we are subject to product liability claims, it could expose us to costs and liabilities and adversely affect our reputation, revenues and profitability.*

We are exposed to risks associated with product liability claims as a result of developing, producing, promoting and selling cocoa butter equivalents and other related products like sal stearin, mango stearin, mango butter, sal NBD fat etc. in India and other jurisdictions in which our products are sold. Such claims may arise if any of our products are deemed or proven to be unsafe, ineffective or defective contaminated or if we are alleged to have engaged in practices such as improper, insufficient or improper labelling of products or providing inadequate warnings. There can be no assurances that we will not be subjected to product liabilities claims or that we will be able to successfully defend ourselves against any such claims. In addition, we may be required to recall the relevant products, suspend sales or cease sales. Other jurisdictions in which our products are sold, or may be sold in the future, may have similar or more onerous product liability and regulatory regimes, as well as more litigious environments that may further expose us to the risk of product liability claims. We have been consistently audited by our customers for best practices and at present we have taken product liability insurance, however even if we are able to successfully defend ourselves against any such product liability claims, doing so may require significant financial resources and the time and attention of our management. Moreover, even the allegation that our products are defective, whether or not ultimately proven, may adversely affect our reputation and sales volumes.

8. *We generate our major portion of domestic sales from our operations in certain geographical regions especially Maharashtra and Madhya Pradesh. Any adverse developments affecting our operations in these regions could have an adverse impact on our revenue and results of operations.*

For the year ended March 31, 2018 our revenue from our customers situated in Maharashtra and Madhya Pradesh contributed 51.75% and 25.28% of our total revenue from operations as per our Restated Financial Statements. Such geographical concentration of our business in these regions heightens our exposure to adverse developments related to competition, as well as economic and demographic changes in these regions which may adversely affect our business prospects, financial conditions and results of operations. We may not be able to leverage our experience in Maharashtra and Madhya Pradesh region to expand our operations in other parts of India, should we decide to further expand our operations. Factors such as competition, regulatory regimes, business practices and customs, industry needs, transportation, in other markets where we may expand our operations may differ from those in such regions, and our experience in these regions may not be applicable to other markets. While our management believes that the Company has requisite expertise and vision to grow and mark its presence

in other markets going forward, investors should consider our business and prospects in light of the risks, losses and challenges that we may face and should not rely on our results of operations for any prior periods as an indication of our future performance.

Management Perception: We have been focusing on increasing our manufactured product sales and have been widening our reach in international markets. With the allowance of usage of CBE in India from 01.01.2018, we are endeavouring to widen our domestic reach also.

- 9. *The Company is yet to place orders for 99.11% of the plant & machinery for our proposed object, as specified in the Objects of the Issue. Any delay in placing orders, procurement of plant & machinery may delay our implementation schedule and may also lead to increase in price of these plant & machineries, further affecting our revenue and profitability.***

Although we have identified the type of plant and machinery required to be bought for setting up of a new integrated manufacturing facility at Raipur, as on the date of the DRHP, we have only placed order for few machineries amounting to Rs. 38.79 lakhs and made advance payment of Rs. 1.77 lakhs against some other machineries. We are yet to place orders for 99.11% of the plant & machinery as detailed in the — “Objects of the Issue” beginning on page 104 of this DRHP. 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 machineries, 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 Issue” beginning on page 104 of this Draft Red Herring Prospectus.

- 10. *The improper handling, processing or storage of our raw materials or products, or spoilage of and damage to such raw materials and products, or any real or perceived contamination in our products, could subject us to regulatory action, damage our reputation and have an adverse effect on our business, results of operations and financial condition.***

Our manufactured products are mainly used as ingredients of food products which are used for human consumption and in cosmetic products and are subject to risks such as contamination, adulteration and product tampering during their manufacture, transport or storage. Further our traded products are also used for human consumption or as cattle feed. Although all our raw materials and finished products are extensively tested at our facilities, we cannot assure you that the quality tests conducted by us will be accurate at all times. Also certain of our raw materials and our products are required to be stored, handled and transported under certain food safety conditions. Any shortcoming in the production or storage of our products due to negligence, human error or otherwise, may damage our products and result in noncompliance with applicable regulatory standards. Any allegation that our products contain contaminants could damage our reputation, adversely affect our sales and result in legal proceedings being initiated against us, irrespective of whether such allegations have any factual basis. Further we generally sell certain ingredients to institutional customers and if the end products manufactured by those customers are found to be contaminated on account of our ingredients, our customers may return our goods, terminate their relationships with us and initiate legal proceedings against us. Should any of our products be perceived or found to be contaminated, we may be subject to regulatory action, product recalls and our reputation, business, results of operations and financial condition may be adversely affected. Although we attempt to maintain quality standards, we cannot assure that all our products would be of uniform quality, which in turn could adversely affect the value of our brand, and our sales could be diminished if we are associated with negative publicity.

- 11. *Our Company has negative cash flows from its operating activities for FY 2017-18, as well as from investing activities and financing activities in the past years, details of which are given below. Sustained negative cash flow could impact our growth and business.***

Our Company had negative cash flows from our operating activities for FY 2017-18, as well as from investing activities and financing activities in the previous year(s) as per the Restated Financial Statements and the same are summarized as under:

(Rs. in lakhs)

Particulars	For The Year Ended				
	2018	2017	2016	2015	2014
Cash Flow from / (used in) Operating Activities	(1,186.86)	1,065.69	130.86	1,039.48	16.25
Cash Flow from / (used in) Investing Activities	(90.36)	33.08	(33.47)	(13.58)	73.90
Cash Flow from / (used in) Financing Activities	1,615.93	(543.59)	223.23	(986.96)	(41.04)

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

Management Perception:

As India has opened up for 5% CBE consumption with effect from 1st January 2018 and hence the demand from multinational companies has gone up and to cater to this demand, additional production was done which is reflected in increase in inventory and lead to negative cash from operations. . On account of this deregulation, the company has increased its inventory of CBE related ingredients from INR 103.61 lakhs in FY 17 to INR 1,672.23 lakhs in FY 18 in order to fulfil the domestic demand along with the existing global demand. Such inventories has been started to dispatch from April 2018. The higher production of inventory was financed through cash credit facilities.

12. Our Company requires concentrated 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 working capital requirement is generally high during May-July when we procure our major raw materials i.e. sal seeds and mango kernel. Since we make concentrated buying during this period, we generally use our banking limits fully during this period. Further we need to give fixed deposits as collateral security against our cash credit facilities. Summary of our working capital position as per our Restated Financial Statements is given below:-

(Rs. in lakhs)

Particulars	As at March 31,				
	2018	2017	2016	2015	2014
A. Current Assets					
Inventories	1,803.41	189.98	551.27	286.32	761.29
Trade Receivables	157.96	107.05	37.52	100.45	316.47
Cash and Cash Equivalents	1,912.24	1,573.55	1,018.36	697.72	658.79
Short Term Loans & Advances	108.93	59.64	43.72	273.46	116.87
Other Current Assets	218.04	26.09	50.42	0.64	3.93
B. Current Liabilities					
Trade Payables	102.87	717.30	152.44	129.99	45.45
Other Current Liabilities	35.32	84.89	64.00	189.56	45.18

Particulars	As at March 31,				
	2018	2017	2016	2015	2014
Short Term Provisions	259.14	8.88	22.91	13.56	19.66
Working Capital (A-B)	3,803.25	1,145.25	1,461.94	1,025.49	1,747.06

We intend to continue growing by expanding our business operations. This may result in increase in the quantum of current assets particularly inventories and trade receivables. Our inability to maintain sufficient cash flow, credit facility and other sources of fund, in a timely manner, or at all, to meet the requirement of working capital could adversely affect our financial condition and result of our operations. For further details regarding working capital requirement, please refer to the chapter titled “Objects of the Issue” beginning on page 104 of this Draft Red Herring Prospectus.

13. *Delay in schedule of implementation of our project for setting up of a new integrated manufacturing facility may subject our Company to risks related to time and cost overrun which may have a material adverse effect on our business, results of operations and financial condition.*

Our Company is currently proposing to set up a new integrated manufacturing facility at Birkoni, near Raipur. For further details regarding to our proposed setting up a new integrated manufacturing facility, please refer the chapter titled "Objects of the Issue" on page 104 of this DRHP. We may face risks relating to the setting up of our new facility, complete the projects within our estimated budget, failure of our contractors and suppliers to adhere to our specifications and timelines, and changes in the general economic and financial conditions in India. We have limited control over the timing and quality of services, equipment or other supplies from third party contractors and/or consultants appointed by us, and we may be required to incur additional unanticipated costs to remedy any defect or default in their services or products to ensure that the planned timelines are adhered to. Further as and when we complete our upgradation work, our material requirements and costs as well as our staffing requirements and employee expenses may increase and we may face other challenges in extending our financial and other controls to our unit managing our consequent growth.

In the event that the risks and uncertainties discussed above or any other unanticipated risks, uncertainties, contingencies or other events or circumstances limit or delay our efforts to use the Net Proceeds to achieve the planned growth in our business, the use of the Net Proceeds for purposes identified by our management may not result in actual growth of our business, increased profitability or an increase in the value of your investment in our Equity Shares.

14. *Our business operations may be materially adversely affected by strikes, work stoppages or increased wage demands by our employees or those of our suppliers.*

We face competitive pressures in recruiting and retaining skilled and unskilled labour. 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 to our business operations due to disputes or other problems with our work force in the past; 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.

15. *If we are unable to comply with the terms of the leases pertaining to any of our facilities or renew our agreements or enter into new agreements on favourable terms, or at all, our business, results of operations and financial condition may be adversely affected.*

We cannot assure you that we will be able to fully comply with all the terms of the lease deeds which we have entered into in relation to our processing facility, warehouses and offices, renew such leases or enter into new leases in the future, on terms favourable to us, or at all. Further, generally the lessors are entitled to terminate the lease deeds prior to the end of their tenure due to any non-compliance with terms of the lease agreements or non-payment of rent for over a specified period. In the event that any lease deed is terminated prior to its tenure or not renewed, we will be unable to utilize our leased properties which shall hamper our business operations. Additionally, we may be required to expend time and financial resources to shift our leasehold facilities to a new location and there can be no assurance that the arrangement we enter into in respect of new premises would be on such terms and conditions as the present one. Further as on the date of the DRHP, some of our lease agreements have expired and we are in the process of renewal of such agreements. However, we are in the process of setting up an integrated plant, which is one of the objects of the issue and this risk shall be mitigated to the applicable extent once the new plant is fully operational as per the estimated time schedule. For details refer the chapter titled “Objects of the Issue” beginning on page 104 of the DRHP.

16. *Any disruption in production at, or shutdown of our sole processing facility could adversely affect our business, results of operations and financial condition.*

Our processing facility is situated at Nagpur. We carry out refining and fractionation process at this facility. Our processing facility is susceptible to damage or interruption or operating risks, such as human error, power loss, breakdown or failure of equipment, power supply or processes, performance below expected levels of output or efficiency, obsolescence, loss of services of our external contractors, terrorist attacks, acts of war, break-ins, and industrial accidents and similar events. Further, our processing facility is also subject to operating risk arising from compliance with the directives of relevant 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. However we propose to integrate and expand our manufacturing operations by setting up an integrated manufacturing facility at Raipur through the use of a portion of Net proceeds. For details, please refer chapter titled “Objects of the Issue” beginning on page 104 of the DRHP.

17. *We do not have any offshore office or business place to look after our export operations.*

We sell our products to both domestic as well as international markets. A significant portion of our revenue from manufacturing operations is derived from international markets. However, we do not have any offshore office as a result of which we may not be able to capitalize on opportunities offered by the evolving international cocoa butter equivalents and other related products sector in a timely manner. The business operations of our Company are mainly handled from our corporate office located at Raipur and our registered office situated at Mumbai. Apart from this, our Company does not have any place of business overseas either in the nature of liaison office or corporate office. Due to this, we may not be able to expand our business effectively in the international market, thereby affecting the results of operations and profitability. However our management believes that we sell our products to many large MNCs who buys the product after conducting suitable & thorough due diligence on our capabilities. Hence this is an involved customer relationship & sales process; and does not require multiple office overseas to conduct & grow the business.

18. *The shortage or non-availability of power may adversely affect our processing operations and have an adverse impact on our results of operations and financial condition.*

Our processing facility requires substantial amount of power facilities. 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 involve significant capital expenditure and

per unit cost of electricity produced is very high. We are mainly dependent on State Government for meeting our electricity requirements. Any disruption / non availability of power facilities shall directly affect our production which in turn shall have an impact on profitability and turnover of our Company. Though our Company has installed D.G. sets to face power contingencies, we cannot assure that our facilities will be operational during power failures.

19. *We may need to write down our inventories, if unutilised or unsold beyond the shelf life.*

The shelf life our manufactured products generally ranges from 1-2 years. Further since the raw material required to manufacture such products are also agro/ forest produce, they also typically have a shelf life of around 3 years. Although we have adequate storage facilities and we do not typically hold our manufactured products or raw materials beyond its shelf life, there is no assurance that the quality of the unsold or unutilised inventory of finished goods or raw material respectively will not deteriorate if kept for too long. In the event that the quality of such unused raw materials or unsold manufactured products deteriorate, we may have to write down our inventory value which may adversely affect our financial condition and results of operations.

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

Our contingent liabilities as per our Restated Financial Statements on March 31, 2018 is as under:

(Rs. in lakhs)

Sr.	Particulars	As at March 31, 2018
1.	Income Tax Demand AY 13-14	63.69
	Total	63.69

Further we have also been served with a demand notice dated January 3, 2018 by Office of the Deputy Director General of Foreign Trade for Rs. 14.48 lakhs for non-submission of proof of discharge of our earlier export obligation.

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 218 of this Draft Red Herring Prospectus.

21. *Credit Rating of the Company.*

The cost and availability of capital, amongst other factors, is also dependent on our credit ratings. We had been rated by Brickwork Ratings as Long Term Rating BWR BBB – Outlook: Stable dated March 16, 2017 & Short term Rating BWR A3 dated March 16, 2017. Also we have been rated “Dun & Bradstreet Rating of 4A2” by Dun & Bradstreet Information Services India Private Limited vide rating Certificate dated April 29, 2017. Further we are in the process of renewal of our credit rating. Ratings reflect a rating agency's opinion of our financial strength, operating performance, strategic position, and ability to meet our obligations. Any downgrade of our credit ratings would increase borrowing costs and constrain our access to capital and lending markets and, as a result, could adversely affect our business. In addition, downgrades of our credit ratings could increase the possibility of additional terms and conditions being added to any new or replacement financing arrangements.

22. *Our Company may not have complied with certain statutory provisions under Companies Act. Such non-compliances/lapses may attract penalties.*

Our Company may have delayed and made incorrect filing of some forms under the Companies Act in the past. No show cause notice in respect of such filings has been received by the Company till date, however any penalty imposed for such non-compliance in future by any regulatory authority could affect our financial conditions to that extent. Such delay/noncompliance may in the future render us liable to statutory penalties and disallowing the resolutions, which may have consequence of violation of statutory provisions concerned. However our Company has now appointed a whole time Company Secretary who shall ensure that all compliances are made within necessary timelines.

23. *Our statutory auditors have included certain observations on certain matters in their auditor's reports.*

Our statutory auditors have also reported certain observations in their report on the Companies (Auditors Report) Order, 2015 for the financial year ended March 31, 2018. These matters include certain statutory dues not being deposited due to disputes with the relevant authorities. For details on such observations by our statutory auditor, please refer to the chapter titled "Financial Statements" beginning on page 218 of the DRHP. Investors should consider the same in evaluation of our financial position, results of operation and cash flows.

24. *Our Company has not prepared consolidated financial statements for financial year 2017-18.*

During the year ended March 31, 2011 our Company had acquired 50.00% voting power by acquisition of shares in Manorama Energy Private Limited. Thus by definition Manorama Energy Private Limited is an associate of the Company. However the Company has sold off its investment in the associate company on March 1, 2018 therefore, the Company has not prepared consolidated financial statements as per requirement of section 129(3) of the Companies Act 2013 for the year ended March 31, 2018. Hence, to give a comparable view and based on the present situation, restated consolidated financial statements have not been prepared and given in the DRHP.

25. *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 MANORAMA INDUSTRIES LIMITED from MANORAMA INDUSTRIES PRIVATE 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.*

We need to apply for renewal of approvals which expire, from time to time, as and when required in the ordinary course of our business Pursuant to our conversion from a private limited company to a public limited company in the year 2018, we need to take necessary steps for transferring the approvals of our company in the new name. In case of delay or failure to obtain the same, it could affect our business operations. We have applied for Professional Tax Registration Certificate and it is currently pending. 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. For more information, see chapter "Government and Other Statutory Approvals" on page 251 of this Draft Red Herring Prospectus.

Our ability to market and sell our products depends upon the recognition of our brand names and associated consumer goodwill. We may also be required to renew our trademarks. In case of failure to renew our intellectual property on time, competitors and other companies may challenge the validity or scope of our intellectual property right over our brands or our corporate name or logo, which may adversely affect our business operations

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 includes tax laws, environment laws and shops and establishment licences, among others. See "Government and other Statutory Approvals" on page 251 of this Draft Red Herring Prospectus for further details on the required material approvals for the operation of our business.

26. *One of the 'Objects of our Issue' is to establish an integrated Greenfield project for manufacturing of CBE / specialty fats and tailor-made products at Birkoni, near Raipur, Chhattisgarh ("Acquisition Unit"). Our Company has not applied for a complete series of approvals or change in existing approvals like Employees Provident Fund Certificate, Employees State Insurance Scheme, Shops*

and Establishment Certificate under Chhattisgarh Shops and Establishments Act, 1958, GSTIN (addition of new unit in the existing certificate); in case of delay or failure to obtain the same, it could adversely affect our business operations.

In furtherance to meet this object, our Company has obtained approvals like Labour license, factory license, Consent to Establish and Consent to Operate. Additionally, our Company has applied for approvals like sanction of power supply and incentive under industrial policy, both are currently pending. In case of delay or failure to obtain the same, it could adversely affect our business operations. Any failure to 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. For more information, see chapter “Government and Other Statutory Approvals” on page 251 of this Draft Prospectus/ Prospectus or Draft Red Herring Prospectus/ Red Herring Prospectus.

27. Any slowdown in the confectionaries or cosmetics industry could significantly decrease the demand for our manufactured products.

The demand for our manufactured products is dependent, among other things, on the conditions of the global and, in particular, the Indian economy. For instance, the demand for our products is significantly affected by the confectionaries or cosmetics industry. A decline in economic activity in India or in international markets may have an adverse effect on consumer demand for our end products. Further our manufactured products generally are used in premium confectionaries and cosmetics and any decline in the consumer spending on such products would have a corresponding impact on the demand for our products leading to lower margins or slack in our capacity utilisation and may materially and adversely affect our business, financial condition, results of operations, cash flows and business prospects.

28. Conflicts of interest may arise out of common business undertaken by our Company, Promoter and our Group Companies.

Our Group Companies M/s. Manorama Earth Private Limited, M/s Manorama Energy Private Limited and M/s Money Resources Private Limited are also authorized to carry similar activities as those conducted by our Company. As a result, conflicts of interests may arise in allocating business opportunities amongst our Company, and our Group Companies in circumstances where our respective interests diverge.. Any such present and future conflicts could have a material adverse effect on our reputation, business, results of operations and financial condition.

However our Company has entered into a non-compete agreement with the said Companies to avoid any potential conflict of interests wherein Group companies have confirmed that they will not take up any business which will conflict with our Company.

29. Some of our Group Companies have 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. The following of our Group Companies has incurred losses in previous years:

Financial Performance of Manorama Earth Private Limited

Audited Financial information*:

(`Rs in lakhs)

Particulars	March 31, 2017	March 31, 2016	March 31, 2015
Paid-up Equity Capital.	1.00	1.00	-
Reserves & Surplus.	(0.84)	(0.46)	-
Net Asset Value per equity share (Rs)	1.52	5.36	-
Sales and Other Income	0.00	0.00	-
Profit/Loss after tax	0.38	0.46	-

*The Company was incorporated on July 13, 2015, hence, financials of FY 2014-15 is not available.

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

Our Company has entered into various transactions with our Promoters, Promoter Group, Group Companies, Directors and their relatives. While we believe that all such transactions are conducted on arms length basis, there can be no assurance that we could not have achieved more favorable 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” beginning on page 216 of the Draft Red Herring Prospectus.

31. The Project Report envisages certain threats and concerns, in respect of establishing an integrated Greenfield project for Extraction / Refining / Fractionation and value addition of special fats and oils from Tree Oil Seeds (e.g. Mango, Sal, Shea Seeds and Palm) for the Manufacture of CBE / specialty fats and tailor-made products in Birkoni, near Raipur, Chhattisgarh, which might affect our profitability and results of operations. The concerns and threats provided for in the Detailed Project Report have been enumerated below:

The weakness and threats provided for establishing an integrated Greenfield project for Extraction / Refining / Fractionation and value addition of special fats and oils from Tree Oil Seeds (e.g. Mango, Sal, Shea Seeds and Palm) for the Manufacture of CBE / specialty fats and tailor-made products in Birkoni, near Raipur, Chhattisgarh in the Detailed Project report of Care Advisory Research & Training Limited dated May 10, 2018 have been enumerated below

Weakness

- Inadequate funds for working capital allocation for raw material sourcing due to all material available in same period in short span. Thus higher working capital finance is required.
- Difficulty in managing and catering to demand of multiple products and customers. Due to limited production capacity at present one cannot cater to complete demand of our customers

Threats

- **Market/People Oriented**

Consumer behavior can change in their taste and style. Change in the consumption patterns can lead to a fall in demand of chocolate and other related products. Economic recession due to global cues.

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

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

- Environment (Protection) Act, 1986
- Air (Prevention and Control of Pollution) Act, 1981

- c. Water (Prevention and Control of Pollution) Act, 1974
- d. Hazardous Waste Management & Handling Rules, 2008
- e. Other regulations promulgated by the Ministry of Environment and Forests and the Pollution Control Boards of the state of Maharashtra.

which govern the discharge, emission, storage, handling and disposal of a variety of substances that may be used in or result from the operations of our business.

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

33. *We have referred to the data derived from industry report commissioned from the CARE Advisory Research & Training Limited.*

We have retained the services of an independent third party research agency, CARE Advisory Research & Training Limited, to prepare a report on overview of Cocoa Butter Equivalent industry, excerpts from which have been included in this Draft Red Herring Prospectus. The report prepared by CARE Advisory Research & Training Limited, is subject to various limitations and based upon certain assumptions that are subjective in nature. There can be no assurance that the assumptions adopted by this third party agency for the purposes of preparing their research report will prove to be accurate. If any of these assumptions are incorrect, the understanding of the Cocoa Butter Equivalent industry could be materially different from that set forth in the reports.

34. *Our Company is dependent on third party transportation providers for the delivery of our raw materials and 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 providers for delivery of our raw materials and final products. Further we are operating through a distributed set up with processes and warehouses at multiple locations including Nagpur in Maharashtra, Raipur and other parts in Chhattisgarh, leading to higher dependence on transportation services to carry out our business operations. 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. In addition, goods may be lost or damaged in transit for various reasons including 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 raw materials or finished goods may have an adverse effect on our business and results of operations.

Further, disruptions of transportation services due to weather-related problems, strikes, lock-outs, inadequacies in the road infrastructure, or other events could impair ability to procure input materials on time. Any such disruptions could materially and adversely affect our business, financial condition and results of operations.

35. *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 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 is also 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.

36. *Our insurance coverage may not be adequate.*

Our Company has obtained insurance coverage in respect of certain risks. We have taken Burglary policy, Fire floater policy and Standard Fire & Special perils policy, Commercial General Liability policy (including product liability) to secure the office premises, stock, operations and warehouse. Also we have insured our processing unit from fire and burglary. We also have taken workmen's compensation policy. 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 housebreaking, 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. 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 161 of this Draft Red Herring Prospectus.

37. *We face competition from other players which may affect our business operations and financial conditions.*

The market for our products and services is competitive majorly on account of organized and international players. Players in this industry generally compete with each other on key attributes such as technical competence, quality of products and services, pricing and timely delivery. Some of our competitors may have longer industry experience and greater financial, technical and other resources, which may enable them to react faster in changing market scenario and remain competitive. Moreover, the unorganized international sector offers their products & services at highly competitive prices which may not be matched by us and consequently affect our revenue from operations and growth prospects. Growing competition may result in a decline in our market share and may affect our margins which may adversely affect our business operations and our financial condition.

38. *Our revenue is susceptible to changes in consumer preferences and discretionary consumer spending.*

Our continued growth and success depend, in part, on the popularity of confectionary & consumer consumer products. Shifts in consumer preferences away from such products could materially and adversely affect our business and profitability. In addition, our continued success is generally dependent on the level of disposable consumer income and discretionary consumer spending in the markets to which we sell to. Deterioration in economic conditions in markets or countries in which we sell our products may reduce the level of disposable income consumers spend on non-essential products such as chocolate confectionery and cosmetic products.

39. *We are susceptible to risks relating to fluctuations in currency exchange rates.*

We meet some of our raw material requirements through imports. Further we also generate a substantial portion of our revenues from exports. Any fluctuation in the value of the Indian Rupee against any other foreign currency will affect our results of operations. Although we enter into foreign exchange hedging contracts, we cannot assure you that such hedges will be available or commercially viable or effective to hedge our exposure to foreign currency risks. In addition, the policies of the RBI may also change from time to time, which may limit our ability to effectively hedge our foreign currency exposures and may adversely affect our costs of works contracts and financial results. We cannot guarantee that we will not experience foreign exchange losses going forward and that such losses will not adversely affect our business, financial condition or results of operations.

40. *Our Company exports our products to many countries such as Italy, Netherlands, United Kingdom, USA, Germany, etc. Any adverse events affecting these countries could have a significant adverse impact on our results from operations.*

Our Company derives a significant part of its revenue from export operations. For the year ended March 31, 2018, our revenue from export operations contributed to 18.34% of the total revenue from operations. Our Company exports its products to many countries namely Italy, Netherlands, United Kingdom, USA, Germany, etc. For details of country wise exports made by our Company during FY 2017-18 please refer chapter titled “Our History and Certain Other Corporate Matters” beginning on page 190 of this Draft Red Herring Prospectus. Consequently, any adverse changes in these economies such as slowdown in the economy, appreciation of the Indian Rupee vis-à-vis the currencies of these economies, acts of terrorism or hostility targeting these countries, etc. would directly impact our revenues and results from operations. In the event of change in policies or laws in these regions with respect to our industry, quality standards, our financial condition and business operations may be adversely affected. In case of any contingencies in future due to which we are unable to operate effectively in these markets, our results from operations, revenues and profitability may be adversely affected.

41. *Failure or disruption of our IT and/or business resource planning systems may adversely affect our business, financial condition, results of operations, cash flows and prospects.*

We have implemented some information technology (“IT”) and/or business resource planning systems to cover key areas of our operations. We are dependent on technology in relation to customer order management and dispatches, production planning and reporting, manufacturing processes, financial accounting and scheduling material purchase and shipments. We rely on our IT infrastructure to provide us with connectivity and data backup across our locations and functions. While the business resource planning systems that we have implemented have enabled us to improve our working capital cycles, despite an increase in our sales over the period, we can provide no assurance that we will be able to do so in the future.

We believe that we have deployed adequate IT disaster management systems including data backup and retrieval mechanisms, at our manufacturing facility and registered office and corporate office. However, any failure or disruption in the operation of these systems or the loss of data due to such failure or disruption (including due to human error or sabotage) may affect our ability to plan, track, record and analyze work in progress and sales, process financial information, manage our creditors, debtors, or otherwise conduct our normal business operations, which may increase our costs and otherwise adversely affect our business, financial condition, results of operations and cash flows.

42. *Our business depends on our reputation and consumer perception of our brand, and any negative publicity or other harm to our brand or failure to maintain and enhance our brand recognition may materially and adversely affect our business, financial condition, results of operations and cash flows.*

We believe that our reputation and consumer perception of our brand are critical to our business. Maintaining and enhancing our reputation and brand recognition depends primarily on the quality and consistency of our products and services, as well as the success of our marketing and promotional efforts. We believe that maintaining and enhancing our brand is essential to our efforts to maintain and expand our customer base. If customers do not perceive our products or services to be of high quality, our brand image may be harmed, thereby decreasing the attractiveness of our products. In addition, our brand image may be harmed by negative publicity relating to us or India’s cocoa butter equivalent industry regardless of its veracity. If we are unable to maintain and further enhance our brand recognition and increase market awareness for us and our products, our ability to attract and retain customers may be impeded and our business prospects may be materially and adversely affected.

43. *If we are unable to manage our growth or execute our strategies effectively, our business and prospects may be materially and adversely affected.*

Our revenue and our business operations have grown in recent years. We may not be able to sustain these rates of growth in future periods due to a number of factors, including, among others, our execution capability, our ability to maintain customer satisfaction, macroeconomic factors out of our control, the greater difficulty of growing at sustained rates from a larger revenue base, our inability to control our expenses and the availability of resources for our growth. In addition, our anticipated

expansion will place a significant strain on our management, systems and resources. Our development and expansion strategies will require substantial managerial efforts and skills and the incurrence of additional expenditures and may subject us to new or increased risks. Further, pursuing these strategies may require us to expand our operations through internal development efforts as well as partnerships, joint ventures, investments and acquisitions. We may not be able to efficiently or effectively implement our growth strategies or manage the growth of our operations, and any failure to do so may limit future growth and hamper our business strategies.

44. Our Company has no formal supply agreement or contract with our vendors/suppliers for the uninterrupted supply of major materials. Our business may be adversely affected if there is any disruption in the material supply.

We do not have any formal agreements with our vendors/suppliers as we operate on a purchase order system. Due to the absence of any formal contract with our vendors/suppliers, we are exposed to the risks of irregular supplies or no supplies at all and delayed supplies which would materially affect our results of operations. In the event of any disruption in the materials supply or the non availability of materials, the production schedule may be adversely affected impacting the sales and profitability of the Company. In the event the prices of such materials were to rise substantially, we may find it difficult to make alternative arrangements for supplies of our materials, on the terms acceptable to us, which could materially affect our business, results of operations and financial condition.

Management Perception:

We source our products from Tribals through 18000 collections centres set up in the interiors of Chhattisgarh, Jharkhand, Madhya Pradesh, Odisha, Goa, Maharashtra, Karnataka, etc. We also maintain good relations with our collection network and we believe we shall also not face any challenge in finding alternative options of collection centres, if required.

45. We have taken guarantees from Promoters and members of our 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 237 of this Draft Red Herring Prospectus.

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

Under our financing arrangements, we are required to obtain the prior, written lender consent for, among other matters, changes in our capital structure, formulate a scheme of amalgamation or reconstruction and entering into any other borrowing arrangement. Further, we are required to maintain certain financial ratios.

There can be no assurance that we will be able to comply with these financial or other covenants or that we will be able to obtain the consents necessary to take the actions we believe are necessary to operate and grow our business. Our level of existing debt and any new debt that we incur in the future has important consequences. Any failure to comply with these requirements or other conditions or covenants under our financing agreements that is not waived by our lenders or is not otherwise cured by us, may require us to repay the borrowing in whole or part and may include other related costs. Our Company may be forced to sell some or all of its assets or limit our operations. This may adversely affect our ability to conduct our business and impair our future growth plans. For further information, see the chapter titled “Financial Indebtedness” on page 237 of the Draft Red Herring Prospectus. Though these covenants are restrictive to some extent for us, however it ensures financial discipline, which would help us in the long run to improve our financial performance.

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

We have secured our lenders by creating a charge over our movable 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. 1,795.46 lakhs as on March 31, 2018 as per our Restated Financial Statements. 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 237 of this Draft Red Herring Prospectus.

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

As on date, we have not made any alternate arrangements for meeting our capital requirements for the objects of the issue. We meet our capital requirements through our bank finance, owned funds, and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our capital requirements, which in turn will negatively affect our financial condition and results of operations. Further we have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this issue or any shortfall in the issue proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details please refer to the chapter titled “Objects of the Issue” beginning on page 104 of this Draft Red Herring Prospectus.

49. 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. Additionally, under some of our loan agreements, we may not be permitted to declare any dividends, if there is a default under such loan agreements or unless our Company has paid all the dues to the lender up to the date on which the dividend is declared or paid or has made satisfactory provisions thereof. Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our dividend history, see “Dividend Policy” on page 217 of this Draft Red Herring Prospectus.

50. Within the parameters as mentioned in the chapter titled ‘Objects of this Issue’ beginning on page 104 of this Draft Red Herring Prospectus, our Company’s management will have flexibility in applying the proceeds of this Issue. The fund requirement and deployment mentioned in the Objects of this Issue have not been appraised by any bank or financial institution.

We intend to use entire Issue Proceeds towards establishing an integrated Greenfield project for manufacturing of CBE / specialty fats and tailor-made products at Birkoni, near Raipur, Chhattisgarh. and general corporate purposes. We intend to deploy the Net Issue Proceeds in financial year 2018-19 and such deployment is based on certain assumptions and strategy which our Company believes to implement in future. The funds raised from the Issue may remain idle on account of change in assumptions, market conditions, strategy of our Company, etc., For further details on the use of the Issue Proceeds, please refer chapter titled “Objects of the Issue” beginning on page 104 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 Issue’ beginning on page 104 of this Draft Red Herring

Prospectus, the Management will have significant flexibility in applying the proceeds received by our Company from the Issue. Our Board of Directors will monitor the proceeds of this Issue.

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

Since the Issue size is less than Rs.10,000 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 these funds raised through this Issue, is hence, at the discretion of the management and the Board of Directors of our Company and will not be subject to monitoring by any independent agency. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials.

52. *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.

53. *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. 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 Key Managerial Personnel 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.

54. *In addition to normal remuneration or benefits and reimbursement of expenses, some of our Directors and key managerial personnel are interested in our Company to the extent of their shareholding, as lenders and dividend entitlement in our Company.*

Our Directors and Key Managerial Personnel 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, some of our Directors and Key Managerial Personnel may also be interested to the extent of their shareholding, unsecured loan given by them or entities in which they are interested and dividend entitlement in our Company. For further information, see “Capital Structure” and “Our Management” on pages 85 and 195, respectively, 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 Issue, which will allow them to determine the outcome of matters submitted to shareholders for approval.*

After completion of the Issue, our Promoters and Promoter Group will collectively own [●]% 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 and our Articles of Association. 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. *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. 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 and agents 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.

57. *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 in consultation with the BRLM. 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 to the section titled “Risk Factors – Prominent Notes” on page 21 of this Draft Red Herring Prospectus.

58. *We have issued Equity Shares in the last twelve months, the price of which may be lower than the Issue Price.*

Our Company has issued 53,92,665 Bonus Shares which is at a price lower than the issue price in the last twelve months. We have also allotted 1,73,779 Equity Shares of face value of Rs. 10/- each at a premium of Rs. 188.71 per Equity Share on April 28, 2018. However, we cannot assure that such allotment is above or below the issue price, which will be discovered through Book Building Process and will be finalized by our Company in Consultation with Book Running Lead Manager. For further details of Equity Shares issued, please refer to chapter titled, ‘Capital Structure’ beginning on page 85 of this Draft Red Herring Prospectus.

• **Issue Specific Risks**

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

The Issue Price of our Equity Shares will be determined by book built method. This price is based on numerous factors (For further information, please refer chapter titled “Basis for Issue Price” beginning on page 117 of this Draft Red Herring Prospectus) and may not be indicative of the market price of our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price. Among the factors that could affect our share price include without limitation. The following:

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

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

Any future issuance of the Equity Shares, convertible securities or securities linked to the Equity Shares by us, including through exercise of employee stock options granted pursuant to the ESOP Schemes may dilute your shareholding in our Company, adversely affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. We cannot assure you that we will not issue additional Equity Shares. The disposal of Equity Shares by any of our Promoters and Promoter Group, or the perception that such sales may occur may significantly affect the trading price of the Equity Shares. Except as disclosed in “Capital Structure” on page 85, we cannot assure you that our Promoters and Promoter Group will not dispose of, pledge or encumber their Equity Shares in the future.

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

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

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

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Investors can revise their Bids during the Bid/Offer Period and withdraw their Bids until Bid/Offer Closing Date. While our Company is required to complete Allotment pursuant to the Offer within six Working Days from the Bid/Offer Closing Date, events affecting the Bidders’ decision to invest in the Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operation 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 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.

EXTERNAL RISK FACTORS

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

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

assurance as to this or any other aspect of the tax regime following implementation of the GST including antiprofitereering regulations of the new tax regime and availability of input tax credit.

Further, the Union Budget presented in the Indian Parliament on February 1, 2018, proposed 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. The Union Budget is required to be approved by both houses of the Indian Parliament followed by Presidential Assent in order for the Income Tax Act, 1961 and other statutes to be amended and for the above proposals to have the effect of law. Prospective investors should consult their own tax advisors in relation to the consequences of investing in the Equity Shares.

Unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment laws governing our business, operations and group structure could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current businesses or restrict our ability to grow our businesses in the future.

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

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

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

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of Equity Shares in an Indian company are generally taxable in India. Any gain realized on the sale of listed equity shares on a stock exchange held for more than 12 months will not be subject to long term capital gains tax in India if Securities Transaction Tax ("STT") is paid on the sale transaction and additionally, as stipulated by the Finance Act, 2017, STT had been paid at the time of acquisition of such equity shares, except in the case of such acquisitions where STT could not have been paid, as notified by the Central Government under notification no. 43/2017/F. No. 370142/09/2017-TPL on June 5, 2017. However, Finance Bill, 2018, proposes to tax such long term capital gains exceeding ₹ 100,000 arising from sale of Equity Shares on or after April 1, 2018, while continuing to exempt the unrealized capital gains earned up to January 31, 2018 on such Equity Shares. Accordingly, you may be subject to payment of long term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares.

66. *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 218 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.

67. Taxes and other levies imposed by the Government of India or other State Governments, as well as other financial policies and regulations, may have a material adverse effect on our business, financial condition and results of operations.

Taxes and other levies imposed by the Central or State Governments in India that affect our industry include:

- custom duties on imports of materials and components;
- Goods and service tax and other levies; and
- Other new or special taxes and surcharges introduced on a permanent or temporary basis from time to time.

These taxes and levies affect the cost and prices of our products and therefore demand for our product. An increase in any of these taxes or levies, or the imposition of new taxes or levies in the future, may have a material adverse effect on our business, profitability and financial condition.

68. 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 Government of India 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.

69. 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.

70. 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, transfer 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.

71. *Financial instability in other countries may cause increased volatility in Indian financial markets.*

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, particularly emerging market countries in Asia. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our business, our future financial performance and the prices of the Equity Shares.

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

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

73. *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.

74. *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.

75. *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.

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

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

PROMINENT NOTES

1. Public Issue of upto 34,04,400 Equity Shares of face value of Rs. 10 each of our Company for cash at a price of Rs. [●] per Equity Share ("Issue Price") aggregating upto Rs. [●] Lakhs, of which [●] Equity Shares of face value of Rs. 10 each will be reserved for subscription by Market Maker to the Issue ("Market Maker Reservation Portion"). The Issue less the Market Maker Reservation Portion i.e. Net Issue of [●] Equity Shares of face value of Rs. 10 each is hereinafter referred to as the "Net Issue". The Issue and the Net Issue will constitute [●]% and [●]%, respectively of the post Issue paid up equity share capital of the Company.
2. Our Company is considering a placement upto 4,70,400 Equity Shares and/or aggregating upto Rs. 900.00 lakhs with certain investors (—Pre-IPO Placement). The Pre-IPO Placement is at the discretion of our Company and at a price to be decided by our Company. Our Company will complete the issuance and allotment of such Equity Shares, if any, prior to the filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is completed, the issue size would be reduced to the extent of such Pre-IPO Placement, subject to a minimum Issue size of 25 per cent of the post issue paid up equity share capital being offered to the public. The Equity Shares allotted under the Pre-IPO Placement, if completed, shall be subject to a lock-in period of one (1) year from the date of Allotment pursuant to the Issue . The size of the Issue as disclosed in this Draft Red Herring Prospectus being 34,04,400 Equity Shares shall be reduced accordingly.
3. Investors may contact the Book Running Lead Manager or the Company Secretary & Compliance Officer for any complaint/clarification/information pertaining to the Issue. For contact details of the Book Running Lead Manager and the Company Secretary & Compliance Officer, please refer to chapter titled "*General Information*" beginning on page 74 of this Draft Red Herring Prospectus.
4. The pre-issue net worth of our Company as of March 31, 2018 was Rs. 2,472.37 lakhs as per our Restated Financial Statements. The book value per Equity Share as of March 31, 2018 was Rs. 32.75 as per our Restated Financial Statements. For more information, please refer to section titled "Financial Statements" beginning on page 218 of this Draft Red Herring Prospectus.
5. The average cost of acquisition per Equity Share by our Promoters is set forth in the table below:

Name of the Promoter	No. of Equity Shares held	Average cost of Acquisition (in Rs.)
Vinita Saraf	27,73,680	14.81

For further details relating to the allotment of Equity Shares to our Promoters, please refer to the chapter titled "*Capital Structure*" beginning on page 85 of this Draft Red Herring Prospectus.

6. For details on related party transactions and loans and advances made to any company in which Directors are interested, please refer "*Related Party Transaction*" under chapter titled "*Financial Statements as restated*" beginning on page 216 of this Draft Red Herring Prospectus.
7. Investors may note that in case of over-subscription in the Issue, allotment to Retail applicants and other applicants shall be on a proportionate basis. For more information, please refer to the chapter titled "*Issue Structure*" beginning on page 278 of this Draft Red Herring Prospectus.

8. Except as disclosed in the chapter titled “*Capital Structure*”, “*Our Promoter and Promoter Group*”, “*Our Management*” and “*Related Party Transaction*” beginning on pages 85, 208, 195 and 216 respectively, of this Draft Red Herring Prospectus, none of our Promoters, Directors or Key Management Personnel has any interest in our Company.
9. Except as stated in the chapter titled “*Our Group Companies*”, beginning on page 211 and chapter titled “*Related Party Transactions*” beginning on page 216 of this Draft Red Herring Prospectus, our Group Companies have no business interest or other interest in our Company.
10. Except as disclosed in the chapter titled “*Capital Structure*” beginning on page 85 of this Draft Red Herring Prospectus, we have not issued any Equity Shares for consideration other than cash.
11. Trading in Equity Shares of our Company for all investors shall be in dematerialized form only.
12. Investors are advised to refer to the chapter titled “*Basis for Issue Price*” beginning on page 117 of the Draft Red Herring Prospectus.
13. There are no financing arrangements whereby the Promoter Group, the Directors of our Company and their relatives have financed the purchase by any other person of securities of our Company during the period of six months immediately preceding the date of filing of this Draft Red Herring Prospectus with the Stock Exchange.
14. Our Company was originally incorporated as “Manorama Industries Private Limited” at Raipur, Chhattisgarh, as a Private Limited Company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated August 9, 2005 bearing Corporate Identification Number U15142CT2005PTC17858 issued by Registrar of Companies, Madhya Pradesh & Chhattisgarh. Subsequently our Company was converted in to Public Limited Company pursuant to shareholders resolution passed at Extraordinary General Meeting of our Company held on February 06, 2018 and the name of our Company was changed to “Manorama Industries Limited” and a Fresh Certificate of Incorporation consequent upon conversion of Company to Public Limited dated March 23, 2018 was issued by Registrar of Companies, Maharashtra. The Corporate Identification number of our Company is U15142MH2005PLC243687.

SECTION III- INTRODUCTION SUMMARY OF OUR INDUSTRY

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GLOBAL ECONOMIC OVERVIEW

As per International Monetary Fund (IMF) January 2018 World Economic Outlook (WEO), Global output is estimated to have grown by 3.7 percent in 2017, the global growth forecast for 2018 and 2019 is at 3.9 percent for both the years. The growth rate for emerging market and developing economies is estimated to rise up by 4.7 percent in 2017 while it is forecast to rise to 4.9 percent in 2018, 5.0 percent in 2019. This Growth forecast primarily reflects stronger projected activity in emerging Europe and Asia for 2017, 2018 and 2019.

The US economy is estimated to be expanded at 2.3 percent in 2017 and projected to expand at 2.3 percent in 2018 and 2.2 percent in 2019. The projection of a continuation of near-term growth that is moderately above potential reflects very supportive financial conditions and strong business and consumer confidence. The U.S. tax policy changes are expected to stimulate activity, with the short-term impact in the United States mostly driven by the investment response to the corporate income tax cuts. Over a longer horizon, US growth is expected to moderate. Potential growth is estimated at 1.8 percent, reflecting the assumption of continued sluggish growth in total factor productivity and diminished growth of the workforce due to population aging.

The euro area recovery is expected to gather strength this year, with growth estimated to rise to 2.3 percent in 2017, before moderating to 2.2 percent in 2018 and 2.0 percent in 2019. The growth in 2017 mostly reflects acceleration in exports in the context of the broader pickup in global trade and continued strength in domestic demand growth supported by accommodative financial conditions amid diminished political risk and policy uncertainty. Growth in the United Kingdom is estimated at 1.7 percent in 2017 and to subside to 1.5 percent in 2018 and 2019. The slowdown is driven by softer growth in private consumption as the pound's depreciation weighed on household real income. The medium-term growth outlook is highly uncertain and will depend in part on the new economic relationship with the EU and the extent of the increase in barriers to trade, migration, and cross-border financial activity.

In China, growth is estimated to notch up to 6.8 percent in 2017, while projected to slow to 6.6 percent in 2018 and 6.4 percent in 2019. The upward revision to the 2017 forecast reflects the stronger-than-expected outturn in the year underpinned by previous policy easing and supply-side reforms.

In the rest of emerging market and developing Asia, growth is expected to be vigorous. Strong government spending and data revisions in India led to an upward revision of 2016 growth to 7.1 percent with upward revisions of about 0.2 percentage point, on average, for 2014 and 2015.

However, the growth estimated for 2017 to 6.7 percent reflecting still lingering disruptions associated with the currency exchange initiative introduced in November 2016, as well as transition costs related to the launch of the national Goods and Services Tax in July 2017. The latter move, which promises the unification of India's vast domestic market, is among several key structural reforms under

implementation that are expected to help push growth above 8 percent in the medium term. In the ASEAN-5 economies (Indonesia, Malaysia, Philippines, Thailand, Vietnam), growth is estimated to strengthen in 2017 by 5.3 percent, partly because of stronger- than-expected external demand from China and Europe.

Global growth is forecast to increase marginally beyond 2018, reaching 3.8 percent by 2021. With growth in advanced economies projected to gradually decline toward potential growth rates of about 1.7 percent once economic slack is eliminated, this further pickup in global activity is entirely driven by emerging market and developing economies. In these countries, growth is projected to increase to 5 percent by the end of the forecast period, with their impact on global activity boosted by their rising world economic weight. This forecast assumes some strengthening of growth in commodity exports, though to rates much more modest than in 2000–15; a gradual increase in India's growth rate resulting from implementation of important Structural reforms; continued strong growth in other commodity imports; and a lower but still high trend growth rate in China.

Real GDP Growth (%):

Country & Groups	2016	2017 Estimate	2018 Projections	2019 Projections
World Output	3.2	3.7	3.9	3.9
Advanced economies	1.7	2.3	2.3	2.2
Emerging Market and Developing Economies	4.4	4.7	4.9	5.0
Emerging and Developing Asia	6.4	6.5	6.5	6.6
China	6.7	6.8	6.6	6.4
India	7.1	6.7	7.4	7.8
ASEAN-5	4.9	5.3	5.3	5.3
Emerging and Developing Europe	3.2	5.2	4.0	3.8
Latin America & the Caribbean	(0.7)	1.3	1.9	2.6
Middle East, North Africa	4.9	2.5	3.6	3.6
Sub-Sahara Africa	1.4	2.7	3.3	3.5
Low-Income Developing Countries	3.6	4.7	5.2	5.3

(Source: International Monetary Fund, January 2018)

Indian Economy:

India has become the fastest growing major economy in the world according to the Central Statistics Organization (CSO) and the International Monetary Fund (IMF). According to the International Monetary Fund (IMF), post demonetization, India's growth is projected to rebound to 7.4 percent in FY 2019 and further to 7.8 percent in FY 2020. According to IMF January 2018 economy outlook India's economy expected to grow by 6.7 in fiscal year 2017-18. The improvement in India's economic fundamentals has accelerated in 2015 with the combined impact of strong government reforms, the inflation focus of the Reserve Bank of India (RBI) supported by global commodity prices.

Moody's Investors Service ("Moody's") has upgraded the Government of India's local and foreign currency issuer ratings to Baa2 from Baa3 and changed the outlook on the rating to stable from positive in November 2017. India's rating has been upgraded after a period of 13 years. India's sovereign credit rating was last upgraded in January 2004 to Baa3.

India's gross domestic product (GDP) will grow by 6.7% in the current fiscal, sharply down from 7.1% growth clocked by it in 2016-17, the Central Statistical Office (CSO). The CSO's estimate on GDP growth for 2017-18 is even lower than the Reserve Bank's lowered projection of 6.7%. The central bank had initially forecast GDP growth at 7.3% for this fiscal. The gross value added (GVA) is projected to grow by 6.1% in 2017-18, down from 6.6% in 2016-17. The manufacturing sector is expected to grow by 4.6% vs. 7.9% the previous year, agriculture by 2.1% vs. 4.9%, electricity and utility services

by 7.5% vs 7.2% in the last fiscal. The construction sector, which has been in the doldrums so far, is seen picking up to 3.6% from 1.7% in 2016-17. Finance, insurance, real estate and profession services sector is expected to post 7.3% growth, up from 5.7% in 2016-17.

Direct tax collections during the first nine-and-a-half months of the current fiscal have risen by 18.7 percent to Rs 6.89 lakh crore. The collection amounts to 70 percent of the Rs 9.8 lakh crore revenue target from direct taxes.

The growth in corporate tax collections has risen from 4.8 per cent in first quarter of current fiscal to 10.1 per cent in Q3 and 11.4 per cent as on January 15, 2018. Similarly, the growth rate of net corporate tax collections increased from 10.8 per cent in Q2 to 17.4 per cent in Q3 and to 18.2 per cent as on January 15, 2018.

India has maintained its position as the third largest start up base in the world with more than 5,200 technology start-ups, with approximately 1,000 new start-ups to be founded in 2017, according to a NASSCOM report.

The Indian workforce is expected to hit 160-170 million by 2020, according to the population growth rate, the greater participation in the labor force and enrollment in higher education, among other factors, according to a study by ASSOCHAM and Thought Arbitrage Research Institute.

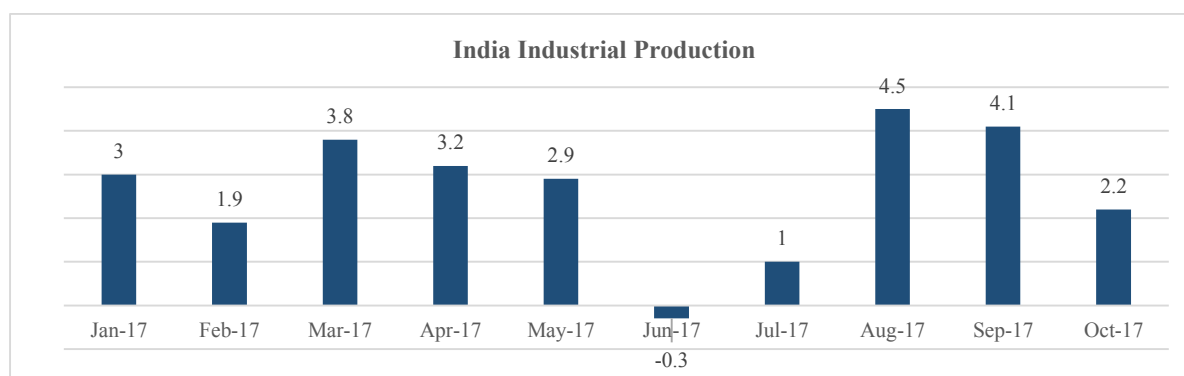
India's Foreign Exchange Reserves was measured at 377.5 USD bn in Nov 2017, compared with 374.8 USD bn in the previous month.

Recent Developments across various sectors:

India Industrial Production:

India's industrial output reversed the moderation of the previous month and surged to a 2 year high in November'17, surpassing expectations. The industrial output as measured by the Index of Industrial output (IIP) grew by 8.4% (y-o-y) in November'17, the highest monthly growth recorded since October'15. The growth in IIP last month was significantly higher than the 5.1% growth of November'16 and 2.2% growth of October'17.

The manufacturing sector recorded a y-o-y of 10.2% in November'17 (4.1% in November'16), the highest growth in over 4.5 years. Consumer non-durables too grew by a record high 23.1% during the month (3.3% in November'16). Growth (y-o-y) during the month was the highest in case of the pharmaceuticals (40%), computers & optical products (29%), transport equipment (23%), food products (18%), motor vehicles (18%), basic metal (13%), non-metallic mineral products (10%), fabricated metal products (9%) and wood products (9%). The growth in pharmaceuticals and food products can be largely attributed to restocking.



(Source: Trading Economics)

India's Gross Capital Formation:

Gross Fixed Capital Formation in India decreased to 9152.11 INR Billion in the third quarter of 2017 from 9275.06 INR Billion in the second quarter of 2017. Gross Fixed Capital Formation in India

averaged 5238.42 INR Billion from 2001 until 2017, reaching an all-time high of 9384.88 INR Billion in the first quarter of 2016 and a record low of 2021.90 INR Billion in the first quarter of 2002.



(Source: Trading Economics)

Government Initiative:

The Government of India announced the demonetization of high denomination notes of Rs.1,000 and Rs.500, with effect on November 8, 2016, in order to eliminate black money and the growing threat of false banknotes in Indian currency, thus creating opportunities of improvement in economic growth.

In the Union Budget 2017-18, the Finance Minister, stated that the biggest boost of the budget proposals is the stimulation of growth, provide relief to the middle class, provide affordable housing, reduce black money, digitize the economy, increase transparency in political financing and simplify the tax administration in the country.

India's Unemployment Rate increased to 3.60 % in Dec 2017, from the previously reported number of 3.50 % in Dec 2016. India's Unemployment Rate is updated yearly, available from Dec 1991 to Dec 2017, with an average rate of 3.90 %. The data reached an all-time high of 4.40 % in Dec 2005 and a record low of 3.50 % in Dec 2016.

Numerous foreign companies are establishing their facilities in India because of several government initiatives such as Make in India and Digital India with the aim of boosting the manufacturing sector of the Indian economy to increase the purchasing power of an average Indian consumer, which would boost demand and stimulate development in addition to benefiting investors. The Government of India, under the Make in India initiative, seeks to boost the contribution of the manufacturing sector and aims to raise it to 25 percent of the current 17 percent GDP. In addition, the Government has also presented the Digital India initiative, which focuses on three basic components: the creation of digital infrastructure, the provision of services in digital form and the increase of digital literacy.

The Government of India along with its investment promotion agency, Invest India, are in discussion with around 300 Indian and foreign companies to channelize investments worth US\$ 62 billion, which will help create over 1.7 million job opportunities in India.

Government of India has organized World Food India in 2017 to promote Food Business and have opened different sector related to Food Processing Department from FSSAI.

Road Ahead:

India is expected to be the third largest consumer economy since its consumption could triple to 4 trillion dollars by 2025, due to the change in consumer behavior and the pattern of spending, according to a report by the Boston Consulting Group (BCG); and it is estimated that it will surpass USA to become the second largest economy in terms of purchasing power parity (PPA) for the year 2040. In addition, the Prime Minister has declared that India has become the world's fastest growing economy, and is expected to multiply by five in 2040, due to a series of policy measures.

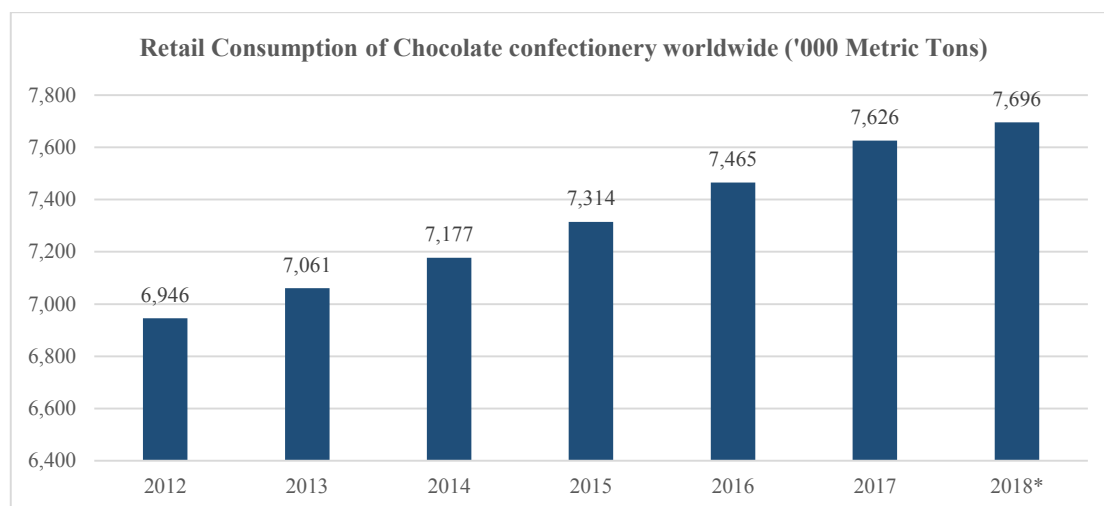
(Source: Trading Economics, Industry Source)

OVERVIEW ON CHOCOLATE MARKET

Chocolate, a processed sweetened product made by using cocoa seed butter, forms a part of everyday consumption habit in developed countries. Currently, different types of chocolates with varying cocoa content are offered by chocolate makers across the globe.

Chocolate is delivered in the form of a paste or solid blocks made from cacao seeds usually sweetened and consumed as a confectionery. The overall confectionery sector generally includes chocolate confectionery, sugar confectionery, and gum confectionery. The retail chocolate confectionery sector is increasing steadily as specialist chocolate stores have become a top source of sales for various manufacturers.

Cocoa is the key ingredient for manufacturing of chocolates. The demand for cocoa is dependent on the chocolate product market, comprising of chocolate confectionery and other chocolate and cocoa products. Average global consumption growth of the industry was just over 2% per annum over the last ten years.



Source: Statista (the statistics portal) – Global Chocolate consumption

Majority of chocolate sales are accounted for by the US manufacturers like Mondelez International, Mars Inc. The largest chocolate manufacturer across the world i.e. Mars accounts for 42% of the American chocolate market. Global chocolate market registered a CAGR of about 3% during last five years i.e. 2012 to 2017.

Production of Chocolate products ('000 Tonnes):

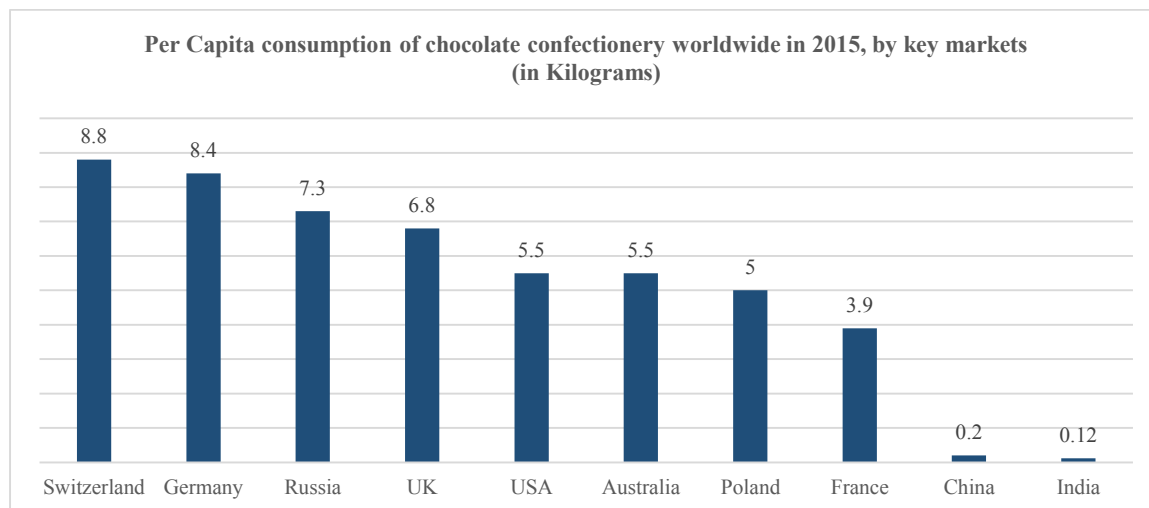
European Union has produced more than five million metric tonnes of chocolates each year, which is more than twice the production in NAFTA region as shown in the table below.

In('000 tonnes)	2011	2012	2013	2014	2015
European Union	5308	4989	5466	5493	5292
NAFTA Region	2423	2207	2375	2550	2401
Asia	1039	1341	1399	1433	1203
Middle East	414	472	476	592	587
Africa	341	474	354	533	640
Eastern Europe	910	987	1065	954	810

Source: Bloomberg news net

Per Capita consumption of Chocolate & Confectionery products:

European and US market have a per capita consumption of more than 5 kg per year, much higher than the Asian market.



Source:-Statista– Global Chocolate consumption

OVERVIEW ON COCOA & COCO BUTTER MARKET

Cocoa - Introduction

Cocoa is the key ingredient for manufacturing of chocolates and is a cash crop, a critical export for producing countries and also a key import for consuming countries, which typically do not have a suitable climate for cocoa production. Traveling along a global supply chain, cocoa beans go through a complex production process that involves farmers, buyers, shipping organizations, processors, manufacturers, chocolatiers, and distributors.

Cocoa trees grow in a tropical environment, within 15 to 20 degrees latitude from the equator. The ideal climate for growing cocoa is hot, rainy, and tropical with lush vegetation to provide shade for the cocoa trees. The primary growing regions are Africa, Asia, and Latin America. The largest producing country by volume is Côte d'Ivoire which produces 33% of the global supply.

Once cocoa beans have been harvested, fermented, dried, and transported, they are processed into separate components for commercial consumption. Processing is the last phase in which demand for cocoa beans can be equitably compared to supply, and after processing into separate components, individual components of the cocoa beans are sold across many industries to manufacture of confectionery, soaps and cosmetic items.

Global market for processing of cocoa beans has remained stable. The Netherlands is the largest processing country by volume, handling about 13% of the global grindings. Though unsuitable for growing cocoa, Europe as a whole comprises nearly 40% of the processing market. The remaining 60% is divided almost evenly between Africa, Asia, and the Americas.

Global Cocoa Beans Market:

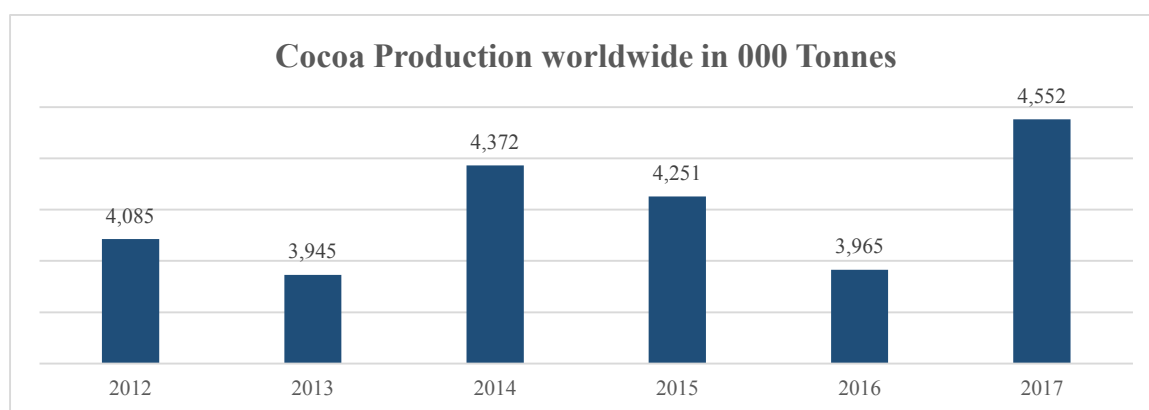
The demand for cocoa is dependent on the chocolate product market, comprising of chocolate confectionery and other chocolate and cocoa products. Global Chocolate Market is directly linked to economic growth progress.

The cocoa beans have captured the attention of consumers from around the world, due to the fast growth of the chocolate confectionery market. Other than chocolate confectionery market, factors stimulating the market growth include increasing disposable income among middle class and increasing popularity

of cocoa based products like cocoa beverages and cocoa powder. However, the commodity price fluctuation, pest and diseases, low productivity, high dependence on seasons and environmental conditions and high cost of farm inputs are restraining the market growth.

Supply of Cocoa products:

The demand for chocolate products has expanded, which in turn has led to increased demand for the semi processed cocoa products required in their manufacture. These semi-processed products (comprising of cocoa liquor, cocoa butter and powder) are derived from cocoa bean grindings.



Source:- International Cocoa organization portal

On an average, around 4 million metric tonnes of cocoa beans are produced each year. In line with the growing chocolate product demand, global cocoa grindings have increased by an average of 1.7% per annum over the last decade, in 2016-17 Cocoa production reached its peak at 4.5 Million metric tonnes.

Supply & production in India:

In India, cocoa is grown primarily as an intercrop in Andhra Pradesh, Tamil Nadu, Karnataka and Kerala, as the tree requires about 40-50 percent shade. More than two-thirds of cocoa is grown in coconut groves, with the rest in oil palm and rubber plantations.

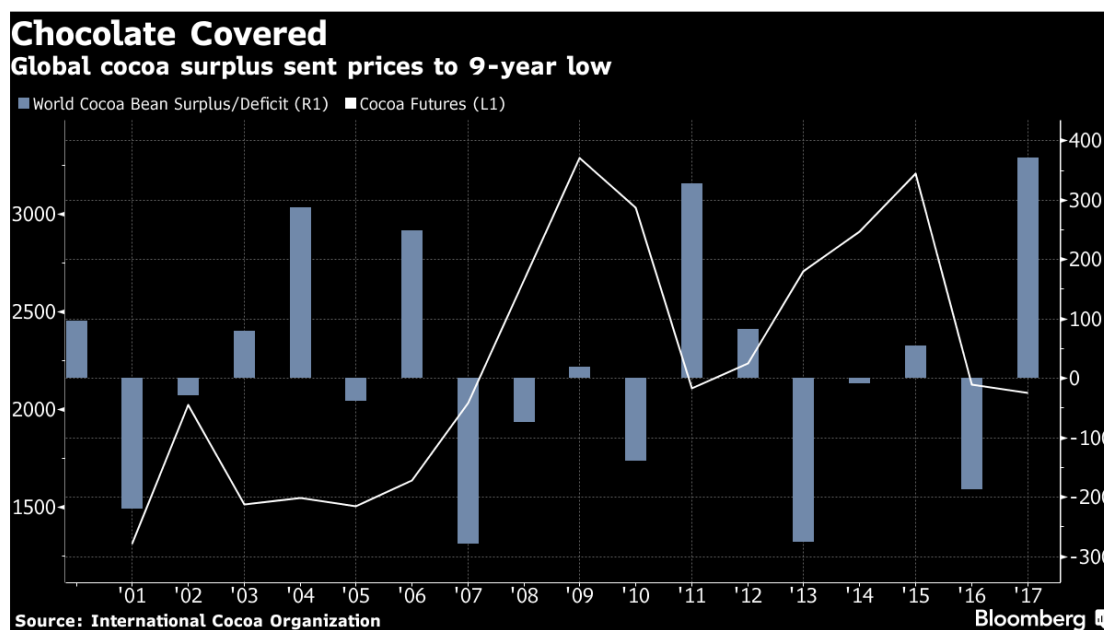
The total area under cultivation in the four southern states at the end of 2015-16 was 81,274 hectares (1 ha equals 2.47 acres)

According to the International Cocoa Organization in 2015-16, India harvested 17,200 metric tons (MT) of cocoa beans, only 1.1 per cent of the yield in Ivory Coast, the largest cocoa bean producer in the world.

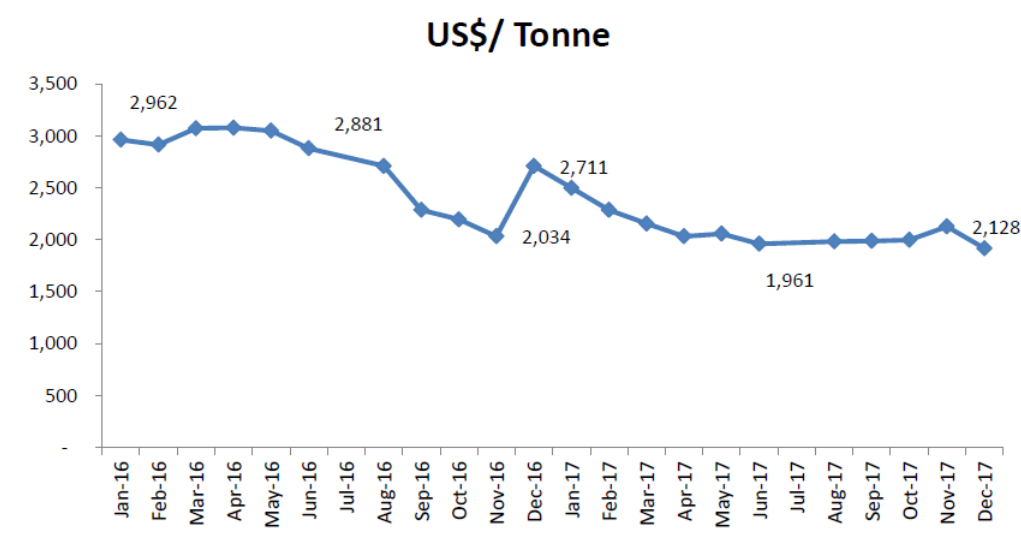
Pricing & Surplus in Production of Cocoa Beans:

The international market prices of cocoa are very volatile and change variably with demand and supply. Cocoa prices plunged 34 percent in 2016 and are down again in 2017 after big harvests in Ivory Coast and Ghana overwhelmed demand. Production in the two countries - which account for two thirds of global supply – is estimated to fall, so is the harvest in Indonesia, Asia's top producer. Citigroup Inc. forecasts that the surplus will shrink to as little as 50,000 metric tonnes in 2017-18 from almost 500,000 metric tonnes a year earlier.

Surplus & Cocoa forwards pricing trend:



Cocoa Beans Pricing in US\$:



Source:- International Cocoa organization portal

Cocoa prices are volatile and influenced by many factors. These include changes in weather conditions, pests and diseases and political instability in producing countries.

Demand of Cocoa Beans Products:

Demand has picked up in Asia particularly, where countries including Philippines, Indonesia, India and China are consuming more powder in products like cookies and ice-cream and while West African growers may reap a second year of bumper crops, top producer Ivory Coast is unlikely to repeat last season's record harvest.

Global cocoa processing is expected to rise by more than 3 percent, processing exceeded 5 percent growth in 2016-17. About 8,000 new products were launched in the confectionery market last year.

Demand for cocoa butter and cocoa liquor, used to make chocolate bars, is also growing and the market is tight despite last season's record surplus that has helped boost cocoa-processing margins, with the so-called combined ratio - the price of cocoa products relative to beans - reaching the highest in more than a decade this year.

Region-wise Demand

1. North America

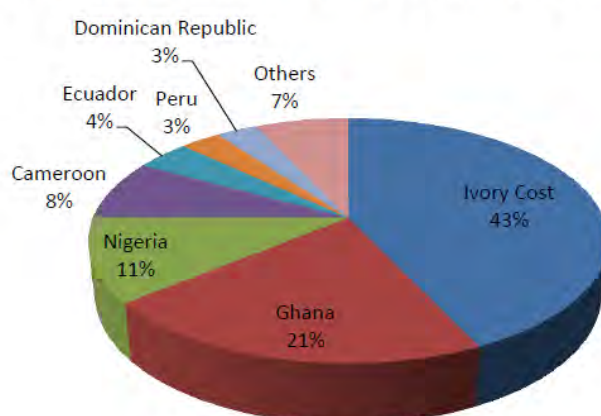
The NAFTA region consumes in the order of 850,000 tonnes of cocoa beans per annum. This volume has been stable over the last decade. Of this, the region grinds around 500,000 tons per annum, although there is considerable annual volatility.

U.S. accounted for the largest share in the North America chocolate market with an estimated size of USD 27.88 billion in 2016. Manufacturers are involved in initiatives to position chocolate as a healthier product by increasing the content of dark chocolate, fruits, nuts, and other ingredients to nutritive value and lower calorie indulgence. This is expected to be one of the reasons behind the dominance of U.S. in the North America market for chocolates.

2. European Union

The EU Consumes in the order of 1.7 Million tons of cocoa beans per annum. In Europe, growing demand for specialty chocolate can be found in traditional consuming countries such as Belgium, France, Germany, Italy, Switzerland and the United Kingdom.

Main Suppliers of Cocoa Beans to Europe, in volume 2016



Source:- International Cocoa organization portal

Consumption in this segment is associated with higher incomes, consumer awareness and market exposure. On an average, use has increased by 1.5% per annum over the last decade and while grindings have grown by around 1% per annum, and the balance being taken up by the imports.

European Union Cocoa Products Imports & Exports:

(In Metric Tonnes)

Imports	2010	2011	2012	2013	2014	2015
Liquor	160	194	185	232	232	209
Butter	162	177	191	212	202	170
Powder	105	112	101	120	151	181

(In Metric Tonnes)

Exports	2010	2011	2012	2013	2014	2015
Liquor	59	64	61	60	67	62
Butter	80	64	67	72	63	62
Powder	279	208	209	215	242	246

The Eastern European chocolate industry (dominated by Russia) grew strongly prior to the financial crisis in 2009. More recently, cocoa use has fluctuated around 250,000 to 300,000 tons, however consumption fell below 240,000 tons in 2015.

Middle East

Chocolate confectionery in the Middle East and Africa is growing by 5 percent in sales value year on year since 2011, against the global average of 2 percent for the same period. Growth in the savory snack segment is equally strong, increasing in sales value by 6 percent annually since 2011, and double the global average of 3 percent. Chocolate consumption volume has experienced a steady growth during last five years. For example, Iran's Chocolate confectionery consumption reached 41.1K tons in 2017 compared to 38.5k tons in 2012. Israel reached 25.9K tons in 2017 compared to 20.9k tons in 2012.

Middle East Chocolate market is anticipated to grow at a CAGR of 4.8% during 2017-23. Countries such as Saudi Arabia, UAE and Qatar would drive the market during 2017-23 due to growing organized retail sector and upcoming global events such as Dubai World Expo 2020 and FIFA World Cup 2022 in Qatar. Companies such as Mondelez International and Mars are targeting local markets by expanding their production facilities in the region. Luxury chocolate manufacturers are also growing their presence in the region.

India

In 2015-16, India's total consumption of cocoa beans was around 30,000 MT, 57 percent of which was imported. In the five years till 2015-16, India's cocoa bean production grew at a CAGR of just 3.6 percent, according to data from the Directorate of Cashewnut and Cocoa Development (DCCD).

India's per capita consumption is miniscule compared to the world's most chocolate-crazy nation, the Switzerland, whose citizens consumed a staggering 8.8 kg on average in 2015. According to Euro-monitor International, the size of the Indian chocolate confectionery market in 2016 was around Rs 11,260 crore. The top three players are all multinationals, with Mondelez India (formerly Cadbury India), maker of the popular Cadbury Dairy Milk chocolates, controlling nearly half the market, while Nestle and Ferrero accounting for 13 percent & 8 percent respectively.

China

China's consumption of chocolate per capita was 0.20 kilogram, versus 8.8 kilograms in the Switzerland, the world's largest chocolate consumer by volume per capita. Valued at about 20 billion Yuan (\$3.02 billion) in 2015 in terms of sales, the market for chocolate in China is expected to grow to 40 billion Yuan by 2020.

Chocolate market in China is developing fast with imported foodstuffs by major European chocolate manufacturers. According to an industry report released by China Merchants Securities, famous chocolate brands such as Dove and M&M's under Mars, the world's largest candy maker, took up 39.8 percent of the domestic market share in 2016, and Ferrero Rocher, the Italian chocolatier, enjoyed a 17.8 percent stake, with other foreign brands including Hershey and Nestle following closely.

Japan

Japan is the largest confectionery market in Asia with a high per capita consumption of chocolate. The recession in 2009, along with the earthquake and tsunami in 2011, caused the Japanese economy to significantly retract, which negatively affected consumer spending. However, chocolate market has recovered a decent amount of sales after 2013, with most of the sales being created in the premium and luxury categories.

Japanese consumers are influenced by price but they are unlikely to compromise on the quality and freshness of products for more affordable pricing. Hence, the market has already moved towards luxury chocolates rather than everyday products and the average selling price of chocolate products is even higher than the global average.

SUMMARY OF 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.

The financial information used in this chapter, unless otherwise stated, is derived from our Financial Information, as restated prepared in accordance with Indian GAAP, Companies Act and SEBI Regulations. The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this Draft Red Herring Prospectus, including the information contained in the sections titled “Risk Factors” and “Financial Information” beginning on pages 21 and 218, respectively.

OVERVIEW

Incorporated in 2005, our Company Manorama Industries Limited (“Manorama” or “Company” or “MIL”) is engaged in manufacturing, processing and supply of exotic and specialty fats & oils like Sal butter, Sal fat, Sal oil, Sal Stearine, Sal olein, Mango butter, Mango fat, Mango oil, Mango Stearine, Kokum butter, Kokum oil, Mowrah fat, and several value added tailor made products. Currently, we are among the leading manufacturers of Sal Oils and Stearine globally with an annual production of 3,000-4,000 tonnes. Last year, we produced 908 tonnes of Stearine resulting into approximately 1% global market share. Globally, we are amongst the top 10 manufacturers of Stearine. [Source: CARE Industry Report]. As early as the 1970s, our Group had made its mark on global Oils and Fats industry with the Netherlands Government publishing special features on the Indian entrepreneur in leading Dutch newspapers publicizing the vast potential of Indian exotic fats.

We are majorly catering to chocolate and cosmetic industry. Our product stearine which is made out of sal or mango seeds is one of the key ingredients in the manufacturing of Cocoa Butter Equivalents (CBE), which has a demand in the Chocolate Industry. Further our product olein is generally demanded in cosmetic industry. Our products also serve as a non-palm oil ingredient as there is movement against usage of palm oil in many western countries. Further pursuant to the enactment of recent notification F. No. Stds /SCSS&H/ Notification (02)/FSSAI-2016 dated May 17th, 2017, from 1st Jan 2018, India has allowed 5% CBE produced from Indian exotic fats to be used in manufacturing of chocolates. The relaxation is not applicable for CBE produced out of imported Shea Stearine. This has been a major positive development for the Company. As the chocolate industry is growing rapidly in India, the demand for CBE should increase rapidly, which can be catered to by CBE produced from Sal, Mango, Kokum, Mahua, Phulwara, & Dhupa, which are Indian exotic fats and considering our Company has already been dealing in such ingredients and is proposing to set up an integrated facility for manufacturing of CBE at Raipur, the said notification should boost our revenue from operations and financial results. We have also entered into an agreement with one of the leading chocolate manufacturers for supply of CBE for a period of two year from 2018. As on date of the DRHP, we have an order book to supply CBE worth Rs. 7680.00 lakhs over a period of two years from April, 2018.

Our key source of raw material is Sal seeds which are sourced from tribals living in Sal forests in Chhattisgarh, Jharkhand, Orissa & parts of Madhya Pradesh. The seeds start falling down during month of May and June and tribals collect them and bring them to the village centres. Manorama has been buying these seeds from tribals for many years and has an established network in more than 18,000 villages in the states of Chhattisgarh, Jharkhand, Orissa, Madhya Pradesh, etc. We also procure raw materials from forest departments and local markets if required.

Along with Sal Seeds, tribals also bring other forest and agri produced materials like rice, paddy, maize, etc. and we have been buying them in order to facilitate the tribals for ease of doing business and serving

as a one point vendor for all of their products. We harboured the ambition of becoming Agro-Product trading house along with manufacturing. However, the trading business could not yield results as envisaged by our management. Though we have implemented better operational controls and systems, as a part of our future business strategy, our Company may not pursue the trading business.

Our manufacturing process can be divided into two parts i.e. i) Solvent extraction and pre-processing and ii) Refining and fractionation. We outsource solvent extraction and pre-processing activity to third parties at Chhatisgarh who conduct such processes under the supervision and guidance of our operations team. As on the date of the DRHP, we have entered into agreements with 3 parties to carry out such activities on solvent extraction on our behalf. The second part i.e refining and fractionation process is carried out at our manufacturing facility situated at Nagpur. This facility has been registered by Intertek as conforming to the requirements of EFfCI GMP Guide for Cosmetic Ingredients, including the certification standard and scheme for GMP for Cosmetic Ingredients- Revision 2012. It also meets the requirements laid down by OneCert International Organic Standards (EU Equivalent), National Programme for Organic Production (India), National Organic Programme technical standards (USA) and India's National Programme for Organic Production Standards. Our Company is in the process of setting up an integrated manufacturing facility at Raipur with a capacity of around 11,250 tonnes p.a. of specialty fats and CBE; which shall enable us to carry out the entire manufacturing operations under one roof. For details, please refer the chapter titled "Objects of the Issue" beginning on page 104 of the DRHP.

Our Company is promoted by Vinita Saraf. She has more than a decade of experience in the food processing and specialty oils industry. Her journey has been marked by ambitious and entrepreneur vision coupled with great vigour and hard work. She has been active in developing the seed collection systems as they are a critical component for the manufacture of specialty fats & CBE. Her leadership has enabled Manorama to achieve numerous milestones and also resulted in creation of a robust business model. As a family, we have been in this business for more than four decades and have built relationships with large global chocolate/CBE manufacturers like Ferrero (Italy), Ferrero (India), Mitsui (Japan), Unigra (Italy), Walter Rau (Germany), Adeka Corporation (Japan), Olvea Vegetable Oils (France), etc. who regularly source Sal Stearine and other fats from us. We have also entered into a supply agreement with The Body Shop International Ltd. (U.K.) ("The Body Shop") for supply of Mango Butter. The Body Shop is one of the leading global cosmetic brands who have pioneered social audits with extremely stringent criteria for sourcing of their products & selection of suppliers. Similarly, we have been supplying oleins & fats which have been used by other leading cosmetic companies like L'oreal, ActivON (Korea), Naturasante LeafMotiv (France), Gustav Hess GMBH (Germany), Hallstar (USA), Jedward International INC (USA), Kerfoot Group UK, etc.

Our Company is ISO 9001: 2008, ISO 22000:2005 and FSSC 22000 certified and the products manufactured by our Company are certified by various agencies such as Star Kosher Certification and meets the requirements set down by Food Safety & Standards Authority of India, Halal Certified Products List. We are supplying our products both in domestic and export markets. We have also been recognised as Star Export House by Government of India. Domestically, we majorly supply in Maharashtra, Gujarat, etc. and internationally, we mainly supply our products in countries like Japan, Italy, Malaysia, Indonesia, Singapore, Netherlands, Germany, Sweden, Denmark and UK. Further our Company has to its credit,

- *Highest Processor & Exporter of Sal seeds & Mango Kernel awarded by President of Solvent Extractors Association of India in 2013, 2014, 2015, 2016 & 2017*
- *The Chairman of Indian Oilseeds and Produce Export Promotion (IOPEPC) presented the Highest Export for Sal Oil and Mango Oil award to Manorama Industries in 2013, 2014, 2015, 2016 & 2017*
- *The Globoil India towards Sustainability in 2016*
- *SHEFEXIL Export Award for Highest Exporter of Fixed Vegetable, Oil, Cake & Others for the years 2009, 2010 & 2013;*

From FY 2013-14 to FY 2017-18, as per our Restated Financial Statements, i) our total revenue has shown growth from Rs. 10,532.50 lakhs to Rs. 22,189.33 lakhs, representing a CAGR of 20.46% ii) our

EBITDA has shown growth from Rs. 462.26 lakhs to Rs. 1,851.48 lakhs, representing a CAGR of 41.43% iii) our profit after tax has shown growth from Rs. 89.62 lakhs to a profit of Rs. 1,035.56 lakhs representing a CAGR of 84.29% iv) our RONW has grown from 10.37% to 41.89%.

OUR COMPETITIVE STRENGTHS

1. Our Raw Material Suppliers Network

The major raw materials used in our manufacturing process are sal seeds and mango kernels. During the year ended March 31, 2018, we have consumed 26, 772 mt p.a. of sal seeds and 5,972 mt p.a. of mango kernels in our manufacturing process. Sal Seeds are normally available in the month of May till July and are picked up by tribals staying in these forests who brings them to Mandis or local markets. We have established strong network of more than 18,000 collection centres operational and spread over the regions of Chhattisgarh, Odisha, Jharkhand, Madhya Pradesh, etc. During the year ended March 31, 2018, we had relationships with approximately 7.8 mn tribals vendors across all the sal forest producing states and these centers have been operating for more than decade with Manorama Industries Ltd. With the advent of technology and banking system, we are now able to reach the last mile much more effectively ensuring that the tribals get the immediate payment while we get a better costing. All our customers being International MNCs are sensitive about sustainability and fair trade practices and they conduct regular audits on our procurement systems. We have been awarded by Puja Swami Ramdev Baba for Excellence in CSR & Sustainable Fair Trade Sourcing, at The Globoil India 2017 for our work in the procurement from Tribals. We also procure raw materials from forest departments and local markets if required.

2. Our ability to deliver quality products consistently

Our Promoter family has been engaged in the business of speciality fats and oils over past four decades and has established and maintained relationships with many recognised domestic and international customers over the years. We believe that our long standing relationships with recognised companies are due to our ability to meet their stringent requirements. Since we have been servicing large chocolate manufacturers and recognised cosmetic giants, our production processes undergoes strict quality checks and are approved by our customers. Our products mainly finds application in chocolates and cosmetics, both of which are sensitive for human consumption and appliance respectively, hence we ensure compliance of quality levels of our products at all stages of production. At present, we are approved vendors of more than 80 Companies for our various range of products. Our ability to deliver qualitative products is critical for us to continue servicing our existing customers and for meeting the demands of prospective customers.

Our processing facility situated at Nagpur has been registered by Intertek for meeting the requirements of EFfCI GMP Guide for Cosmetic Ingredients, including the certification standard and scheme for GMP for Cosmetic Ingredients- Revision 2012. It also meets the standards requirements laid down by OneCert International Organic Standards (EU Equivalent), National Programme for Organic Production (India), National Organic Programme technical standards (USA) and India's National Programme for Organic Production Standards. We have a quality management system and quality assurance program, which are ISO 9001:2008, ISO 22000:2005 and FSSC 22000 certified. In addition, our Company has obtained Kosher certifications for our products produced at our processing plant and has also obtained Halal certification for our products manufactured at our processing plant. Our products also meets the requirements set down by Food Safety & Standards Authority of India. These internationally recognised standards and certifications demonstrate our commitment in assuring every step in our manufacturing process is conducted with quality in mind.

3. Long standing relationships with globally recognised customers and history of repeat orders

Customer relationships are core to our business. Our customers include large global chocolate/ CBE manufacturers like Ferrero (Italy), Ferrero (India), Mitsui (Japan), Unigra (Italy), Walter Rau (Germany), Adeka Corporation (Japan), Olvea Vegetable Oils (France), etc. who regularly source Sal Stearine and other fats from us. We have also entered into a supply agreement with The Body Shop International Ltd. (U.K.) ("The Body Shop") for supply of Mango Butter. The Body Shop is one of the leading global cosmetic brands who have pioneered social audits with extremely stringent criteria for

sourcing of their products & selection of suppliers. Similarly, we have been supplying oleins & fats which have been used by other leading cosmetic companies like L'oreal, ActivON (Korea), Naturasante LeafMotiv (France), Gustav Hess GMBH (Germany), Hallstar (USA), Jedward International INC (USA), Kerfoot Group UK, etc. We have a history of customer retention and derive a significant proportion of our revenues from repeat business built on our successful execution of prior engagements and competitive pricing of our products. Our Company has made continuous efforts to ensure customer satisfaction by taking steps for meeting customer specific requirements, timely delivery of orders to our customers as well as maintaining consistency in quality and this has yielded results in the form of repeat orders from our customers. The repeat orders reflect the confidence reposed in us by our customers. In order to improve our product delivery and facilitate repeat business, we constantly seek their feedback through regular interactions in trade fairs, exhibitions which is important for us to ensure a high level of customer satisfaction. We maintain long term relationships with our key customers, by strategically aligning our offerings with their business needs.

4. Experienced Promoter and dedicated management team

Our Promoter Vinita Saraf has been in this field of speciality fats for over more a decades. We are led by a qualified and experienced management team that we believe has the expertise and vision to manage and grow our business operations. In addition to the Promoter, we believe that our management team comprising of Ashish Saraf, Deep Saraf, Gautam Pal has collective experience of more than 100 man-years in this business and possess relevant cross functional experience in collection, processing and export of these exotic/ specialty fats / CBE. Our President, Ashish Saraf, was accredited with “GLOBOIL Entrepreneur Award” for the year 2015 and our Executive Director Gautam Kumar Pal has over 19 years of experience in the field of manufacturing operations of Specialty Oil and Fats Manufacturing and Quality Control. Our operations were commenced under the guidance of our Promoter Vinita Saraf and President, Ashish Saraf, who have through the years successfully managed various phases of expansion and growth of our business and operations. We believe that the knowledge and experience of our Promoter, supported by a dedicated management team with several years of industry experience in their respective domains of Sales, marketing, strategy and finance provide us with a competitive advantage as we seek to expand in our existing markets and enter new geographic markets. Our senior management team has been instrumental in formulating growth strategy for our Company and is dedicated to the sustainable growth of our business. For further details regarding our Key Managerial Personnel, please refer to the chapter titled —Our Management beginning on page 195 of this DRHP.

5. Our Geographical Presence

We have been supplying our products both in domestic and international markets. Domestically, we majorly supply in Maharashtra, Madhya Pradesh and Chattisgarh and internationally, we mainly supply our products in countries like Japan, Italy, Malaysia, Indonesia, Singapore, Netherlands, Germany, Sweden, Denmark and UK. We have also been recognised as Star Export House by Government of India. Our export and domestic revenue from manufacturing operations contributed 65.89% & 34.11% , 61.77% and 38.23% and 56.34% and 43.66% respectively for the year ended March 31, 2018, 2017 and 2016 respectively. We have also been awarded as “Highest Processor & Exporter of Sal seeds & Mango Kernel awarded by President of Solvent Extractors Association of India in 2013, 2014, 2015, 2016 & 2017”, “Highest Export for Sal Oil and Mango Oil award to Manorama Industries in 2013, 2014, 2015, 2016 & 2017” by the Chairman of Indian Oilseeds and Produce Export Promotion(IOPEPC), etc. Further at present we were mainly supplying traded products in domestic markets. With the government of India allowing use of CBE upto 5% with effect from January 1, 2018 in manufacture of chocolates, we envisage a growth in our domestic operations and our marketing team has already taken initiatives in this directions.

BUSINESS STRATEGY

1. Setting up of new state of the art manufacturing facility

At present, we are operating through a distributed set up with processes and warehouses at multiple locations including Nagpur in Maharashtra, Raipur and other parts in Chhattisgarh. This is leading to

increased logistics cost & loss on account of wastages. Hence, our Company plans to set up an integrated state of the art manufacturing plant at Raipur where, all processes including crushing, extraction, refining, fractionation & interstification will take place at one location. Further such facility shall have higher production capacity so as to cater to larger customer demands. The current combined installed production capacity is proposed to be enhanced from 4,500 mt p.a. to 11,250 mt p.a. Further an integrated manufacturing facility will not only result in reduced logistics costs but also shall improve the operational efficiency of the Company. This new integrated plant will predominantly process Indian exotic tree borne seeds like Sal, Mango, Dhupa etc. to service the CBE demand within India & globally. Largely the global CBE demand is being catered to by shea nuts which are primarily found in West Africa, we aim to manufacture CBE even through the use of shea nuts to the tune of 20%-25% in order to service the global needs. For details, please refer to the chapter titled “Objects of the Issue” beginning on page 104 of the DRHP.

2. Yield & Quality Improvement – Dry Fractionation vs Solvent (Wet) Fractionation

Currently, the company follows a process of dry fractionation which is manual in nature resulting in being labour intensive and time consuming. In this process, at times some of the stearine mixes up with the oleine component which is one of the major drawbacks leading to inefficiency in production. The oleine component contains 35% stearine which needs to undergo re-fractionation, resulting in a lower yield and absorbing higher costs. With the proposed set up of the new integrated manufacturing facility, the Company shall follow a solvent fractionation process (Acetone) – which is much more sophisticated & modern. The in house fractionation of NBD Oil will increase the yield recovery of stearine & oleine. The process ensures complete separation of stearine from oleine. Further such process will result in lesser manual intervention and hence lead to a faster production and the stearine produced shall be of superior quality leading to lower consumption of stearine required in making CBE. The cost of fractionation through this process will also be lower with improved efficiencies and improved realisation on account of higher volume recovery of stearine. As per technical officers, wet fractionation should result in 90% efficiency as compared to the current dry fractionation of 60%.

3. Increase focus on production of CBE

Globally, the chocolate definition contains a certain quantity of cocoa butter made from cocoa beans. Cocoa Beans are a natural product, the prices of which are usually high and volatile in nature. Certain other natural products such as Shea nuts, Sal Seeds, Mango Kernel, Kokam have fats which match exactly in chemical and physical properties of cocoa butter. Hence, CBE which is made out of these other products is allowed to be used in the making of chocolates along with cocoa butter and still qualifies for the definition of chocolate. Europe allows 5% CBE, Japan allows 12% whereas Russia allows 15% CBE as a part of the chocolate definition. From 1st Jan 2018, India has allowed 5% CBE produced from Indian exotic fats to be used for manufacture of chocolates. The relaxation is not applicable for CBE produced out of imported shea stearine. This has been a major positive development for the Company. India is one of the most important CBE markets with a likely consumption of 8,000 tonnes per annum in 2018 & projected consumption of upto 20,000 tonnes by 2022. Demand has increased in recent years along with trends in chocolate production and increased use of CBE based coating and filling fats. With revised regulations from FSSAI, chocolate production should move to lower cost within India and the manufacturing and consumption of chocolate product should increase. *[Source: CARE Industry Report, Gazette of India Notification F. No. Stds /SCSS&H/ Notification (02)/FSSAI-2016 dated May 17th, 2017].*

Our Company has largely been focused on manufacturing of stearine, an intermediate product, which needs to be mixed with Palm Mid Fraction to obtain CBE. However, recently, the Company had started manufacturing CBE albeit in a small proportion. Once we set up our proposed integrated manufacturing facility, we aim to focus on manufacture of CBE in a higher proportion as compared to manufacture of stearine with a view to grow our business and results of operations. CBE finds usage not only in chocolates but other confectionery items as well. Hotels, Bakeries etc have many products where CBE could be used. Being one of the leading organised player in India, our Company aims to command a substantial share in this fragmented market segment, thereby leading to an increased demand of CBE at an attractive price point.

4. Capitalise on growing demand of domestic chocolate & cosmetic industry

The Indian chocolate industry is expected to grow at a CAGR of 16% to reach INR 122 bn by FY2019 on account of an increase in middle class consumers and introduction of new forms of chocolates. The boost in chocolate consumption in India is largely influenced by changes in consumer eating habits, preferences, lifestyle and rise in income levels. India is amongst the fastest growing chocolate markets. In 2016, the chocolate market in the country grew by 13% year-on-year. Other than India, Poland's market which grew at 2% year-on-year is the only two countries globally have shown growth in the chocolate market. India is amongst the four countries projected to have the highest chocolate market growth in the period 2015-2020. Other countries include Mexico, China and Brazil. The chocolate market in India is currently growing at a rate of 13% annually and is projected to grow by 30% by 2020. Also the Indian cosmetics industry is majorly categorized into skin care, hair care, oral care, fragrances, and colour cosmetics segments. It currently has an overall market standing of USD 6.5 billion and is expected to grow to USD 20 bn by 2025 with a CAGR of 25%. In comparison, the global cosmetics market is growing steadily at 4.3% CAGR and will reach USD 450 billion 2025. By 2025, India will constitute 5% of the total global cosmetics market and become one of the top 5 global markets by revenue. [Source: CARE Industry Report]. For details including challenges that such industry faces, please refer to the chapter titled "Our Industry" beginning on page 122 of the DRHP. Since we are majorly catering to the above industries with our manufactured products, we aim to increase our domestic presence by catering to the growing demand of such industries.

5. Certification of Fair Trade Practices and Sustainability

Given that our Company services the requirements of large MNCs who have stringent norms for the products that they sell, we follow all necessary process which comply with their individual respective needs. We plan to initiate formal steps to get the requisite certifications as per the global standards in the areas of Sustainability and Fair Trade Practices. This will enable our Company to further improve its positioning in this segment and will lead to a further cementing of its relationships with the global MNCs.

SWOT ANALYSIS

As per the Project Report given by CARE Advisory Research Training Limited dated May 10, 2018, following is our Swot Analysis:

1. Strengths

- **Market**

The Company has an excellent relationship with its customers for the last four decades. The Company has reached and helped each and every tribal home and provided those jobs and as a result strengthened the collection potential and created a stable work force.

- **Raw Material**

Sourcing of raw material and other inputs is done by a well-designed, efficient and effective channel of logistics supply chain. The Company has about 80% of the share in purchasing the seed which allows for a better utilization of its facilities.

- **Location Advantage**

Raipur area provides good opportunity in terms of excellent raw materials sources in the radius of 50 to 300 km. There is availability of cheap labour, and well managed and trained maintenance staff. The project site is well connected with road, rail and air modes.

2. Weakness

- Inadequate funds for working capital allocation for raw material sourcing due to all material available in same period in short span. Thus higher working capital finance is required.
- Difficulty in managing and catering to demand of multiple products and customers. Due to limited production capacity at present one cannot cater to complete demand of our customers.

3. Opportunities

- **Government Support**

Present Indian political environment is investment friendly and enterprises supportive. Economic reforms, liberalisation and globalization provide a good opportunity to attract foreign collaboration. Government provides special incentive and support for agriculture, vegetable oil & fats and food processing industries.

On 24th December, 2017 Manorama Industries signed a Memorandum of Understanding with the Chhattisgarh government.

- **Exempt of Import Duty**

New Export-Import Policy under the new input-output norms for export of cocoa butter equivalents has announced an import entitlement of 1.02 MT's of Crude Palm Oil & 0.10 MT's of Mid Fraction against export of 1.02 MT's of Cocoa Butter Equivalents. The import as mentioned above will be exempt from duty (presently 75 % of the value of imports).

- **Domestic Market**

In domestic market there is an excellent opportunity for products like CBE, filling fats, margarine due to the excellent growth rate of chocolate, bakery, confectionery, ice-cream and food, fast-food

4. Threats

- **Market/People Oriented**

Consumer behavior can change in their taste and style. Change in the consumption patterns can lead to a fall in demand of chocolate and other related products. Economic recession due to global cues.

SUMMARY OF FINANCIAL STATEMENTS

The following summary of financial data has been prepared in accordance with Indian GAAP, the Companies Act and the SEBI (ICDR) Regulations and restated as described in the Peer Reviewed Auditor's Report in the section titled "*Financial Statements*". You should read this financial data in conjunction with our financial statements for the financial Year 2018, 2017, 2016, 2015, 2014 and 2013 including the notes thereto and the reports thereon, which appears under the section titled "*Financial Statements*" and chapter titled "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" beginning on page 218 and 219 of this Draft Red Herring Prospectus.

STATEMENT OF ASSETS AND LIABILITIES AS PER STANDALONE RESTATED FINANCIALS

(Rs in lakhs)

PARTICULARS		As at the Year ended				
		31-03-2018	31-03-2017	31-03-2016	31-03-2015	31-03-2014
A)	EQUITY AND LIABILITIES					
1.	Shareholders' Funds					
(a)	Share Capital	754.97	215.71	215.71	175.87	174.74
(b)	Reserves & Surplus	1,717.40	1,221.10	1,083.59	788.15	689.89
		2,472.37	1,436.81	1,299.29	964.02	864.63
2.	Non Current Liabilities					
(a)	Long Term Borrowings	9.08	0.00	9.46	26.60	21.89
(b)	Long Term Provisions	15.36	12.30	9.09	6.03	3.65
		24.44	12.30	18.55	32.63	25.54
3.	Current Liabilities					
(a)	Short Term Borrowings	1,782.34	0.75	465.63	330.00	1,119.85
(b)	Trade Payables	102.87	717.30	152.44	129.99	45.45
(c)	Other Current Liabilities	35.32	84.89	64.00	189.56	45.18
(d)	Short Term Provisions	259.14	8.88	22.91	13.56	19.66
		2,179.67	811.83	704.98	663.11	1,230.16
	Total	4,676.48	2,260.94	2,022.82	1,659.76	2,120.32
B)	ASSETS					
1.	Non Current Assets					
(a)	Fixed Assets					
I)	Tangible Assets					
	(i) Gross Block	588.71	688.65	624.01	542.62	447.22
	(ii) Depreciation	419.45	437.32	355.27	269.44	199.15
	(iii) Net Block	169.26	251.33	268.74	273.18	248.08
II)	Inntangible Assets	0.04	0.04	0.04	0.05	0.07
III)	Capital Work in Progress	225.50	-	11.18	-	-
		394.80	251.37	279.96	273.23	248.15
(b)	Non-Current Investment	-	0.50	0.50	0.50	0.50
(c)	Deferred Tax Assets (Net)	65.04	46.39	34.92	21.85	11.13
(d)	Long Term Loans and Advances	16.05	6.36	6.14	5.57	3.18
(e)	Other Non Current Assets	-	-	-	-	-

PARTICULARS			As at the Year ended				
			31-03-2018	31-03-2017	31-03-2016	31-03-2015	31-03-2014
			81.09	53.25	41.56	27.92	14.80
2.	Current Assets						
(a)	Inventories		1,803.41	189.98	551.27	286.32	761.29
(b)	Trade Receivables		157.96	107.05	37.52	100.45	316.47
(c)	Cash and Cash equivalents		1,912.24	1,573.55	1,018.36	697.72	658.79
(d)	Short-Term Loans and Advances		108.93	59.64	43.72	273.46	116.87
(e)	Other Current Assets		218.04	26.09	50.42	0.64	3.93
			4,200.59	1,956.32	1,701.29	1,358.59	1,857.36
		Total	4,676.47	2,260.94	2,022.82	1,659.75	2,120.32

STATEMENT OF PROFIT AND LOSS PER STANDALONE RESTATED FINANCIALS
(Rs in lakhs)

PARTICULARS			For the Year ended				
			31-03-2018	31-03-2017	31-03-2016	31-03-2015	31-03-2014
1	Revenue From Operation (Gross)		21,997.83	14,547.77	13,103.74	13,253.48	10,439.61
	Less: Excise Duty		-	-	-	-	-
	Revenue From Operation (Net)		21,997.83	14,547.77	13,103.74	13,253.48	10,439.61
2	Other Income		191.49	90.44	65.71	90.02	92.89
	Total Revenue (1+2)		22,189.33	14,638.20	13,169.45	13,343.50	10,532.50
3	Expenditure						
(a)	Cost of Materials Consumed		3,439.64	2,978.36	2,874.83	4,369.29	1,065.18
(b)	Purchase of Traded Goods		16,001.04	9,122.36	8,230.33	5,926.52	8,418.14
(c)	Changes in Inventories of finished goods, work in progress and stock -in-trade		(1,522.39)	360.51	(338.98)	512.87	(488.72)
(d)	Employee Benefit Expenses		298.98	298.32	248.58	183.05	107.68
(e)	Finance Cost		189.91	79.82	178.21	219.26	277.31
(f)	Depreciation and Amortisation Expenses		70.60	82.05	85.84	69.08	61.20
(g)	Other Expenses		2,120.57	1,512.06	1,723.55	1,919.41	967.96
4	Total Expenditure 3(a) to 3(g)		20,598.35	14,433.48	13,002.36	13,199.48	10,408.74
5	Profit/(Loss) Before Exceptional & extraordinary items & Tax (2-4)		1,590.98	204.72	167.08	144.03	123.76
6	Exceptional item		-	-	-	-	-
7	Profit/(Loss) Before Tax (5-6)		1,590.98	204.72	167.08	144.03	123.76

PARTICULARS			For the Year ended				
			31-03-2018	31-03-2017	31-03-2016	31-03-2015	31-03-2014
8	Tax Expense:						
(a)	Tax Expense for Current Year		574.07	78.67	71.95	60.59	50.54
(b)	Short/(Excess) Provision of Earlier Year		-	-	-	-	-
(c)	Deferred Tax		(18.65)	(11.46)	(13.08)	(10.72)	(16.41)
	Net Current Tax Expenses		555.42	67.20	58.87	49.87	34.13
9	Profit/(Loss) for the Year (7-8)		1,035.56	137.52	108.21	94.16	89.62

STATEMENT OF CASH FLOW AS PER STANDALONE RESTATED FINANCIALS (Rs in lakhs)

PARTICULARS						FOR THE YEAR ENDED				
						31-03-2018	31-03-2017	31-03-2016	31-03-2015	31-03-2014
A) Cash Flow From Operating Activities :										
Net Profit before tax						1,590.98	204.72	167.08	144.03	123.76
Adjustment for :										
Depreciation						70.60	82.05	85.84	69.08	61.20
Interest Paid						174.74	69.25	122.32	208.29	97.10
Interest Income						(143.35)	(87.19)	(59.67)	(84.21)	(89.51)
Provision for Gratuity expenses						3.67	3.91	3.26	2.73	0.36
Profit on Sale of Investment						(9.50)	-	-	-	-
(Profit)/Loss on Sale of Assets						23.88	(0.43)	-	-	-
Prior Period Gratuity adjusted with Reserves						-	-	-	-	(3.37)
Operating profit before working capital changes						1,711.02	272.32	318.84	339.92	189.53
Changes in Working Capital										
(Increase)/Decrease in Inventories						(1,613.43)	361.29	(264.95)	474.97	101.43
(Increase)/Decrease in Trade Receivables						(50.91)	(69.53)	62.93	216.02	268.34
(Increase)/Decrease in Short Term Loans & Advances						(49.29)	(15.92)	229.74	(156.59)	155.30
(Increase)/Decrease in Other Current Assets						(191.95)	24.32	(49.78)	3.29	(1.45)
Increase/(Decrease) in Trade Payables						(614.43)	564.86	22.45	84.53	(620.81)
Increase/(Decrease) in Other Current Liabilities						(22.57)	26.68	(119.62)	149.61	(12.41)
Increase/(Decrease) in Short Term Provisions						0.61	0.71	0.20	0.36	0.08
Increase/(Decrease) in Long Term Provisions						(0.61)	(0.71)	(0.20)	(0.36)	3.30
Increase/(Decrease) in Other Non Current Assets						-	-	-	-	-
Cash generated from operations						(831.57)	1,164.02	199.62	1,111.75	83.30
Less:- Income Taxes paid						(355.29)	(98.33)	(68.76)	(72.27)	(67.06)

PARTICULARS					FOR THE YEAR ENDED				
					31-03-2018	31-03-2017	31-03-2016	31-03-2015	31-03-2014
Net cash flow from operating activities		A	(1,186.86)	1,065.69	130.86	1,039.48	16.25		
B) Cash Flow From Investing Activities :									
Net Purchase/Sale of Fixed Assets			(234.03)	(53.89)	(92.57)	(95.40)	(20.12)		
Investment made/Sold during the year			10.00	-	-	-	-		
Increase/(Decrease) in Long Term Loans and Advances			(9.69)	(0.22)	(0.57)	(2.39)	4.51		
Interest Income			143.35	87.19	59.67	84.21	89.51		
Net cash flow from investing activities		B	(90.36)	33.08	(33.47)	(13.58)	73.90		
C) Cash Flow From Financing Activities :									
Proceeds from Issue of Share Capital			-	-	227.06	6.47	31.90		
Increase/(Decrease) in Short Term Borrowings			1,781.59	(464.88)	135.63	(789.85)	43.92		
Increase/(Decrease) in Long Term Borrowings			9.08	(9.46)	(17.14)	4.71	(19.76)		
Interest Paid			(174.74)	(69.25)	(122.32)	(208.29)	(97.10)		
Net cash flow from financing activities		C	1,615.93	(543.59)	223.23	(986.96)	(41.04)		
Net Increase/(Decrease) In Cash & Cash Equivalents		(A+B+C)	338.71	555.18	320.64	38.94	49.08		
Cash equivalents at the beginning of the year			1,573.55	1,018.36	697.73	658.79	609.71		
Cash equivalents at the end of the year			1,912.25	1,573.55	1,018.36	697.73	658.79		

THE ISSUE

The following table summarizes the Issue details:

Particulars	Details of Equity Shares
Public Issue of Equity Shares by Our Company	Upto 34,04,400* 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 to Rs. [●] Lakhs
Consisting Of	
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 to Rs. [●] Lakhs
Net Issue to Public	[●] Equity Shares of face value of Rs. 10/- each fully paid of the Company for cash at a price of Rs. [●]/- per share aggregating Rs. [●] Lakhs
Of which	
QIB Portion	[●] Equity shares shall be available for allocation of face value of Rs. 10 each fully paid of the Company at a cash price of Rs. [●]/- per Equity Share aggregating Rs. [●] Lakhs for cash.
Of which	
Anchor Investor Portion	[●] Equity Shares of face value of Rs 10/- each
Balance available for allocation to QIBs other than Anchor Investors (assuming Anchor Investor portion is fully subscribed)	[●] Equity Shares of face value of Rs 10/- each
Of Which	
Available for allocation to Mutual Funds only (5% of the QIB Portion (excluding Anchor Investor))	[●] Equity Shares of face value of Rs 10/- each
Balance of all QIBs including Mutual Funds	[●] Equity Shares of face value of Rs 10/- each
Retail Portion	[●] Equity Shares of face value of Rs. 10/- each fully paid of the Company at a cash price of Rs. [●]/- per Equity share aggregating Rs. [●] Lakhs will be available for allocation to Investors up to Rs. 2.00 Lakhs
Non-Institutional Portion	[●] Equity Shares of face value of Rs. 10/- each fully paid of the Company for cash at price of [●]/- per Equity Share aggregating Rs. [●] lakhs will be available for allocation to investors above Rs. 2.00 Lakhs
Pre and Post Issue Equity Shares	
Equity Shares outstanding prior to the Issue	[●] Equity Shares of face value of Rs.10 each
Equity Shares outstanding after the Issue	[●] Equity Shares of face value of Rs.10 each

Particulars	Details of Equity Shares
Use of proceeds of this Issue	For further details please refer chapter titled “ <i>Objects of the Issue</i> ” beginning on page 104 of this Draft Red Herring Prospectus for information on use of Issue Proceeds.

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

Notes:-

The Issue has been authorized by the Board of Directors of our Company *vide* a resolution passed at its meeting held on April 02, 2018 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 April 10, 2018.

Our Company is considering a Pre-IPO placement of upto 4,70,400 Equity Shares and/or aggregating upto 900.00 lakhs with certain investors (“Pre-IPO Placement”). The Pre-IPO Placement is at the discretion of our Company and at a price to be decided by our Company. Our Company will complete the issuance and allotment of such Equity Shares, if any, prior to the filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is completed, the issue size would be reduced to the extent of such Pre-IPO Placement, subject to a minimum Issue size of 25 per cent of the post issue paid up equity share capital being offered to the public. Promoters and members of the Promoter Group may participate in the Pre-IPO Placement. However, if they do not participate in the Pre-IPO Placement, they will not participate in the Issue. The Equity Shares allotted under the Pre-IPO Placement, if completed, shall be subject to a lock-in period of one (1) year from the date of Allotment pursuant to the Issue. This Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time.

This Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time.

- 1) *In the event of over-subscription, Allotment shall be made on a proportionate basis, subject to valid Bids received at or above the Issue Price;*
- 2) *Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in the Non- Institutional Portion and Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories.*
- 3) *Such number of Equity Shares representing [●]% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to QIBs, subject to valid Bids being received from them at or above the Issue Price. In the event that the demand from Mutual Funds is greater than [●] Equity Shares, allocation shall be made to Mutual Funds proportionately, to the extent of the Mutual Fund Portion. The remaining demand by the Mutual Funds shall, as part of the aggregate demand by QIBs, be available for allocation proportionately out of the remainder of the Net QIB Portion, after excluding the allocation in the Mutual Fund Portion. However, in the event of under-subscription in the Mutual Fund Portion, the balance Equity Shares in the Mutual Fund Portion will be added to the Net QIB Portion and allocated to QIBs (including Mutual Funds) on a proportionate basis, subject to valid Bids at or above Issue Price.*
- 4) *Our Company in consultation with the BRLM may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with SEBI Regulation. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of*

under subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. 5% of the QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids.

For further details please refer to section titled 'Issue Information' beginning on page 271 of this Draft Red Herring Prospectus.

GENERAL INFORMATION

Our Company was originally incorporated as “Manorama Industries Private Limited” at Raipur, Chhattisgarh, as a Private Limited Company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated August 9, 2005 bearing Corporate Identification Number U15142CT2005PTC17858 issued by Registrar of Companies, Madhya Pradesh & Chhattisgarh. Subsequently our Company was converted in to Public Limited Company pursuant to shareholders resolution passed at Extraordinary General Meeting of our Company held on February 06, 2018 and the name of our Company was changed to “Manorama Industries Limited” and a Fresh Certificate of Incorporation consequent upon conversion of company to Public Limited dated March 23, 2018 was issued by Registrar of Companies, Maharashtra. The Corporate Identification number of our Company is U15142MH2005PLC243687.

For further details of change of name and registered office of our Company, please refer to chapter titled “Our History and Certain Other Corporate Matters” beginning on page 190 of this Draft Red Herring Prospectus.

REGISTERED OFFICE OF OUR COMPANY*

Manorama Industries Limited

Office No 403, 4th Floor, Midas,
Sahar Plaza, Andheri Kurla Road,
Andheri East, Mumbai- 400059

Tel: 022-67088148

Fax: NA

Email: investors@manoramagroup.co.in

Website: www.manoramagroup.co.in

CIN: U15142MH2005PLC243687

*All Correspondances shall be directed to Corporate Office, details of which are given below:

CORPORATE OFFICE OF OUR COMPANY

Manorama Industries Limited

F-6, Anupam Nagar,
Behind Ganesh Mandir,
Raipur, Chhattisgarh- 492001

Tel: 0771 2283071

Fax: 0771 4269995

Email: investors@manoramagroup.co.in

Website: www.manoramagroup.co.in

CIN: U15142MH2005PLC243687

REGISTRAR OF COMPANIES

Registrar of Companies, Maharashtra

Registrar of Companies
100, Everest, Marine Drive
Mumbai- 400002.

Website: www.mca.gov.in

DESIGNATED STOCK EXCHANGE

SME Platform of BSE

P.J Towers, Dalal Street
Mumbai, Maharashtra- 400001

BOARD OF DIRECTORS OF OUR COMPANY

Sr. No.	Name	Age	DIN	Address	Designation
1.	Vinita Saraf	47	00208621	House Number C-9, Anupam Nagar Near Ganesh Mandir, Raipur-492007, Chhattisgarh, India	Chairman and Managing Director
2.	Kedarnath Agarwal	78	00183566	1109, 11 th CRS Judicial, L/O, 11 th Main, Bangalore-560065, India.	Executive Director
3.	Gautam Kumar Pal	44	07645652	Shivanand Nagar, Sector 1, Post WRS Colony, Om Nagar, Khamtarai, Raipur-492001, Chhattisgarh, India	Executive Director
4.	Ashish Agarwal	40	01936872	House No H 20, Near Jeevan Parisar, Rajeev Nagar, Shankar Nagar, Raipur-492004, India	Independent Director
5.	Ashish Bakliwal	30	05149608	203, EMP-75, Evershine Helio, CHSL, 120 Feet Road, Thakur Village, Mumbai- 400101, India	Independent Director
6.	Kanhaiyalal Kothari	62	07754543	G-1, 3&4, A-Wing, Janta Housing Complex, Jesal Park, Bhayander (East) Mumbai- 401105, Maharashtra	Independent Director

For further details of our Directors, please refer to the chapter titled “*Our Management*” beginning on page 195 of this Draft Red Herring Prospectus.

COMPANY SECRETARY & COMPLIANCE OFFICER

Divya Jajoo

F-6, Anupam Nagar,
Behind Ganesh Mandir,
Raipur, Chhattisgarh- 492001

Tel: 0771 2283071

Fax: 0771 4269995

Email: cs@manoramagroup.co.in

Website: www.manoramagroup.co.in

CHIEF FINANCIAL OFFICER

Ashok Jain

F-6, Anupam Nagar,
Behind Ganesh Mandir,
Raipur, Chhattisgarh- 492001

Tel: 0771 2283071

Fax: 0771 4269995

Email: cfo@manoramagroup.co.in

Website: www.manoramagroup.co.in

Bidders are advised to contact the Company Secretary and Compliance Officer and/or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of Allotment, credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of funds by electronic mode etc.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the Bidder, number of Equity Shares applied for, the Bid amount paid on submission of the Bid cum Application Form and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to the relevant SCSB or the member of the Syndicate if the Bid was submitted to a member of the Syndicate at any of the Specified Locations, or the Registered Broker if the Bid was submitted to a Registered Broker at any of the Brokers Centres, as the case maybe, quoting the full name of the sole or first Bidder, Bid cum Application Form number, address of the Bidder, Bidder's DP ID, Client ID, PAN, number of Equity Shares applied for, date of Bid-cum-Application Form, name and address of the member of the Syndicate or the Designated Branch or the Registered Broker or address of the RTA or address of the DP, as the case may be, where the Bid was submitted, and the ASBA Account number in which the amount equivalent to the Bid Amount was blocked. All grievances relating to Bids submitted through the Registered Broker and/or a Stock Broker may be addressed to the Stock Exchanges with a copy to the Registrar.

STATUTORY AUDITOR

Jain & Chaudhary

Tel. No 022- 22033586

Fax: 022- 66347826

Email: vijay_jainca@yahoo.com, vijay@jcca.in

Contact person: Vijay Jain

Firm Registration No: 117918W

Membership No: 103387

PEER REVIEWED AUDITOR

PSD & Associates

808, Tower- A,

Omkar Alta Monte, Pathanwadi,

Malad, (E) Mumbai-400097

Tel No. 9828153357

Email: ca.girishvyas@gmail.com

Contact Person: Girish Vyas

Firm Registration No.: 004501C

Membership No.: 427738

PSD & Associates, Chartered Accountant holds a peer reviewed certificate dated October 04, 2018 issued by the Institute of Chartered Accountants of India.

BOOK RUNNING LEAD MANAGER

Pantomath Capital Advisors Private Limited

406-408, Keshva Premises,

Behind Family Court,

Bandra Kurla Complex, Bandra (East),

Mumbai 400 051, Maharashtra, India.

Tel: +9122 61946727

Fax: +9122 26598690

Email: ipo@pantomathgroup.com

Website: www.pantomathgroup.com

Contact Person: Hardik Bhuta

SEBI Registration No: INM000012110

REGISTRAR TO THE ISSUE

Link Intime India Private Limited

C-101, 1st Floor, 247 Park,
L.B.S. Marg, Vikhroli (West), Mumbai
400083, Maharashtra, India

Tel: +91 022 49186200

Fax: +91 022 49186195

Email: manorama.ipo@linkintime.co.in

Investor grievance mail: manorama.ipo@linkintime.co.in

Website: www.linkintime.co.in

Contact Person: Shanti Gopalkrishnan

SEBI Registration Number: INR000004058

LEGAL ADVISOR TO THE ISSUE

M.V. Kini, Law Firm

Kini House,
Near Citi Bank, D.N. Road, Fort
Mumbai – 400001, Maharashtra, India

Tel: +91 22 22612527/ 28/ 29

Fax: +91 22 22612530

Email: vidisha@mvkini.com

Website: www.mvkini.com

Contact Person: Vidisha Krishan

BANKER TO THE COMPANY

Federal Bank

Ground Floor, Lal Ganga Shopping Mall,
G.E. Road, Raipur- Chhattisgarh

Tel: (91) 0771 2236276/78

Fax: NA

Email: rpr@federalbank.co.in

Website: www.federalbank.co.in

Contact Person: Abhishek Kumar

State Bank of India

ME- Sales Hub, SME Branch Premises,
Byron Bazar, Raipur- 492001

Tel: 0771- 4004378

Fax: 0771- 4004371

Email: pankaj.mahto@sbi.co.in

Website: www.sbi.co.in

Contact Person: Pankaj Kumar

PUBLIC ISSUE BANK/ REFUND BANKER

ICICI Bank Limited

Capital Market Division
1st Floor, 122, Mistry Bhavan
Dinshaw Vachha Road, Mumbai – 400020

Tel: (91) 022 66818924/923/932

Fax: (91) 022 2261 1138

Email: upendra.tripathi@icicibank.com

Website: www.icicibank.com

Contact Person: Upendra Tripathi

SEBI Registration No.: INBI00000004

HDFC BANK LIMITED

2nd Floor, Trade View Building,
Kamala Mills Compound,
Lower Parel, Mumbai – 400 013

Tel: 09820088836

Fax: 022 24925121

Email: Sharma.vishal@hdfcbank.com

Website: www.hdfcbank.com

Contact Person: Vishal Sharma

SEBI Registration No.: INBI000000063

REFUND BANK

ICICI Bank Limited

Capital Market Division
1st Floor, 122, Mistry Bhavan
Dinshaw Vachha Road, Mumbai – 400020

Tel: (91) 022 66818924/923/932

Fax: (91) 022 2261 1138

Email: upendra.tripathi@icicibank.com
Website: www.icicibank.com
Contact Person: Upendra Tripathi
SEBI Registration No.: INBI00000004

SYNDICATE MEMBER

[●]
Tel: [●]
Fax: [●]
Email: [●]
Website: [●]
Contact Person: [●]

DESIGNATED INTERMEDIARIES

Self Certified Syndicate Banks

The lists of banks that have been notified by SEBI to act as SCSB for the Applications Supported by Blocked Amount (ASBA) Process are provided on <http://www.sebi.gov.in/sebiweb/home/detail/32931/yes/List-of-Self-Certified-Syndicate-Banks-SCSBs-for-Syndicate-ASBA>. For details on Designated Branches of SCSBs collecting the Bid cum Application Form, please refer to the above-mentioned SEBI link.

Registered Brokers

Bidders can submit Bid cum Application Forms in the Issue using the stock broker 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 websites of the BSE Ltd., as updated from time to time. In relation to ASBA Bids submitted to the Registered Brokers at the Broker Centres, the list of branches of the SCSBs at the Broker Centres named by the respective SCSBs to receive deposits of the Bid cum Application Forms from the Registered Brokers will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

Registrar to Issue and Share Transfer Agents

The list of the RTAs eligible to accept Bid cum Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the website of Bombay Stock Exchange, as updated from time to time.

Collecting Depository Participants

The list of the CDPs eligible to accept Bid cum Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the website of Stock Exchange at Bombay Stock Exchange India Limited, as updated from time to time. 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) and updated from time to time.

CREDIT RATING

This being an issue of Equity Shares, credit rating is not required.

IPO GRADING

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

APPRAISAL AND MONITORING AGENCY

As per regulation 16(1) of the SEBI ICDR Regulations, the requirement of Monitoring Agency is not mandatory if the Issue size is below Rs. 10,000 Lakhs. Since the Issue size is only of Rs. [●] lakhs, our Company has not appointed any monitoring agency for this Issue. However, as per Section 177 of the

Companies Act, 2013, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

INTER-SE ALLOCATION OF RESPONSIBILITIES

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

EXPERT OPINION

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

1. Report of the Peer Reviewed Auditor on statement of tax benefits
2. Report on Restated Financials for the year ended March 31, 2018, 2017, 2016, 2015, 2014 and 2013.

DEBENTURE TRUSTEE

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

UNDERWRITER

Our Company and BRLM to the Issue hereby confirm that the Issue is 100% Underwritten. The underwriting agreement is dated [●] and pursuant to the terms of the underwriting agreement; obligations of the underwriter are subject to certain conditions specified therein. The underwriter has indicated its intention to underwrite following number of specified securities being offered through this Issue.

Name and Address of the Underwriters	Indicative Number of Equity shares to be Underwritten	Amount Underwritten (Rupees In Lakhs)	% of the Total Issue Size Underwritten
Pantomath Capital Advisors Private Limited 406-408, Keshava Premises, Behind Family Court, Bandra Kurla Complex, Bandra East, Mumbai 400051, Maharashtra, India Tel: 022 61946772 Fax: 022 26598690 Email: ipo@pantomathgroup.com Website: www.pantomathgroup.com Contact Person: Madhu Lunawat SEBI Registration Number: INM000012110	Upto [●]	[●]	100%
Total	Upto [●]	[●]	100%

**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 106 V(4) of the SEBI (ICDR) Regulations, 2009, as amended.*

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

DETAILS OF THE MARKET MAKING ARRANGEMENT

Our Company and the Book Running Lead Manager have entered into a tripartite agreement dated [●], with the following Market Maker, duly registered with BSE to fulfil the obligations of Market Making:

Pantomath Stock Brokers Private Limited
 108, Madhava Premises, Behind Family Court,
 Bandra Kurla Complex, Bandra East,

Mumbai 400051
Tel: 022 42577000
Fax: 022 26598690
Email: broking@pantomathgroup.com
Website: www.pantomathbroking.com
Contact Person: Mahavir Toshnival
SEBI Registration No.: INZ000068338
Clearing No: 6646

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

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

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

1. The Market Maker(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 issued by the Market Maker(s). 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 and the same shall be updated in Prospectus. Further, the Market Maker(s) shall inform the Exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s). The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of BSE SME and SEBI from time to time.
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 Issue 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. Based on the IPO price of [●]/- the minimum lot size is [●] Equity Shares thus minimum depth of the quote shall be Rs. [●]/- until the same, would be revised by BSE Limited. The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on the BSE SME (in this case currently the minimum trading lot size is [●] equity shares; however the same may be changed by the BSE SME from time to time).
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% of Issue Size (including the [●] Equity Shares out to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this Offer over and above 25% Equity Shares would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of Market Maker in our Company reduce to 24% of Issue Size, the Market Maker will resume providing 2-way quotes.
4. There shall be no exemption / threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, BSE may intimate the same to SEBI after due verification.
5. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
6. There would not be more than five Market Makers for the Company's Equity Shares at any point of time and the Market Makers may compete with other Market Makers for better quotes to the

investors. At this stage, Pantomath Stock Brokers Private Limited is acting as the sole Market Maker.

7. On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.
8. Price Band and Spreads: SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for issue size up to Rs. 250 crores, the applicable price bands for the first day shall be:
 - i. In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
 - ii. In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the issue price.
 - iii. Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading. The following spread will be applicable on the SME Exchange/ Platform of Bombay Stock Exchange of India.

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

9. 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.
10. The Market Maker shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the Book Running Lead Manager, who shall then be responsible to appoint a replacement Market Maker(s).

In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Book Running Lead Manager to arrange for another Market Maker(s) in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 106V of the SEBI (ICDR) Regulations. Further the Company and the Book Running Lead Manager reserve the right to appoint other Market Maker(s) either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed 5 (five) or as specified by the relevant laws and regulations applicable at that particulars 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.

11. SME Platform of BSE 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. BSE Limited can impose any other margins as deemed necessary from time-to-time.
12. SME Platform of BSE 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.

13. Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for Market Makers during market making process has been made applicable, based on the issue size and as follows:

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

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

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

BOOK BUILDING PROCESS

The Book Building Process, with reference to the Issue, refers to the process of collection of Bids on the basis of the Red Herring Prospectus and the Bid cum Application Forms. The Price Band, the Bid lot size for the issue will be decided by our company and in consultation with the BRLM, which would be announced at least five working days before the opening of the Bid/Issue. The Issue Price shall be determined by our Company, in consultation with the BRLM, in accordance with the Book Building Process, after the Bid/ Issue Closing Date.

The principal parties involved in the Book Building Process are:

1. Our Company;
2. The BRLM;
3. Syndicate Member(s) who are intermediaries registered with SEBI or registered as brokers with BSE and eligible to act as Underwriters. The Syndicate Member(s) are appointed by the BRLM;
4. Registrar to the Issue;
5. All Designated Intermediaries

The SEBI ICDR Regulations have permitted the Issue of securities to the public through the Book Building Process, wherein [●]% of the Net Issue shall be available for allocation on a proportionate basis to QIBs, provided that our Company, in consultation with the BRLM may allocate upto 60% of the QIB Portion to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the QIB Portion and allocated proportionately to the QIB Bidders (other

than Anchor Investors) in proportion to their Bids. Further [●]% of the Net Issue shall be available for allocation on a proportionate basis to Non Institutional Bidders and [●]% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price.

Subject to valid Bids being received at or above the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for 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 in consultation with the BRLM and the Stock Exchange.

All Bidders (excluding Anchor Investors) can participate in the Issue only through the ASBA process. Anchor Investors are not permitted to participate through the ASBA process. In accordance with the SEBI Regulations, QIBs and Non-Institutional Bidders are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise or withdraw their Bids prior to the Bid/Issue Closing Date. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bid/Issue Period. Except Allocation to Retail Individual Investors and the Anchor Investors, Allocation in the Issue will be on a proportionate basis We will comply with the SEBI ICDR Regulations and any other ancillary directions issued by SEBI for this Issue. In this regard, we have appointed Pantomath Capital Advisors Private Limited as the Book Running Lead Manager to manage the Issue and procure subscriptions to the Issue.

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 Issue.

For further details on the method and procedure for Bidding, please see section entitled —Issue Procedure on page 283 of this Draft Red Herring Prospectus

Illustration of Book Building Process and Price Discovery Process (Investors should note that this example is solely for illustrative purposes and is not specific to the Issue and also excludes bidding by Anchor Investors)

Bidders can bid at any price within the Price Band. For instance, assume a price band of Rs. 20 to Rs. 24 per equity share, issue size of 3,000 equity shares and receipt of five bids from bidders, details of which are shown in the table below. A graphical representation of the consolidated demand and price would be made available at the bidding centres during the 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 Amount (Rs.)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the issuer is able to issue the desired number of shares is the price at which the book cuts off, i.e., Rs. 22 in the above example. The issuer, in consultation with the BRLMs will, finalize the issue price at or below such cut-off price, i.e., at or below Rs. 22. All bids at or above this issue price 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 “Issue Procedure” on page 283 of this Draft Red Herring Prospectus);

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 Issue 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 Depository Participant's verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims

Ensure that the Bid cum Application Form is duly completed as per instructions given in this Draft Red Herring Prospectus and in the Bid cum Application Form;

Bid/Issue Programme

Activity	Indicative dates
Bid Opening Date*	[●]
Bid Closing Date	[●]
Finalisation of Basis of Allotment with the Designated Stock Exchange	[●]
Credit of Equity Shares to Demat accounts of Allottees	[●]
Initiation of refunds	[●]
Commencement of trading of Equity Shares	[●]

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

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

Bids and any revision to the same shall be accepted only between 10.00 a.m. and 5.00 p.m. (IST) during the Issue Period. On the Issue Closing Date, the 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 Manager 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 Manager 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 Issue Period. Such upward revision must be made using the Revision Form.

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

CAPITAL STRUCTURE

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

Amount (Rs.in Lakhs except share data)

No.	Particulars	Aggregate nominal value	Aggregate value at Issue Price
A.	Authorised Share Capital		
	1,40,00,000 Equity Shares of face value of Rs. 10/- each	1400.00	
B.	Issued, Subscribed and Paid-Up Share Capital before the Issue		
	77,23,510 Equity Shares of face value of Rs. 10/- each	772.35	
C.	Present Issue in terms of this Draft Red Herring Prospectus		
	Upto 34,04,400 Equity Shares of face value of Rs.10/- each	Upto 340.44	[●]
	Consisting :		
	Reservation for Market Maker – Upto [●] Equity Shares of face value of Rs. 10/- at price of Rs [●]/- per Equity Share reserved as Market Maker portion	[●]	[●]
	Net Issue to the Public – Upto [●] Equity Shares of face value of Rs. 10/- each at a price of Rs [●]/- per Equity Share	[●]	[●]
	Of the Net Issue to the Public		
	QIB Portion being [●] % of the Net Issue aggregating upto [●] Equity Shares	[●]	[●]
	Non Institutional Portion of not less than [●] % of Net Issue aggregating to not less than [●] Equity Shares	[●]	[●]
	Retail Portion of not less than [●] % of Net Issue aggregating to not less than [●] Equity Shares	[●]	[●]
D.	Issued, Subscribed and Paid-Up Share Capital after the Issue		
	[●] Equity Shares of face value of Rs. 10/- each	[●]	
E.	Securities Premium Account		
	Before the Issue	327.94	
	After the Issue	[●]	

The Issue has been authorized by the Board of Directors of our Company *vide* a resolution passed at its meeting held on April 02, 2018 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 April 10, 2018.

Our Company is considering a Pre-IPO placement of upto 4,70,400 Equity Shares and/or aggregating upto 900.00 lakhs with certain investors (“Pre-IPO Placement”). The size of the Issue as disclosed in this Draft Red Herring Prospectus being 34,04,400 Equity Shares shall be reduced accordingly.

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

NOTES TO THE CAPITAL STRUCTURE

1. Details of changes 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:

Sr. No.	Change in authorized share capital	Date of AGM/EGM Resolution	AGM/EGM
1	The authorized Share Capital of our Company on incorporation comprised of Rs. 1,00,00,000 divided into 10,00,000 Equity Shares of Rs. 10/- each	At the time of Incorporation	-
2	From Rs. 1,00,00,000 divided into 10,00,000 Equity Shares of Rs. 10/- each to Rs. 2,00,00,000 divided into 20,00,000 Equity Shares of Rs. 10/- each	March 25, 2011	EGM
3	From Rs. 2,00,00,000 divided into 20,00,000 Equity Shares of Rs. 10/- each to Rs. 4,00,00,000 divided into 40,00,000 Equity Shares of Rs. 10/- each	February 11, 2013	EGM
4	Authorised Capital of the Company to the extent of Rs. 2,00,00,000/- divided into 20,00,000 Equity Shares of Rs. 10/- each be reclassified as Preference Share Capital by way of cancellation of the said Authorised Equity Share Capital and creation in lieu thereof the Preference Share Capital of Rs. 2,00,00,000/- divided into 20,00,000 10% Non-Cumulative Redeemable Preference Shares of Rs. 10/- each	July 27, 2015	EGM
5	Conversion of unissued 20,00,000 10% Non-Cumulative Redeemable authorised Preference Shares of Rs. 10/- each into 20,00,000 Equity Shares of Rs. 10/- each and accordingly the Authorised Capital altered as Rs. 4,00,00,000/- divided into 40,00,000 Equity Shares of Rs. 10/- each.	March 15, 2016	EGM
6	Increase in Authorized Capital from Rs. 4,00,00,000 consisting of 40,00,000 Equity Shares of face value of Rs. 10 each to Authorized Capital of Rs. 14,00,00,000 consisting of 1,40,00,000 Equity Shares of face value of Rs. 10 each	January 10, 2018	EGM

2. History of Equity Share Capital of our Company

Date of Allotment / Fully Paid-up	No. of Equity Shares allotted	Face value (Rs.)	Issue Price (Rs.)	Nature of consideration	Nature of Allotment	Cumulative number of Equity Shares	Cumulative Paid-up Capital (Rs.)
On Incorporation	10,000	10	10	Cash	Subscription to Memorandum of Association ⁽¹⁾	10,000	1,00,000
March 31, 2007	4,32,000	10	10	Cash	Further Issue of Shares ⁽²⁾	4,42,000	44,20,000
March 31, 2007	3,65,000	10	10	Cash	Further Issue of Shares ⁽³⁾	8,07,000	80,70,000

Date of Allotment / Fully Paid-up	No. of Equity Shares allotted	Face value (Rs.)	Issue Price (Rs.)	Nature of consideration	Nature of Allotment	Cumulative number of Equity Shares	Cumulative Paid-up Capital (Rs.)
March 31, 2008	1,03,000	10	100	Cash	Further Issue of Shares ⁽⁴⁾	9,10,000	91,00,000
March 30, 2011	4,55,000	10	Nil	Other than cash	Bonus Issue of Shares ⁽⁵⁾	13,65,000	1,36,50,000
March 30, 2013	3,24,376	10	50	Cash	Further Issue of Shares ⁽⁶⁾	16,89,376	1,68,93,760
March 31, 2014	58,000	10	55	Cash	Further Issue of Shares ⁽⁷⁾	17,47,376	1,74,73,760
March 31, 2015	11,350	10	57	Cash	Further Issue of Shares by way of Rights Issue ⁽⁸⁾	17,58,726	1,75,87,260
March 18, 2016	3,55,250	10	57	Cash	Further Issue of Shares by way of private placement ⁽⁹⁾	21,13,976	2,11,39,760
March 31, 2016	43,090	10	57	Cash	Further Issue of Shares by way of private placement ⁽¹⁰⁾	21,57,066	2,15,70,660
January 20, 2018	5,392,665	10	Nil	Other than cash	Bonus Issue of Shares ⁽¹¹⁾	75,49,731	7,54,97,310
April 28, 2018	1,73,779	10	198.71	Cash	Further Issue of Shares by way of Preferential Allotment ⁽¹¹⁾	77,23,510	7,72,35,100

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

Sr. No.	Name of Allottee	No. of shares Allotted
1.	Vinita Saraf	5,000
2.	Ritu Saraf	5,000
	Total	10,000

2. Further issue of 4,32,000 Equity Shares of face value of Rs. 10/- fully paid up at par on March 31, 2007 as per the details given below:

Sr. No	Name of Allottee	No. of Shares Allotted
1.	Brijmohan Ji Gautam	4,000
2.	Buddhi Prakash Gautam	4,000
3.	Kailash Chandra Gautam	4,000
4.	Kavita Gautam	4,000
5.	Nirmala Gautam	4,000
6.	Om Prakash Gautam	4,000
7.	Prem Prakash Gautam	4,000
8.	Rajesh Gautam	4,000
9.	Kalavati Gautam	4,000
10.	Ritu Saraf	50,000
11.	Vidya Agrawal	1,00,000
12.	Vinita Saraf	1,11,000
13.	Ajay Sharma	15,000
14.	Gaytri Sharma	15,000
15.	Rajiv Mishra	15,000
16.	Ashwini Devgan	15,000
17.	Basant Rao Anandhale	15,000
18.	Ramesh Chauhan	4,500
19.	Komal Sahu	1,500
20.	Narmada Prasad	4,500
21.	Santosh Soni	4,500
22.	Ashok Kumar Dewagan	15,000
23.	Vijay Pandey	15,000
24.	V.K. Upadhyay	15,000
	Total	4,32,000

3. Further issue of 3,65,000 Equity Shares of face value of Rs. 10/- fully paid up at par on March 31, 2007 as per the details given below:

Sr. No	Name of Allottee	No. of Shares Allotted
1.	Shoka Tradelink Private Limited	1,90,000
2.	Shakti Traders Private Limited	75,000
3.	Ankit Trycom Private Limited	45,000
4.	Manuhar Sales Agencies Private Limited	30,000
5.	Trizer Sales Private Limited	25,000
	Total	3,65,000

4. Further issue of 1,03,000 Equity Shares of face value of Rs. 10/- fully paid up at premium of Rs.90/- on March 31, 2008 as per the details given below:

Sr. No	Name of Allottee	No. of Shares Allotted
1.	Sambuddha Tracon Private Limited	50,000
2.	Atreyi Vincom Private Limited	53,000
	Total	1,03,000

5. Bonus issue of 4,55,000 Equity Shares in the ratio of 0.50 for every 1 share held on March 30, 2011 as per the details given below:

Sr. No	Name of Allottee	No. of Shares Allotted
1.	Vinita Saraf	3,42,250
2.	Brijmohan Gautam	2,000
3.	Buddhi Prasad Gautam	2,000
4.	Kailash Gautam	2,000
5.	Kavita Gautam	2,000
6.	Nirmala Gautam	2,000
7.	Om Prakash Gautam	2,000
8.	Prem Prakash Gautam	2,000
9.	Rajesh Gautam	2,000
10.	Kalavati Gautam	2,000
11.	Ritu Saraf	44,750
12.	Vidya Agrawal	50,000
	Total	4,55,000

6. Further issue of 3,24,376 Equity Shares of face value of Rs. 10/- fully paid up at premium of Rs.40/- on March 30, 2013 as per the details given below:

Sr. No	Name of Allottee	No. of Shares Allotted
1.	Vinita Saraf	2,45,428
2.	Ritu Saraf	51,948
3.	Shrey Saraf	27,000
	Total	3,24,376

7. Further issue of 58,000 Equity Shares of face value of Rs. 10/- fully paid up at premium of Rs.45/- on March 31, 2014 as per the details given below:

Sr. No	Name of Allottee	No. of Shares Allotted
1.	Vinita Saraf	58,000
	Total	58,000

8. Further issue of shares by way of Rights Issue of 11,350 Equity Shares of face value of Rs. 10/- fully paid up at premium of Rs.47/- on March 31, 2015 as per the details given below:

Sr. No	Name of Allottee	No. of Shares Allotted
1.	Vinita Saraf	11,350
	Total	11,350

9. Further issue of shares by way of Private Placement of 3,55,250 Equity Shares of face value of Rs. 10/- fully paid up at premium of Rs.47/- on March 18, 2016 as per the details given below:

Sr. No	Name of Allottee	No. of Shares Allotted
1.	Vinita Saraf	3,25,430
2.	Ritu Saraf	29,820
	Total	3,55,250

10. Further issue of shares by way of Private Placement of 43,090 Equity Shares of face value of Rs. 10/- fully paid up at premium of Rs.47/- on March 31, 2016 as per the details given below:

Sr. No	Name of Allottee	No. of Shares Allotted
1.	Ritu Saraf	43,090
	Total	43,090

11. Bonus issue of 5,392,665 Equity Shares in the ratio of 5 equity for every 2 equity share held on January 20, 2018 as per the details given below:

Sr. No	Name of Allottee	No. of Shares Allotted
1.	Vinita Saraf	19,81,200
2.	Ritu Saraf	6,47,770
3.	Shrey Saraf	6,33,750
4.	Agastya Saraf	21,29,195
5.	Buddhi Prakash	250
6.	Prem Prakash	250
7.	Kalawati Gautam	250
	Total	53,92,665

12. Further issue of shares by way of Preferential Allotment of 1,73,779 Equity Shares of face value of Rs. 10/- fully paid up at premium of Rs.188.71/- on April 20, 2018 as per the details given below:

Sr. No	Name of Allottee	No. of Shares Allotted
1.	Cipher – Plexus Capital Advisors Private Limited	1,73,779
	Total	1,73,779

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

Date of Allotment	Number of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Reasons for Allotment	Benefits Accrued to our Company	Allottees	No. of Shares Allotted
March 30, 2011	4,55,000	10	Nil	Bonus issue	Capitalisation of Reserves	Vinita Saraf	3,42,250
						Brijmohan Gautam	2,000
						Buddhi Prasad Gautam	2,000
						Kailash Gautam	2,000
						Kavita Gautam	2,000
						Nirmala Gautam	2,000
						Om Prakash Gautam	2,000
						Prem Prakash Gautam	2,000

Date of Allotment	Number of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Reasons for Allotment	Benefits Accrued to our Company	Allottees	No. of Shares Allotted
January 20, 2018	53,92,665	10	Nil	Bonus issue	Capitalisation of Reserves	Rajesh Gautam	2,000
						Kalavati Gautam	2,000
						Ritu Saraf	44,750
						Vidya Agrawal	50,000
						Vinita Saraf	19,81,200
						Ritu Saraf	6,47,770
						Shrey Saraf	6,33,750
January 20, 2018	53,92,665	10	Nil	Bonus issue	Capitalisation of Reserves	Agastya Saraf	21,29,195
						Buddhi Prakash	250
						Prem Prakash	250
						Kalawati Gautam	250

- No Equity Shares have been allotted pursuant to any scheme approved under Section 230-240 of the Companies Act, 2013.
- We have not revalued our assets since incorporation and have not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.
- We have not issued any shares at price below Issue Price within last one year from the date of this Draft Red Herring Prospectus, except as given below.

Date of Allotment	Number of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Reasons for Allotment	Benefits Accrued to our Company	Allottees	No. of Shares Allotted
January 20, 2018	53,92,665	10	Nil	Bonus issue	Capitalisation of Reserves	Vinita Saraf	19,81,200
						Ritu Saraf	6,47,770
						Shrey Saraf	6,33,750
						Agastya Saraf	21,29,195
						Buddhi Prakash	250
						Prem Prakash	250
						Kalawati Gautam	250

6. Build-up of Promoters' shareholding, Promoters' contribution and lock-in

i. Build Up of Promoter's shareholdings

As on the date of this Draft Red Herring Prospectus, our Promoter, Vinita Saraf holds 27,73,680 aggregating to 35.91 % Pre Issue paid up equity Capital of our Company. None of the shares held by our promoter are subject to any pledge.

Vinita Saraf

Date of Allotment and made fully paid up / Transfer	No. of Equity Shares at face value	Face value per Share (Rs.)	Issue Acquisition / Transfer price (Rs.)*	Nature of Transactions	Pre-issue shareholding %	Post issue shareholding %
At the time of incorporation	5,000	10	10	Subscription to MOA	0.06	[●]
March 31, 2007	1,11,000	10	10	Further Issue of Shares	1.44	[●]
August 30, 2008	50,000	10	10	Transfer	0.65	[●]
August 30, 2008	53,000	10	10	Transfer	0.69	[●]
September 10, 2008	25,000	10	1	Transfer	0.32	[●]
September 10, 2008	30,000	10	1	Transfer	0.39	[●]
September 10, 2008	45,000	10	1	Transfer	0.58	[●]
September 10, 2008	1,90,000	10	1	Transfer	2.46	[●]
September 10, 2008	75,000	10	1	Transfer	0.97	[●]
September 20, 2009	15,000	10	1	Transfer	0.19	[●]
September 20, 2009	15,000	10	1	Transfer	0.19	[●]
September 20, 2009	1500	10	1	Transfer	0.02	[●]
September 20, 2009	15,000	10	1	Transfer	0.19	[●]
September 20, 2009	4,500	10	1	Transfer	0.06	[●]
September 20, 2009	15,000	10	1	Transfer	0.19	[●]
September 20, 2009	4,500	10	1	Transfer	0.06	[●]
September 20, 2009	15,000	10	1	Transfer	0.19	[●]

Date of Allotment and made fully paid up / Transfer	No. of Equity Shares at face value	Face value per Share (Rs.)	Issue / Acquisition / Transfer price (Rs.)*	Nature of Transactions	Pre-issue shareholding %	Post issue shareholding %
September 20, 2009	15,000	10	1	Transfer	0.19	[●]
March 30, 2011	3,42,250	10	Nil	Bonus Issue	4.43	[●]
March 30, 2013	2,45,428	10	50	Further Issue of Shares	3.18	[●]
January 15, 2014	(2,26,500)	10	Nil	Transfer	(2.93)	[●]
January 15, 2014	(8,51,678)	10	Nil	Transfer	(11.03)	[●]
January 15, 2014	1,44,000	10	Nil	Transfer	1.86	[●]
March 31, 2014	58,000	10	55	Further Issue of Shares	0.75	[●]
March 31, 2015	11,350	10	57	Further Issue of Shares by way of Rights Issue	0.15	[●]
March 18, 2016	3,25,430	10	57	Further Issue of Shares by way of Private Placement	4.21	[●]
March 21, 2016	6,000	10	Nil	Transfer	0.08	[●]
November 15, 2017	6,000	10	70	Transfer	0.08	[●]
November 15, 2017	6,000	10	70	Transfer	0.08	[●]
November 15, 2017	6,000	10	70	Transfer	0.08	[●]
November 15, 2017	6,000	10	70	Transfer	0.08	[●]
November 15, 2017	6,000	10	70	Transfer	0.08	[●]
November 15, 2017	5,900	10	70	Transfer	0.08	[●]
November 15, 2017	5,900	10	70	Transfer	0.08	[●]
November 15, 2017	5,900	10	70	Transfer	0.08	[●]
December 15, 2017	6,000	10	70	Transfer	0.08	[●]
January 20, 2018	19,81,200	10	Nil	Bonus Issue	25.65	[●]
Total	27,73,680				35.91	

*Cost of acquisition excludes stamp duty and the shares were made fully paid up on the date of allotment.

7. Details of Promoter Contribution locked in for three years:

Pursuant to Regulation 32 and 36 of SEBI (ICDR) Regulations, an aggregate of 20% of the post-Issue capital held by our Promoter shall be considered as Promoters' Contribution ("Promoters Contribution") and locked-in for a period of three years from the date of Allotment and our Promoter's shareholding in excess of 20% shall be locked in for a period of one year from the date of Allotment. The lock-in of the Promoters' Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

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

The equity shares which are being locked in for a period of three years from the date of allotment are as follows;

Promoters	No. of Equity Shares Locked in	Face Value (in `)	Issue/ Acquisition Price	Date of Allotment/Acquisition and when made fully paid-up	Nature of Allotment/ Transfer	Consideration (Cash/other than cash)	Percentage of post-Issue paid-up capital	Source of Promoter's Contribution
[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
TOTAL	[•]						[•]	

The Equity Shares that are being locked-in are eligible for computation of Promoter's Contribution under Regulation 33 of the SEBI ICDR Regulations. In this connection, as per Regulation 33 of the SEBI ICDR Regulations, our Company confirms that the Equity Shares locked-in do not consist of:

- Equity Shares acquired during the preceding three years for consideration other than cash and revaluation of assets or capitalization of intangible assets or bonus shares out of revaluations reserves or unrealised profits or bonus shares of shares which are otherwise ineligible for computation of Promoters' Contribution;
- Equity Shares acquired during the preceding one year, at a price lower than the price at which the Equity Shares are being offered to the public in the Issue;
- Equity Shares issued to the Promoters upon conversion of a partnership firm;
- Equity Shares held by the Promoters that are subject to any pledge; and
- Equity Shares for which specific written consent has not been obtained from the respective shareholders for inclusion of their subscription in the Promoters' Contribution subject to lock-in.
- 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 "Promoters" under the SEBI ICDR Regulations.

All the Equity Shares of our Company held by the Promoters are in the process of being dematerialized.

iii Details of share capital locked in for one year

Other than the above Equity Shares that would be locked in for 3 (three) years, the entire Pre-Issue Share capital of our Company would be locked-in for a period of 1 (one) year from the date of Allotment in the Issue.

iv. Other requirements in respect of lock-in

Pursuant to Regulation 39 of the SEBI ICDR Regulations, the locked-in Equity Shares held by the Promoters, as specified above, can be pledged only with scheduled commercial banks or public financial institutions as collateral security for loans granted by such scheduled commercial banks or public financial institution, provided that the pledge of the Equity Shares is one of the terms of the sanction of the loan.

Provided that securities locked in as Promoters' Contribution for 3 years under Regulation 36(a) of the SEBI ICDR Regulations may be pledged only if, in addition to fulfilling the above requirement, the loan has been granted by such scheduled commercial bank or public financial institution for the purpose of financing one or more of the objects of the Issue.

Further, pursuant to Regulation 40 of the SEBI ICDR Regulations, the Equity Shares held by persons other than the Promoters prior to the Issue may be transferred to any other person holding the Equity

Shares which are locked-in as per Regulation 37 of the SEBI ICDR Regulations, provided that lock-in on such Equity Shares will continue for the remaining period with the transferee and such transferee shall not be eligible to transfer such Equity Shares till the lock-in period stipulated under the SEBI ICDR Regulations has ended, subject to compliance with the SEBI Takeover Regulations, as applicable.

v) Lock-in in of the Equity Shares to be allotted to the Anchor Investors

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

We further confirm that our Promoters' Contribution of [●] % of the post Issue Equity Share capital does not include any contribution from Alternative Investment Fund.

8. Except as mentioned below, there were no shares purchased/sold by the Promoter and Promoter Group, directors and their immediate relatives during last 6 months

Date of Allotment/transfer	Name of Allottee/Transferee	Number of Shares Allotted/Transferred	Face Value	Issue Price/Transfer Price	Reason of Allotment/Transfer
November 15, 2017	Vinita Saraf	6,000	10	70	Transfer
November 15, 2017	Vinita Saraf	6,000	10	70	Transfer
November 15, 2017	Vinita Saraf	6,000	10	70	Transfer
November 15, 2017	Vinita Saraf	6,000	10	70	Transfer
November 15, 2017	Vinita Saraf	6,000	10	70	Transfer
November 15, 2017	Vinita Saraf	5,900	10	70	Transfer
November 15, 2017	Vinita Saraf	5,900	10	70	Transfer
November 15, 2017	Vinita Saraf	5,900	10	70	Transfer
December 15, 2017	Vinita Saraf	6,000	10	70	Transfer
January 20, 2018	Vinita Saraf	19,81,200	10	Nil	Bonus Issue
January 20, 2018	Shrey Saraf	6,33,750	10	Nil	Bonus Issue
January 20, 2018	Agastya Saraf	21,29,195	10	Nil	Bonus Issue

9. Our Shareholding Pattern

The table below presents the shareholding pattern of our Company as on the date of Draft Red Herring Prospectus.

Summary of Shareholding Pattern as on date of this Draft Red Herring Prospectus

Category	Category of Shareholder	Nos. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities*		No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) As a % of (A+B+C2)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
								No of Voting Rights	Total as a % of (A+B+C)			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
I	II	III	IV	V	VI	VII = IV + V + VI	VIII	IX		X	XI = VII + X	XII		XIII		XIV
A	Promoter and Promoter Group	3	66,41,803	-	-	66,41,803	85.99	66,41,803	85.99	-	85.99	-	-	-	-	[●]

Category	Category of Shareholder	Nos. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities*		No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) As a % of (A+B+C2)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
								No of Voting Rights	Total as a % of (A+B+C)			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
B	Public	5	10,81,707	-	-	10,81,707	14.01	10,81,707	14.01	-	14.01	-	-	-	-	[●]
C	Non Promoter-Non Public															
1	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Shares held by	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Category	Category of Shareholder	Nos. of share holders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares under lying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities*		No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) As a % of (A+B+C2)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
								No of Voting Rights	Total as a % of (A+B+C)			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
	Employee Trusts															
	Total	8	77,23,510	100.00	-	77,23,510	100.0	77,23,510	100.00	-	100.00			-	-	[●]

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

** All Pre IPO Equity shares of our Company will be locked in as mentioned above prior to listing of shares on BSE SME.

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

Our Company will file the shareholding pattern of our Company, in the form prescribed under Regulation 31 of the SEBI Listing Regulations, one day prior to the listing of the Equity shares. The Shareholding pattern will be uploaded on the website of BSE before commencement of trading of such Equity Shares.

***In terms of SEBI Listing Regulations, our Company shall ensure that the Equity Shares held by the Promoter / members of the Promoter Group shall be dematerialized prior to listing of Equity Shares.

10. Following are the details of the holding of securities (including shares, warrants, convertible securities) of persons belonging to the category “Promoter and Promoter Group”

Sr. No.	Name of the Shareholder	Pre – Issue		Post – Issue	
		No. of Equity Shares	% of Pre-Issue Capital	No. of Equity Shares	% of Post-Issue Capital
(I)	(II)	(III)	(IV)	(V)	(VI)
	Promoter				
1	Vinita Saraf	27,73,680	35.91	[●]	[●]
	Sub total (A)	27,73,680	35.91	[●]	[●]
	Promoter Group				
	Shrey Saraf	8,87,250	11.49	[●]	[●]
	Agastya Saraf	29,80,873	38.59	[●]	[●]
	Sub total (B)	38,68,123	50.08	[●]	[●]
	Total (A+B)	66,41,803	85.99	[●]	[●]

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

Name of the Promoter	No. of Shares held	Average cost of Acquisition (in Rs.)
Vinita Saraf	27,73,680	14.81

12. Except as mentioned below, no other persons belonging to the category “Public” holds securities (including shares, warrants, convertible securities) of more than 1% of the total number of shares.

Name of the Promoter	No. of Shares held	% of Total Paid-Up Capital
Ritu Saraf	9,06,878	11.74
Cipher – Plexus Capital Advisors Private Limited	1,73,779	2.25

13. The lists of top 10 shareholders of our Company and the number of Equity Shares held by them as on the date of filing, ten days before the date of filing and two years before the date of filing of this Draft Red Herring Prospectus are set forth below:

- a. Particulars of the top ten shareholders as on the date of filing this Draft Red Herring Prospectus:

Sr. No	Particulars	Number of Equity Shares	% of Total Paid-Up Capital
1.	Agastya Saraf	29,80,873	38.59
2.	Vinita Saraf	27,73,680	35.91
3.	Ritu Saraf	9,06,878	11.74
4.	Shrey Saraf	8,87,250	11.49
5.	Cipher – Plexus Capital Advisors Private Limited	1,73,779	2.25
6.	Buddhi Prakash Gautam	350	Negligible
7.	Prem Prakash Gautam	350	Negligible
8.	Kalavati Gautam	350	Negligible
	Total	77,23,510	100.00

*Our Company has only 8 shareholders as on the date of filing of this Draft Red Herring Prospectus.

- b. Particulars of top ten shareholders ten days prior to the date of filing this Draft Red Herring Prospectus:

Sr. No	Particulars	Number of Equity Shares	% of Total Paid-Up Capital
1.	Agastya Saraf	29,80,873	38.59
2.	Vinita Saraf	27,73,680	35.91
3.	Ritu Saraf	9,06,878	11.74
4.	Shrey Saraf	8,87,250	11.49
5.	Cipher – Plexus Capital Advisors Private Limited	1,73,779	2.25
6.	Buddhi Prakash Gautam	350	Negligible
7.	Prem Prakash Gautam	350	Negligible
8.	Kalavati Gautam	350	Negligible
	Total	77,23,510	100.00

**Our Company has only 8 shareholders ten days prior to the date of filing of this Draft Red Herring Prospectus.*

- c. Particulars of the top ten shareholders two years prior to the date of filing of this Draft Red Herring Prospectus:

Sr. No	Particulars	Number of Equity Shares	% of Total then Paid-Up Capital
1.	Agstya Saraf	851678	39.48
2.	Vinita Saraf	732780	33.97
3.	Ritu Saraf	259108	12.01
4.	Shrey Saraf	253500	11.75
5.	Brijmohan Gautam	6000	0.28
	Buddhi Prasad Gautam	6000	0.28
	Kailash Gautam	6000	0.28
	Kavita Gautam	6000	0.28
	Nirmala Gautam	6000	0.28
	Om Prakash Gautam	6000	0.28
	Prem Prakash Gautam	6000	0.28
	Rajesh Gautam	6000	0.28
	Kalavati Gautam	6000	0.28
	Vidya Agarwal	6000	0.28
	Total	21,57,066	100

**Multiple shareholders having same numbers of shares have been considered as single shareholder for calculating top ten shareholders.*

14. Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Plan for our employees and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Plan from the proposed issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014.
15. Neither the Book Running Lead Manager viz. Pantomath Capital Advisors Private Limited, nor its associates hold any Equity Shares of our Company as on the date of the Draft Red Herring Prospectus. However, the associates and affiliates of BRLM and the Syndicate Members, if any may subscribe to the Issue, either in Net QIB category or in the Non Institutional Category as may be applicable to such Bidders, where the allocation is on proportionate basis and such subscription may be on their own account or on behalf of their clients.
16. The BRLM, Syndicate Members and any persons related to the BRLM and Syndicate Members (other than Mutual Funds sponsored by entities related to the BRLM) cannot apply in the Issue under the Anchor Investor Portion. However, the associates and affiliates of the BRLM and the Syndicate Members, if any, may subscribe the Equity Shares in the Offer, either in the Net 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.

17. Under-subscription in the net issue, if any, in any category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager and the SME Platform of BSE.
18. The unsubscribed portion in any reserved category (if any) may be added to any other reserved category.
19. The unsubscribed portion if any, after such inter se adjustments among the reserved categories shall be added back to the net offer to the public portion.
20. There are no Equity Shares against which depository receipts have been issued.
21. Other than the Equity Shares, there is no other class of securities issued by our Company.
22. The Issue is being made through the Book Building Process wherein [●]% of the Net Issue shall be available for allocation to QIBs on a proportionate basis. Provided that our Company, in consultation with the BRLM may allocate upto 60% of the QIB Portion, to Anchor Investors, on a discretionary basis (Anchor Investor Portion). One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. Further, 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further not less than [●]% of the Net Issue shall be available for allocation on a proportionate basis to Non Institutional Bidders and not less than [●]% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price.
23. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, right issue or in any other manner during the period commencing from the date of the Draft Red Herring Prospectus until the Equity Shares have been listed. Further, our Company does not intend to alter its capital structure within six months from the date of opening of the Issue, by way of split/consolidation of the denomination of Equity Shares. However our Company may further issue Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the listing of equity shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board may deem fit, if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company
24. Except for Pre-IPO Placement, there would be no further issue of capital whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from submission of the Draft Red Herring Prospectus with Stock Exchange until the Equity Shares are listed on the Stock Exchange or application moneys refunded on account of failure of Issue. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of SCRR. Promoters and members of the Promoter Group may participate in the Issue. However, if they do not participate in the Pre-IPO Placement, they will not participate in the Issue.
25. None of the persons/entities comprising our Promoter Group, or our Directors or 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 any such entity/individual or otherwise during the period of six months immediately preceding the date of filing of this Draft Red Herring Prospectus.

26. Our Company, our Promoters, our Directors and the Book Running Lead Manager have not entered into any buy back or standby or similar arrangements for the purchase of Equity Shares being offered through the Issue from any person.
27. There are no safety net arrangements for this public issue.
28. An over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off to the nearest multiple of minimum allotment lot, while finalizing the Basis of Allotment. Consequently, the actual Allotment may go up by a maximum of 10% of the Issue, as a result of which, the post-Issue paid up capital after the Issue 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 Issue paid-up capital is locked in.
29. As on date of this Draft Red Herring Prospectus there are no outstanding warrants, options or rights to convert debentures loans or other financial instruments into our Equity Shares.
30. All the Equity Shares of our Company are fully paid up as on the date of this Draft Red Herring Prospectus. Further, since the entire issue price in respect of the Issue is payable on application, all the successful applicants will be issued fully paid-up equity shares and thus all shares offered through this issue shall be fully paid-up.
31. As per RBI regulations, OCBs are not allowed to participate in this Issue.
32. Our Company has not raised any bridge loans against the proceeds of the Issue.
33. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
34. Our Company shall comply with such accounting and disclosure norms as specified by SEBI from time to time.
35. An Applicant cannot make an application for more than the number of Equity Shares being issued through this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors.
36. No payment, direct or indirect in the nature of discount, commission, and allowance or otherwise shall be made either by us or our Promoters to the persons who receive allotments, if any, in this Issue.
37. We have 8 shareholders as on the date of filing of this Draft Red Herring Prospectus.
38. Our Promoters and the members of our Promoter Group will not participate in this Issue.
39. Our Company has not made any public issue since its incorporation.
40. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group between the date of filing the Draft Red Herring Prospectus and the Issue Closing Date shall be reported to the Stock Exchange within twenty-four hours of such transaction.
41. For the details of transactions by our Company with our Promoter Group, Group Companies for the financial years ended March 31, 2018, 2017, 2016, 2015 and 2014 please refer to paragraph titled "Details of Related Parties Transactions as Restated" in the chapter titled '*Financial Statements as restated*' on page 218 of the Draft Red Herring Prospectus.

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 195 of the Draft Red Herring Prospectus.

OBJECTS OF THE ISSUE

Requirement of Funds

The proceeds of the Issue (including Pre-IPO), after deducting Issue related expenses, are estimated to be Rs [●] lakhs (the “**Net Proceeds**”).

We intend to utilize the Net Proceeds (including Pre IPO) towards the following objects:

1. Establishing an integrated Greenfield project for manufacturing of CBE / specialty fats and tailor-made products at Birkoni, near Raipur, Chhattisgarh.
2. General corporate purposes.

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

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

ISSUE PROCEEDS

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

(Rs. in lakhs)

Particulars	Estimated amount ⁽¹⁾
Gross Proceeds from the Issue	[●]
(Less) Issue related expenses	[●]
Pre-IPO Placement	[●]
Net Proceeds (including Pre IPO)	[●]

⁽¹⁾To be finalized on determination of the Issue Price.

Net proceeds includes proceeds from the Issue and Pre-IPO placement (if any) less Issue related expenses.

UTILISATION OF NET PROCEEDS (INCLUDING PRE IPO)

The Net Proceeds (including Pre IPO) are proposed to be used in the manner set out in in the following table:

(Rs. in lakhs)

Sr. No.	Particulars	Amount to be funded from Net Proceeds of the Issue (including Pre IPO)	Percentage of Gross Proceeds	Percentage of Net Proceeds
1.	Establishing an integrated Greenfield project for manufacturing of CBE / specialty fats and tailor-made products at Birkoni, near Raipur, Chhattisgarh.	5,600.00	[●]%	[●]%
2.	General corporate purposes ⁽¹⁾	[●]	[●]%	[●]%

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

Schedule of Implementation and Deployment of Funds

We propose to deploy the Net Proceeds (including Pre IPO) for the aforesaid purposes in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below.

(Rs. in lakhs)

Sr. No.	Particulars	Amount to be funded from the Net Proceeds	Estimated utilization of Net Proceeds (including Pre IPO) (Financial Year 2018-2019)
1.	Establishing an integrated Greenfield project for manufacturing of CBE / specialty fats and tailor-made products at Birkoni, near Raipur, Chhattisgarh.	5,600.00	5,600.00
2.	General corporate purposes ⁽¹⁾	[●]	[●]

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

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

As per certificate issued by M/s.Jain And Choudhary, Chartered Accountants vide certificate dated May 18, 2018 as on May 16, 2018, our Company has deployed following funds towards the Objects of the Issue as follows:

Sr. No.	Particulars	Amount (Rs. in lakhs)
1.	Establishing an integrated Greenfield project for manufacturing of CBE / specialty fats and tailor-made products at Birkoni, near Raipur, Chhattisgarh.	249.00
2.	General corporate purposes	-

The above funds has been deployed out of internal accruals/networth of the Company.

Means of Finance

We intend to finance the establishment of an integrated Greenfield project for manufacturing of CBE / specialty fats and tailor-made products at Birkoni, near Raipur, Chhattisgarh through the Net proceeds (including Pre IPO) the extent of Rs 5,600.00 lakhs and balance through bank finance and existing identifiable internal accruals/ net worth.

(Rs. in lakhs)

Object of the Issue	Amount Required	IPO Proceeds	Internal Accruals/ Networth	Bank Loan
Establishing an integrated Greenfield project for manufacturing of CBE / specialty fats and tailor-made products at Birkoni.	8,000.00	5,600.00	2,400.00	-
General Corporate Purposes	[●]	[●]	-	-

Accordingly, we confirm that we are in compliance with the requirement to make firm arrangements of finance under Regulation 4(2)(g) 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.

Particulars	Amount
<i>Total Amount Required</i>	<i>8,000.00</i>
<i>Amounts already deployed as on May 16, 2018*</i>	<i>249.00</i>
<i>Amount proposed to be financed from the Net Proceeds</i>	<i>5,600.00</i>
<i>Funds required excluding funding through the Net Proceeds</i>	<i>2,400.00</i>
<i>75% of the funds required excluding the net proceeds for this object</i>	<i>1,800.00</i>
<i>Firm arrangement for over 75% of the funds required excluding the Net Proceeds for this Object:</i>	
<i>Funds from the existing identifiable internal accruals/ Networth</i>	<i>1,800.00</i>

**In accordance with the certificate of M/s Jain And Choudhary, Chartered Accountants, dated May 18, 2018, as of May 16, 2018.*

APPRAISAL BY APPRAISING AGENCY

Care Advisory Research & Training Limited conducted a Detailed Project Report dated May 10, 2018 in respect of the proposed establishing an integrated Greenfield project for manufacturing of CBE / specialty fats and tailor-made products at Birkoni, near Raipur, Chhattisgarh.

The fund requirements mentioned above except for establishing an integrated Greenfield project for manufacturing of CBE / specialty fats and tailor-made products at Birkoni, near Raipur, Chhattisgarh are based on the internal management estimates of our Company and have not been verified by the Book Running Lead Manager or appraised by any bank, financial institution or any other external agency. The fund requirements for establishing an integrated Greenfield project for manufacturing of CBE / specialty fats and tailor-made products at Birkoni, near Raipur, Chhattisgarh are based on the Detailed Project Report of Care Advisory Research & Training Limited. 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. The actual costs would depend upon the negotiated prices with the suppliers/contractors and may vary from the above estimates. 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.

Details of the Object

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

1. Establishing an integrated Greenfield project for manufacturing of CBE / specialty fats and tailor-made products at Birkoni, near Raipur, Chhattisgarh.

At present, we are operating through a distributed set up with processes and warehouses at multiple locations including Nagpur in Maharashtra, Raipur and other parts in Chhattisgarh. This is leading to very high logistics cost & loss on account of wastages. Hence, our Company plans to set up an integrated state of the art manufacturing plant where, all Processes including Crushing, Extraction, Refining, Fractionation & Interstification will take place at one location. This will reduce the logistics costs drastically & improve the operational efficiency of the company.

This new integrated plant will largely process Indian exotic tree borne seeds like Sal, Mango, Dhupa etc. to service the CBE demand within India & Globally. Given that more than 90% of the global CBE

demand is being catered to by Shea nuts which are primarily found in West Africa, Manorama will produce CBE through Shea nuts (~25%) in order to service the global needs. We propose to utilize an aggregate of Rs 5,600.00 lakhs out of Net Proceeds (including Pre IPO) and balance Rs. 2,400.00 lakhs out of internal accruals/network.

Estimated Costs

The total estimated cost of towards establishing an integrated Greenfield project for Extraction / Refining / Fractionation and value addition of special fats and oils from Tree Oil Seeds (e.g. Mango, Sal, Shea Seeds and Palm) for the Manufacture of CBE / specialty fats and tailor-made products in Birkoni, near Raipur, Chhattisgarh is Rs 8,000.00 lakhs. The total cost for the same has been estimated by our management in accordance with our business plan approved by our Board of Directors pursuant to its meeting dated May 2, 2018 and based on Detailed Project Report of Care Advisory Research & Training Limited dated May 10, 2018 and quotations received from third party suppliers.

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

Particulars	Amount in (Rs. lakhs)
Land & Site Development	328.85
Shed & Building	729.58
Plant & Machinery	4,560.92
Electrical Installations	184.08
Deposits	24.00
Contingencies and other costs	129.00
Preliminary and Pre-Operative Expenses	70.00
Working capital margin (from FY 2019-20)	1,973.57
Total	8,000.00

Means of finance

The total estimated cost for establishing an integrated Greenfield project for Extraction / Refining / Fractionation and value addition of special fats and oils from Tree Oil Seeds (e.g. Mango, Sal, Shea Seeds and Palm) for the Manufacture of CBE / specialty fats and tailor-made products at Birkoni, near Raipur, Chhattisgarh is proposed to be funded as follows:

Particulars	Amount (in lakhs)
Out of Issue Proceeds	5,600.00
Internal Accruals	2,400.00
Total	8,000.00

Note: Any increase in the cost of establishing an integrated Greenfield project for Extraction / Refining / Fractionation and value addition of special fats and oils from Tree Oil Seeds (e.g. Mango, Sal, Shea Seeds and Palm) for the Manufacture of CBE / specialty fats and tailor-made products at Birkoni near Raipur, Chhattisgarh or shortfall in the funding would be financed through internal accruals.

Land & Site Development

The company proposes to purchase total land of 10.975 acre. The Company has purchased 9.975 acres of land in Company's name from various parties. Further we have entered into an agreement dated February 7, 2018 for acquiring remaining 1 land of 1.00 acre and are in process of discharging the consideration and registration. The total area requirement for the integrated project is worked out at

around 10.975 acres as per the plan lay out suggested by the Company. The cost of Purchase of Land and site developments is estimated at Rs. 328.85 Lakhs.

The Details of Land & Site Development and costs are as under:

(Rs. in lakhs)

Sr. No.	Particulars	Area	Required Quantity	Total Amount
1	Land	10.975 acre		205.00
2	Land Development	10.975 acre		30.00
3	Internal Roads	600*8	4800 SQM	19.20
4	2.50 M HT. Boundary Wall	330 RMT	330 RMT	11.55
5	Main Gates		2 No	1.50
6	Culverts		2 No	41.50
7	Green Area Development			7.50
8	Tube Well With Pump		4 No	5.00
9	Surface Drains	950 RMT	950 RMT	7.60

As on 16/05/2018, the Company has incurred Rs. 190.78 lakhs towards land and site development, as per certificate issued by the statutory auditor, M/s Jain And Choudhary, Chartered Accountants, dated May 18, 2018, details of which are as follows:

Sr. No.	Land Descriptions (Saler , Khasra No. , Registry Date)	Area (Acre)	Total (Rs. in lakhs)
1	Mr. Nand Kumar Tukaram Khasra No. 2469 Dated 22/03/2018	1.000	15.13
2	Mr. Dol Kumar Birkoni Khasra No. 2474/1 Dated 22/03/2018	1.225	24.77
3	Mr. Vijay Kumar Khasra No. 2474/2 Dated 22/03/2018	1.200	24.27
4	Mr. Heera Ram Khorbahara Khasra No. 2468/5 Dated 24/03/2018	0.525	10.60
5	Mr. Om Prakash Sharma Khasra No. 2468/1 Dated 24/03/2018	1.500	30.28
6	Mr. Dalit Khorbahara Khasra No. 2468/4 Dated 24/03/2018	0.475	9.59
7	Mrs. Pratigya Sharma Khasra No. 2468/2 Dated 29/03/2018	1.500	30.26
8	Mr. Dev Das Khorbahara Khasra No. 2468/3 Dated 29/03/2018	0.500	10.10
9	Mr. Chaman Bihari Khasra No. 2475 Dated 13/04/2018	2.050	32.46
10	NIT Birkoni Land Soil Testing Charges		0.32
11	Land Birkoni Vastu Charges Bobby Sha		2.00
12	Suresh Agrawal Land Brokerage		1.00
	TOTAL	9.975	190.78

Shed & Building

The Company has estimated total building cost at Rs. 729.58 lakhs to complete the project, including godowns, seed storage facilities. The general layout of the project for the crushing, fractionation, interesterification, blending and miscellaneous building components as well as godowns has been

formulated on the basis of prevailing site conditions and topography as well as the requirement of easy interconnectivity. The Details are as under:

Sr No	Particulars of Building	Size (in M.) (L*B*H/D)	Covered Area (In Sq. m.)	Units	Rate	Amount (Rs. In lakhs)
(A)- Factory Building						
1	Solvent Plant Found	2(30x18x7.50)	630	cum	14,500	91.35
2	Refinery Plant Found	30x50	770	cum	14,500	111.65
3	Boiler House Found	18x12	125	cum	14,500	18.13
4	Expeller Shed	30X15X5.50	450	sqm	5,500	24.75
5	Godown	30X24X8	720	sqm	7,000	50.40
6	Tank Foundation	12X6X1	72	sqm	3,000	2.16
7	Truck Unloading Platform	20X8X2	160	sqm	3,500.00	5.60
8	Tanker unloading platform	10X8	80	sqm	2,750.00	2.20
9	Shed for husk storage	50x20x5.50	1,000.00	sqm	5,500.00	55.00
10	Cooling Tower	4(10x6x3.30)	720	kl	10,000.00	72.00
11	O.H. water tank	6.50x6.50x2	80	kl	25,000.00	20.00
12	Work shop	15x10x5	150	sqm	5,500.00	8.25
13	Packaging section					100.00
14	Lab	25x10x4	250	sqm	6,500.00	16.25
15	D.G. room	10x6x4.50	60	sqm	6,000.00	3.60
15	Sub - Station	10x10	100	sqm	3,000.00	3.00
16	Chemical Storage Godown	20x10x4.50	200	sqm	500.00	1.00
17	Weigh bridge room	4x4X3.50	20	sqm	5,000.00	1.00
18	Misc. founds, cable trenches	-	100	cum	500.00	0.50
Total (A)						586.84
(B)- Admin Building						
1	Admin office(2 storied)	2(18x12x3.50)	432	sqm	20,000.00	86.40
2	Time office	10x5x3	50	sqm	10,000.00	5.00
3	G. toilets	4(6x4x3)	96	sqm	15,000.00	14.40
4	Cycle stands	3(15x5x2.10)	225	sqm	2,500.00	5.63
5	Car parking	2(15x6x2.50)	180	sqm	2,650.00	4.77
6	Pump house	4(5x5x3.50)	100	sqm	5,500.00	5.50
7	Canteen	10x6x3.50	60	sqm	5,500.00	3.30
8	Dispensary	5x5x3.50	25	sqm	7000	1.75
9	Changing room	2(5x5x3.50)	50	sqm	7000	3.50
Total						130.25
[C] Architect's fee:						
					L.S	12.50
Grand Total (A+B+C)						729.58

Plant & Machinery

The company proposes to acquire machineries at an estimated cost of about Rs. 4,560.92 lakhs. The detailed list of plant & machinery to be acquired by the company is as under:-

Equipment	Manufacturer	Required Quantity	Total Amount (Rs in lakhs)
Solvent Fractionation	Mondal & Company Consulting Private Limited, Mumbai	1	1,475.00
150 Tpd Continuous Solvent Extraction Plant On Shea Nut Cake	Sundex Process Engineers Pvt Ltd	1	479.08
Continuous Total Degumming, Neutralization, Water Washing & Drying Section And Alfa Laval Manual Cleaning Centrifugal Separators - 2 Nos (Model Srg 509), Product Line S.S304	Sundex Process Engineers Pvt Ltd	1	368.16
Osbl Work Others	Sundex Process Engineers Pvt Ltd	1	885.00
Osbl Work Solvent	Sundex Process Engineers Pvt Ltd	1	147.50
Boiler	Sharda Enterprises, Thermax Channel Associate	1	69.27
Installations & Other Works Of Boiler	SE Engineers And Consultants	1	73.75
Boiler	Sharda Enterprises, Thermax Channel Associate	1	69.27
Installations & Other Works Of Boiler	SE Engineers And Consultants	1	73.75
500 Kva Gen Set	Jakson Limited	1	31.66
Batch Bleaching Section	Veendeep Oiltech Exports Pvt. Ltd.	1	59.00
Batch De-Odoriser	Veendeep Oiltech Exports Pvt. Ltd.	1	54.28
1 TPH Direct Chilling Votator for Bakery Shortening	Techno Chem Engineers (India) Pvt Ltd	1	81.42
Fire Hydrant System	Safe Guard Industries	1	101.59
100 Tpd Expelling Plant On Shea Nut	Sundex Process Engineers Pvt Ltd	1	184.08
Effluent Treatment Plant	Distington Engineers & Consultants Pvt. Ltd.	1	73.75
Hydraulic Press	PM Projects & Services Pvt. Ltd.	1	16.17
50 TPD interesterification plant	Chempro Technovation Pvt. Ltd.	1	123.90
Super Critical Extraction Plant	Flavex Aromats (India) Ltd	1	76.70
Dry Fractionation Unit	Dr. K. Mandal	1	117.59
Total			4,560.92

The above amounts are including GST

Electrical Installations

Equipment	Manufacturer	Total Amount (Rs in lakhs)
Electrical work of all plants	Sundex Process Engineers Pvt Ltd	184.08
Total		184.08

The above amounts are including GST.

No second-hand machinery or material is proposed to be purchased out of the aforesaid objects. The abovementioned Plant & Machinery is proposed to be acquired in a ready-to use condition.

As on 16/05/2018, the Company has incurred Rs. 40.56 lakhs towards plant & machineries, as per certificate issued by the statutory auditor, M/s Jain And Choudhary, Chartered Accountants, dated May 18, 2018, details of which are as follows:

Sr. No.	Description of Plant & Machinery	Name of the supplier	Nature of payment	Date of expected supply	Total (Rs. in lakhs)
1	Air Conditioner	Dhamani Enterprises	Full payment made	Received	0.70
2	Direct Chilling Votator	Rec System & Technochem Eng	Full payment made	Received	35.30
3	Ultra Serch Metal Detector+Conveyor Belt	SMMS Engineering Systems Pvt Ltd.	Full payment made	Received	2.80
4	Lab Equipment	Celsun Eco Energy & Infratech	Advance paid	June 10, 2018	0.64
5	Lab Equipment	Classic Scientific	Advance paid	June 10, 2018	0.44
6	Lab Equipment	Kasliwal Brother	Advance paid	June 10, 2018	0.69
	TOTAL				40.56

Deposits

The power connection required for the project is estimated 1000 Horse Power. The security deposit is required for power connection. Hence a provision of Rs 24.00 Lakhs have been made for Security Deposit. Our Company has already made an application for 100KVA to Chhatisgarh State Power Distribution Company Limited for the project and shall make application for balance requirement.

Preliminary & Pre-Operative Expenses

Preliminary & Pre-Operative Expenses has been estimated as Rs 70.00 lakhs and mainly relate to project developments expenditures, various studies, project Report preparations, fee charges etc which mainly consists expenditure towards establishment charges, Period, rent / rates / taxes, traveling expenses, start up expenses including wages / Salaries / raw material expenses, project management charges including supervision, project insurance during construction, mortgage expenses, banker's charges, other miscellaneous expenses, etc.

As on 16/05/2018, the Company has incurred Rs. 13.80 lakhs towards Preliminary & Pre-Operative Expenses, as per certificate issued by the statutory auditor, M/s Jain And Choudhary, Chartered Accountants, dated May 18, 2018.

Contingencies and other costs

Provision of Rs. 129.00 lakhs on the capital cost of project (land, building, plant and machinery) is made for contingencies and other costs. Considering the project size & implementation time of 12 months, the estimated provision is reasonable.

As on 16/05/2018, the Company has incurred Rs. 3.86 lakhs towards Contingencies & other costs, as per certificate issued by the statutory auditor, M/s Jain And Choudhary, Chartered Accountants, dated May 18, 2018.

Water: Water requirement would be met through bore-wells.

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 machinery and material at the same costs. The quantity of the machinery and material to be purchased is based on the estimates of our management. Our Company shall have the flexibility to deploy the machinery and material at the manufacturing facility, according to the business requirements of such facility, 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.

Margin required for working capital:

We have made a provision of Rs. 1,973.57 lakhs in the project cost being tentative working capital margin money during the first year of working i.e. FY 2019-20. The final working capital requirement shall be calculated at the time of completion of the project based on the cash budget system for the complete plant. We intend to finance our working capital requirements from bank finance and internal accruals. The basis of working capital estimates for FY 2019-20 are as follows:

Particulars	March 31, 2020
Current Assets	
Inventories	
-Raw material	722.13
-Packing Material, Stores & Consumables	348.95
-Finished Goods & Stock in Trade	2,793.34
Trade Receivables	3,370.16
Cash and Bank Balance	633.79
Short term loans & advances & other current assets	568.88
Total (A)	8,437.25
Current Liabilities	
Trade Payables	339.93
Other Current Liabilities & Short Term Provision	203.04
Total (B)	542.97
Total Working Capital (A)-(B)	7,894.28
Margin required for working capital requirement	1,973.57

Assumption for working capital requirements

(In months)

Particulars	Holding Level for March 31, 2020
Current Assets	
Inventories	
-Raw material	1.84
-Finished Goods	2.39
Trade Receivables	2.00
Current Liabilities	
Trade Payables	0.39

Proposed Schedule of Implementation:

Activities	Expected Completion Date
Project development activities up to finance closure	Company has commenced background work needed for project implementation by deploying own funds as briefed above
Land Purchase	Almost Completed;
Financial Closure	May, 2018
Ordering Plant and machinery	June 2018
Commencement of Civil Work on land	June 2018
Commencement of installation of Plant and Machinery	December 2018
Civil Construction and installation progresses	December 2018
Testing of Plant and Machinery	February 2019
Trial Run	March 2019
Start of Commercial Production	April 2019

Funds deployed

In accordance with the certificate of M/s Jain And Choudhary, Chartered Accountants, dated May 18, 2018, as of May 16, 2018, our Company has deployed following funds towards Establishing an integrated Greenfield project for manufacturing of CBE / specialty fats and tailor-made products at Birkoni, near Raipur, Chhattisgarh.

Particulars	Amount (Rs. in lakhs)
Land & Site Development	190.78
Plant & Machinery	40.56
Contingencies & other costs	3.86
Pre-operative Expenses	13.80
Total	249.00

Government and other approvals: Our Company has applied for required approvals. For further details kindly refer to the chapter titled, “Government and other Statutory Approvals” beginning on page 251 of this Draft Red Herring Prospectus.

General Corporate Purpose

The Net Proceeds will be first utilized towards the Objects as mentioned as mentioned above. The balance is proposed to be utilized for general corporate purposes, subject to such utilization not exceeding 25% of the 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:

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

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

ISSUE RELATED EXPENSES

The total expenses of the Issue 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 Issue expenses are as follows.

Expenses	Expense s (Rs. in Lakhs)*	Expenses (% of total Issue expenses)	Expenses (% of Gross Issue Proceeds)
Fees payable to the Book Running Lead Manager (including Underwriting commission)	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Fees payable to the Registrar to the Issue	[●]	[●]	[●]
Brokerage and selling commission payable to Syndicate**	[●]	[●]	[●]
Brokerage and selling commission payable to Registered Brokers**	[●]	[●]	[●]
Processing fees to SCSBs for ASBA Applications procured by the members of the Syndicate or Registered Brokers and submitted with the SCSBs****	[●]	[●]	[●]
Others (listing fees, legal fees, stationery charges, bankers to the Issue, auditor's fees etc.)	[●]	[●]	[●]
Total estimated Issue expenses	[●]	[●]	[●]

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

** Selling 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 service tax)
Portion for NIIs	[●]% ^ (exclusive of service tax)

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

Further, the Members of Syndicate, RTAs and CDPs will be entitled to bidding charges of Rs [●] (plus applicable service tax) 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.

***Registered Brokers, will be entitled to a commission of Rs [●] (plus service tax) 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.

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

Deployment of Funds

The details of the amount spent by our Company as of [●] towards the Objects of the Issue and as certified by our Statutory Auditor, [●], Chartered Accountants, vide certificate dated [●] are provided in the table below:

(Rs in lakhs)

Deployment of Funds	Amount
Issue Related Expenses	[●]
Total	[●]

(Rs in lakhs)

Source of Funds	Amount
Internal Accrual	[●]
Total	[●]

BRIDGE FINANCING

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

INTERIM USE OF FUNDS

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

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

MONITORING UTILIZATION OF FUNDS

There is no requirement for the appointment of a monitoring agency, as the Issue size is less than Rs 10,000 lakhs. Our Board will monitor the utilization of the proceeds of the Issue and will disclose the utilization of the Net Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized. Our Company will indicate investments, if any, of unutilized Net Proceeds in the .balance sheet of our Company for the relevant Fiscal subsequent to receipt of listing and trading approvals from the Stock Exchanges.

Pursuant to Regulation 32(5) of the Listing Regulations, our Company shall disclose to the Audit Committee the uses and applications of the Net Proceeds. Our Company shall prepare an annual statement of funds utilized for purposes other than those stated in this 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 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 Issue without our Company being authorised to do so by the Shareholders by way of a special resolution through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the “Postal Ballot Notice”) shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in the vernacular language of the jurisdiction where the Registered Office is situated. Our Promoters or controlling Shareholders will be required to provide an exit opportunity to such Shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

OTHER CONFIRMATIONS

No part of the proceeds of the Issue will be paid by us to the Promoters and Promoter Group, the Directors, Associates, Key Management Personnel or Group Companies.

BASIS FOR ISSUE PRICE

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

Investors should also refer to the sections, “Our Business”, “Risk Factors” and “Financial Statements” on pages 161, 21 and 218 respectively of this Draft Red Herring Prospectus, to have an informed view before making an investment decision.

QUALITATIVE FACTORS

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

- Our Raw Material Suppliers Network
- Our ability to deliver quality products consistently
- Long standing relationships with globally recognised customers and history of repeat orders
- Experienced Promoter and dedicated management team.
- Our geographical presence

Further pursuant to enactment of recent notification F. No. Stds /SCSS&H/ Notification (02)/FSSAI-2016 dated May 17th, 2017, from 1st Jan 2018, India has allowed 5% CBE produced from Indian exotic fats to be used in manufacturing of chocolates. We believe that this shall be a major positive development for our Company as we shall be able to cater to increased demand.

For further details, refer to heading “*Our Competitive Strengths*” under chapter titled “*Our Business*” beginning on page 161 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 Financial Year 2016, 2017 and 2018 prepared in accordance with Indian GAAP, Companies Act and SEBI ICDR Regulations. Some of the quantitative factors, which form the basis for computing the price, are as follows:

1. Basic and Diluted Earnings per Share (EPS) as per Accounting Standard 20

As per our Company’s Restated Financial Statements

Year ended	Basic & Diluted EPS (Rs.)	Weight
March 31, 2016	1.51	1
March 31, 2017	1.82	2
March 31, 2018	13.72	3
Weighted average		7.72

Notes:

The earnings per share has been computed by dividing net profit as restated, attributable to equity shareholders by restated weighted average number of equity shares outstanding during the period / year. Restated weighted average number of equity shares have been computed as per AS20. The face value of each Equity Share is Rs. 10/-

Our Company issued 53,92,665 Equity Shares as fully paid Bonus Shares to its existing shareholders on January 20, 2018 in the ratio of 5:2. For the purpose of calculating the Earnings Per Share above, these bonus shares have been considered in the calculation of weighted average number of Equity Shares.

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

Particulars	P/E on floor price (no. of times)	P/E on cap price (no. of times)
P/E ratio based on Basic EPS for FY 2017-18	[●]	[●]
P/E ratio based on Weighted Average EPS	[●]	[●]

Note: We believe that there are no listed peers engaged exclusively in the segment in which we operate. Thus Industry P/E Ratio cannot be ascertained.

3. Return on Net worth (RoNW)

Return on Net Worth ("RoNW") as per restated financial statements

Year ended	RoNW (%)	Weight
March 31, 2016	8.33	1
March 31, 2017	9.57	2
March 31, 2018	41.89	3
Weighted Average		25.52%

Note: The RoNW has been computed by dividing net profit after tax as restated, by Net Worth as at the end of the year. Net worth has been calculated as sum of Equity Share Capital and Reserves & Surplus.

4. Minimum Return on Total Net Worth post Issue needed to maintain Pre Issue EPS for the year ended March 31, 2018:

Particulars	%
At Floor price	[●]
At Cap price	[●]

5. Net Asset Value (NAV)

Net Asset Value as per restated financial statements:

Particulars	Amount (in Rs.)
Net Asset Value per Equity Share as of March 31, 2018	32.75
Net Asset Value per Equity Share after the Issue- At Floor Price	[●]
Net Asset Value per Equity Share after the Issue- At Cap Price	[●]
Issue Price per equity share	[●]

Notes:

- Net Asset Value per Equity Share has been calculated as net worth divided by number of equity shares. Net worth has been calculated as sum of Equity Share Capital and Reserves & Surplus.
- Issue Price per equity share will be determined on conclusion of Book Building Process.

6. Comparison with other listed companies

We believe that there are no listed peers engaged exclusively in the segment in which we operate i.e. manufacturing of cocoa butter equivalent and related products and trading of agro based commodities.

Notes:

1. The Issue Price of Manorama Industries Limited is Rs. [●] per Equity Share. Manorama Industries Limited is a Book Built issue and price band for the same shall be published 5 working days before opening of the Issue in English and Hindi national newspapers and one regional newspaper with wide circulation.
2. The Issue Price of Rs. [●]/- per equity share shall be determined by the company in consultation with the BRLM on the basis of assessment of market demand from investors for the Equity shares by way of Book Building and is justified based on the above accounting ratios.
3. The trading price of Equity Shares could decline due to factors mentioned in "Risk Factors" beginning on page 21 and you may lose all or part of your investments.

For further details see section titled “*Risk Factors*” beginning on page 21 and the financials of the Company including profitability and return ratios, as set out in the section titled “*Financial Statements*” beginning on page 218 of this Draft Red Herring Prospectus for a more informed view.

STATEMENT OF POSSIBLE TAX BENEFITS

To,

**The Board of Directors,
MANORAMA INDUSTRIES LIMITED**

Room No. 104, 1st Floor
J.K. Co. Op. Hsg. Society
40/42 Mint Road, Fort
Mumbai - 400001

Dear Sirs,

Sub: Statement of possible Special tax benefit ('the Statement') available to MANORAMA INDUSTRIES LIMITED and its shareholders prepared in accordance with the requirements under Schedule VIII Part A Clause (VII) (L) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended (the 'Regulations')

We hereby confirm that the enclosed annexure, prepared by **MANORAMA INDUSTRIES LIMITED** ('the Company') provides the possible tax benefits available to the Company and to the shareholders of the Company under the Income Tax Act, 1961 (the "Act") as amended time to time, presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company and / or its shareholders to derive the tax benefits is dependent upon their fulfilling such conditions which based on business imperatives the Company faces in the future, the Company or its shareholders may or may not choose to fulfill.

The benefits discussed in the enclosed Annexure cover only special tax benefits available to the Company and do not cover any general tax benefits available to the Company. Further, these benefits are not exhaustive and the preparation of the contents stated is the responsibility of the Company's management. We are informed that this statement is only intended to provide general information to the investors and hence is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue.

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

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

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

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

For P S D & Associates
Chartered Accountants
FRN 004501C

Sd/-
(Girish Vyas)
Partner
Membership No. 427738
Date: May 10, 2018
Place: Mumbai

Encl: Annexure

Annexure to the statement of possible Tax Benefits

Outlined below are the possible special tax benefits available to the Company and its shareholders under the Income Tax Act, 1961 ('the Act')

- Special Tax Benefits available to the Company under the Act:

There are no special Tax Benefits available to the Company.

- Special Tax Benefits available to the shareholders of the Company under the Act:

There are no special Tax Benefits available to the shareholders of the Company.

Notes:

1. The above Statement sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.
2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.
3. The above statement of possible tax benefits are as per the current direct tax laws relevant for the assessment year 2018-19.
4. This statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.
5. In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the relevant DTAA, if any, between India and the country in which the nonresident has fiscal domicile.

No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

SECTION IV – ABOUT THE COMPANY

OUR INDUSTRY

This report is prepared by CARE Advisory. CARE Advisory has taken utmost care to ensure accuracy and objectivity while developing this report based on information available in public domain. However, neither the accuracy nor completeness of information contained in this report is guaranteed. CARE Advisory operates independently of ratings division and this report does not contain any confidential information obtained by ratings division, which they may have obtained in the regular course of operations. The opinion expressed in this report cannot be compared to the rating assigned to the company within this industry by the ratings division. The opinion expressed is also not a recommendation to buy, sell or hold an instrument.

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GLOBAL ECONOMIC OVERVIEW

As per International Monetary Fund (IMF) January 2018 World Economic Outlook (WEO), Global output is estimated to have grown by 3.7 percent in 2017, the global growth forecast for 2018 and 2019 is at 3.9 percent for both the years. The growth rate for emerging market and developing economies is estimated to rise up by 4.7 percent in 2017 while it is forecast to rise to 4.9 percent in 2018, 5.0 percent in 2019. This Growth forecast primarily reflects stronger projected activity in emerging Europe and Asia for 2017, 2018 and 2019.

The US economy is estimated to be expanded at 2.3 percent in 2017 and projected to expand at 2.3 percent in 2018 and 2.2 percent in 2019. The projection of a continuation of near-term growth that is moderately above potential reflects very supportive financial conditions and strong business and consumer confidence. The U.S. tax policy changes are expected to stimulate activity, with the short-term impact in the United States mostly driven by the investment response to the corporate income tax cuts. Over a longer horizon, US growth is expected to moderate. Potential growth is estimated at 1.8 percent, reflecting the assumption of continued sluggish growth in total factor productivity and diminished growth of the workforce due to population aging.

The euro area recovery is expected to gather strength this year, with growth estimated to rise to 2.3 percent in 2017, before moderating to 2.2 percent in 2018 and 2.0 percent in 2019. The growth in 2017 mostly reflects acceleration in exports in the context of the broader pickup in global trade and continued strength in domestic demand growth supported by accommodative financial conditions amid diminished political risk and policy uncertainty. Growth in the United Kingdom is estimated at 1.7 percent in 2017 and to subside to 1.5 percent in 2018 and 2019. The slowdown is driven by softer growth in private consumption as the pound's depreciation weighed on household real income. The medium-term growth outlook is highly uncertain and will depend in part on the new economic relationship with the EU and the extent of the increase in barriers to trade, migration, and cross-border financial activity.

In China, growth is estimated to notch up to 6.8 percent in 2017, while projected to slow to 6.6 percent in 2018 and 6.4 percent in 2019. The upward revision to the 2017 forecast reflects the stronger-than-expected outturn in the year underpinned by previous policy easing and supply-side reforms.

In the rest of emerging market and developing Asia, growth is expected to be vigorous. Strong government spending and data revisions in India led to an upward revision of 2016 growth to 7.1 percent with upward revisions of about 0.2 percentage point, on average, for 2014 and 2015.

However, the growth estimated for 2017 to 6.7 percent reflecting still lingering disruptions associated with the currency exchange initiative introduced in November 2016, as well as transition costs related to the launch of the national Goods and Services Tax in July 2017. The latter move, which promises the unification of India's vast domestic market, is among several key structural reforms under

implementation that are expected to help push growth above 8 percent in the medium term. In the ASEAN-5 economies (Indonesia, Malaysia, Philippines, Thailand, Vietnam), growth is estimated to strengthen in 2017 by 5.3 percent, partly because of stronger- than-expected external demand from China and Europe.

Global growth is forecast to increase marginally beyond 2018, reaching 3.8 percent by 2021. With growth in advanced economies projected to gradually decline toward potential growth rates of about 1.7 percent once economic slack is eliminated, this further pickup in global activity is entirely driven by emerging market and developing economies. In these countries, growth is projected to increase to 5 percent by the end of the forecast period, with their impact on global activity boosted by their rising world economic weight. This forecast assumes some strengthening of growth in commodity exports, though to rates much more modest than in 2000–15; a gradual increase in India's growth rate resulting from implementation of important Structural reforms; continued strong growth in other commodity imports; and a lower but still high trend growth rate in China.

Real GDP Growth (%):

Country & Groups	2016	2017 Estimate	2018 Projections	2019 Projections
World Output	3.2	3.7	3.9	3.9
Advanced economies	1.7	2.3	2.3	2.2
Emerging Market and Developing Economies	4.4	4.7	4.9	5.0
Emerging and Developing Asia	6.4	6.5	6.5	6.6
China	6.7	6.8	6.6	6.4
India	7.1	6.7	7.4	7.8
ASEAN-5	4.9	5.3	5.3	5.3
Emerging and Developing Europe	3.2	5.2	4.0	3.8
Latin America & the Caribbean	(0.7)	1.3	1.9	2.6
Middle East, North Africa	4.9	2.5	3.6	3.6
Sub-Sahara Africa	1.4	2.7	3.3	3.5
Low-Income Developing Countries	3.6	4.7	5.2	5.3

(Source: International Monetary Fund, January 2018)

Indian Economy:

India has become the fastest growing major economy in the world according to the Central Statistics Organization (CSO) and the International Monetary Fund (IMF). According to the International Monetary Fund (IMF), post demonetization, India's growth is projected to rebound to 7.4 percent in FY 2019 and further to 7.8 percent in FY 2020. According to IMF January 2018 economy outlook India's economy expected to grow by 6.7 in fiscal year 2017-18. The improvement in India's economic fundamentals has accelerated in 2015 with the combined impact of strong government reforms, the inflation focus of the Reserve Bank of India (RBI) supported by global commodity prices.

Moody's Investors Service ("Moody's") has upgraded the Government of India's local and foreign currency issuer ratings to Baa2 from Baa3 and changed the outlook on the rating to stable from positive in November 2017. India's rating has been upgraded after a period of 13 years. India's sovereign credit rating was last upgraded in January 2004 to Baa3.

India's gross domestic product (GDP) will grow by 6.7% in the current fiscal, sharply down from 7.1% growth clocked by it in 2016-17, the Central Statistical Office (CSO). The CSO's estimate on GDP growth for 2017-18 is even lower than the Reserve Bank's lowered projection of 6.7%. The central bank had initially forecast GDP growth at 7.3% for this fiscal. The gross value added (GVA) is projected to grow by 6.1% in 2017-18, down from 6.6% in 2016-17. The manufacturing sector is expected to grow by 4.6% vs. 7.9% the previous year, agriculture by 2.1% vs. 4.9%, electricity and utility services

by 7.5% vs 7.2% in the last fiscal. The construction sector, which has been in the doldrums so far, is seen picking up to 3.6% from 1.7% in 2016-17. Finance, insurance, real estate and profession services sector is expected to post 7.3% growth, up from 5.7% in 2016-17.

Direct tax collections during the first nine-and-a-half months of the current fiscal have risen by 18.7 percent to Rs 6.89 lakh crore. The collection amounts to 70 percent of the Rs 9.8 lakh crore revenue target from direct taxes.

The growth in corporate tax collections has risen from 4.8 per cent in first quarter of current fiscal to 10.1 per cent in Q3 and 11.4 per cent as on January 15, 2018. Similarly, the growth rate of net corporate tax collections increased from 10.8 per cent in Q2 to 17.4 per cent in Q3 and to 18.2 per cent as on January 15, 2018.

India has maintained its position as the third largest start up base in the world with more than 5,200 technology start-ups, with approximately 1,000 new start-ups to be founded in 2017, according to a NASSCOM report.

The Indian workforce is expected to hit 160-170 million by 2020, according to the population growth rate, the greater participation in the labor force and enrollment in higher education, among other factors, according to a study by ASSOCHAM and Thought Arbitrage Research Institute.

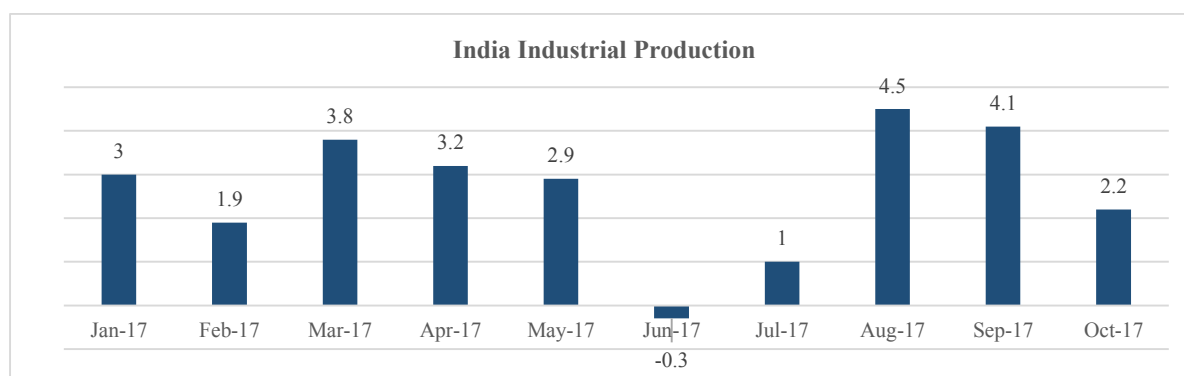
India's Foreign Exchange Reserves was measured at 377.5 USD bn in Nov 2017, compared with 374.8 USD bn in the previous month.

Recent Developments across various sectors:

India Industrial Production:

India's industrial output reversed the moderation of the previous month and surged to a 2 year high in November'17, surpassing expectations. The industrial output as measured by the Index of Industrial output (IIP) grew by 8.4% (y-o-y) in November'17, the highest monthly growth recorded since October'15. The growth in IIP last month was significantly higher than the 5.1% growth of November'16 and 2.2% growth of October'17.

The manufacturing sector recorded a y-o-y of 10.2% in November'17 (4.1% in November'16), the highest growth in over 4.5 years. Consumer non-durables too grew by a record high 23.1% during the month (3.3% in November'16). Growth (y-o-y) during the month was the highest in case of the pharmaceuticals (40%), computers & optical products (29%), transport equipment (23%), food products (18%), motor vehicles (18%), basic metal (13%), non-metallic mineral products (10%), fabricated metal products (9%) and wood products (9%). The growth in pharmaceuticals and food products can be largely attributed to restocking.



(Source: Trading Economics)

India's Gross Capital Formation:

Gross Fixed Capital Formation in India decreased to 9152.11 INR Billion in the third quarter of 2017 from 9275.06 INR Billion in the second quarter of 2017. Gross Fixed Capital Formation in India

averaged 5238.42 INR Billion from 2001 until 2017, reaching an all-time high of 9384.88 INR Billion in the first quarter of 2016 and a record low of 2021.90 INR Billion in the first quarter of 2002.



(Source: Trading Economics)

Government Initiative:

The Government of India announced the demonetization of high denomination notes of Rs.1,000 and Rs.500, with effect on November 8, 2016, in order to eliminate black money and the growing threat of false banknotes in Indian currency, thus creating opportunities of improvement in economic growth.

In the Union Budget 2017-18, the Finance Minister, stated that the biggest boost of the budget proposals is the stimulation of growth, provide relief to the middle class, provide affordable housing, reduce black money, digitize the economy, increase transparency in political financing and simplify the tax administration in the country.

India's Unemployment Rate increased to 3.60 % in Dec 2017, from the previously reported number of 3.50 % in Dec 2016. India's Unemployment Rate is updated yearly, available from Dec 1991 to Dec 2017, with an average rate of 3.90 %. The data reached an all-time high of 4.40 % in Dec 2005 and a record low of 3.50 % in Dec 2016.

Numerous foreign companies are establishing their facilities in India because of several government initiatives such as Make in India and Digital India with the aim of boosting the manufacturing sector of the Indian economy to increase the purchasing power of an average Indian consumer, which would boost demand and stimulate development in addition to benefiting investors. The Government of India, under the Make in India initiative, seeks to boost the contribution of the manufacturing sector and aims to raise it to 25 percent of the current 17 percent GDP. In addition, the Government has also presented the Digital India initiative, which focuses on three basic components: the creation of digital infrastructure, the provision of services in digital form and the increase of digital literacy.

The Government of India along with its investment promotion agency, Invest India, are in discussion with around 300 Indian and foreign companies to channelize investments worth US\$ 62 billion, which will help create over 1.7 million job opportunities in India.

Government of India has organized World Food India in 2017 to promote Food Business and have opened different sector related to Food Processing Department from FSSAI.

Road Ahead:

India is expected to be the third largest consumer economy since its consumption could triple to 4 trillion dollars by 2025, due to the change in consumer behavior and the pattern of spending, according to a report by the Boston Consulting Group (BCG); and it is estimated that it will surpass USA to become the second largest economy in terms of purchasing power parity (PPA) for the year 2040. In addition, the Prime Minister has declared that India has become the world's fastest growing economy, and is expected to multiply by five in 2040, due to a series of policy measures.

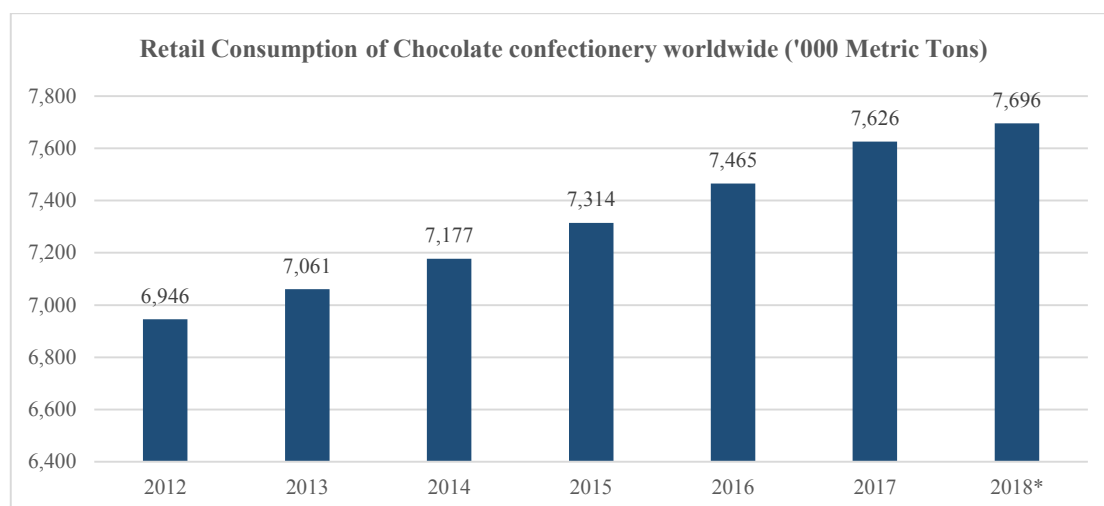
(Source: Trading Economics, Industry Source)

OVERVIEW ON CHOCOLATE MARKET

Chocolate, a processed sweetened product made by using cocoa seed butter, forms a part of everyday consumption habit in developed countries. Currently, different types of chocolates with varying cocoa content are offered by chocolate makers across the globe.

Chocolate is delivered in the form of a paste or solid blocks made from cacao seeds usually sweetened and consumed as a confectionery. The overall confectionery sector generally includes chocolate confectionery, sugar confectionery, and gum confectionery. The retail chocolate confectionery sector is increasing steadily as specialist chocolate stores have become a top source of sales for various manufacturers.

Cocoa is the key ingredient for manufacturing of chocolates. The demand for cocoa is dependent on the chocolate product market, comprising of chocolate confectionery and other chocolate and cocoa products. Average global consumption growth of the industry was just over 2% per annum over the last ten years.



Source: Statista (the statistics portal) – Global Chocolate consumption

Majority of chocolate sales are accounted for by the US manufacturers like Mondelez International, Mars Inc. The largest chocolate manufacturer across the world i.e. Mars accounts for 42% of the American chocolate market. Global chocolate market registered a CAGR of about 3% during last five years i.e. 2012 to 2017.

Production of Chocolate products ('000 Tonnes):

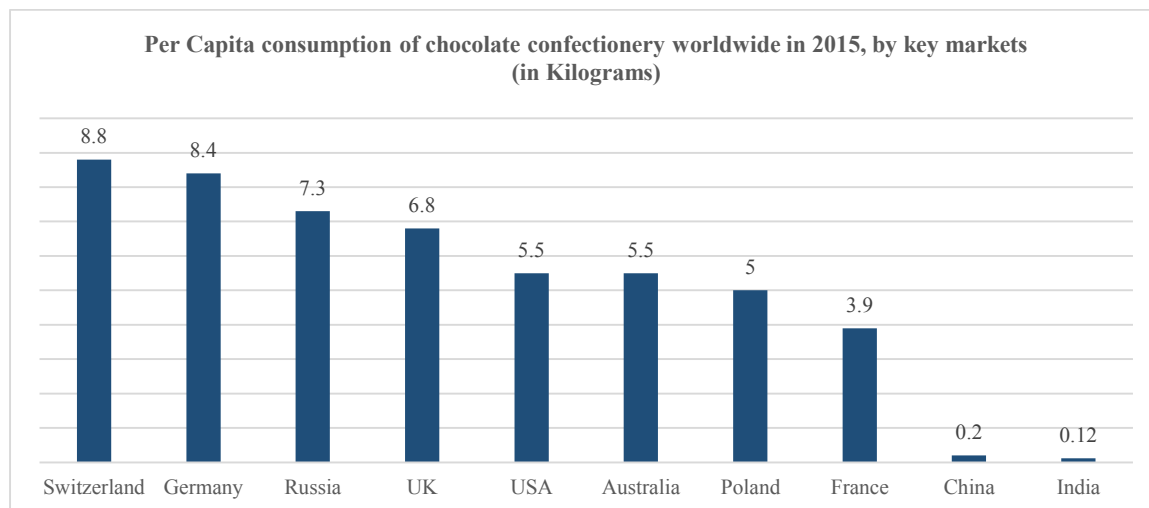
European Union has produced more than five million metric tonnes of chocolates each year, which is more than twice the production in NAFTA region as shown in the table below.

In('000 tonnes)	2011	2012	2013	2014	2015
European Union	5308	4989	5466	5493	5292
NAFTA Region	2423	2207	2375	2550	2401
Asia	1039	1341	1399	1433	1203
Middle East	414	472	476	592	587
Africa	341	474	354	533	640
Eastern Europe	910	987	1065	954	810

Source: Bloomberg news net

Per Capita consumption of Chocolate & Confectionery products:

European and US market have a per capita consumption of more than 5 kg per year, much higher than the Asian market.



Source:-Statista– Global Chocolate consumption

OVERVIEW ON COCOA & COCO BUTTER MARKET

Cocoa - Introduction

Cocoa is the key ingredient for manufacturing of chocolates and is a cash crop, a critical export for producing countries and also a key import for consuming countries, which typically do not have a suitable climate for cocoa production. Traveling along a global supply chain, cocoa beans go through a complex production process that involves farmers, buyers, shipping organizations, processors, manufacturers, chocolatiers, and distributors.

Cocoa trees grow in a tropical environment, within 15 to 20 degrees latitude from the equator. The ideal climate for growing cocoa is hot, rainy, and tropical with lush vegetation to provide shade for the cocoa trees. The primary growing regions are Africa, Asia, and Latin America. The largest producing country by volume is Côte d'Ivoire which produces 33% of the global supply.

Once cocoa beans have been harvested, fermented, dried, and transported, they are processed into separate components for commercial consumption. Processing is the last phase in which demand for cocoa beans can be equitably compared to supply, and after processing into separate components, individual components of the cocoa beans are sold across many industries to manufacture of confectionery, soaps and cosmetic items.

Global market for processing of cocoa beans has remained stable. The Netherlands is the largest processing country by volume, handling about 13% of the global grindings. Though unsuitable for growing cocoa, Europe as a whole comprises nearly 40% of the processing market. The remaining 60% is divided almost evenly between Africa, Asia, and the Americas.

Global Cocoa Beans Market:

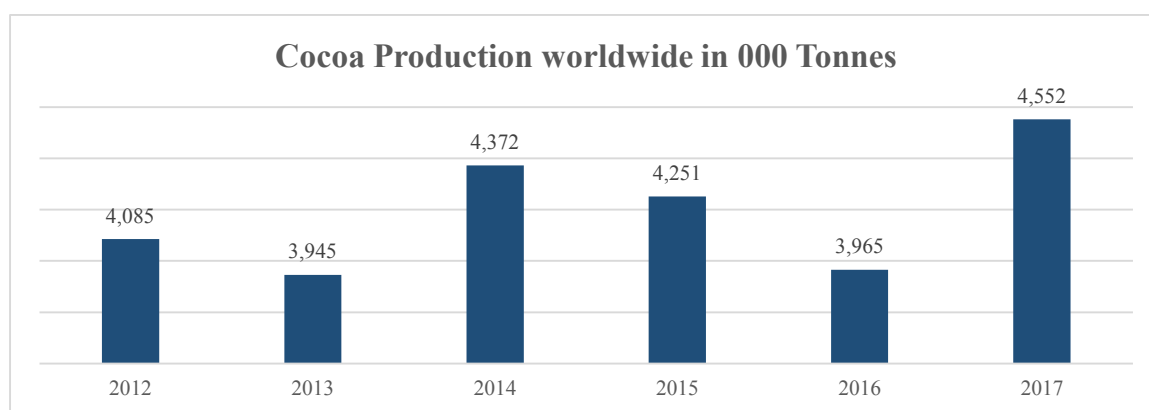
The demand for cocoa is dependent on the chocolate product market, comprising of chocolate confectionery and other chocolate and cocoa products. Global Chocolate Market is directly linked to economic growth progress.

The cocoa beans have captured the attention of consumers from around the world, due to the fast growth of the chocolate confectionery market. Other than chocolate confectionery market, factors stimulating the market growth include increasing disposable income among middle class and increasing popularity

of cocoa based products like cocoa beverages and cocoa powder. However, the commodity price fluctuation, pest and diseases, low productivity, high dependence on seasons and environmental conditions and high cost of farm inputs are restraining the market growth.

Supply of Cocoa products:

The demand for chocolate products has expanded, which in turn has led to increased demand for the semi processed cocoa products required in their manufacture. These semi-processed products (comprising of cocoa liquor, cocoa butter and powder) are derived from cocoa bean grindings.



Source:- International Cocoa organization portal

On an average, around 4 million metric tonnes of cocoa beans are produced each year. In line with the growing chocolate product demand, global cocoa grindings have increased by an average of 1.7% per annum over the last decade, in 2016-17 Cocoa production reached its peak at 4.5 Million metric tonnes.

Supply & production in India:

In India, cocoa is grown primarily as an intercrop in Andhra Pradesh, Tamil Nadu, Karnataka and Kerala, as the tree requires about 40-50 percent shade. More than two-thirds of cocoa is grown in coconut groves, with the rest in oil palm and rubber plantations.

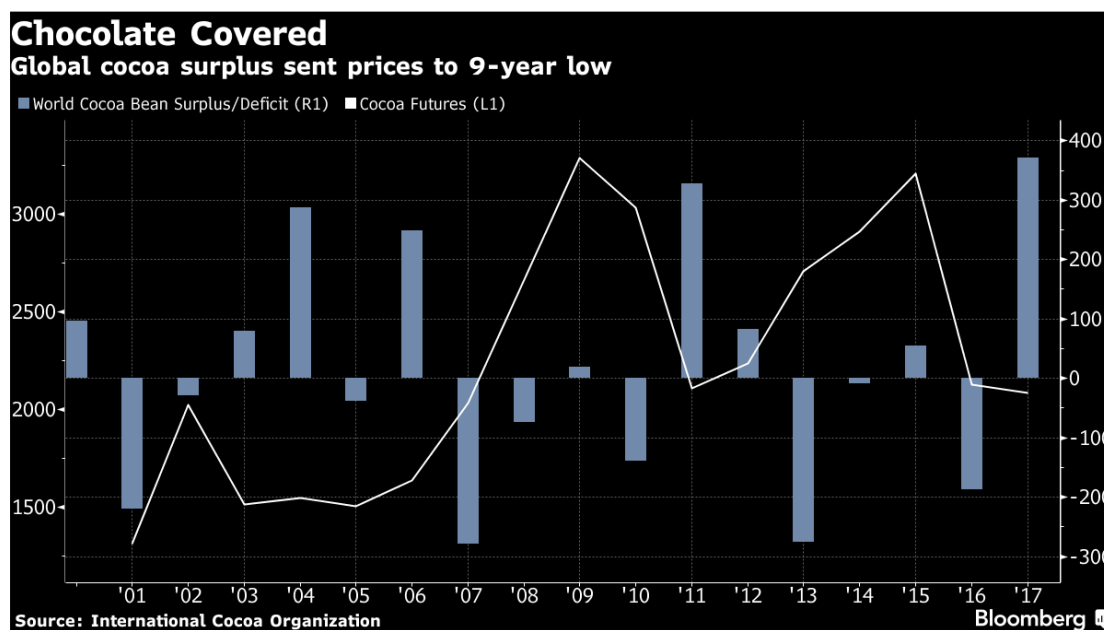
The total area under cultivation in the four southern states at the end of 2015-16 was 81,274 hectares (1 ha equals 2.47 acres)

According to the International Cocoa Organization in 2015-16, India harvested 17,200 metric tons (MT) of cocoa beans, only 1.1 per cent of the yield in Ivory Coast, the largest cocoa bean producer in the world.

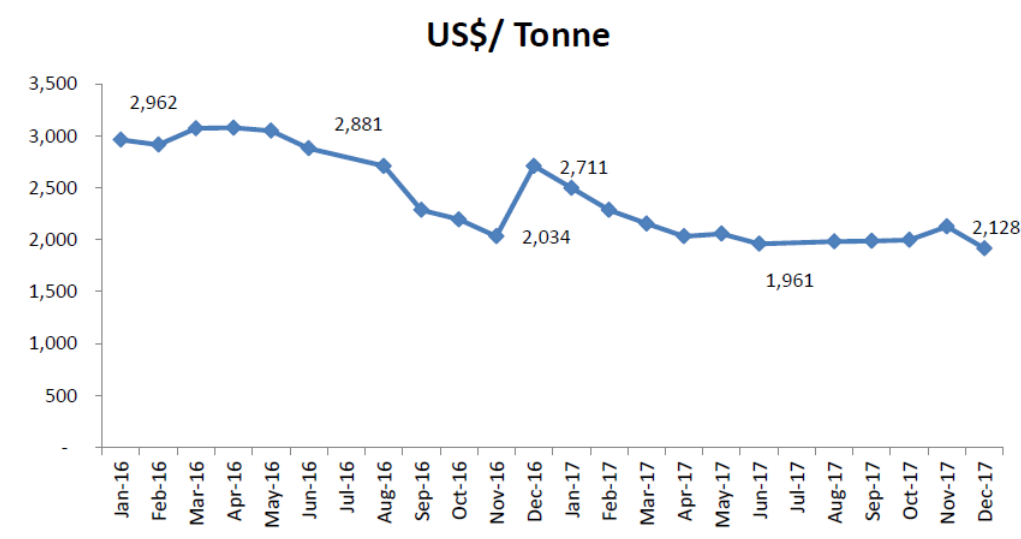
Pricing & Surplus in Production of Cocoa Beans:

The international market prices of cocoa are very volatile and change variably with demand and supply. Cocoa prices plunged 34 percent in 2016 and are down again in 2017 after big harvests in Ivory Coast and Ghana overwhelmed demand. Production in the two countries - which account for two thirds of global supply – is estimated to fall, so is the harvest in Indonesia, Asia's top producer. Citigroup Inc. forecasts that the surplus will shrink to as little as 50,000 metric tonnes in 2017-18 from almost 500,000 metric tonnes a year earlier.

Surplus & Cocoa forwards pricing trend:



Cocoa Beans Pricing in US\$:



Source:- International Cocoa organization portal

Cocoa prices are volatile and influenced by many factors. These include changes in weather conditions, pests and diseases and political instability in producing countries.

Demand of Cocoa Beans Products:

Demand has picked up in Asia particularly, where countries including Philippines, Indonesia, India and China are consuming more powder in products like cookies and ice-cream and while West African growers may reap a second year of bumper crops, top producer Ivory Coast is unlikely to repeat last season's record harvest.

Global cocoa processing is expected to rise by more than 3 percent, processing exceeded 5 percent growth in 2016-17. About 8,000 new products were launched in the confectionery market last year.

Demand for cocoa butter and cocoa liquor, used to make chocolate bars, is also growing and the market is tight despite last season's record surplus that has helped boost cocoa-processing margins, with the so-called combined ratio - the price of cocoa products relative to beans - reaching the highest in more than a decade this year.

Region-wise Demand

3. North America

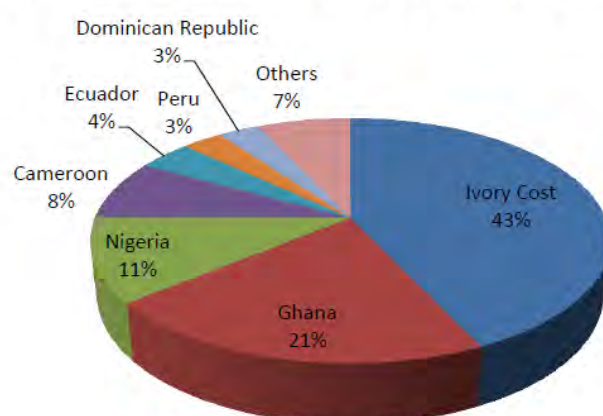
The NAFTA region consumes in the order of 850,000 tonnes of cocoa beans per annum. This volume has been stable over the last decade. Of this, the region grinds around 500,000 tons per annum, although there is considerable annual volatility.

U.S. accounted for the largest share in the North America chocolate market with an estimated size of USD 27.88 billion in 2016. Manufacturers are involved in initiatives to position chocolate as a healthier product by increasing the content of dark chocolate, fruits, nuts, and other ingredients to nutritive value and lower calorie indulgence. This is expected to be one of the reasons behind the dominance of U.S. in the North America market for chocolates.

4. European Union

The EU Consumes in the order of 1.7 Million tons of cocoa beans per annum. In Europe, growing demand for specialty chocolate can be found in traditional consuming countries such as Belgium, France, Germany, Italy, Switzerland and the United Kingdom.

Main Suppliers of Cocoa Beans to Europe, in volume 2016



Source:- International Cocoa organization portal

Consumption in this segment is associated with higher incomes, consumer awareness and market exposure. On an average, use has increased by 1.5% per annum over the last decade and while grindings have grown by around 1% per annum, and the balance being taken up by the imports.

European Union Cocoa Products Imports & Exports:

(In Metric Tonnes)

Imports	2010	2011	2012	2013	2014	2015
Liquor	160	194	185	232	232	209
Butter	162	177	191	212	202	170
Powder	105	112	101	120	151	181

(In Metric Tonnes)

Exports	2010	2011	2012	2013	2014	2015
Liquor	59	64	61	60	67	62
Butter	80	64	67	72	63	62
Powder	279	208	209	215	242	246

The Eastern European chocolate industry (dominated by Russia) grew strongly prior to the financial crisis in 2009. More recently, cocoa use has fluctuated around 250,000 to 300,000 tons, however consumption fell below 240,000 tons in 2015.

Middle East

Chocolate confectionery in the Middle East and Africa is growing by 5 percent in sales value year on year since 2011, against the global average of 2 percent for the same period. Growth in the savory snack segment is equally strong, increasing in sales value by 6 percent annually since 2011, and double the global average of 3 percent. Chocolate consumption volume has experienced a steady growth during last five years. For example, Iran's Chocolate confectionery consumption reached 41.1K tons in 2017 compared to 38.5k tons in 2012. Israel reached 25.9K tons in 2017 compared to 20.9k tons in 2012.

Middle East Chocolate market is anticipated to grow at a CAGR of 4.8% during 2017-23. Countries such as Saudi Arabia, UAE and Qatar would drive the market during 2017-23 due to growing organized retail sector and upcoming global events such as Dubai World Expo 2020 and FIFA World Cup 2022 in Qatar. Companies such as Mondelez International and Mars are targeting local markets by expanding their production facilities in the region. Luxury chocolate manufacturers are also growing their presence in the region.

India

In 2015-16, India's total consumption of cocoa beans was around 30,000 MT, 57 percent of which was imported. In the five years till 2015-16, India's cocoa bean production grew at a CAGR of just 3.6 percent, according to data from the Directorate of Cashewnut and Cocoa Development (DCCD).

India's per capita consumption is miniscule compared to the world's most chocolate-crazy nation, the Switzerland, whose citizens consumed a staggering 8.8 kg on average in 2015. According to Euro-monitor International, the size of the Indian chocolate confectionery market in 2016 was around Rs 11,260 crore. The top three players are all multinationals, with Mondelez India (formerly Cadbury India), maker of the popular Cadbury Dairy Milk chocolates, controlling nearly half the market, while Nestle and Ferrero accounting for 13 percent & 8 percent respectively.

China

China's consumption of chocolate per capita was 0.20 kilogram, versus 8.8 kilograms in the Switzerland, the world's largest chocolate consumer by volume per capita. Valued at about 20 billion Yuan (\$3.02 billion) in 2015 in terms of sales, the market for chocolate in China is expected to grow to 40 billion Yuan by 2020.

Chocolate market in China is developing fast with imported foodstuffs by major European chocolate manufacturers. According to an industry report released by China Merchants Securities, famous chocolate brands such as Dove and M&M's under Mars, the world's largest candy maker, took up 39.8 percent of the domestic market share in 2016, and Ferrero Rocher, the Italian chocolatier, enjoyed a 17.8 percent stake, with other foreign brands including Hershey and Nestle following closely.

Japan

Japan is the largest confectionery market in Asia with a high per capita consumption of chocolate. The recession in 2009, along with the earthquake and tsunami in 2011, caused the Japanese economy to significantly retract, which negatively affected consumer spending. However, chocolate market has recovered a decent amount of sales after 2013, with most of the sales being created in the premium and luxury categories.

Japanese consumers are influenced by price but they are unlikely to compromise on the quality and freshness of products for more affordable pricing. Hence, the market has already moved towards luxury chocolates rather than everyday products and the average selling price of chocolate products is even higher than the global average.

Cocoa Butter- Introduction

Cocoa butter is a type of vegetable fat that is extracted from cocoa beans. The other name for cocoa butter is Theobroma oil, a popular ingredient around the world. It is used in various applications, including cosmetics, chocolates, ointments, and some pharmaceuticals.

Cocoa butter (cacao fat) naturally occurs in the cocoa bean at about 50% of the cocoa nib (EU). Cocoa butter is resistant to oxidation due to high levels of natural tocopherols and fatty acid composition.

Typical Fatty acid composition (%)

- Stearic (C18:0) 34.5%
- Oleic (C18:1) 34.5%
- Palmitic (C16:0) 26.0%
- Linoleic (C18:2) 3.2%
- Arachidic (C20:0) 1.0%
- Palmitoleic (C16:1) 0.3%
- Other Fatty Acids 0.5%

When tempered properly to achieve the correct crystal formulation, cocoa butter creates a finished chocolate with a high gloss and texture snap. Additionally, cocoa butter contracts when solidified, which enables efficient molding production.

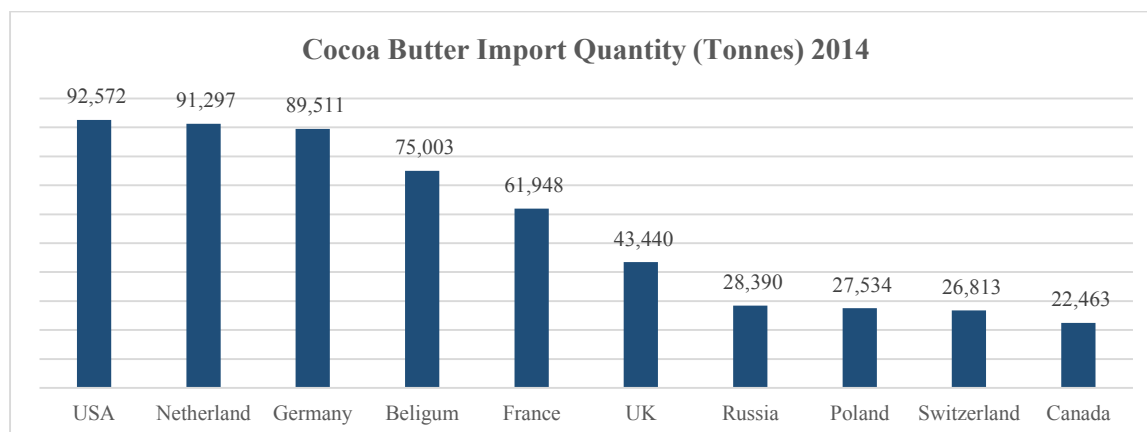
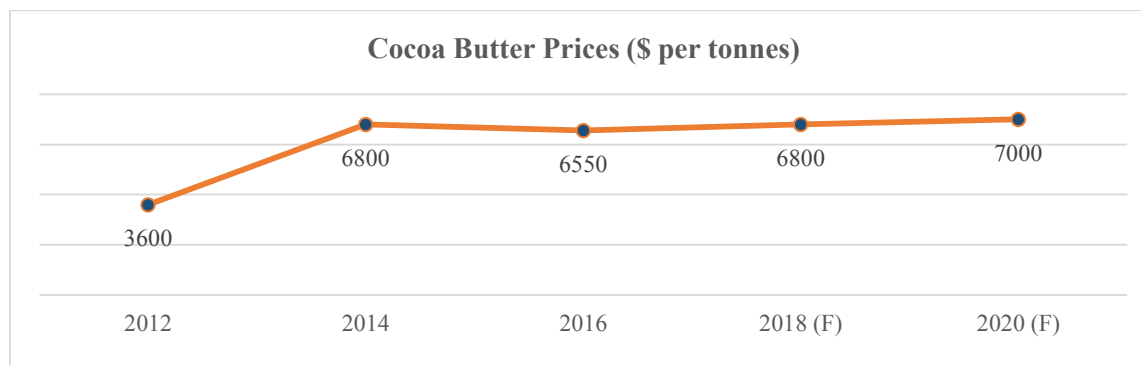
As a pure vegetable fat, cocoa butter is whitish in color and soft in texture. It has been used for ages as the solid to make white chocolate as well as other chocolate bars. It holds together at room temperature providing that ideal candy bar crispness. It has a mild chocolate taste and flavor and carries only trace amounts of caffeine, theobromine, or nutritive elements found in chocolates. Cocoa butter is ideal for beauty care products as well since it stays solid at room temperatures and contains naturally occurring antioxidants which prevent rancidity, giving it a shelf life of years.

Cocoa butter is valuable due to its excellent fragrance and specific physical properties. Cocoa butter is hard below the room temperature and is rapidly dissolved at the body temperature to endow fresh fine appearance. In addition, as it is extremely stable for oxidation, cocoa butter can be used as food such as chocolates which can be preserved for a long time. Cocoa butter has melting point of 32 to 35° C.

Cocoa butter, unlike other fats or oils, comprises above 90% of three major fatty acids, i.e. palmitic acid, stearic acid and oleic acid, and above 75% of symmetric triglyceride structure in which oleic acid is bonded to 2 position of triglyceride and palmitic acid and stearic acid are bond to 1, 3 positions of triglyceride. The major symmetric oil consists of 34 to 39 mol % of palmitic acid-oleic acid-stearic acid (POS), 23 to 30 mol % of stearic acid-oleic acid-stearic acid (SOS) and 14 to 17 mol % of palmitic acid-oleic acid-palmitic acid (POP), thus above 80% of oleic acid is being on 2nd position of triglyceride.

Since it is consists of single triglyceride, the cocoa butter shows characteristic polymorphism by solidifying due to cooling.

Cocoa butter is a byproduct of cocoa processing, and is widely used in chocolate manufacturing. The biggest importer of cocoa butter is the US with 92 thousand tons followed by the Netherlands with 91 thousand tons and Germany with 89 thousand tons.



Production Process

Cocoa butter (CB) is extracted from the cocoa bean, the seed of the *Theobroma cocoa* tree. The three main *Theobroma* varieties are Criollo, Forastero and Trinitario. The beans and pulp are removed from the pod and collected in heaps, boxes or wooden baskets where the fermentation occurs. The fermentation is the first step in the flavor development by producing flavor precursors. After fermentation the beans are dried. The beans are spread out on mats, trays or terrace on the ground to dry in the sun. Afterwards the beans are roasted, as such flavor develops from the precursors formed during fermentation and drying. The beans are then cracked and the shell is removed to give cocoa nibs. These nibs are ground to cocoa mass, an important ingredient of chocolate. Extra cocoa butter is needed to make chocolate, therefore cocoa butter is extracted from the cocoa beans and cocoa mass by pressing process, by expulsion in an expeller press or by solvent extraction.

Cocoa butter generally acts as the continuous phase in chocolate, supporting the nonfat ingredients. This continuous phase has a major influence on the properties of chocolate, it is responsible for the 'snap', gloss, heat stability, mouth feel and flavour release. The shelf life of chocolate is also determined by the used fat.



COCOA BUTTER ALTERNATIVES

Need for Cocoa Butter Alternatives

Cocoa Butter (CB) is an important constituent of chocolate formulation. It enjoys a very high status in the chocolate & cosmetics industry due to its property of remaining hard, moldable and brittle at room temperature and completely melting at the mouth temperature.

However, CB has its own disadvantages such as:

- Low milk-fat tolerance.
- Lack of stability at elevated temperatures.
- Tendency to bloom.

The increasing cost & fluctuations in supply of cocoa butter and desire for healthy foods has led many companies to look for alternatives. Cocoa butter gives chocolate a fatty goodness and glossy appearance. However, using cocoa butter alternatives in chocolate, baked goods and candies is becoming a popular choice. Alternatives fall into three categories – cocoa butter substitutes (CBSs), cocoa butter replacers (CBRs) and cocoa butter equivalents (CBEs).

Cocoa butter alternatives (CBAs) are fats that address the function of cocoa butter completely or in parts. On the basis of functional differences in the vegetable fats added to chocolate, CBAs are to be distinguished and are labeled as cocoa butter replacer (CBRs), cocoa butter equivalents (CBEs) and as cocoa butter substitutes (CBSs). All fats that are used in place of CB to replace it either partially or wholly in chocolate or other confectionery products are generally known as the CBAs.

A CBA is usually cheaper than CB and serves the purpose of CB. It can also be processed just like CB and meet specific country legal requirements such as use of non-animal and non-synthetic fats in chocolate products. The fatty acid compositions of CBAs are similar to that of CB with more or less similar triglycerides structure.

Efforts have been made to find certain fats produced from tree borne oilseeds that have unique triglyceride combination consisting of the right proportion of POP, POST and StOSt types of glycerides. These fats matched the properties of cocoa butter and could be blended with cocoa butter proportionately. So, basically Cocoa Butter Equivalents (CBEs) are fats which behave like cocoa (cocoa butter) in all respects and are able to mix with cocoa butter in any proportion without altering the melting rheological and processing characteristics of cocoa butter in all types of formulation. CBEs are non-mono-unsaturated triglycerides like cocoa butter.

Palm Oil is fractionated to produce middle-melting fractions rich in POP. So also, exotic fats such as Sal, Mango, Shea, Kokum etc. are fractionated to get triglyceride cuts in POS and SOS careful preparation and blending of these results in tailor-made fat that is equivalent to cocoa butter.

The principle advantages of incorporating CBA are:

- Reduction in the production cost of chocolate, as CBA's are cheaper than cocoa butter.
- Stabilizing influence on fluctuating price of cocoa butter.
- Improves tolerance of milk-fat.
- Improves stability of chocolates in tropical climate.

Types of Cocoa Butter Alternatives:**Cocoa Butter Substitutes (CBSs)**

A cocoa butter substitute is a fat compound that is non-hydrogenated (PKs) or fully hydrogenated (fully hydro PKs). This makes it healthier than traditional cocoa butter, and the right type of substitute can offer the same taste and texture to chocolate as the real thing. Palm kernel or coconut oil is frequently used as CBSs in sweet treats. They are easier to handle when used in chocolate treats and have a high melting point. Both substitutes also do not crystallize when overcooked the way cocoa butter does. The downside of these substitutes is that they do not mix well with other fats used to make chocolate. According to Rick Schwartz of Cargil Cocoa and Chocolate, CBSs are only able to mix well with recipes that have 5% or less of other fats.

CBS Features:-

- Palm oil or coconut oil based and normally contains lauric fatty acids.

- Does not require tempering.
- Lauric fat in the presence of enzymes like lipase (found in cocoa beans), under the right conditions (moisture, temperature), can react and produce a soapy off-note.
- Not compatible with cocoa butter, although can be mixed in at a low percentage.

Cocoa Butter Replacers (CBRs)

CBRs are physically similar to cocoa butter, but have different chemical characteristics. These are fats with different fatty acid composition, as well as completely different structure of triglycerides than cocoa butter. Due to this reason they mix with cocoa fat only in limited quantities; however they behave similar to it in final products. These replacers are obtained by hydrogenation, interesterification and/or fractionation of plant fats with high concentrations of C16 and C18 fatty acids. These fats do not require tempering during technological processing.

CBRs can be used for production of: high-fat cocoa powder and cocoa pulp, coatings, stuffed bars, nuggets and white chocolate. However, CBRs obtained during hydrogenation process are characterized by high content of trans fatty acids, mostly oleic acid isomer.

CBR Features:-

- Non-lauric containing fats like palm oil, soybean oil, rapeseed oil and cottonseed oil.
- Does not require tempering.
- Partially compatible with cocoa butter.

Cocoa Butter Equivalents (CBEs)

CBEs are vegetable fats used both for food and cosmetics applications. CBEs include Shea, Sal and other common butters such as illipe, kokum, mowrah, mango and palm butters. Cocoa butter is made from the beans of the cacao tree, grown across the tropics, while Shea & Sal butter is made from the oilseeds of the Shea nut and Sal seeds respectively.

The most beneficial CBA is a CBE. Physical and Chemical Properties of CBE is similar to

Cocoa Butter. Palm and Shea oil/ Sal Oil are frequently used as a low cost alternative to cocoa butter. Both have no maximum amount of fat that they can be mixed with, which helps them be versatile in chocolate, candies and other sweet treats. The right amount of oil is dependent on the texture and consistency of a recipe. More oil is used to replace cocoa butter in chocolate but less will be needed in candies due to the high cooking temperature. Any type of substitution is a trial and error process to find the right balance that does not diminish the taste and quality of the product.

Other than chocolates, these fats are also predominantly used for the production of compound coatings used for enrobing bakery and confectionery products where the coating forms 10% to 30% of the total weight of the enrobed products.

CBE is better of all the alternatives:

- Enable the chocolate manufacturer to make more consistent products by leveling out the variable hardness of cocoa butter.
- Improve the stability of the fat phase of chocolate product, thereby combating undesired fat migration from fillings to “coating” of chocolate.
- Prevent the formation of fat bloom, a white discoloration generated by heat. Fat bloom is common in summers, is a major source of consumer complaints.
- Improve hardness and snap, especially in chocolate products with high milk content. Dairy fats are soft and a small amount of CBE can correct this.
- Help to maintain texture and “gloss” thereby enhancing consumer appeal.

- Facilitate the efficient manufacture of chocolate by influencing such parameters as tempering behavior, viscosity and rate of crystallization.
- CBE is designed to contain a glyceride composition similar to that of CB. Their properties are expected to be similar and compatible with CB in mixtures for chocolate manufacture. The major fatty acids contained in CBEs are palmitic acid, stearic acid and oleic acid, which are similar to that of CB.
- Most of CBE is prepared from blending of different mixtures of palm oil, palm oil fractions, Shea, illipe, sal and mango kernels fat etc. It contains approximately 12% POST, 40% of (StOst), 25% of (POP) and 21% of (POP) and minor amounts of other triglycerides

OVERVIEW ON COCOA BUTTER EQUIVALENTS

	CBE	CBR	CBS
Origin	Illipe butter Palm oil Sal fat Shea butter kokum butter Mango kernel fat	Palm oil Soybean oil Rapeseed oil Cottonseed oil	Palm kernel oil Coconut oil
Processing	Fractionation	Fractionation	Hydrogenation Fractionation Interesterification
TAG Composition	Similar to CB	Different from CB	Different from CB
Lauric Acid	Non lauric	Non lauric	Lauric (45-55% lauric acid)
Compatibility to CB	Compatible	Compatible in small ratios	Incompatible
Crystallization	Tempering to obtain stable polymorphic form	Crystallize directly from the melt in the stable polymorphic form	Crystallize directly from the melt in the stable polymorphic form
Application	* 5% replacement on total product	Compound	Compound
Physical & Chemical Properties	Similar in their physical and chemical properties like melting profile and polymorphisms to cocoa butter	The distribution of fatty acid is similar to cocoa butter, but the structure of triglycerides is completely different	Chemically different to cocoa butter, with some physical similarities
Mixing properties	Mixable with it in every amount without altering the properties of cocoa butter	Only in small ratios can mix to cocoa butter.	

COCOA BUTTER EQUIVALENTS

CBE Brief Production process

The Cocoa Butter Equivalent (CBE) has triglyceride composition similar to natural cocoa butter and is superior to compatibility and also is necessary for tempering. Palm Middle Fraction oil (PMF), illepe fat, Shea fat, sal fat and kokum fat come under the category of the CBE. It can be obtained oil similar to cacao butter by mixing PMF with Stearine obtained from Shea/ Sal seeds which is rich in palmitic acid than cocoa butter and sal/Shea stearine which is rich in stearic acid. The CBE can substitute for natural cocoa butter in the production of chocolate without difference in aspect of taste, properties, i.e. CBE has no difference in texture, flavor and taste when compared with cocoa butter. Such kinds of oil are in demand in Europe Union annually in amount of 15,000 ton and have been used in the whole world instead of natural cocoa butter.

Lauric and palm oil both are used as some of the prime sources of raw materials in order to obtain economical cocoa butter alternatives. Moreover, palm oil serves as a common raw material in producing alternative fats as it contains symmetrical triglycerides in forming cocoa butter equivalents. With the increasing research and development activities in the field of alternative fats and oil products are one of the major driving factors is contributing to the positive development of the market. Latin America and MEA (The Middle East and Africa) are anticipated to show significant growth rate owing to the increasing demand for cost-effective personal care products and confectioneries.

Sources for CBE

Crop	Shea Nut	Sal Seeds	Mango Kernel	Kokum Seed	Illipe Nut
Region	West Africa (Burkina Faso, Mali, Ghana & Others)	India (Chhattisgarh & Orissa and others)	India (Chhattisgarh, Orissa)	India (Maharashtra)	Malaysia (Sarawak), Indonesia (Kalimantan)
Harvesting Method	April-September	June/July	June/July	April/ May	October - January
End use	CBE- Cosmetics	CBE- Cosmetics	CBE- Cosmetics	CBE- Cosmetics	CBE -Edible Fats

The most commonly used exotic vegetable fats are Sal, Palm oil, illipe and Shea. Next to these fats also mango kernel, kokum, gurgi, mowrah are allowed although the European legislation only allows these five fats, other fats have been successfully used as CBE in the past, for example acituno oil and dhupa fat.

It is beneficial to add Indian Exotic Fats to Chocolate and Confectionery Fats and Oils. Sal has good digestive property because of presence of Arachidic Acid. Sal Fat is used as an Equivalent / Substitute for cocoa butter in chocolate and confectionery.

Natural sources of cocoa butter alternative fats:

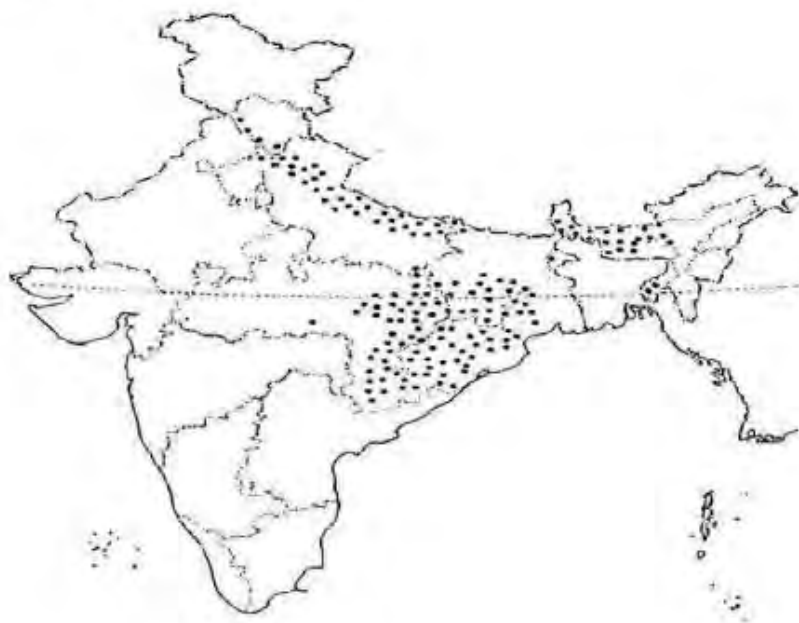
- **Sal fat**

Shorea Robusta (Sal) belongs to the family of Dipterocarpaceae. Sal has an important role in the economics of central states of India (i.e. Orissa, Jharkhand, Madhya Pradesh and Chhattisgarh). These states cover about 45 % of forest area. Sal is a deciduous tree that reaches up to 50 m height. Sal is famous for its seed and oil. Sal fruit pulp is edible; it contains sugar, gum, malic, citric and tartaric acids. Sal is a crucial plant for veterinary medicines (used as vaccine and medicine for respiratory diseases). Sal fruit content 66.4% of kernel and pod, reaming 33.6% is shell and calyx.

Sal seeds possess a fat content of 12% to 14%. The fat is extracted in a Solvent Extraction Plant in the presence of hexane. The extracted Sal oil is refined using conventional refining methods.

For Sal the market is now open to all states & free trade in India. Sal is now denationalized in all the states like Chhattisgarh, Odisha, Madhya Pradesh and Jharkhand.

Map showing distribution of Sal



Sal seed production is concentrated in the central India. Orissa has largest area that covers sal trees with area over of 38,300 Kms followed by Madhya Pradesh 27,800 km and Chattisgarh with 24,245 Km.

India has the largest Sal forest in the world. The country has vast potential of Tree Borne Oil Seeds like Sal, Mango, Phulwara and huge forests with huge population to collect the seeds in Madhya Pradesh, Bihar, Orissa, West Bengal, Chattisgarh, Nepal, Uttar Pradesh, Utranchal. In India 16% of its total land is covered by Sal forest.

Sr. No.	TBOs (Tree Borne Oils)	Status Where Grown	Estimated Production Lakh (MT)	Current utilization Lakh (MT)	Balance Available Lakh (MT)
1	Sal	Assam, Bihar, Chhattisgarh, Jharkhand, Madhya Pradesh, Orissa, U.P., Uttaranchal, W.B.	10.00	1.5	8.5
2	Neem	All over India	7.00	1.3	5.7
3	Mahua	A.P., Bihar, Chhattisgarh, Gujarat, Jharkhand, Karnataka, M.P., Orissa, Rajasthan, U.P., T.N., W.B.	7.00	1.00	6.00
4	Mango Kernel	All over India	6.00	0.20	5.80
5	Karanja, Kusum & Other oil seeds	A.P., Bihar, Chhattisgarh, Jharkhand, Gujarat, Haryana, Karnataka, Kerala, T.N., M.P., Orissa, Rajasthan, U.R	5.00	1.00	4.00

Sal Stearine:

Sal Stearine is a fractionated product of Sal Fat produced by physical press fractional or by Solvent Fractionation Process. The stearine thus obtained is 56% to 70% of the Sal Fat taken initially. The Stearine is harder than cocoa butter and can thus be used easily as a substitute in CBE or CBR, which is why it is also used in the manufacture of plain chocolates.

Sal Oleine:

When Sal Fat is fractionated, Sal Oleine is obtained. Sal Oleine is liquid at room temperature, with a certain part of it – forming solid lumps. Sal Oleine is effective as an emollient, which is why it is used in skin care products and other cosmetics.

Sal Oleine has zero transfat and it is used widely in Vanaspati (Vegetable fats) and is also being used in Ice Cream and Bakery Products.

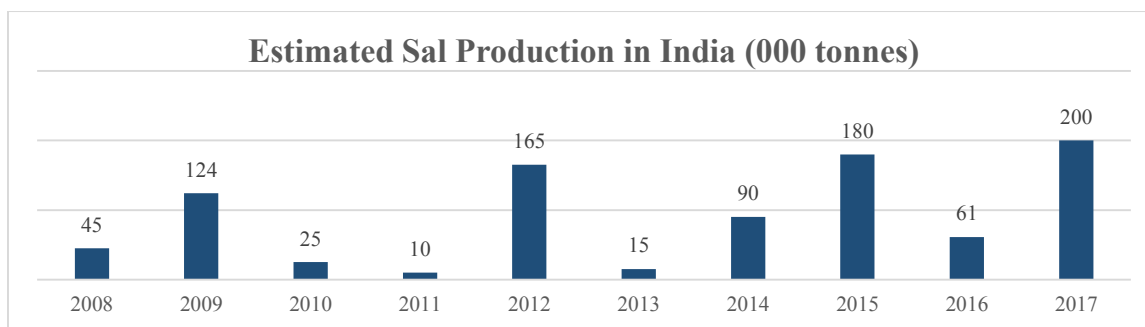
Advantages & Uses of Sal Seed

The Central Committee of Food Standards has also cleared Sal oil (fat) for confectionery use. Sal fat in Vanaspati ghee (upto 20%) is preferred as there is no fear of this fat settling as cholesterol in blood vessels to cause blockage in the heart. Besides, the fat gives a natural green colour to soaps.

- Sal oil are exported in countries like Italy, UK, France, Malaysia, Japan, Netherlands, where it is used as a substitute for cocoa butter. Sal Fat has a good export market due to its better quality, keeping free fatty acid (FFA) below 5% and use of less hydroxyglycerides content. Sal fat is competitive in the export market due to its low price.
- The other thing that goes in favour of Sal fat as CBE is that it is invariably organic, free from pollutants and fertilizers.
- The best quality Sal oil, i.e. with FFA below 3-5%, is used in the chocolate industry and exported to Japan and the European Union countries.
- Oil with 5-7% FFA is used in the Vanaspati sector, above 7% FFA is used for soap making and still inferior quality with FFA above 10% finds use in manufacturing of paints, lubricants, etc.
- The oil cake is used for boiling plants, as a sizing material in textile industries and as cattle feed after standardization. A rough estimate of the uses of de-oiled cakes shows that 80% of the produce is used as fuel in solvent extraction plants, 3-5% in making coal briquettes and the rest is used as feed for cattle, poultry and fish. The de-oiled cake also has a good export market as cattle feed

Sal fat as component of Cocoa Butter Equivalent:

Sal Fat is an important component of CBE. Cocoa butter has unique chemical and physical properties which provide chocolates with special qualities like maintaining hardness and staying brittle at 30 degree Celsius and melting completely at 35 degree Celsius. Such a unique and rapid transformation is due to the unique chemical composition comprising about 80 percent symmetrical triglycerides like POP, POS and SOS. Sal Fat manifests in itself all these properties and is thus an ideal ingredient of CBE. Sal Oleine has zero transfat and it is used widely in Vanaspati (Vegetable fats) and is also being used in Ice Cream and Bakery Products.



The amount of sal seeds collected is about 1.25 – 1.5 lakh tons annually. In the matured fruit, the enclosed nut remains green but gradually turns brown on storage. It browns quickly on artificial drying. On the basis of extensive studies carried out in the country it has been found that sal seed meal could serve as a source of energy in animal feeds.

How Sal is used in CBE Production

Fractionation of sal fat is necessary for making cocoa butter which resembles triglycerides, which is a valuable ingredient for CBEs. CBEs are produced by blending of stearine of sal fat with palm mid fractionated oil (PMF Oil) in different ratios. As a result the solidification properties and solid fat indices of blends 70-80% of sal fat stearine and 20-30% of PMF oil show similar properties to CB. Cocoa butter extender is made by decreasing the sal fat stearine to 50-67% in the blend, series of cocoa butter extenders can also be made by changing the sal fat and PMF oil ratios in the blends which show similar chemical and physical properties like CB. Due to the unique chemical composition comprising about 80% symmetrical triglycerides that is POP, POS and SOS Sal fat is used as a substitute for cocoa butter in confectionery & Chocolate.

Indian customs data suggest that export peaked in 2012 at over 9,000 tonnes (sal oil equivalent). Exports declined in 2013 and remained at 6,000 tonnes (sal oil equivalent) in both 2014 and 2015. India is now exporting Shea stearin and sal oil to the same destinations. The EU is the most important importer of both sal & sal oil, accounting for over half of 80% of trade over the last five years

It is high in stearic and oleic acids and has a few polyunsaturated fatty acids. SAL BUTTER is often used to enhance spreadability of creams, lotions and cosmetic foundations combining good emolliency with superior oxidative stability. Comparable to cocoa butter in its physical properties, SAL BUTTER can be used in similar applications. It is also beneficial for the treatment of many different conditions.

Other application of Sal Seed Oil

- Sal butter is used for making cosmetic products
- Sal fat is used in the manufacturing of edible ghee or Vanaspati.
- It is also used for soap manufacturing industries up to 30%.
- It is also used for paints, pigments, lubricant, and auto oil.
- Sal seed oil can also be used for production of bio gas and biodiesel.
- The de-oiled seed cake is a cheap natural substrate for lipase production under submerged fermentation.

Shea butter

Shea butter comes from the nuts of the Shea tree; Shea (*Vitellaria paradoxa*) is a small to medium sized tree spread over West African countries. The fruit is oblong in shape. The epicarp of the ripe fruit is initially green and when matured - yellowish green. The average fresh weight of the nut is 8-10 gms which makes Shea nuts one of the heaviest oilseeds available. The fresh nut contains 43-68% moisture by weight and as much as 30-45% of the kernel can be recovered.

This fat is sometimes called Karité butter or Galam butter. The kernel contains approximately 40% to 60% fat. The fat has a very high content of non-triacylglycerol matter. Shea butter has a low content (\pm 39%) of SatOSat triacylglycerol's, the main SatOSat triacylglycerol present is StOSt, and therefore the stearin fraction is mostly used. Next to fractionation, a refining step needs to be done. (Timms, 2003).

Shea butter contains a high proportion of di- and tri-unsaturated glycerides, which give it the softer consistency. The heavier carbon molecules (stearic and oleic acid) dominate which result in a high melting point of 37.8 degree C. The unsaponifiable fraction makes Shea butter a useful ingredient in cosmetic products. Estimation of the proportion of unsaponifiables varies but their presence makes the fat prone to oxidation. Some of the triterpenes and sterols are characteristics of Shea oil and can be used to detect its presence as an adulterant in cocoa butter.

Illipe butter

Illipe butter is derived from the nuts of the illipe tree (*Shorea stenoptera*). Another name for illipe butter is Borneo tallow or Tenkgawang. The kernel contains between 45% and 70% fat (Bockisch, 1998). The fat has a relatively high level of POST and StOSt, therefore resembles very well to cocoa butter (Storgaard, 2000). The high level of POST results in a high SFC at 20°C (Timms, 2003). Before its use, this fat must be refined.

Kokum butter

The kokum kernel contains on average 45% fat. Kokum Butter (Kokum fat) is extracted from Kokum nuts (*Garcinia indica*). The yield of oil (fat) is about 32-35%. Kokum Fat increases the hardness of chocolates and is used in various confectionaries. It is a very important component for filling and used as an alternative fat in cosmetics. It is also used in the manufacture of soap, cosmetics, candles and ointments. When mixed with Mowrah stearine and PMF, this fat can be used to produce CBE.

Mango kernel fat

Mango Kernel Fat is obtained from the seed kernels of mango (*Mangifera Indica*). Mango trees are abundantly distributed throughout India, with innumerable and regional varieties of the fruit. The fruit is consumed both as a delicacy and as food.

The estimated production of mangoes in India is around 7 million tones. Mango contains an ovoid oblique solitary seed, also called stone. The latter consists of a hard shell with a kernel inside. The potential availability of mango kernels in the country is around one million tones which can yield about 70,000 tons of mango kernel fat. Mango fat contains 8-12% oil.

To produce the oil, mango kernels are either collected wild from the countryside around Chhattisgarh & Orissa states, or collected in the villages following the consumption of the fruit. The season is limited to June & July. The process employed in the mango pulping factories disturbs the kernel and this process is not viable. Most mango kernel is processed into stearin before export, with oil used on the domestic market. The EU is the main market, with some exports also going to Malaysia.

The mango kernel meal can be used as cattle feed, manure, and for production of starch, with good export potential. Mango kernels contain 7-11% grayish-white colored fat which is suitable for edible purpose after refining. The fat is solid, closely resembling cocoa butter in physical and chemical characteristics and is therefore used as a substitute or extender. It has a good potential as edible oil. The raw fat is used in soap making. Refined fat is suitable as an edible fat, and in cosmetics formulations.

Mango Stearine

Mango Stearine is produced by solvent fractionation or press fractionation of Mango fat. It is mainly used as an alternative fat in Cocoa Butter Equivalents and Replacers.

Palm oil

Palm oil is extracted from the flesh of the fruit of *Elaeis guineensis* without using a solvent. Up to 80% of the fatty acids are palmitic and oleic acid. Palm oil contains mainly POP and POO. Palm oil can be fractionated in palm olein and palm stearin. Fractionation is used to concentrate particular triacylglycerols. The fat is melted and then slowly cooled to produce crystals. These crystals are

separated by filtration. Without the use of a solvent this is called dry fractionation, but sometimes solvents are used to facilitate the separation of the crystals from the liquid. Mostly hexane, acetone and 2-nitro-propane are used as solvent for wet fractionation. Acetone, a polar solvent, is preferred to hexane because of its effectiveness in removing diglycerides and other polar lipids. By further fractionation of the olein fraction, soft palm mid-fraction (PMF) is produced. The stearin fractionation of soft PMF is hard PMF and is often used in chocolate and other confectionery products.

Dhupa

Dhupa fat is obtained from the seed kernels of DHUPA also known as the Indian copal tree (*Vateria indica*). DHUPA trees grow mostly in moist evergreen forests in the Western Ghats of India.

Dhupa Fat is produced from Dhupa seeds after crushing in a solvent extraction plant. Refined Fat is obtained after chemical conventional refining, and this is suitable for edible uses. It is used as a component for filling, as Cocoa Butter Substitute/Extender after proper processing, as well as in yarn-sizing and manufacture of candles, soaps and other cosmetics.

CBE Production

CBEs can be obtained by blending refined fractions of exotic vegetable oils. The vegetable fats contain the same triacylglycerols but in different ratios compared to cocoa butter. No natural fat contains as much POST as cocoa butter.

For blending, certain process conditions need to be taken into account. All components should be liquid, the agitation should be effective without introducing too much air into the oil and to blend the fats homogeneously, sufficient time is required.

Palm mid-fraction (PMF), which contains high concentration of POP can sometimes be used to give a softer texture to the chocolate. Because of its high amount of StOSt, Shea fat is used to improve the heat stability of chocolate.

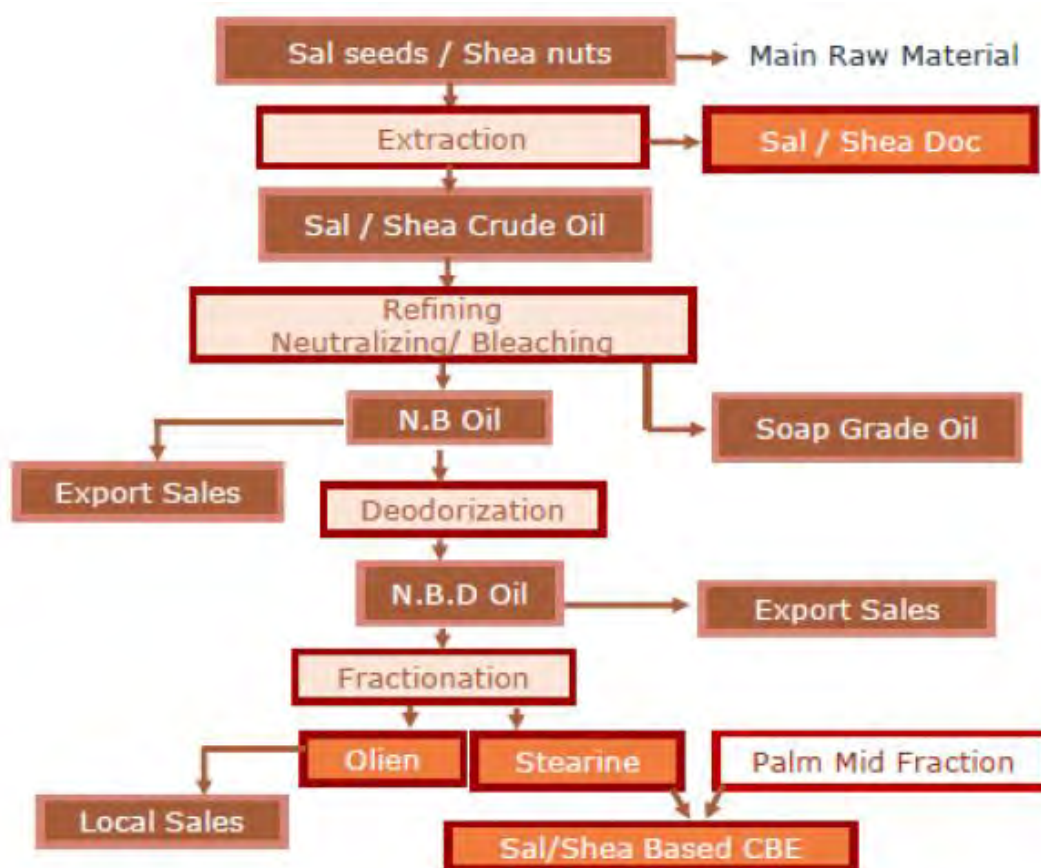
If PMF is mixed with illipe, Sal fat and Shea fat, a CBE is obtained with the same amount of SatOSat-type triacylglycerols, but less POST and more POP will be present in the mixture compared to cocoa butter. In general CBEs contain substantially more POP and less POST than CB but similar amount of StOSt. Next to blending natural fats, the specific triacylglycerols can also be produced by interesterification, chemically or enzymatically.

Chemical Synthesis

In this process a hydrogenated palm oil/soya bean blend are brought in reaction with glycerol. A mixture of 1,3/1,2-diglycerides is produced. From this mixture the 1,3-diglycerides are isolated by slow crystallization with hexane. Afterwards the palmito/stearo-diglyceride is reacted with oleyl chloride or oleic anhydride.

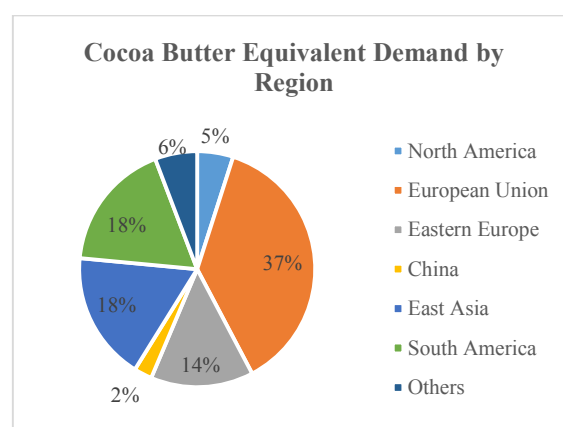
Enzymatic synthesis:- In enzymatic interesterification reactions, enzymes (lipases) are used which catalyse the reaction only at the 1- and 3- positions of the glycerol to generate SatOSat- triacylglycerols. The lipases used, originate from micro-organisms, e.g. *Aspergillus*, *Mucor* or *Rhizopus* species or *Geotrichum candidum*. Different vegetable fats, e.g. palm oil, high oleate sunflower oil or high oleate rapeseed oil are used as substrate in this sort of reaction.

Manufacturing Process of CBE from Sal seeds / Shea nuts:



CBE Demand

Total Demand for CBE in 2016 was around 167,430 tons



World Cocoa Butter Equivalents Demand 2010 to 2016 (tons)

	2010	2011	2012	2013	2014	2015	2016
North America	7,950	8,034	8,079	8,021	8,088	8,176	8,264
European Union	57,438	59,381	57,221	58,954	59,502	62,169	62,444
Eastern Europe	24,765	28,172	28,001	30,801	28,108	24,218	23,564
China	2,280	3,032	3,466	4,122	3,996	4,143	4,143
East Asia	26,350	28,032	28,705	27,548	28,205	28,871	29,517
South America	26,715	27,946	20,521	28,431	31,291	28,871	29,616
Others	6,605	6,961	7,355	7,793	8,534	9,227	9,683
Total	152,031	161,538	153,347	167,671	167,674	165,690	167,430

World Cocoa Butter Equivalents Demand Forecast 2017 to 2021 (tons)

	2017 E	2018 F	2019 F	2020 F	2021 F
North America	8,695	8,831	9,066	9,457	9,595
European Union	63,361	64,114	64,902	65,727	66,589
Eastern Europe	25,658	27,629	29,890	31,630	32,559
China	4,283	4,376	4,518	4,739	4,833
East Asia	30,654	31,365	32,442	34,092	34,849
South America	31,365	32,488	33,571	35,245	35,995
India	-	8,000	13,000	17,000	20,000
Others	10,101	10,540	11,004	11,493	12,008
Total	174,535	187,344	198,393	209,384	216,427

Demand for CBE Region wise

The CBE Market grew rapidly due to combination of changes in legislation and rising cocoa butter prices, this encouraged the growth of coatings based on CBE's and a switch in higher quality filling fats towards those based on CBEs. Region wise demand for CBE is outlined below.

European Union

The EU is one of the most important CBE markets, with an annual consumption of 60,000 tons. Demand has increased in recent years along with trends in chocolate production and increased use of CBE based coating and filling fats. With increased regulations chocolate production has moved to lower cost countries within EU and the trade in chocolate product has increased. This has altered the demand for CBE's within Europe. The EU market is stable and growth is expected to come from increasing consumption along the line of population growth, with modest switching in the case of high cocoa butter prices.

EU Regulation on Cocoa Butter Equivalent

Under Directive 2000/36/EC vegetable fats other than cocoa butter are permitted up to 5% by weight in chocolate, milk chocolate, family milk chocolate, white chocolate, chocolate and chocolate equivalent. Vegetable fats permitted include palm oil, Shea, mango kernel, sal, kokum gurgi and illipe. The use of vegetable fats other than cocoa butter must be indicated on the label. All products labelled chocolate must contain less than 35% total dry cocoa solids, including at least 18% cocoa butter and no less than 14% dry non-fat cocoa solids. The directive also sets a minimum content of cocoa solids per chocolate type. For example a minimum of 25% total dry cocoa solid is required in milk chocolate.

Eastern Europe

Russia is largest CBE market in Eastern European region. CBEs were not permitted in chocolate until 2008. Prior to this, they were used as coating on filled chocolate products. In these products, CBE's

and some cocoa butter were replaced by CBE's. Eastern Europe chocolate industry was hit by recession in 2009 and again between 2014 & 2016. In 2016, the signs are that the market has bottomed out and is slowly returning to growth.

CBE imports into Russia reached 10.8 thousand tons in 2016 in the first 8 months of 2017, imports dropped by 32.7% to the similar period of 2016, reaching 4.5 thousand tons. In monetary terms, the volume decreased by 29.7%.

Swedish products are leading in the segment of CBE, their share having occupied 45.2% of imports in January–August 2017. Against the similar period of 2016, there is a 9.6% decline in supply volumes in physical terms. “AarhusKarlshamn” (“AAK”) is the leader in CBE imports, having a share of 45.3% in volume terms. Its closest competitor is “IOI Group Loders Crokiaan” (the Netherlands) – unlike the leader, during the first 8 months of 2017 the company increased its import volumes by 33.3%.

According to official statistics, production of CBEs, improvers and substitutes in Russia amounted to 26.7 thousand tons in January–August 2017. The bulk of production falls on Belgorod region, where production facilities by “Efko” Group, a major player of the oils and fats industry, are located.

It should be noted that imports of cocoa butter (products reviewed above serving as an alternative to it) into the country have been declining as well – in 2014, volumes of imports amounted to 35.7 thousand tons, whereas in 2016 they equaled 28.9 thousand tons. However, 19.4% growth was recorded in January–August 2017, compared to the similar period of 2016. Indonesian manufacturers are leading in cocoa butter imports; in particular, “PT Asia Cocoa Indonesia” accounted for 18% of imports in 2016, and its share in January–August 2017 equaled 16.6%.

North America

Demand in North America region is estimated around 8000 tons as CBE's are not currently permitted for the chocolate use in USA. Some US manufacturers use CBE's as a coating for filled bars for instance Hershey's has one product that contains CBE. Demand is limited to filling fats and super coatings. The US FDA has a chocolate standard identity which requires manufacturers to use approved ingredients in making chocolate, and it protects the consumer from any substitution of other ingredients. As a result, chocolate industry must obtain approval from the FDA to make any changes to the standard of identity of chocolate.

A change in legislation would potentially increase CBE demand. The potential CBE market size in the USA is 40,000 tons.

How a change in US chocolate labeling rules could benefit CBE

The effect on sal seed & Shea nuts demand

Estimated current annual US chocolate consumption is approximately 1.4 billion kilograms – based on annual per capita US chocolate consumption of 4.3kg and the US population of 323.2 million. If the US follows the EU example and allows a substitution of up to 5 percent of chocolate ingredients (in terms of volume) to be CBEs, and sal fat is used for half of the CBEs then the potential increase in sal fat demand would be 34.8 million kilograms (i.e., 2.5 percent of 1.4 billion kilograms). Alternatively, if only half of chocolate producers made the CBE substitution, the potential increase in sal fat demand would be 17.4 million kilograms. A 34.8 million kilograms increase in Shea butter demand translates to 69.6 million kilograms of Shea nut kernels, with a market value of US\$34.8 million. Given the volume of annual Shea nut exports of 349.9 million kilograms, this translates into a 20 percent increase. If only half of the chocolate were to make the CBE substitution, then the estimated increase in exports would be 10 percent. If US changes their policy and allows use of CBEs up to certain extent the demand for CBEs would increase in the market.

South America

The South American CBE market is estimated to be 38,000 tons. Demand grew quickly in the early 2000s as regulations changed and chocolate consumption grew strongly with rising GDP. Brazil & Argentina are total largest chocolate markets in the region.

The Demand has since stagnated as chocolate consumption has slowed. The region is one of the most

price sensitive with respect to CBE's with demand falling as lower cocoa butter prices resulted in a switch away from CBE's. Due to the slowing Brazilian economy, the consumption has also declined for confectionery consumption and in cocoa butter use.

In Argentina, standards were changed in 2012 with up to 5% CBE permitted in chocolate products. CBE use has risen to 4,000 tons per annum.

In Colombia, the law of restricting use of CBE in chocolate was changed in May 2011. They are similar as EU regulations.

East Asia

East Asia is another important regional CBE market, accounting for an estimated consumption of 28,000 tons in 2013. Both chocolate consumption and production growth are dominated by Japan. It is the major chocolate and CBE market within the East Asia region.

The main reason for relatively large size in Japan is that the Japanese standards for chocolate define the level of cocoa solids (35% or over, including at least 18% cocoa butter) but they do not define level of other ingredients, such as sugar and vegetable fat, this means that if the total fat content of plain chocolate were 30%, up to 12% may comprise CBE. In case of milk chocolate at 30% fat, this allows for 9% CBE. The relatively liberal Japanese legislation has accelerated the development of CBE's, allowing CBE manufacturers to make innovative confectionery fats that have, for example, enabled chocolate manufacturers to market winter and summer chocolates which have different melting points.

China

The Chinese government tightened regulations regarding purity of the chocolate and whereas chocolate had largely been made with cheap substitutes, the new regulations stipulate that a maximum of 5% non-cocoa butter fat by weight is allowed. This has led to the replacement of up to 5% of cheaper vegetable fats with CBE's. Chinese CBE demand grew quickly with growth of the domestic consumption.

India

In May 2017, the Food Safety and Standards Authority of India (FSSAI) allowed the use of CBEs in chocolate from January 1st, 2018. CBE in India can only be produced by using Indian Exotic Fats including Sal (*Shorea robusta*), Kokum gurgi (*Garcinia indica*), Mango kernel (*Mangifera indica*), Palm oil (*Elaeis guineensis* and *Elaeis olifera*), Mahua Oil (*Bassia latifolia* or *B. longifolia*), Dhupa Fat (*Vateria indica*), Phulwara fat (*Madhuca butyracea*), and Dharambe fat (*Garcinia cambogia*) of which Sal is the most suitable because of its quality & availability.

India is one of the most important CBE markets with a likely consumption of ~8,000 tonnes per annum in 2018 & projected go upto ~20,000 tonnes by 2022. Demand has increased in recent years along with trends in chocolate production and increased use of CBE based coating and filling fats. With revised regulations from FSSAI chocolate production has moved to lower cost within India and the manufacturing and consumption of chocolate product has increased. The Indian market is growing and is expected to come more from increasing consumption along with the line of population growth, with modest switching in the case of high cocoa butter prices.

FSSAI Notifies the Revision of Standard for Chocolate

The Food Safety and Standards (Food Products Standards and Food Additives) Fourth Amendment Regulations, 2017 have been notified to revise the standards for chocolate including addition of standards of two types of chocolate.

In the existing standards of chocolate use of vegetable fat other than cocoa butter is not permitted, however use of vegetable fat other than cocoa butter is in the international practice. Therefore in line with international practice and CODEX, the standard for chocolate has been revised to permit the use of vegetable fat other than cocoa butter up to 5% of the finished products. The source of vegetable fat and its requirements have also been prescribed in this regulation which can be used in chocolate. Further, this regulation prescribes a specific label declaration in case of chocolate having vegetable fat, so as to declare the quantity of vegetable fat used.

Standards for vegetable fats

The vegetable fats must be non-lauric vegetable fats, which are rich in symmetrical monounsaturated triglycerides of the type POP (palmitic acid -oleic acid- palmitic acid), POST (palmitic acid -oleic acid- stearic acid) and StOSt (stearic acid -oleic acid- stearic acid) miscible in any proportion with cocoa butter and are compatible with its physical properties (melting point and crystallization temperature, melting rate, need for tempering phase) obtained by the process of refining and /or fractionation, which excludes enzymatic modification of the triglyceride structure and in conformity with above standard.

Based on cocoa grindings and cocoa product imports, the Indian chocolate market has grown by 5% per annum over the last 5 years. In contrast, cocoa powder has grown by 10% per annum over the same period. With changes in regulations Chocolate manufacturers can alter recipes to include CBE's. Indian CBE demand would be in the order of 8,000 tons per annum.

Global Specialty fats Outlook

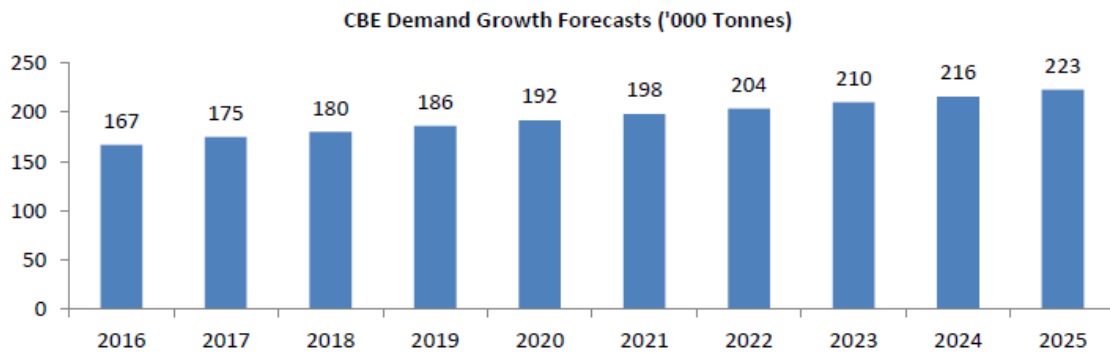
The global Specialty fats & oils Market is expected to reach a value of US\$ 142.1 Bn by 2026. The market is projected to grow at a CAGR of 6.6 % in terms of revenue during the forecast period from 2018 to 2026. The product manufactured may vary according to the end use application of processing by specialty fats and oils. On the basis of types, a semi-solid segment has the major growth rate in the forecast period with a CAGR of 7.3% among the other types in global specialty fats and oils market. Considering all these factors, the specialty fats and oils market is likely to grow at a significant rate during the forecast period 2018 to 2026.

The factors such as increasing awareness of health issues to avoid cholesterol, preference for natural origin, and rise in demand for bakery and confectionery products are driving the growth of the specialty fats and oils market. However, increasing raw material prices required for processing of specialty fats and oil production has been a major restraint for the specialty fats and oils market. The industrial sector and individual user are likely to try out the healthy product of specialty fats and oils product as it provides benefit by fortifying of nutritive value.

According to the report, the most commonly used products for end-use application in the global market are corn oil, palm oil, soya bean oil, and blend oil in specialty oil and CBE, CBS & CBR, and butter oil as a substitute of specialty fat. Specialty oils are now within the reach of an individual application segment. The product of specialty fats has high usage in the industrial sector. The report offers detailed segmentation based on product type, application type, form type, and region. According to the report, specialty oils have demand with a gradual growth rate in terms of revenue. The report states that the product such as corn oil and soya bean oil will contribute approximately 7.2% of CAGR in a forecast period of 2019-2025. However, the demand for the product of specialty fats will be rise at a brisk rate as it has a high demand for use in industrial application sector. The product such as CBE will contribute the highest growth in the forecast period. The report projects sub-segment of application segments such as bakery and cosmetics will display a significant growth rate of all specialty fats in the forecast period both in terms of revenue and Volume. The report also forecasted the segmentation of form type to grow at a CAGR of 7.3% based on revenue for the semi-solid type.

The Asia Pacific is one of the largest regions of growth for specialty fats and oils market and will continue to be largest market with an expected size of USD 36.8 Billion by 2026. The demand for specialty oils and fats in the Asia Pacific is likely to remain concentrated in China and India, owing to a larger consumer and application base in the region.

South America specialty fats and oils market is also expected to grow at a healthy rate during the forecast period. In addition to South America, the Middle East & Africa region is also expected to increase, where GCC will account for the bulk of the demand, whereas South Africa will hold a minuscule share. The region of North America and Europe is expected to grow at stable growth rate.

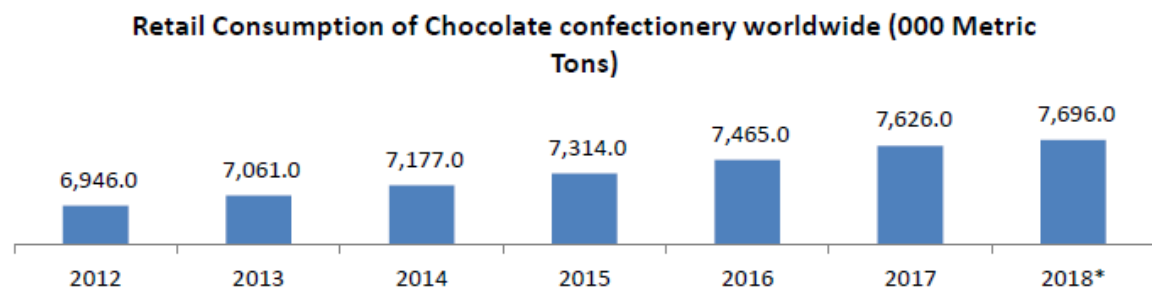


USER INDUSTRY PROSPECTS

1. Chocolate Industry

Chocolate, a processed sweetened product made by using cocoa beans, forms a part of everyday consumption habit in developed countries. Currently, different types of chocolates, with varying cocoa content, are offered by chocolate makers across the globe. European market has a per capita chocolate consumption of about 11kg per year, much higher than the Asian market.

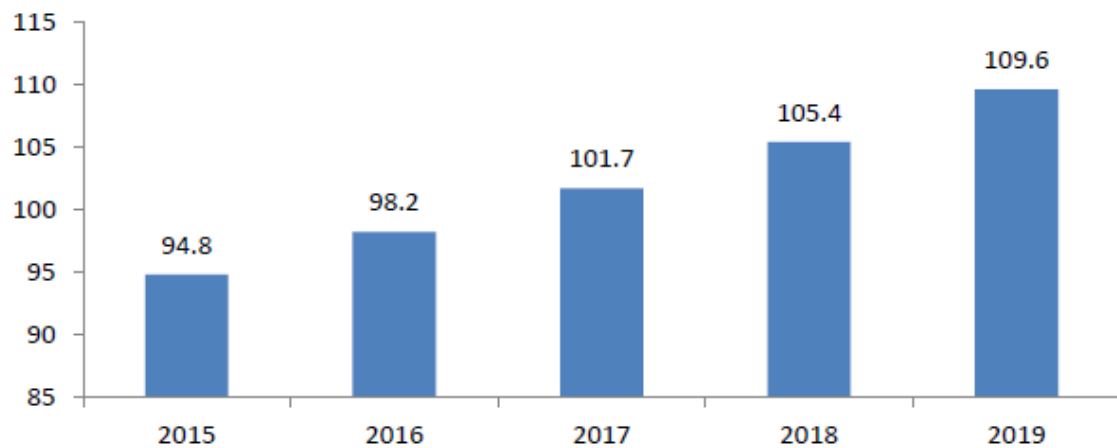
Majority of chocolate sales are accounted for by the US manufacturers like Mondelez International, Mars Inc., The largest chocolate manufacturer across the world, Mars accounts for 42% of the American chocolate market.



Source:-Statista– Global Chocolate consumption

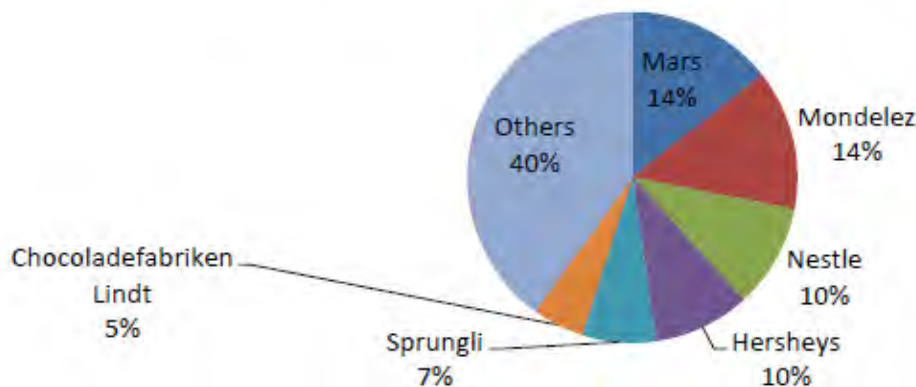
The market is highly-competitive and fragmented due to the presence of numerous large and small vendors competing on factors such as price, quality, innovation, service, reputation, distribution, and promotion. The vendors' performance in the market is affected by technological advances by the competitors and the increasing competition, which affects the market players' profit margins.

Global Chocolate Market Size, By Value, 2014-19F (USD Bn)



The leading vendors in the market are –Mars, Mondelez International, Nestlé, Ferrero, Hershey Company, Chocoladefabriken Lindt & Sprüngli

Market Share of Leading Chocolate Companies 2016



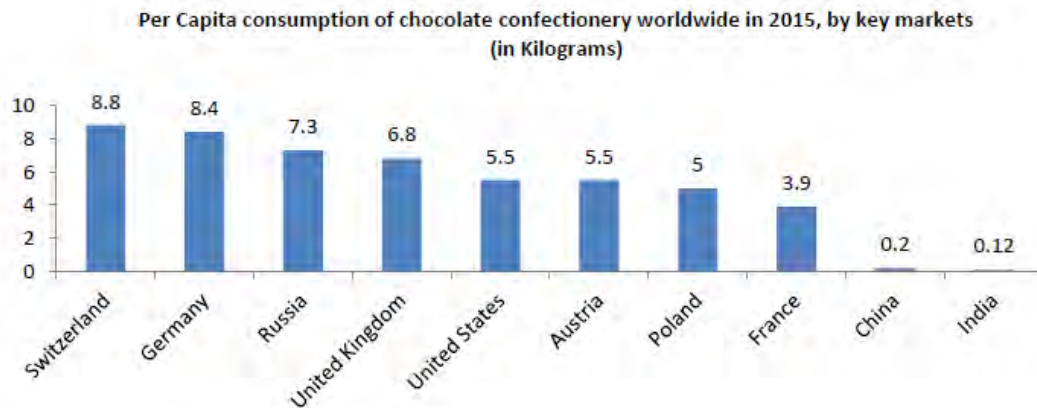
The other prominent vendors in the market are AUGUST STORCK KG, Blue Frog Chocolates, ChocOn, Gayle's Chocolates, GCMMF (Amul), Gilbert Chocolates, Godiva, Guylian, Haigh's Chocolates, Lake Champlain Chocolates, Lotus Chocolate Company, Ludwig Schokolade, Patchi, Phillips Chocolate, and Ritter Sport.

Majority of chocolate sales are accounted by the US manufacturers like Mondelez International & Mars Inc. The largest chocolate manufacturer across the world, Mars accounts for 42% of the American chocolate market. Global chocolate market registered a CAGR of about 3% during the period 2012-17 due to growing habit of chocolate.

Production of Chocolate products ('000 Tons)

	2011	2012	2013	2014	2015
European Union	5308	4989	5466	5493	5292
NAFTA	2423	2207	2375	2550	2401
Asia	1039	1341	1399	1433	1203
Middle East	414	472	476	592	587
Africa	341	474	354	533	640
Eastern Europe	910	987	1065	954	810

Source:- Bloomberg news net



Source:- Statista- Global Chocolate consumption

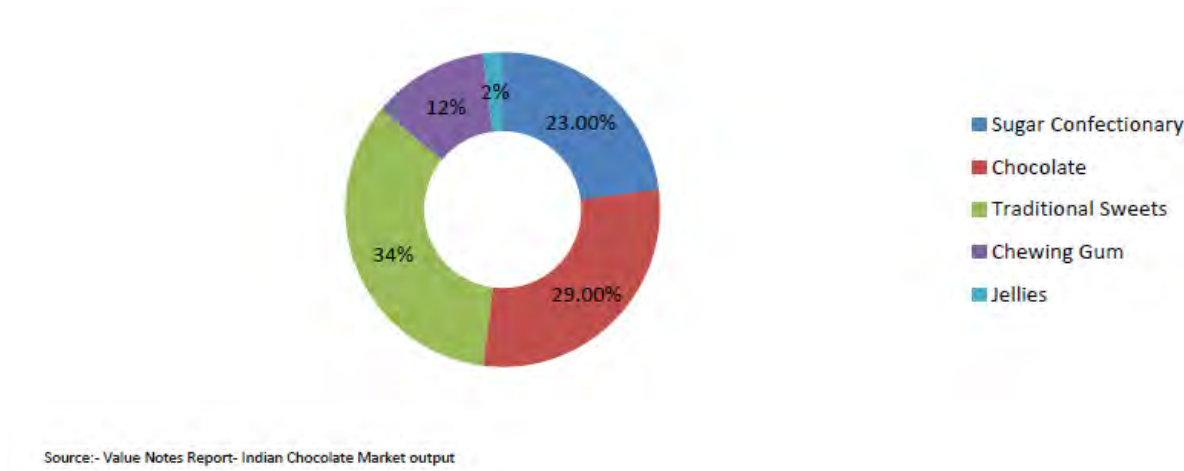
Specialist chocolate stores are evolving from a marketing gimmick to a legitimate source of sales for many manufacturers. Alongside this, more niche chocolate products will be available in high-spend chocolate markets, leading to a more fragmented competitive landscape.

Negative health connotations continue to undermine chocolate sales in Western Europe and North America. There are a wealth of new snacks such as energy bars, nuts and meat snacks, which have managed to attract audiences looking for healthy alternatives to confectionery. These products are here to stay and will make it difficult for chocolate to grow, unless it can tap into local health trends.

Relative to other snacks, chocolate is beyond the price range of many markets such as India, China and the Middle East. This will not change any time soon. Players with a small presence will need to target second- and third-tier cities, where newly-formed middle classes have developed, in order to gain market share. That said, targeting these cities is fraught with risks, as witnessed by Hershey's acquisition of Shanghai Golden Monkey.

Indian Chocolate Industry

Confectionery sector in India is broadly divided into three segments – sugar-boiled confectionery (SBC), chocolates, gum-based confectionery. Of the total market, sugar confectionery dominates the market share of around 52% and chocolate and gum-based confectionery segments hold the rest.

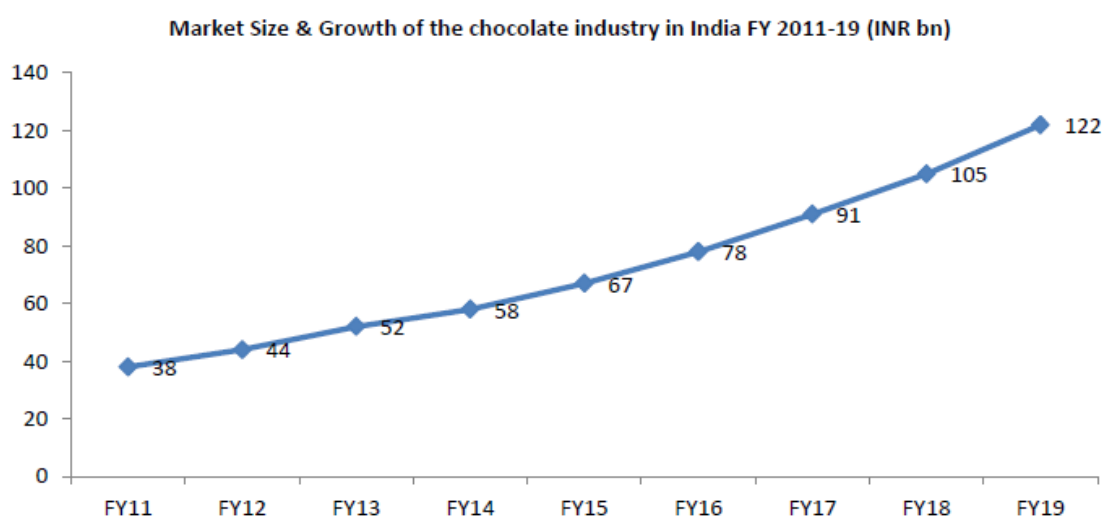


The industry is expected to grow at a CAGR of 16% to reach INR 122 bn by FY2019 on account of an increase in middle class consumers and introduction of new forms of chocolates.

India chocolate market has seen a gradual shift of consumer preferences from sweets towards other substitutes, of which chocolates are the prominent ones. About six of the top ten global chocolate manufacturers have already entered the India chocolate market until 2015.

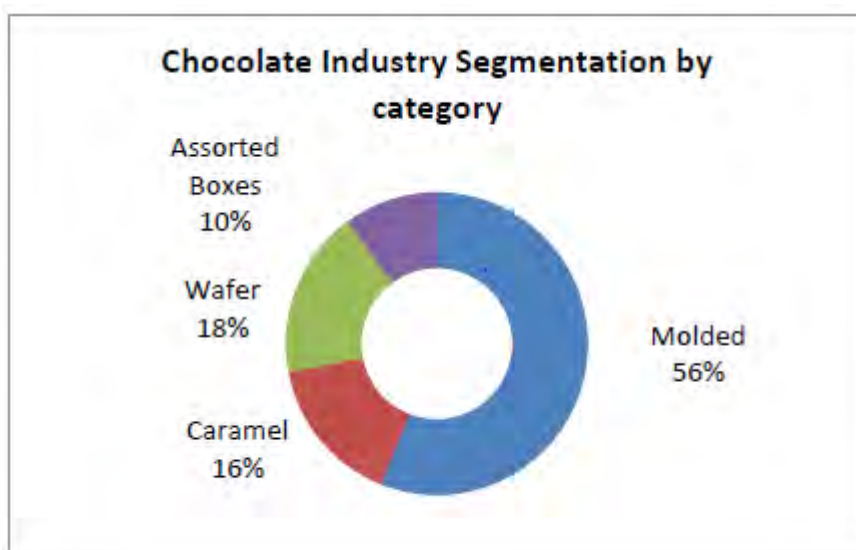
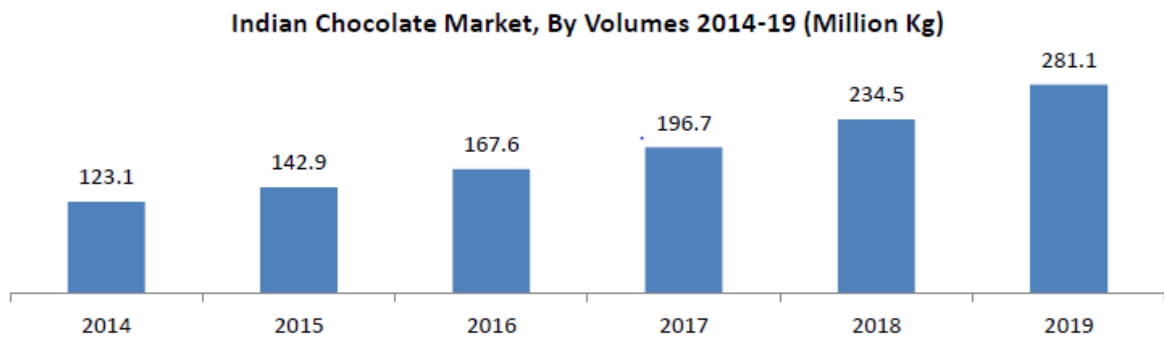
The boost in chocolate consumption in India is largely influenced by changes in consumer eating habits, preferences, lifestyle and rise in income levels. As a result, chocolates are slowly becoming a part of everyday consumption rather than occasional consumption. Recent few years have witnessed an increase in innovative promotional campaigns by chocolate companies such as 'Celebrations' by Cadbury to maximize their revenue share by making chocolates a part of everyday life. As a result, consumer preferences have also strongly shifted to chocolates as a substitute for sweets, leading to higher demand.

In India, the demand for premium chocolates is on the rise. The chocolates, which are priced above USD1.66 for a single unit of bar or tablet, fall in the category of premium segment. In 2012, the chocolates in the premium segment accounted for more than 30% of the share of the overall Indian market.



Source:- Value Notes Report- Indian Chocolate Market output

Increasing tradition of chocolate gifting and the fear of adulteration in traditional sweets is also expected to be a major driver of the industry.



Molded chocolates continue to be the favorite of the Indian market

Molded Chocolate

Molded chocolates have the highest market share due to its rich taste and ease of availability. Cadbury Dairy Milk, a form of molded chocolate has the highest share in the Indian chocolate market. It is also highly advertised, which has led to an overall increase in the size for molded chocolates.

Caramel

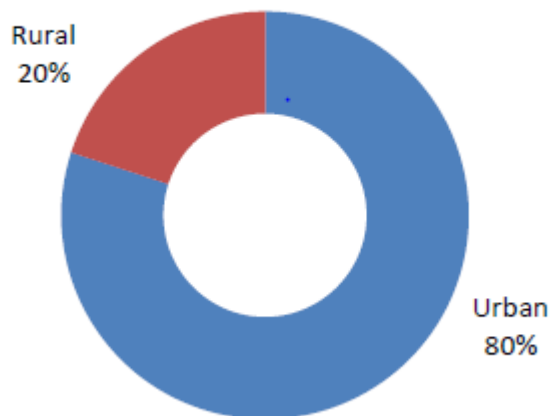
Caramel chocolates are preferred by fewer customers as they are priced higher than wafer chocolates. They are not advertised as much as molded chocolate and hence have lower penetration levels in India.

Wafer

The low production cost of wafer chocolates has enabled many national as well as regional companies to produce wafer chocolates. Wafer chocolates are mostly consumed by health conscious people as it contains less sugar.

Chocolate Industry Segmentation

Chocolate Industry Segmentation by category



Urban cities account for approximately 80% of the consumption of chocolates owing to a higher purchasing power and ease of availability.

Although distribution has been improving in rural India, the segment still remains largely untapped.

Smaller chocolate packets weighing less than 30 gm priced at INR 5 and INR 10, are the fastest growing segments in the rural areas.

Chocolate consumption in rural regions is expected to increase as consumers in the areas are moving from the deprivers to the aspirers.

India is amongst the fastest growing chocolate markets. In 2016, the chocolate market in the country grew by 13% year-on-year. Other than India, Poland's market which grew at 2% year-on-year is the only two countries globally have shown growth in the chocolate market. India is amongst the four countries projected to have the highest chocolate market growth in the period 2015-2020. Other countries include Mexico, China and Brazil. The chocolate market in India is currently growing at a rate of 13% annually and is projected to grow by 30% by 2020.

Close to 70% of the chocolate is consumed in urban India. Factors such as poor infrastructure, lack of cold storage facilities and greater affinity for traditional Indian sweets inhibit the growth of the rural chocolate market. In recent times, chocolate consumption in the smaller towns and villages of the country has been increasing and smaller packets typically priced at INR 5 and 10 see higher consumption in these areas. Emerging trends in the sector include a growing affinity for dark and sugarless chocolate, along with growing demand for premium chocolates.

Recently, draft amendments were presented by the Food Safety and Standards Authority of India (FSSAI) to the Food and Safety Regulations for permitting the use of vegetable fats in chocolates. Chocolates containing vegetable oil are less likely to lose their shape and texture that could otherwise be altered by India's sunny and humid climate, i.e. vegetable oil can increase chocolate's melting point.

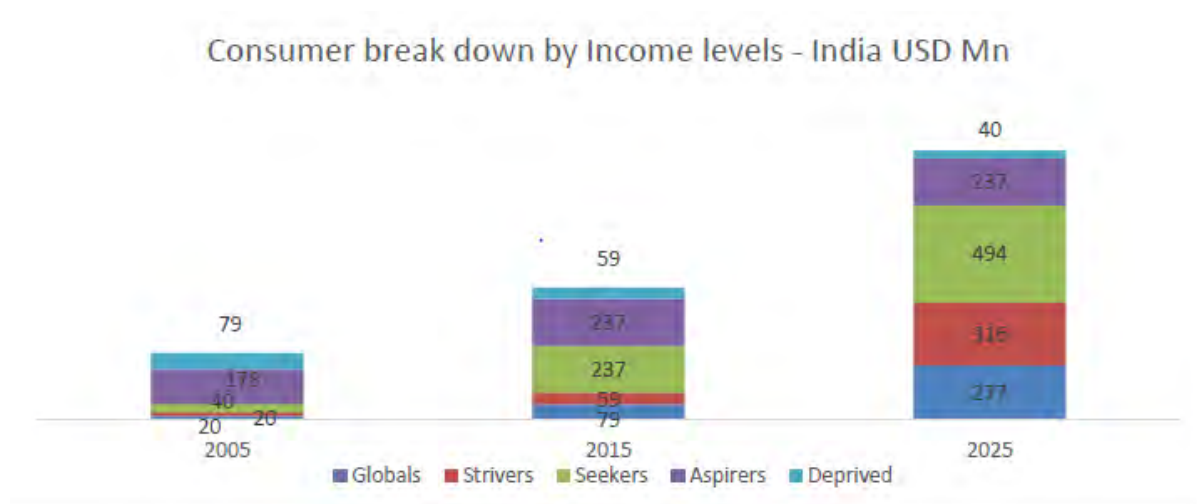
The draft amendments insist that inclusion of vegetable fats that are not cocoa butter and that do not exceed 5% of the final product can be allowed in chocolates. The changes are likely to broaden the product range and boost the market as popular European chocolate brands that use vegetable oil will be able to enter the Indian markets.

In order to target the consumers of a different age group, the chocolate manufacturing companies have started introducing different variants of chocolates in the market. As a result, so many variants of chocolates such as sugar free, low calorie, energy bars and vegetarian chocolates have now become available in stores and supermarkets to target different consumer segments.

Demand Drivers of chocolate industry:

Increase in disposable income

Increase in disposable income will lead to an increase in the standard of living and expenditure. Growth of the chocolate industry directly depends on the increase in per capita income. According to the World Bank, purchasing power of Indian consumers is expected to triple in the next 10 years.



According to the McKinsey Global Institute, rise in consumption across higher income levels (Seekers, Strivers and Globals) will be the driving factor behind the growth in consumption in India. Consumers in these income brackets are the ones who consume chocolates. Thus, growth of the chocolate industry directly depends on the growth of this consumer segment.

The urban and semi-urban market is also witnessing consumers' propensity to spend more on quality products.

Increase in chocolate gifting

Tradition of gifting sweets during festivals and the shift in customer preference from mithai to chocolates will lead to an increase in chocolate sales. A targeted promotional campaign by chocolate companies during the festival period over the last decade has shifted consumers' preference of gifting. Seasonal launches of chocolates, for the purpose of gifting, has proved to be successful across the market as there was a 300% increase in seasonal launches between 2008 and 2011. These seasonal launches accounted for 7% of total new product launches in 2011 from only 2% in 2008.

Increase in sales of dark chocolates

Increasing awareness of consumers with regards to the health benefits of dark chocolates is expected to drive sales of chocolates in the country. People are also slowly getting accustomed to the taste of dark chocolate.

Chocolate manufacturers are bringing about innovation not only in their products, but also in their style of business, contributing to the overall development and increase in market for chocolates in India.

Innovation in chocolate marketing

Volatility in cocoa prices have a direct impact on the profit margins and has been a major discouraging factor, eroding the profit margins of chocolate manufacturers. Majority of rural India is still untapped due to issues such as poor transport and communication infrastructure, inadequate storage, etc.

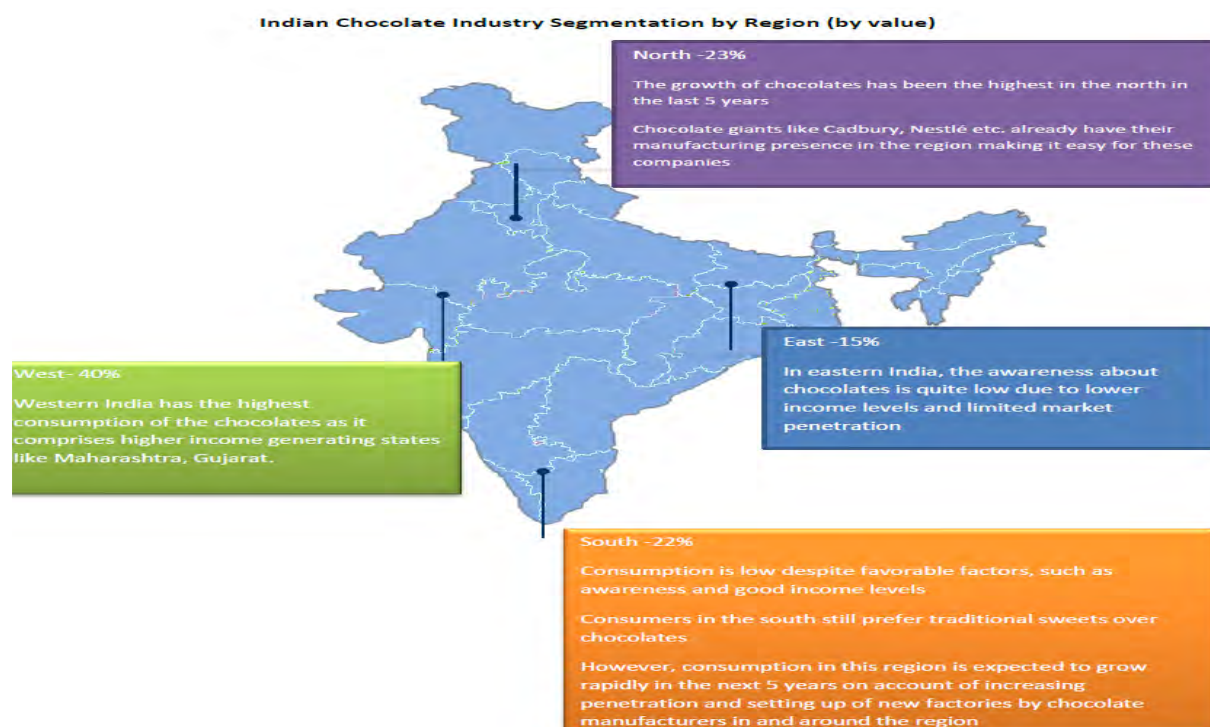
The Indian chocolate market has been witnessing tremendous growth in terms of value as well as volume thanks to modernization. The Indian chocolate industry has registered a growth of 15% per annum in recent years and is projected to grow even at a higher rate in future. The rising per capita income and gifting culture in the country has spruced up the Indian chocolate industry. It is expected

that India chocolate industry will be growing at the CAGR 23% by volume between the years 2013-2018 and reach at 3,41,609 Tons. The dark chocolates are expected to account for the larger market share when compared to milk and white chocolates in the coming years. Increased per capita consumption and a liking for international brands have helped the industry to register huge growth rates. The Indian chocolates sales globally have witnessed a decline in the last few years due to 2009 economic crisis. However, the chocolate market has shown an upward trend since late 2010 with the improvement in the economy. It is forecasted that Indian chocolate market will reach USD 3.2 Billion revenues by 2018 due to increasing gifting culture in the country and increase in the income bracket which will fuel the demand for chocolate products in India. India chocolate market is divided into four segments where Bars chocolate segment accounts for maximum share of 36%. However, the demand for assorted chocolates is expected to increase in the coming years on account of festive-gifting.

Industry Attractiveness

Porter's analysis of chocolate industry in India:

Market Potential	The chocolate industry stands at INR 58bn in FY 2014 and is expected to touch INR 122bn by FY2019. There is a huge untapped market for chocolates in the country as the per capita consumption in India is much lower than that of other countries or even the global average.
Growth Rate	Estimates suggest that Demand for chocolate will grow at a CAGR of 16% over the next five years, mainly due to the increase in disposable income and the chocolate gifting trend.,
Competitiveness	National players like Cadbury and Nestlé hold ~80% share in the country's chocolate market. Additionally, the entry of foreign manufacturers like Ferrero and Mars has further intensified the competition in the industry, making it difficult for domestic players to survive.



2. Cosmetic Industry

In 2016, the global cosmetic market grew an estimated of four percent in comparison to the previous year. Skincare, hair care, make-up, perfumes, toiletries and deodorants, and oral cosmetics are the main product categories of the cosmetic market. Skincare was the leading category, accounting for about 36

percent of the global market. Hair care products made up a further 23 percent, while make-up accounted for 18.2 percent in 2016. Skin care has been forecast to remain the most profitable product category, as its market value is projected to grow by 20.1 billion U.S. dollars between 2014 and 2019. As of 2016, Asia and Oceania was the industry leader, accounting for approximately 40 percent of the global market. Between 2016 and 2021, the Asia Pacific mass beauty market is projected to grow by nearly 14.9 billion U.S. dollars in sales.

In recent years, consumers have been spending higher levels of disposable income on cosmetics than they had in the past. Unfortunately, the global financial crisis has put a damper on the market and during those years, more affordably priced merchandise and do it yourself at home products were key in the beauty market. However, in recent years as Generation Y has really entered the job market, they have become a big driver of the cosmetics market; especially in the United States. The United States is the biggest cosmetic market in the world, with estimated total revenue of about 62.46 billion U.S. dollars and employing about 63,816 people by 2016.

Trending Demand for Low-Fat Content Products to Drive Cocoa Butter Equivalent Sales

Segmentation of the CBE market takes place based on its applications into different industries inclusive of medicinal, food, personal care and cosmetics and others. The market demand for CBE is increasing in personal care and cosmetics industry because of its moisturizing, inflammatory and skin care properties. CBE and oil that has low-fat content is a substitute for cocoa and palm oil which comparatively has high-fat contents and therefore in the growing food industry where demand for low-fat content products is trending, Shea butter & Sal butter is a perfect example. Based on the processing and purity, commercial CBE is made available in the market as grade A, B, C, D & E. Unrefined or raw, Refined, Extracted with solvents or highly refined, Lowest pure CBE.

The Indian cosmetics industry is majorly categorized into skin care, hair care, oral care, fragrances, and colour cosmetics segments. It currently has an overall market standing of USD 6.5 billion and is expected to grow to ~ USD 20bn by 2025 with a CAGR of 25%. In comparison, the global cosmetics market is growing steadily at 4.3% CAGR and will reach ~USD 450 billion 2025. By 2025, India will constitute 5% of the total global cosmetics market and become one of the top 5 global markets by revenue.

With the improving purchasing power, demand for enhanced products and increasing image consciousness of the Indian clientele, many international brands started establishing footprints in India – among them are Mac Cosmetics, Avon, Estée.

By 2020, a pool of luxury brands such as Labiocos, Bodyography, and Victoria secret are expected to clamour for the Indian consumer wallet and mindshare. Social media & favourable demographics are playing an important role in spreading awareness about cosmetics products and developing fashion consciousness, not only in metros but also in tier-1 & 2 cities. This is a golden opportunity for many cosmetics companies to expand beyond the top-8 cities and generate handsome revenue from all across the country.

Coupled with multiple other factors, herbal cosmetics products are driving growth due to increasing adoption, and the segment alone is expected to grow at 15%, as people become more aware of the possible perils in consistently using chemical formulations switch to ‘safer’ herbal and Ayurvedic products like Himalaya, Biotique, Dabur, Lotus, Patanjali, etc.

Many Indian & international brands have been trying to seize the established player position in this segment by launching multiple products across categories. With rising demand, luxury and super luxury brands such as Shahnaz Hussain demand for CBE would also increase.

Essentials and Kama Ayurveda have also launched products in this space.

The herbal brands are not only catering to the domestic market but also expanding to overseas market - the export recorded for FY 2015-16 was approximately USD 0.093mn and is expected to grow at a 20% CAGR.

Demand drivers of cosmetics industry

Alternative channel: online cosmetics market:

With the increasing internet penetration, online market has seen a rapid growth in last 3-4 years, along with horizontal players like Flipkart, Amazon adding this category as a key focus area. The online cosmetics market, valued at USD 50 Mn, is 2% of the total Indian cosmetics market. This category has attracted a few vertical specialists like Nykaa, Purple, etc. who are riding on increasing e-tailing growth and vying for a significant pie in online cosmetics space. Nykaa, a vertical online market place started in 2012, offers more than 600 brands in both offline and online stores. It recorded a total sale of USD 43 million in 2016, out of which offline stores contribute 5%. Nykaa, as part of its future expansion strategy, plans to increase its offline footprint by establishing 35 stores pan-India and targets a yearly sale of over USD 155 mn by 2025.

Market share category wise and channel split

The split to be seen in the Indian cosmetics market as per category and revenue is as follows. Hair care products, with market leader Marico, are leading with the share of USD 3 bn. This is followed by oral care products, led by Colgate Palmolive, with market share USD 1.74 bn. Skin care products, in which HUL leads, have a slice of USD 1.63 billion, followed by fragrances product, led by Vini Cosmetics, with USD 0.47 billion. Lastly, color cosmetics, led by HUL again, has a market share of USD 0.16 billion.

The Indian cosmetics industry caters to the population by two channels - organized and unorganized. Currently, the organized market constitutes only 25% of the total pie, out of which online stores has 2% market share. They consist of EBOs, MBOs, LSF, direct selling channels etc., which offer premium to luxury brands. The unorganized market, in contrast, makes up 75% of the total pie, and majorly deals with mass market positioned products from brand like Lakme, L'Oreal, Fair & Lovely etc.

Business opportunity for foreign brands and online players

With the compelling demand for branded products, the Indian cosmetics industry has opened up the market to foreign brands for investment. On a related line, it also throws an opportunity for online players to establish the vertical marketplace and increase customer touch points to better cater to the latter's needs.

DEMAND DRIVERS FOR THE INDUSTRY

Chocolate Demand influences demand for CBE

Demand for chocolate is strongly driven by per capita income with consumption rising as income rise. Chocolate consumption is linked to per capita incomes, with consumption rising as income rise. The demand for chocolate can be split between mature markets- characterized by high per capita incomes.

For Mature markets, Chocolate consumption growth is limited and in line with population growth. Growth in CBE demand is therefore more dependent upon the substitution with cocoa butter (as can occur with high cocoa butter prices and regulation/legislation changes) than chocolate market per se.

Chocolate is considered as a mass consumer product in Western countries like Switzerland, UK, Germany, etc. whereas it is still considered a luxury product in Asian countries like China and India.

For Emerging markets, consumption is fast, but is also influenced by changes in GDP. Thus rising GDP can lead to strong increase in chocolate consumption while falling GDP levels can lead to a fall in confectionery consumption or substitution between chocolate & alternative, cheaper confectionery products. This often means a switch from cocoa butter to cocoa powder based products.

Cocoa Butter Prices

Chocolate typically contains about 20 percent cocoa butter, so confectioners in Asia and Europe looking to save money can replace about a quarter of the cocoa butter with something else.

The cocoa butter ratio is determined by chocolate demand. When the demand for cocoa butter outstrips supply, manufacturers look for alternative ingredients to substitute their product in order to maintain the profit margins.

Chocolate makers in the fast-growing Asian market are replacing a bigger proportion of cocoa butter, which gives confectionery its melt-in-the-mouth texture, with cheaper palm oil-based alternatives. Cocoa butter prices jumped 28 percent this year to as high as \$8,200 a tonne on strong demand and tight supply after global grinders cut processing to reduce inventory.

Palm oil-based butter mimics the taste of cocoa butter but is much cheaper. Higher demand for butter alternatives, known as cocoa butter equivalent (CBE), has pushed prices up by about 10 percent to \$3,300 a tonne in the past year, but this is still more than \$4,000 below the price of butter from cocoa beans.

Fall in cocoa butter prices has a direct impact on its consumption by user industry, As and when prices of Cocoa butter start rising, chocolate manufacturer, cosmetic companies switch to CBE's to lower their production costs.

Change in Regulations in India

FSSAI has revised the standards for use of vegetable fat in chocolates. In the existing standards the use of vegetables fats was not permitted in chocolates with the exception of cocoa butter. FSSAI has now permitted the use of other vegetable fats, besides cocoa butter in chocolates in keeping with international practices and CODEX. The use of vegetable fat must not exceed the limit of 5% in the finished product. The FBOs must prescribe to the source of the vegetable fat for use in chocolates as is given in the regulation.

With changes in regulations Chocolate manufacturers can alter recipes to include CBE's, Indian CBE demand would be in the order of 8,000 tons per annum.

CHALLENGES FOR CBE SECTOR

Restricted Regulations

The degree of CBE acceptance varies country to country. If in future regulations are further relaxed/ made more liberal for cocoa butter equivalents, it will open up the market for CBE manifold.

Taste

In some of the countries and regions, food manufacturers are reluctant to use cocoa butter alternatives in fear of consumer backlash. In Europe, chocolate manufacturers are keen on producing confectioneries and chocolates in conventional method by using actual cocoa butter. These trends in this region may hinder the growth of cocoa butter alternatives market. Moreover, different regulations related to food safety and quality maintenance may act as challenges for the cocoa butter alternatives market. However, consumer awareness and demand for cocoa flavored and cost effective, processed confectioneries along with increasing usage of cosmetics and other personal care products across emerging countries of developing nations are some of the prime opportunities in the cocoa butter alternatives market.

Cocoa Butter Equivalent mimics the taste of cocoa butter and is much cheaper. However since people in general, especially chocolate lovers are used to taste of chocolate with CB as main ingredient Confectioners in Asia and Europe are allowed to add cocoa butter equivalent to chocolate, but hold the maximum amount at 5 percent since a higher content can alter the taste and put off customers. In the United States, products using butter alternatives cannot be labeled "chocolate".

COMPETITIVE LANDSCAPE

Followings are the major players in manufacturing of CBE products and which could be considered as competitors to each other due to its similar nature of business:

1. Manorama Industries Limited.
2. AAK Kamani
3. Wilmar International.
4. 3F Industries

Brief description of each company is as follows:

1. Manorama Industries Limited.

Manorama Industries one of the leading manufacturers of Sal/Mango based specialty fat, which is used to manufacture Cocoa Butter Equivalent (“CBE”), which in turn is used as an important ingredient in Chocolate, Cosmetic & Healthcare Industries.

The Company is engaged in manufacturing, processing and exporting of exotic and specialty fats like sal butter, sal fat, sal oil, sal stearine, CBE (Cocoa Butter Equivalents), mango butter, mango fat, mango oil, mango stearine, kokum butter, kokum oil, mowrah fat, and several value-added tailors made products that form the ingredients of Cocoa Butter Equivalents (CBE). The company has more than 4 decades of established relationships with the world’s giant chocolate producers & top multinational specialty fat producers of the world.

Global CBE demand is currently ~180,000 tonnes of which ~90,000 tonnes is Stearine which is made from processes predominantly undergone by Shea nuts & Sal Seeds. Currently, Manorama Industries is among the top 10 manufacturers of sal oils & stearine with an annual production of ~3,000-4,000 tonnes.

The company plans to set up a new state of the art manufacturing facility which will take their stearine production to ~10,000 tonnes resulting in a ~7-8% global stearine market share.

With the positive change in the standards of chocolates by FSSAI allowing the use of CBEs, the demand in India is estimated to grow substantially. Manorama is the highest beneficiary of this deregulation & the only player uniquely positioned to source the required quantities of Sal seeds & other Indian exotic fats through its well-entrenched network & cater to the rising demand within India. The Promoters have an excellent cross functional experience in collection, processing and export of these exotic/ specialty fats / CBE. The company has been directly procuring and sourcing Sal seeds & other tree borne seeds from more than 18,000 villages & 7.8 mn tribals of Chhattisgarh, Odisha, Jharkhand, Madhya Pradesh, Maharashtra, Bihar, and West Bengal to some extent. Manorama Group has a history of over 43 years, started off with extracting oil from sal seed and mango kernel.

2. AAK Kamani

AAK Kamani Private Limited is one of the leading manufacturers in the field of specialty oils and fat products in India. Being FSSC 22000 certified, AAK Kamani specialize in the applications for Food, Pharma, Cosmetic and Nutraceutical industry.

KAMANI products include a whole range of specialty vegetable oils such as Hydrogenated vegetable fats, Margarines, Dairy Fat Replacers, Confectionery fats and Exotic butters. AAK Kamani majorly use Shea nuts as their raw material to manufacture CBE.

3. Wilmar International

Wilmar International Limited operates as an agribusiness company in the People’s Republic of China and internationally Wilmar specialty fats products include cocoa butter equivalents (CBE), cocoa butter replacers (CBR), cocoa butter substitutes (CBS), specially formulated filling fats, creaming fats, ice-cream fats, milk fat replacers, shortenings, margarines, frying fats and many tailor-made fats to suit customers’ requirements widely used in chocolate coating fats, chocolates, sugar confectionery, bread, pastry, cakes, cream filling (for candy, wafers, biscuits) and coffee whitener.

4. 3F Industries

3F has been in the Exotic Fats business since 1975 and since then 3F has been providing exotic fats from Shea nuts to the confectionery industry. 3F sources Shea nuts from farm gate in West African countries of Benin, Ghana, Burkina Faso, Ivory Coast, Mali and Nigeria. It largely supplies to CBE manufacturers Japan, Malaysia, Italy, Holland, UK & the Scandinavian countries.

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.

The financial information used in this section, unless otherwise stated, is derived from our Financial Information, as restated prepared in accordance with Indian GAAP, Companies Act and SEBI Regulations. The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this Draft Red Herring Prospectus, including the information contained in the sections titled “Risk Factors” and “Financial Information” beginning on pages 21 and 218, respectively.

OVERVIEW

Incorporated in 2005, our Company Manorama Industries Limited (“Manorama” or “Company” or “MIL”) is engaged in manufacturing, processing and supply of exotic and specialty fats & oils like Sal butter, Sal fat, Sal oil, Sal Stearine, Sal olein, Mango butter, Mango fat, Mango oil, Mango Stearine, Kokum butter, Kokum oil, Mowrah fat, and several value added tailor made products. Currently, we are among the leading manufacturers of Sal Oils and Stearine globally with an annual production of 3,000-4,000 tonnes. Last year, we produced 908 tonnes of Stearine resulting into approximately 1% global market share. Globally, we are amongst the top 10 manufacturers of Stearine. [Source: CARE Industry Report]. As early as the 1970s, our Group had made its mark on global Oils and Fats industry with the Netherlands Government publishing special features on the Indian entrepreneur in leading Dutch newspapers publicizing the vast potential of Indian exotic fats.

We are majorly catering to chocolate and cosmetic industry. Our product stearine which is made out of sal or mango seeds is one of the key ingredients in the manufacturing of Cocoa Butter Equivalents (CBE), which has a demand in the Chocolate Industry. Further our product olein is generally demanded in cosmetic industry. Our products also serve as a non-palm oil ingredient as there is movement against usage of palm oil in many western countries. Further pursuant to the enactment of recent notification F. No. Stds /SCSS&H/ Notification (02)/FSSAI-2016 dated May 17th, 2017, from 1st Jan 2018, India has allowed 5% CBE produced from Indian exotic fats to be used in manufacturing of chocolates. The relaxation is not applicable for CBE produced out of imported Shea Stearine. This has been a major positive development for the Company. As the chocolate industry is growing rapidly in India, the demand for CBE should increase rapidly, which can be catered to by CBE produced from Sal, Mango, Kokum, Mahua, Phulwara, & Dhupa, which are Indian exotic fats and considering our Company has already been dealing in such ingredients and is proposing to set up an integrated facility for manufacturing of CBE at Raipur, the said notification should boost our revenue from operations and financial results. We have also entered into an agreement with one of the leading chocolate manufacturers for supply of CBE for a period of two year from 2018. As on date of the DRHP, we have an order book to supply CBE worth Rs. 7680.00 lakhs over a period of two years from April, 2018.

Our key source of raw material is Sal seeds which are sourced from tribals living in Sal forests in Chhattisgarh, Jharkhand, Orissa & parts of Madhya Pradesh. The seeds start falling down during month of May and June and tribals collect them and bring them to the village centres. Manorama has been buying these seeds from tribals for many years and has an established network in more than 18,000 villages in the states of Chhattisgarh, Jharkhand, Orissa, Madhya Pradesh, etc. We also procure raw materials from forest departments and local markets if required.

Along with Sal Seeds, tribals also bring other forest and agri produced materials like rice, paddy, maize, etc. and we have been buying them in order to facilitate the tribals for ease of doing business and serving

as a one point vendor for all of their products. We harboured the ambition of becoming Agro-Product trading house along with manufacturing. However, the trading business could not yield results as envisaged by our management. Though we have implemented better operational controls and systems, as a part of our future business strategy, our Company may not pursue the trading business.

Our manufacturing process can be divided into two parts i.e. i) Solvent extraction and pre-processing and ii) Refining and fractionation. We outsource solvent extraction and pre-processing activity to third parties at Chhatisgarh who conduct such processes under the supervision and guidance of our operations team. As on the date of the DRHP, we have entered into agreements with 3 parties to carry out such activities on solvent extraction on our behalf. The second part i.e refining and fractionation process is carried out at our manufacturing facility situated at Nagpur. This facility has been registered by Intertek as conforming to the requirements of EFfCI GMP Guide for Cosmetic Ingredients, including the certification standard and scheme for GMP for Cosmetic Ingredients- Revision 2012. It also meets the requirements laid down by OneCert International Organic Standards (EU Equivalent), National Programme for Organic Production (India), National Organic Programme technical standards (USA) and India's National Programme for Organic Production Standards. Our Company is in the process of setting up an integrated manufacturing facility at Raipur with a capacity of around 11,250 tonnes p.a. of specialty fats and CBE; which shall enable us to carry out the entire manufacturing operations under one roof. For details, please refer the chapter titled "Objects of the Issue" beginning on page 104 of the DRHP.

Our Company is promoted by Vinita Saraf. She has more than a decade of experience in the food processing and specialty oils industry. Her journey has been marked by ambitious and entrepreneur vision coupled with great vigour and hard work. She has been active in developing the seed collection systems as they are a critical component for the manufacture of specialty fats & CBE. Her leadership has enabled Manorama to achieve numerous milestones and also resulted in creation of a robust business model. As a family, we have been in this business for more than four decades and have built relationships with large global chocolate/CBE manufacturers like Ferrero (Italy), Ferrero (India), Mitsui (Japan), Unigra (Italy), Walter Rau (Germany), Adeka Corporation (Japan), Olvea Vegetable Oils (France), etc. who regularly source Sal Stearine and other fats from us. We have also entered into a supply agreement with The Body Shop International Ltd. (U.K.) ("The Body Shop") for supply of Mango Butter. The Body Shop is one of the leading global cosmetic brands who have pioneered social audits with extremely stringent criteria for sourcing of their products & selection of suppliers. Similarly, we have been supplying oleins & fats which have been used by other leading cosmetic companies like L'oreal, ActivON (Korea), Naturasante LeafMotiv (France), Gustav Hess GMBH (Germany), Hallstar (USA), Jedward International INC (USA), Kerfoot Group UK, etc.

Our Company is ISO 9001: 2008, ISO 22000:2005 and FSSC 22000 certified and the products manufactured by our Company are certified by various agencies such as Star Kosher Certification and meets the requirements set down by Food Safety & Standards Authority of India, Halal Certified Products List. We are supplying our products both in domestic and export markets. We have also been recognised as Star Export House by Government of India. Domestically, we majorly supply in Maharashtra, Gujarat, etc. and internationally, we mainly supply our products in countries like Japan, Italy, Malaysia, Indonesia, Singapore, Netherlands, Germany, Sweden, Denmark and UK. Further our Company has to its credit,

- *Highest Processor & Exporter of Sal seeds & Mango Kernel awarded by President of Solvent Extractors Association of India in 2013, 2014, 2015, 2016 & 2017*
- *The Chairman of Indian Oilseeds and Produce Export Promotion (IOPEPC) presented the Highest Export for Sal Oil and Mango Oil award to Manorama Industries in 2013, 2014, 2015, 2016 & 2017*
- *The Globoil India towards Sustainability in 2016*
- *SHEFEXIL Export Award for Highest Exporter of Fixed Vegetable, Oil, Cake & Others for the years 2009, 2010 & 2013;*

From FY 2013-14 to FY 2017-18, as per our Restated Financial Statements, i) our total revenue has shown growth from Rs. 10,532.50 lakhs to Rs. 22,189.33 lakhs, representing a CAGR of 20.46% ii) our

EBITDA has shown growth from Rs. 462.26 lakhs to Rs. 1,851.48 lakhs, representing a CAGR of 41.43% iii) our profit after tax has shown growth from Rs. 89.62 lakhs to a profit of Rs. 1,035.56 lakhs representing a CAGR of 84.29% iv) our RONW has grown from 10.37% to 41.89%.

OUR COMPETITIVE STRENGTHS

6. Our Raw Material Suppliers Network

The major raw materials used in our manufacturing process are sal seeds and mango kernels. During the year ended March 31, 2018, we have consumed 26, 772 mt p.a. of sal seeds and 5,972 mt p.a. of mango kernels in our manufacturing process. Sal Seeds are normally available in the month of May till July and are picked up by tribals staying in these forests who brings them to Mandis or local markets. We have established strong network of more than 18,000 collection centres operational and spread over the regions of Chhattisgarh, Odisha, Jharkhand, Madhya Pradesh, etc. During the year ended March 31, 2018, we had relationships with approximately 7.8 mn tribals vendors across all the sal forest producing states and these centers have been operating for more than decade with Manorama Industries Ltd. With the advent of technology and banking system, we are now able to reach the last mile much more effectively ensuring that the tribals get the immediate payment while we get a better costing. All our customers being International MNCs are sensitive about sustainability and fair trade practices and they conduct regular audits on our procurement systems. We have been awarded by Pujya Swami Ramdev Baba for Excellence in CSR & Sustainable Fair Trade Sourcing, at The Globoil India 2017 for our work in the procurement from Tribals. We also procure raw materials from forest departments and local markets if required.

7. Our ability to deliver quality products consistently

Our Promoter family has been engaged in the business of speciality fats and oils over past four decades and has established and maintained relationships with many recognised domestic and international customers over the years. We believe that our long standing relationships with recognised companies are due to our ability to meet their stringent requirements. Since we have been servicing large chocolate manufacturers and recognised cosmetic giants, our production processes undergoes strict quality checks and are approved by our customers. Our products mainly finds application in chocolates and cosmetics, both of which are sensitive for human consumption and appliance respectively, hence we ensure compliance of quality levels of our products at all stages of production. At present, we are approved vendors of more than 80 Companies for our various range of products. Our ability to deliver qualitative products is critical for us to continue servicing our existing customers and for meeting the demands of prospective customers.

Our processing facility situated at Nagpur has been registered by Intertek for meeting the requirements of EFfCI GMP Guide for Cosmetic Ingredients, including the certification standard and scheme for GMP for Cosmetic Ingredients- Revision 2012. It also meets the standards requirements laid down by OneCert International Organic Standards (EU Equivalent), National Programme for Organic Production (India), National Organic Programme technical standards (USA) and India's National Programme for Organic Production Standards. We have a quality management system and quality assurance program, which are ISO 9001:2008, ISO 22000:2005 and FSSC 22000 certified. In addition, our Company has obtained Kosher certifications for our products produced at our processing plant and has also obtained Halal certification for our products manufactured at our processing plant. Our products also meets the requirements set down by Food Safety & Standards Authority of India. These internationally recognised standards and certifications demonstrate our commitment in assuring every step in our manufacturing process is conducted with quality in mind.

8. Long standing relationships with globally recognised customers and history of repeat orders

Customer relationships are core to our business. Our customers include large global chocolate/ CBE manufacturers like Ferrero (Italy), Ferrero (India), Mitsui (Japan), Unigra (Italy), Walter Rau (Germany), Adeka Corporation (Japan), Olvea Vegetable Oils (France), etc. who regularly source Sal Stearine and other fats from us. We have also entered into a supply agreement with The Body Shop International Ltd. (U.K.) ("The Body Shop") for supply of Mango Butter. The Body Shop is one of the leading global cosmetic brands who have pioneered social audits with extremely stringent criteria for

sourcing of their products & selection of suppliers. Similarly, we have been supplying oleins & fats which have been used by other leading cosmetic companies like L'oreal, ActivON (Korea), Naturasante LeafMotiv (France), Gustav Hess GMBH (Germany), Hallstar (USA), Jedward International INC (USA), Kerfoot Group UK, etc. We have a history of customer retention and derive a significant proportion of our revenues from repeat business built on our successful execution of prior engagements and competitive pricing of our products. Our Company has made continuous efforts to ensure customer satisfaction by taking steps for meeting customer specific requirements, timely delivery of orders to our customers as well as maintaining consistency in quality and this has yielded results in the form of repeat orders from our customers. The repeat orders reflect the confidence reposed in us by our customers. In order to improve our product delivery and facilitate repeat business, we constantly seek their feedback through regular interactions in trade fairs, exhibitions which is important for us to ensure a high level of customer satisfaction. We maintain long term relationships with our key customers, by strategically aligning our offerings with their business needs.

9. Experienced Promoter and dedicated management team

Our Promoter Vinita Saraf has been in this field of speciality fats for over more a decades. We are led by a qualified and experienced management team that we believe has the expertise and vision to manage and grow our business operations. In addition to the Promoter, we believe that our management team comprising of Ashish Saraf, Deep Saraf, Gautam Pal has collective experience of more than 100 man-years in this business and possess relevant cross functional experience in collection, processing and export of these exotic/ specialty fats / CBE. Our President, Ashish Saraf, was accredited with “GLOBOIL Entrepreneur Award” for the year 2015 and our Executive Director Gautam Kumar Pal has over 19 years of experience in the field of manufacturing operations of Specialty Oil and Fats Manufacturing and Quality Control. Our operations were commenced under the guidance of our Promoter Vinita Saraf and President, Ashish Saraf, who have through the years successfully managed various phases of expansion and growth of our business and operations. We believe that the knowledge and experience of our Promoter, supported by a dedicated management team with several years of industry experience in their respective domains of Sales, marketing, strategy and finance provide us with a competitive advantage as we seek to expand in our existing markets and enter new geographic markets. Our senior management team has been instrumental in formulating growth strategy for our Company and is dedicated to the sustainable growth of our business. For further details regarding our Key Managerial Personnel, please refer to the chapter titled —Our Management beginning on page 195 of this DRHP.

10. Our Geographical Presence

We have been supplying our products both in domestic and international markets. Domestically, we majorly supply in Maharashtra, Madhya Pradesh and Chattisgarh and internationally, we mainly supply our products in countries like Japan, Italy, Malaysia, Indonesia, Singapore, Netherlands, Germany, Sweden, Denmark and UK. We have also been recognised as Star Export House by Government of India. Our export and domestic revenue from manufacturing operations contributed 65.89% & 34.11% , 61.77% and 38.23% and 56.34% and 43.66% respectively for the year ended March 31, 2018, 2017 and 2016 respectively. We have also been awarded as “Highest Processor & Exporter of Sal seeds & Mango Kernel awarded by President of Solvent Extractors Association of India in 2013, 2014, 2015, 2016 & 2017”, “Highest Export for Sal Oil and Mango Oil award to Manorama Industries in 2013, 2014, 2015, 2016 & 2017” by the Chairman of Indian Oilseeds and Produce Export Promotion(IOPEPC), etc. Further at present we were mainly supplying traded products in domestic markets. With the government of India allowing use of CBE upto 5% with effect from January 1, 2018 in manufacture of chocolates, we envisage a growth in our domestic operations and our marketing team has already taken initiatives in this directions.

BUSINESS STRATEGY

6. Setting up of new state of the art manufacturing facility

At present, we are operating through a distributed set up with processes and warehouses at multiple locations including Nagpur in Maharashtra, Raipur and other parts in Chhattisgarh. This is leading to

increased logistics cost & loss on account of wastages. Hence, our Company plans to set up an integrated state of the art manufacturing plant at Raipur where, all processes including crushing, extraction, refining, fractionation & interstification will take place at one location. Further such facility shall have higher production capacity so as to cater to larger customer demands. The current combined installed production capacity is proposed to be enhanced from 4,500 mt p.a. to 11,250 mt p.a. Further an integrated manufacturing facility will not only result in reduced logistics costs but also shall improve the operational efficiency of the Company. This new integrated plant will predominantly process Indian exotic tree borne seeds like Sal, Mango, Dhupa etc. to service the CBE demand within India & globally. Largely the global CBE demand is being catered to by shea nuts which are primarily found in West Africa, we aim to manufacture CBE even through the use of shea nuts to the tune of 20%-25% in order to service the global needs. For details, please refer to the chapter titled “Objects of the Issue” beginning on page 104 of the DRHP.

7. Yield & Quality Improvement – Dry Fractionation vs Solvent (Wet) Fractionation

Currently, the company follows a process of dry fractionation which is manual in nature resulting in being labour intensive and time consuming. In this process, at times some of the stearine mixes up with the oleine component which is one of the major drawbacks leading to inefficiency in production. The oleine component contains 35% stearine which needs to undergo re-fractionation, resulting in a lower yield and absorbing higher costs. With the proposed set up of the new integrated manufacturing facility, the Company shall follow a solvent fractionation process (Acetone) – which is much more sophisticated & modern. The in house fractionation of NBD Oil will increase the yield recovery of stearine & oleine. The process ensures complete separation of stearine from oleine. Further such process will result in lesser manual intervention and hence lead to a faster production and the stearine produced shall be of superior quality leading to lower consumption of stearine required in making CBE. The cost of fractionation through this process will also be lower with improved efficiencies and improved realisation on account of higher volume recovery of stearine. As per technical officers, wet fractionation should result in 90% efficiency as compared to the current dry fractionation of 60%.

8. Increase focus on production of CBE

Globally, the chocolate definition contains a certain quantity of cocoa butter made from cocoa beans. Cocoa Beans are a natural product, the prices of which are usually high and volatile in nature. Certain other natural products such as Shea nuts, Sal Seeds, Mango Kernel, Kokam have fats which match exactly in chemical and physical properties of cocoa butter. Hence, CBE which is made out of these other products is allowed to be used in the making of chocolates along with cocoa butter and still qualifies for the definition of chocolate. Europe allows 5% CBE, Japan allows 12% whereas Russia allows 15% CBE as a part of the chocolate definition. From 1st Jan 2018, India has allowed 5% CBE produced from Indian exotic fats to be used for manufacture of chocolates. The relaxation is not applicable for CBE produced out of imported shea stearine. This has been a major positive development for the Company. India is one of the most important CBE markets with a likely consumption of 8,000 tonnes per annum in 2018 & projected consumption of upto 20,000 tonnes by 2022. Demand has increased in recent years along with trends in chocolate production and increased use of CBE based coating and filling fats. With revised regulations from FSSAI, chocolate production should move to lower cost within India and the manufacturing and consumption of chocolate product should increase. *[Source: CARE Industry Report, Gazette of India Notification F. No. Stds /SCSS&H/ Notification (02)/FSSAI-2016 dated May 17th, 2017].*

Our Company has largely been focused on manufacturing of stearine, an intermediate product, which needs to be mixed with Palm Mid Fraction to obtain CBE. However, recently, the Company had started manufacturing CBE albeit in a small proportion. Once we set up our proposed integrated manufacturing facility, we aim to focus on manufacture of CBE in a higher proportion as compared to manufacture of stearine with a view to grow our business and results of operations. CBE finds usage not only in chocolates but other confectionery items as well. Hotels, Bakeries etc have many products where CBE could be used. Being one of the leading organised player in India, our Company aims to command a substantial share in this fragmented market segment, thereby leading to an increased demand of CBE at an attractive price point.

9. Capitalise on growing demand of domestic chocolate & cosmetic industry

The Indian chocolate industry is expected to grow at a CAGR of 16% to reach INR 122 bn by FY2019 on account of an increase in middle class consumers and introduction of new forms of chocolates. The boost in chocolate consumption in India is largely influenced by changes in consumer eating habits, preferences, lifestyle and rise in income levels. India is amongst the fastest growing chocolate markets. In 2016, the chocolate market in the country grew by 13% year-on-year. Other than India, Poland's market which grew at 2% year-on-year is the only two countries globally have shown growth in the chocolate market. India is amongst the four countries projected to have the highest chocolate market growth in the period 2015-2020. Other countries include Mexico, China and Brazil. The chocolate market in India is currently growing at a rate of 13% annually and is projected to grow by 30% by 2020. Also the Indian cosmetics industry is majorly categorized into skin care, hair care, oral care, fragrances, and colour cosmetics segments. It currently has an overall market standing of USD 6.5 billion and is expected to grow to USD 20 bn by 2025 with a CAGR of 25%. In comparison, the global cosmetics market is growing steadily at 4.3% CAGR and will reach USD 450 billion 2025. By 2025, India will constitute 5% of the total global cosmetics market and become one of the top 5 global markets by revenue. [Source: CARE Industry Report]. For details including challenges that such industry faces, please refer to the chapter titled "Our Industry" beginning on page 122 of the DRHP. Since we are majorly catering to the above industries with our manufactured products, we aim to increase our domestic presence by catering to the growing demand of such industries.

10. Certification of Fair Trade Practices and Sustainability


Given that our Company services the requirements of large MNCs who have stringent norms for the products that they sell, we follow all necessary process which comply with their individual respective needs. We plan to initiate formal steps to get the requisite certifications as per the global standards in the areas of Sustainability and Fair Trade Practices. This will enable our Company to further improve its positioning in this segment and will lead to a further cementing of its relationships with the global MNCs.



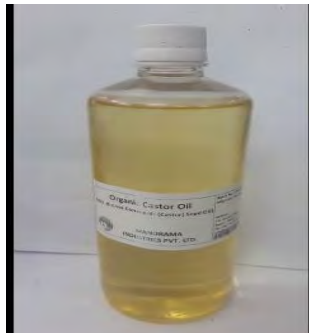
OUR PRODUCT RANGE

At present, we are engaged in manufacturing, processing and supply of exotic and specialty fats & oils like Sal butter, Sal fat, Sal oil, Sal Stearine, Sal olein, Mango butter, Mango fat, Mango oil, Mango Stearine, Kokum butter, Kokum oil, Mowrah fat, and several value added tailor made products. Further we also trade in agro based commodities such as rice, maize, soya doc, etc. For the year ended March 31, 2018, our revenue from manufacturing and trading operations constituted 27.83% and 71.78% respectively of our total revenue from operations. Similarly for the year ended March 31, 2017 & March 31, 2016 our revenue from manufacturing and trading operations constituted 39.23% and 60.24% respectively and 37.07% and 62.67% respectively of our then total revenue from operations.


Our key range of manufactured products include:





Chocolate Industry

Name of the product	Graphic representation	Description
Cocoa Based Equivalents		CBEs are vegetable fats used both for food and cosmetics applications. CBEs include Shea, Sal and other common butters such as illipe, kokum, mowrah, mango and palm butters. Physical and Chemical Properties of CBE is similar to Cocoa Butter. Palm and Shea oil/ Sal Oil are frequently used as a low cost alternative to cocoa butter. Both have no maximum amount of fat that they can be mixed with, which helps them be versatile in chocolate, candies and other sweet treats. We have recently, started manufacturing



		CBE albeit in a small proportion. Once we set up our proposed integrated manufacturing facility, we aim to focus on manufacture of CBE in a higher proportion as compared to manufacture of stearine with a view to grow our business and results of operations.
Sal Fat		Sal seeds possess a fat content of 12% to 14%. The fat is extracted in a Solvent Extraction Plant in the presence of hexane. The extracted Sal oil is refined using conventional refining methods. For Sal the market is now open to all states & free trade in India. Sal is now denationalized in all the states like Chhattisgarh, Odisha, Madhya Pradesh and Jharkhand.
Sal Stearine		Sal Stearine is a fractionated product of Sal Fat produced by physical press fractional or by Solvent Fractionation Process. The stearine thus obtained is 56% to 70% of the Sal Fat taken initially. The Stearine is harder than cocoa butter and can thus be used easily as a substitute in CBE or CBR, which is why it is also used in the manufacture of plain chocolates
Organic castor oil		Castor oil has a unique structure. The triglyceride has up to 85 – 90 % of the so-called ricinoleic acid (12-hydroxy-oleic acid), which is responsible for the chemical, physical and physiological properties. Castor oil is non-drying; in contrast to other vegetable and animal oils or fats, it is soluble in alcohol and has a viscosity, which is 20 times as high. Chemical reactions with the ester groups, the double bonding and the hydroxyl groups allow a wide range of possibilities to produce various derivatives from castor oil.

Cosmetic Industry

Name of the product	Graphic representation	Description
Mango olein		Mango Olein is similar to Mango Butter. However, compared to the butter, Mango Olein contains a higher level of Oleic Acid and the essential fatty acid. In addition, Mango Olein contains potent antioxidant polyphenols, phytosterols and triterpenes making it valuable when formulating products to moisturize and heal dry, cracked skin and facilitate skin cell renewal. This product provides superior softening, spreadability, and conditioning to the skin and hair.

Sal olein		When Sal Fat is fractionated, Sal Oleine is obtained. Sal Oleine is liquid at room temperature, with a certain part of it – forming solid lumps. Sal Oleine is effective as an emollient, which is why it is used in skin care products and other cosmetics. Sal Oleine has zero transfat and it is used widely in Vanaspati (Vegetable fats) and is also being used in Ice Cream and Bakery Products.
Mango Butter		It is obtained from Mango seeds. It nourishes the skin rash, eczema, insect bites and poison ivy, providing it with various fatty acids and helps to keep it soft and supple.
Kokum Butter		It is obtained from kokum seeds, one of the most balanced of all the botanicals. It is specifically used in body lotions, creams and butter blends.
Sal Butter		It is high in stearic and oleic acids and has a few poly unsaturated fatty acids. Sal butter is often used to enhance spread ability of creams, lotions and cosmetics foundation

Deoiled meals

Name of the product	Graphic representation	Description
Sal meal		Sal Meal contains up to 9% Protein and also has calorific value of around 3900 K/Cal. It is used as a feed for the cattle and is used as a raw material in power plants for burning purpose. Sal meal is also used in Plywood industry as an ingredient.
Mango kernel meal		Mango Meal contains up to 9-10% protein and around 60% carbohydrates. It is used mainly as cattle feed and by breweries to make alcohol.

Our key range of traded products includes agro based products like rice, de-oiled rice bran (DORB), maize, rapeseed doc, soya doc, etc. However going forward, our Company may not pursue trading activities.

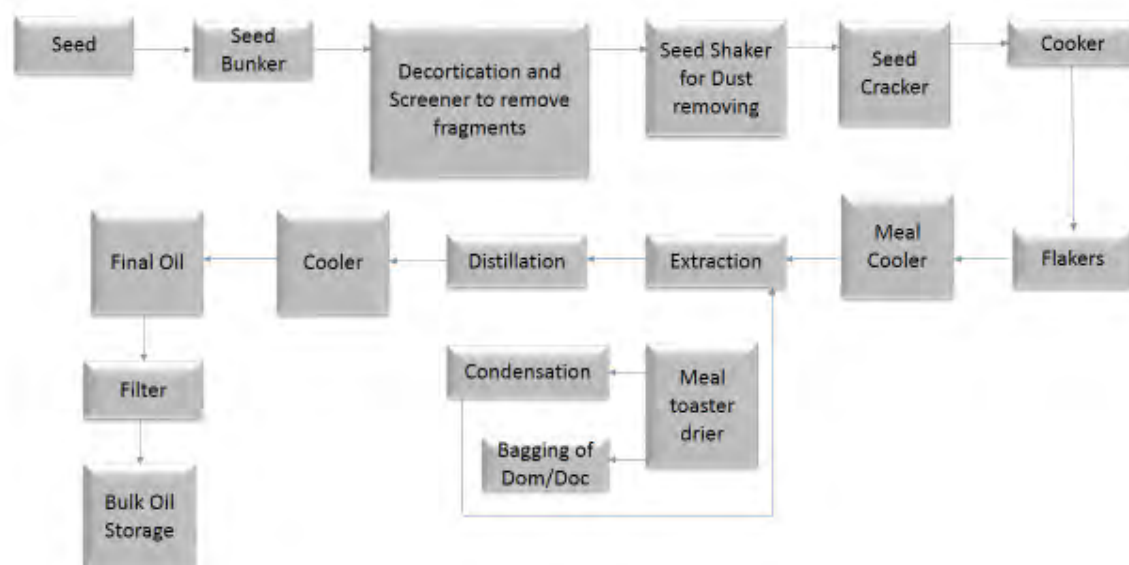
Product wise revenue for the past three years

(Rs. in lakhs)

Particulars	FY 2016		FY 2017		FY 2018	
	Manufacturing	Trading	Manufacturing	Trading	Manufacturing	Trading
-Sal Based Fats & Oils	3,897.52	272.07	4,574.35	-	4,733.48	93.82
-Mango Based Fats & Oils	912.79	442.28	950.75	1,125.43	930.26	-

-Kokum Based fats & Oils	8.52	-	56.31	-	127.42	-
-Other	38.88	0.32	125.04	-	331.24	-
Revenue from Agro Products Trading	-	7,497.82	-	7,638.56	-	15,697.15
Total	4,857.70	8,212.48	5,706.44	8,763.99	6,122.40	15,790.97

OUR MANUFACTURING PROCESS



The manufacturing process is based on Extraction, Refining, Fractionation and Blending. The physical prepressing, solvent extraction and Supercritical process do extraction process depending on the quality of the seeds. Refining is done by conventional chemical and physical process. For the organic refining, the process is somewhat different and is established in this plant. Fractionation process is somewhat different and typical in this project. Two types of fractionation are included in this project. Solvent fractionation process where Acetone is used as a solvent is somewhat difficult and special technology involved. Physical fractionation is also included in this project for the palm and some organic processing. Blending is the complete confidential and based on R&D lab composition basis where the two critical components are mixed at a certain concentration to produce CBE products. Interesterification and some typical refining process to produce the low MPCD and GE and pesticide free product is included in this project. CBE and confectionery based specialty oils and fats are to be produced in this project. This project process is somewhat special for the specially oil production and not a common plant. The Company plans to use the Acetone Fractionation process for separating the Stearins from the Olefins. The Stearin is solid and the Olefin is the liquid part. In order to understand the advantage of the Acetone process and to appreciate how this process builds in flexibility for the Company, one must have a look at the different types of fractionation.

- **Dry Fractionation** – This is a simple technique and a low cost process. As solids and liquids are separated in this method by a filter or a press. In this process, the quality of Stearin is not pure as some part of the Olefin is retained with the Stearin. Hence the quality in terms of solid fat content (SFC) is lower. This is not desirable in a CBE manufacture since CBE is to be used in foods and here a high purity is a basic requirement. The inventory and process cost is very low.

- **Solvent Fractionation** – In solvent fractionation, we use a solvent to dissolve one of the components and remove it from the other before recovering it for use. Since the solvent is used, we are able to ensure that there is virtually no residual fraction left in either compound. Here the separation of Stearin and Olein is much more precise. In this method, we can use two types of solvents i.e. non-polar (hexane) and polar (acetone). When the quality of oil is good, it has a lower percentage of polar material (DG and MG) in it. Here, if we use a non-polar solvent (Hexane) for fractionation the recovery is good. But when the quality of oil is bad or not very good then the content of polar material (DG or MG) is high hence during the fractionation by the non-polar solvent, the DG and MG are not removed from the Stearin completely. As a result, the Stearin quality is poor in terms of cooling curve, SFC.

Further by using the processes of interesterification, hydrogenation and blending the Stearin and Olein are converted into CBE and specialty fats.

Oilseed prepressing

- Bean Drying - adjustment of feedstock moisture in feed silos
- Aspiration and Cleaning - removal of chaff and waste material
- Flaking and Pressing - crushing of the oilseed to reduce size and, in some cases, releasing some oil

Solvent Extraction

- Extraction - Dissolution of vegetable oil from the solid seed matrix, typically with hexane
- Evaporation - Removal of water and hexane from the crude oil under vacuum
- Flake desolventizing and Toasting - evaporation of the hexane from spent flakes, and heat treatment of flakes to improve nutritional characteristics
- Solvent-Water Separation - phase separation followed by polishing of waste water
- Air Scrubbing - Solvent scrubbing to remove organics from reject air streams
- Steam Generation - treatment and boiling of process water using multiple fuel sources
- Cooling Towers - treatment and cooling of water, rejecting heat to air by evaporation.
- Oil seeds are procured either from Forest Dept/local markets (Mandi) or from farmers/tribals and brought to the factory by trucks. The sample of seed is drawn for laboratory analysis. The seed that meets the specification is accepted. The seed that does not meet the specification is rejected and sent back to the vendors. The approved seed is unloaded into a vibrating screen where impurities such as dust, soil, husk, mud balls and other foreign matters are separated.
- The cleaned seed is sent for storage in storage silos.
- One day's requirement of seed is drawn from the storage silo or directly from vibratory screensection into a day silo. From day silo, the seed is taken into a cracker (through the secondary cleaner and de-stoner, if required). The seed is cracked in the cracker and then fed to the cooker. The cracked seed is cooked in the cooker in controlled conditions with the help of direct and indirect steam. The cooked seed is then taken to the flaker where flakes are made. The flakes are then dried in the dryer with the help of hot air and excess moisture is removed. The dried Flakes are fed to the solvent extraction plant (SEP).
- The flakes received in the SEP are first fed to the extractor where oil is extracted with the help of hexane as solvent. The extracted oil mixed with hexane (called miscella) is sent to the distillation unit where the solvent hexane is recovered. The hexane free oil (crude oil) is sent for storage (or directly) for refining.
- The wet de-oiled cake (DOC) containing hexane from the extractor is sent to desolventisationcum toaster-cum-dryer-cum-cooler (DTDC) for hexane recovery with the help

of direct and indirect steam. The recovered hexane mixed with steam is passed through the condenser where it is condensed. The condensate passes through solvent-water separator where hexane is separated and recovered and recycled in the process. The hexane free de-oiled cake from DTDC is sent to DOC Storage for further packing.

Our manufacturing process starts with procurement of raw materials i.e. Sal seeds and Mango kernels. Our Company procures raw material from Forest department/ local markets or directly from tribals. The sample seeds are drawn for laboratory analysis and seeds that meet the required specification are accepted and those that do not meet the specification are rejected and sent back to vendors. The approved seed is unloaded into a vibrating screen where impurities such as dust, soil, husk, mud balls and other foreign matters are separated. The cleaned seed is sent for storage in storage silos.

From storage silo, the seed is taken into a cracker (through the secondary cleaner and de-stoner, if required), where the seed is cracked and then fed to the cooker. The cracked seed is cooked in the cooker in controlled conditions with the help of direct and indirect steam. The cooked seed is then taken to the flaker where flakes are made. The flakes are then dried in the dryer with the help of hot air and excess moisture is removed. The dried flakes are fed to the solvent extraction plant (SEP).

Flakes received in SEP are first fed to the extractor where oil is extracted with the help of hexane as solvent. The extracted oil mixed with hexane (called miscella) is sent to the distillation unit where the solvent hexane is recovered. The hexane free oil (crude oil) is sent for storage (or directly) for refining.

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The crude oil is received in refinery in the degumming and neutralization section, where gums and free fatty acid (FFA) are removed and neutral oil is obtained. The neutral oil is then sent to bleaching section for color removal. The bleached oil is then deodorized in the de-odorizer. The de-odorized oil called as refined oil and is the final product of the refinery. The refined oil is stored and subsequently packed into various containers depending upon the requirements.

We have entered into agreements with various parties to carry on the process of Solvent Crude Oil Extraction and refining the same.

SWOT ANALYSIS

As per the Project Report given by CARE Advisory Research Training Limited dated May 10, 2018, following is our Swot Analysis:

1. Strengths

- **Market**

The Company has an excellent relationship with its customers for the last four decades. The Company has reached and helped each and every tribal home and provided those jobs and as a result strengthened the collection potential and created a stable work force.

- **Raw Material**

Sourcing of raw material and other inputs is done by a well-designed, efficient and effective channel of logistics supply chain. The Company has about 80% of the share in purchasing the seed which allows for a better utilization of its facilities.

- **Location Advantage**

Raipur area provides good opportunity in terms of excellent raw materials sources in the radius of 50 to 300 km. There is availability of cheap labour, and well managed and trained maintenance staff. The project site is well connected with road, rail and air modes.

2. Weakness

- Inadequate funds for working capital allocation for raw material sourcing due to all material available in same period in short span. Thus higher working capital finance is required.
- Difficulty in managing and catering to demand of multiple products and customers. Due to limited production capacity at present one cannot cater to complete demand of our customers.

3. Opportunities

• Government Support

Present Indian political environment is investment friendly and enterprises supportive. Economic reforms, liberalisation and globalization provide a good opportunity to attract foreign collaboration. Government provides special incentive and support for agriculture, vegetable oil & fats and food processing industries.

On 24th December, 2017 Manorama Industries signed a Memorandum of Understanding with the Chhattisgarh government.

• Exempt of Import Duty

New Export-Import Policy under the new input-output norms for export of cocoa butter equivalents has announced an import entitlement of 1.02 MT's of Crude Palm Oil & 0.10 MT's of Mid Fraction against export of 1.02 MT's of Cocoa Butter Equivalents. The import as mentioned above will be exempt from duty (presently 75 % of the value of imports).

• Domestic Market

In domestic market there is an excellent opportunity for products like CBE, filling fats, margarine due to the excellent growth rate of chocolate, bakery, confectionery, ice-cream and food, fast-food

4. Threats

• Market/People Oriented

Consumer behavior can change in their taste and style. Change in the consumption patterns can lead to a fall in demand of chocolate and other related products. Economic recession due to global cues.

OUR CUSTOMERS

Some of our recognised clients include:

Chocolates/CBE Manufacturers:



Cosmetics:



OUR GEOGRAPHICAL PRESENCE

COUNTRYWISE EXPORT SALES	Rs. in lakhs
ITALY	1,800.96
NETHERLANDS	785.34
U.K.	471.06
USA	355.46
GERMANY	200.80
SWEDEN	142.01
SAINT-LEONARD	89.01
CANADA	84.26
FRANCE	52.51
SPAIN	28.58
SOUTH KOREA	6.61
VIATNAM	5.42
PORTUGA	4.26
CHINA	3.50
AUSTRALIA	2.47
MALAYSIA	1.83
ALGARIA	0.16
TOTAL	4,034.26

COLLABORATIONS

Our Company has not entered into any collaboration agreements as on date of this Draft Red Herring Prospectus.

OUR RAW MATERIALS

The basic raw materials required in our manufacturing is Sal seeds and Mango kernels. Our Company procures raw material directly from tribals. The various raw materials alongwith their annual production has been provided below:

Sr. No.	TBOs (Tree Borne Oils)	States Where Grown	Estimated Production Lakh (MT)
1	Sal	Assam, Bihar, Chhattisgarh, Jharkhand, Madhya Pradesh, Odisha, U.P., Uttaranchal, W.B.	10
2	Neem	All over India	7
3	Mahua	A.P., Bihar, Chhattisgarh, Gujarat, Jharkhand, Karnataka, M.P., Odisha, Rajasthan, U.P., T.N., W.B.	7
4	Mango Kernel	All over India	6
5	Karanja, Kusum & Other oil seeds	A.P., Bihar, Chhattisgarh, Jharkhand, Gujarat, Haryana, Karnataka, Kerala, T.N., M.P., Odisha, Rajasthan	5

[Source: CARE Industry Report]

UTILITIES & INFRASTRUCTURE FACILITIES

Infrastructure Facilities

Our Registered office at Office No 403, 4th Floor, Midas, Sahar Plaza, Andheri Kurla Road, Andheri East, Mumbai- 400059 , Corporate Office at F-6 Anupam Nagar, Raipur, C.G. 492001, processing facility at Plot No U-103, U-104 & 105/2, Nagpur Industrial Area, MIDC, Village Niloha, Nagpur and warehouses situated at different locations are well equipped with computer systems, machineries, lab equipments, internet connectivity, other communication equipment, security and other facilities, which are required for our business operations to function smoothly.

All our facilities are equipped with requisite utilities and infrastructure including the following:

Power

The Registered Office and Corporate Office meets its Power requirements by purchasing electricity from the Brihanmumbai Electric Supply & Transport Undertaking, Mumbai and Chhattisgarh State Power Distribution Company Limited, Raipur, respectively. Our processing facilities situated at Nagpur meets its power requirements by purchasing electricity from Maharashtra State Electricity Distribution Company Limited. The current sanction limit provided at our Processing unit is 350 KW. Our warehouses situated at different locations meets its Power requirements by purchasing electricity from local bodies of respective states.

Water

Our registered office, corporate office and warehouses has adequate water supply arrangements for human consumption and sanitation purpose which is supplied by local body. Water is a key and indispensable resource required in our manufacturing process. Our Company has made adequate arrangements to meet its water requirements at our manufacturing unit which is met through normal distribution channel like Maharashtra Industrial Development Corporation (MIDC).

EXPORT AND EXPORT OBLIGATIONS

As on the date of filing of this Draft Red Herring Prospectus, Our Company does not have any export obligation.

HUMAN RESOURCE

We believe that our employees are key contributors to our business success. We focus on attracting and retaining the best possible talent. Our Company looks for specific skill-sets, interests and background that would be an asset for its kind of business. Our business model comprises of Finance Department, HR/ Admin Department, Sales & Marketing Department, Purchase and Procurement, Legal and Compliance Department, Production, Managerial and Laboratory modules. Our company has an HR department which recruits and manages this division and ensure that personnel required are made available on time.

As on March 31, 2018, we have 66 employees on payroll. Our manpower is a prudent mix of the experienced and youth which gives us the dual advantage of stability and growth. Our work processes and skilled/ semi-skilled/ unskilled resources together with our management team have enabled us to implement our growth plans. We also employ contract, casual or temporary labour on need basis.

PLANT & MACHINERY

Currently, our plants are distributed and hence we do not get best possible yields there by affecting our margins. With the opening of Indian markets for CBE, we have decided to set up an integrated state of the art plant to process multiple seeds like Sal, Shea, Mango etc under one roof. This will upgrade operations to the global scale. The Net proceeds from the Issue will be utilised for this purpose. For further details, please refer to the chapter titled “Objects of the Issue” beginning on page 104 of the DRHP. Following is the list of quotations received from suppliers for supply of plant and machinery for our proposed facility;

The company proposes to acquire machineries at an estimated cost of about Rs. 4,560.92 lakhs. The detailed list of plant & machinery to be acquired by the company is as under:-

Equipment	Manufacturer	Required Quantity	Total Amount (Rs in lakhs)
Solvent Fractionation	Mondal & Company Consulting Private Limited, Mumbai	1	1,475.00
150 Tpd Continuous Solvent Extraction Plant On Shea Nut Cake	Sundex Process Engineers Pvt Ltd	1	479.08
Continuous Total Degumming, Neutralization, Water Washing & Drying Section And Alfa Laval Manual Cleaning Centrifugal Separators - 2 Nos (Model Srg 509), Product Line S.S304	Sundex Process Engineers Pvt Ltd	1	368.16
Osbl Work Others	Sundex Process Engineers Pvt Ltd	1	885.00
Osbl Work Solvent	Sundex Process Engineers Pvt Ltd	1	147.50
Boiler	Sharda Enterprises, Thermax Channel Associate	1	69.27
Installations & Other Works Of Boiler	SE Engineers And Consultants	1	73.75
Boiler	Sharda Enterprises, Thermax Channel Associate	1	69.27
Installations & Other Works Of Boiler	SE Engineers And Consultants	1	73.75
500 Kva Gen Set	Jakson Limited	1	31.66
Batch Bleaching Section	Veendeep Oiltech Exports Pvt. Ltd.	1	59.00
Batch De-Odoriser	Veendeep Oiltech Exports Pvt. Ltd.	1	54.28
1 TPH Direct Chilling Vatator for Bakery Shortening	Techno Chem Engineers (India) Pvt Ltd	1	81.42
Fire Hydrant System	Safe Guard Industries	1	101.59
100 Tpd Expelling Plant On Shea Nut	Sundex Process Engineers Pvt Ltd	1	184.08
Effluent Treatment Plant	Distington Engineers & Consultants Pvt. Ltd.	1	73.75
Hydraulic Press	PM Projects & Services Pvt. Ltd.	1	16.17
50 TPD interesterification plant	Chempro Technovation Pvt. Ltd.	1	123.90
Super Critical Extraction Plant	Flavex Aromats (India) Ltd	1	76.70
Dry Fractionation Unit	Dr. K. Mandal	1	117.59
Total			4,560.92

The above amounts are inclusive of GST

Electrical Installations

Equipment	Manufacturer	Total Amount (Rs in lakhs)
Electrical work of all plants	Sundex Process Engineers Pvt Ltd	184.08
Total		184.08

The above amounts are inclusive of GST

As on 16/05/2018, the Company has incurred Rs. 40.56 lakhs towards plant & machineries, as per certificate issued by the statutory auditor, M/s Jain And Choudhary, Chartered Accountants, dated May 18, 2018, details of which are as follows:

Sr. No.	Description of Plant & Machinery	Name of the supplier	Nature of payment	Date of expected supply	Total (Rs. in lakhs)
1	Air Conditioner	Dhamani Enterprises	Full payment made	Received	0.70
2	Direct Chilling Votator	Rec System & Technochem Eng	Full payment made	Received	35.30
3	Ultra Serch Metal Detector+Conveyor Belt	SMMS Engineering Systems Pvt Ltd.	Full payment made	Received	2.80
4	Lab Equipment	Celsun Eco Energy & Infratech	Advance paid	June 10, 2018	0.64
5	Lab Equipment	Classic Scientific	Advance paid	June 10, 2018	0.44
6	Lab Equipment	Kasliwal Brother	Advance paid	June 10, 2018	0.69
	TOTAL				40.56

CAPACITY AND CAPACITY UTILISATION1

Our processing facility is located at Nagpur, Maharashtra. Further we propose to set up an integrated manufacturing facility at Birkoni, near Raipur, Chhattisgarh through the proceeds of the Issue. For details, please refer the chapter titled “Objects of the Issue” beginning on 104 of the DRHP. The production and utilized capacities of our Company for the past three years and also the projected capacities and utilizations for the subsequent three years are set forth in the following tables:

Past Capacity:

Product Name	Installed Capacity	PRODUCED Actual MT		
		2015-16	2016-17	2017-18
Solvent Extraction Plant (SAL)	33750	18854	16474	26772
Solvent Extraction Plant (MANGO)		2206	5416	5972
TOTAL SEP PRODUCED		21060	21890	32744
Solvent Extraction Plant Installed capacity (THREE MONTH)		33750	33750	33750
Solvent Extraction Plant Aailed capacity IN MONTHS		2	2	3

CAPACITY UTILIZATION		94%	97%	97%
SAL CRUDE OIL REFINERY	4500	2356	2191	3583
MANGO CRUDE OIL REFINERY		183	391	497
TOTAL REFINERY PRODUCED		2539	2582	4080
REF INSTALLED capacity (THREE MONTH)		4500	4500	4500
REF AVAILED capacity IN MONTHS		2	2	3
CAPACITY UTILIZATION		85%	86%	91%
STEARINE PRODUCED	450	396	635	908
DRY FRAC INSTALLED capacity		450	650	1110
CAPACITY UTILIZATION		88%	98%	82%

Proposed Capacity

Product Name	Annual Installed F.Y. 2018-2019 in Existing facility	Annual Installed F.Y. 2019-2020 in New Project	Annual Installed F.Y. 2020-2021 in New Project
Solvent Plant Installed Capacity	33750	96000	96000
Projected	25000	47040	62400
% of Utilization	74%	49%	65%
Refining	4500	22500	22500
Projected	3338	11025	14625
% of Utilization	74%	49%	65%
Fractionation	2220	22500	22500
DRY FRAC INSTALLED capacity	1802	11025	14625
CAPACITY UTILIZATION	81%	49%	65%

COMPETITION

Globally, largely CBE is made from Shea nuts which are available mainly in the West African region. However, CBE can also be produced from other tree borne seeds like Sal, Mango, Kokum, Dhupa etc which are available in India. The most suitable raw material i.e. Sal seeds are available only in India and that too in abundance. Manorama is the only player in India which is capable of manufacturing CBE from Sal seeds given its procurement strength. Hence, the global players will find it difficult to compete with Manorama in the Indian context. Further, the Indian regulations also permit manufacture of CBE only from Indian exotic fats ie Sal, Mango, Kokum etc.

Since the products of our company are ultimately used for human consumption, the Chocolate manufacturers or cosmetic manufacturers give a lot of weightage to the long term relationships compared to pricing. Hence, the entry barrier to take away customer by reducing prices is very very high.

Additionally, the by-products produced from processing of Sal / Mango / Kokum i.e. De-oiled Cake, Soap Grade Oil etc. also have a huge market in India which improves realisation far better compared to

any manufacturer in other developed countries there by giving Manorama to be more price competitive in international market compared to other producers.

END USERS

Our products are mainly used in chocolate and cosmetic industry.

MARKETING

The efficiency of marketing and sales network is critical to success of our Company. We have been focusing on supplying our products and adding new customers in our clientele. We undertake a detailed exercise periodically to identify existing and prospective clients with the potential to develop into a large clientele base. The senior management is actively involved in managing client relationships and business development through targeted interaction with multiple contacts at different levels.

Our marketing team is ready to take up challenges so as to scale new heights. We intend to expand our existing customer base by reaching out to other geographical areas.

INSURANCE

Our Company has insurance coverage which we consider reasonably sufficient to cover all normal risks associated with our operations and which we believe is in accordance with the industry standards. These policies are subject to customary exclusions and deductibles. We believe that our insurance coverage is adequate for our business needs. We will continue to review our policies to ensure adequate insurance coverage maintained.

We have taken the insurance policies i.e. Burglary policy, Fire floater policy and standard Fire & Special perils policy, Commercial General Liability policy to secure the office premises, stock and warehouse,. Also we have insured our processing unit from fire and burglary. Apart from the stock and premises we have secured the worker's wages by taking Workmen Compensation policy.

INTELLECTUAL PROPERTY

As on the date of the DRHP, we have 9 registered trademarks. For details, please refer the chapter titled "Government and Other Statutory Approvals" beginning on page 251 of the DRHP.

LAND AND PROPERTY

Our registered office is situated at Mumbai and our corporate office is situated at Raipur. Further our processing facilities and warehouses are situated at Nagpur, Maharashtra and Raipur and around Raipur, Chhattisgarh. As on the date of the DRHP, some of our lease agreements pertaining to above mentioned facilities have expired and we are in the process of renewal of such agreements.

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 extracting oil from sal and mango a forayed into exotic products and specialty fats, industry. Taxation statutes such as the I.T. Act, and applicable Labour laws, environmental laws, contractual laws, intellectual property laws as the case may be, apply to us as they do to any other Indian company. The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. The regulations set out below may not be exhaustive, and are only intended to provide general information to Applicants and is neither designed nor intended to be a substitute for professional legal advice.

APPROVALS

For the purpose of the business undertaken by our Company, our Company is required to comply with various laws, statutes, rules, regulations, executive orders, etc. that may be applicable from time to time. The details of such approvals have more particularly been described for your reference in the chapter titled “Government and Other Statutory Approvals” beginning on page number 251 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 act is enacted. A National Board shall be appointed and established by the Central Government for MSME enterprise with its head office at Delhi in the case of the enterprises engaged in the manufacture or production of goods pertaining to any industry mentioned in first schedule to Industries (Development and regulation) Act, 1951 as “micro enterprise”, where the investment in plant and machinery does not exceed twenty-five lakh rupees; “Small enterprise”, where the investment in plant and machinery is more than twenty-five lakh rupees but does not exceed five crore rupees; or a medium enterprise , where the investment in plant and machinery is more than five crore but does not exceed ten crore rupees and in the case of the enterprise engaged in the services, “Micro – enterprise” , where the investment in equipment does not exceed ten lakh rupees, “Small Enterprise” where the investment in equipment is more than ten lakh rupees but does not exceed two crore rupees, or “ Medium Enterprise” where the investment in equipment is more than two crore rupees but does not exceed five crore rupees.

Industrial Policy of Relevant State

The Maharashtra Industrial Policy 2013

The Maharashtra Industrial Policy 2013 has given a special attention to encourage small scale industries. For financial stability of MSMEs (Micro Small and Medium Enterprises) , the state government will provide fiscal incentives and support to less developed areas, such as 75% reimbursement of cost of water and energy admissible. There is 100% stamp duty exemption within investment period for acquiring land and for term loan purposes. Exemption from payment of electricity duty to eligible new units is also available in certain cases. Power tariff of INR 1/- per unit consumed is available for eligible new units located in Gondia, Kinvat, Chandrapur, etc. Financial incentives are available in the form of Industrial Promotion Subsidy (IPS), Interest Subsidy, Electricity duty exemption, Waiver of Stamp Duty, Power Tariff Subsidy, etc. Up to 70 lacs can be utilized in the various ways. The Industrial Promotion Subsidy, which is receivable in cash as a specific percentage of net VAT and CST is also provided. Existing units can also be benefited under this scheme provided that they make 1) minimum

investment in capital assets of 25%; 2) same increase in production capacity; and 3) minimum 10% increase in employment.

Anti-Trust Laws

Competition Act, 2002

An act to prevent practices having adverse effect on competition, to promote and sustain competition in markets, to protect interest of consumer and to ensure freedom of trade in India. The act deals with prohibition of agreements and Anti-competitive agreements. No enterprise or group shall abuse its dominant position in various circumstances as mentioned under the Act.

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

GENERAL CORPORATE COMPLIANCE

The Companies Act 1956 and The Companies Act, 2013

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

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

EMPLOYMENT AND LABOUR LAWS

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 ("the EPF Act") and the Employees Provident Fund Scheme, 1952

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

Employees Deposit Linked Insurance Scheme, 1976

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

The Employees Pension Scheme, 1995

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

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

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

Payment of Bonus Act, 1965

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

Payment of Gratuity Act, 1972

The Act shall apply to every factory, mine plantation, port and railway company; to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a State, in which ten or more persons are employed, or were employed, on any day of

the preceding twelve months; such other establishments or class of establishments, in which ten or more employees are employed, on any day of the preceding twelve months, as the Central Government, may by notification, specify in this behalf.. A shop or establishment to which this act has become applicable shall be continued to be governed by this act irrespective of the number of persons falling below ten at any day. The gratuity shall be payable to an employee on termination of his employment after he has rendered continuous service of not less than five years on superannuation or his retirement or resignation or death or disablement due to accident or disease. The five year period shall be relaxed in case of termination of service due to death or disablement.

Minimum Wages Act, 1948

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

Maternity Benefit Act, 1961

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

Equal Remuneration Act, 1979

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

Child Labour Prohibition and Regulation Act, 1986

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

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

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

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

In order to curb the rise in sexual harassment of women at workplace, this act was enacted for prevention and redressal of complaints and for matters connected therewith or incidental thereto. The terms sexual harassment and workplace are both defined in the act. Every employer should also constitute an

“Internal Complaints Committee” and every officer and member of the company shall hold office for a period of not exceeding three years from the date of nomination. Any aggrieved woman can make a complaint in writing to the Internal Committee in relation to sexual harassment of female at workplace. Every employer has a duty to provide a safe working environment at workplace which shall include safety from the persons coming into contact at the workplace, organising awareness programs and workshops, display of rules relating to the sexual harassment at any conspicuous part of the workplace, provide necessary facilities to the internal or local committee for dealing with the complaint, such other procedural requirements to assess the complaints.

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 (“VAT”)

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

Chhattisgarh Value Added Tax Act, 2005

The Chhattisgarh Value Added Sales Tax Act, 2003 is an Act to levy tax on Sales and Purchases of goods in the State of Chhattisgarh. The term business is defined u/s. 2 (d) as any trade, commerce, manufacture or any adventure or concern in the nature of trade, commerce or manufacture, whether or not such trade, commerce, manufacture, adventure or concern is carried on with a motive to make gain or profit and whether or not any gain or profit accrues from such trade, commerce, manufacture, adventure or concern and irrespective of the volume, frequency, continuity or regularity of such trade, commerce, manufacture, adventure or concern; and any transaction of sale or purchase of goods in connection with or incidental or ancillary to the trade, commerce, manufacture, adventure or concern as mentioned above. The term “dealer” is defined u/s. 2 (g) and the liability of a dealer is encompassed in Chapter III of the Act. Under section 4 (1) Every dealer whose turnover during a period of twelve months immediately preceding the commencement of this Act exceeds the prescribed limits which shall not exceed rupees five lacs, shall from such commencement be liable to pay tax under this under this Act in respect of sales or supplies of goods effected by him in Chhattisgarh. Different limits may be prescribed for different category of dealers.

(2) Every dealer to whom sub-section (1) does not apply shall be liable to pay tax under this Act in respect of sales or supplies of goods effected by him in Chhattisgarh with effect from the date on which his turnover in a year first exceeds the limit prescribed under in the said sub-section but for the purpose

of assessment of the tax for that year, only so much of his turnover as is in excess of such limit, shall be taken into consideration.

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.

Central Sales Tax Act, 1956 ("CST")

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

Customs Act, 1962

The provisions of the Customs Act, 1962 and rules made there under are applicable at the time of import of goods i.e. bringing into India from a place outside India or at the time of export of goods i.e. taken out of India to a place outside India. Any Company requiring to import or export any goods is first required to get it registered and obtain an IEC (Importer Exporter Code). Imported goods in India attract basic customs duty, additional customs duty and education cess. The rates of basic customs duty are specified under the Customs Tariff Act 1975. Customs duty is calculated on the transaction value of the goods. Customs duties are administrated by Central Board of Excise and Customs under the Ministry of Finance.

The Central Excise Act, 1944

The Central Excise Act, 1944 ("Central Excise Act") consolidates and amends the law relating to Central Duties of Excise on goods manufactured or produced in India. Excisable goods under the Act means goods specified in the Schedule to the Central Excise Tariff Act, 1985 as being subject to duty of excise. Factory means any premises, including the precincts thereof, wherein or in any part of which excisable goods are manufactured, or wherein or in any part of which any manufacturing process connected with the production of these goods being carried on or is ordinarily carried out. Under the Act a duty of excise is levied on all excisable goods, which are produced or manufactured in India as and at the rates, set forth in the First Schedule to the Central Excise Tariff Act, 1985.

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. The rate of tax for CGST and SGST/UTGST shall not exceed –

- a. 2.5% in case of restaurants etc.
- b. 1% of the turnover in state/UT in case of manufacturer
- c. 0.5% of the turnover in state/ UT in case of other supplier

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

The Factories Act, 1948 (“Factories Act”) 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.

Shops and establishments laws in various states

Under the provisions of local Shops and Establishments laws applicable in various states, establishments are required to be registered. Such laws regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees.

ENVIRONMENTAL LEGISLATIONS

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

The purpose of the Environment Protection Act is to act as an "umbrella" legislation designed to provide a frame work for Central government co-ordination of the activities of various central and state authorities established under previous laws. The Environment Protection Act authorizes the central government to protect and improve environmental quality, control and reduce pollution from all sources, and prohibit or restrict the setting and /or operation of any industrial facility on environmental grounds. The Act prohibits persons carrying on business, operation or process from discharging or emitting any environmental pollutant in excess of such standards as may be prescribed. Where the discharge of any environmental pollutant in excess of the prescribed standards occurs or is apprehended to occur due to any accident or other unforeseen act, the person responsible for such discharge and the person in charge of the place at which such discharge occurs or is apprehended to occur is bound to prevent or mitigate the environmental pollution caused as a result of such discharge and should intimate the fact of such occurrence or apprehension of such occurrence; and (b) be bound, if called upon, to render all assistance, to such authorities or agencies as may be prescribed.

Air (Prevention and Control of Pollution) Act, 1981

Air (Prevention and Control of Pollution) Act 1981("the Act") was enacted with an objective to protect the environment from smoke and other toxic effluents released in the atmosphere by industries. With a view to curb air pollution, the Act has declared several areas as air pollution control area and also prohibits the use of certain types of fuels and appliances. Prior written consent is required of the board constituted under the Act, if a person intends to commence an industrial plant in a pollution control area.

Water (Prevention and Control of Pollution) Act, 1974

The Water (Prevention and Control of Pollution) Act 1974 ("the Act") was enacted with an objective to protect the rivers and streams from being polluted by domestic and industrial effluents. The Act prohibits the discharge of toxic and poisonous matter in the river and streams without treating the pollutants as per the standard laid down by the Pollution control boards constituted under the Act. A person intending to commence any new industry, operation or process likely to discharge pollutants must obtain prior consent of the board constituted under the Act.

Hazardous Waste (Management and Handling) Rules, 1989

The Hazardous Waste (Management and Handling) Rules, 1989, as amended, impose an obligation on each occupier and operator of any facility generating hazardous waste to dispose of such hazardous wastes properly and also imposes obligations in respect of the collection, treatment and storage of hazardous wastes. Each occupier and operator of any facility generating hazardous waste is required to obtain an approval from the relevant state pollution control board for collecting, storing and treating the hazardous waste.

The Public Liability Insurance Act, 1991

This Act imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. A list of hazardous substances covered by the legislation has been enumerated by the Government by way of a notification. The owner or handler is also required to take out an insurance policy insuring against liability under the legislation. The rules made under the Public Liability Act mandate that the employer has to contribute towards the environment relief fund, a sum equal to the premium paid on the insurance policies. The amount is payable to the insurer.

National Environmental Policy, 2006

The Policy seeks to extend the coverage, and fill in gaps that still exist, in light of present knowledge and accumulated experience. This policy was prepared through an intensive process of consultation within the Government and inputs from experts. It does not displace, but builds on the earlier policies. It is a statement of India's commitment to making a positive contribution to international efforts. This is a response to our national commitment to a clean environment, mandated in the Constitution in Articles 48 A and 51 A (g), strengthened by judicial interpretation of Article 21. The dominant theme of this policy is that while conservation of environmental resources is necessary to secure livelihoods and well-being of all, the most secure basis for conservation is to ensure that people dependent on particular resources obtain better livelihoods from the fact of conservation, than from degradation of the resource. Following are the objectives of National Environmental Policy:

- Conservation of Critical Environmental Resources
- Intra-generational Equity: Livelihood Security for the Poor
- Inter-generational Equity
- Integration of Environmental Concerns in Economic and Social Development
- Efficiency in Environmental Resource Use
- Environmental Governance
- Enhancement of resources for Environmental Conservation

INTELLECTUAL PROPERTY LEGISLATIONS

In general the Intellectual Property Rights includes but is not limited to the following enactments:

- The Patents Act, 1970
- Indian Copyright Act, 1957
- The Trade Marks Act, 1999

Indian Patents Act, 1970

A patent is an intellectual property right relating to inventions and is the grant of exclusive right, for limited period, provided by the Government to the patentee, in exchange of full disclosure of his invention, for excluding others from making, using, selling, importing the patented product or process producing that product. The term invention means a new product or process involving an inventive step capable of industrial application.

The Copyright Act, 1957

Copyright is a right given by the law to creators of literary, dramatic, musical and artistic works and producers of cinematograph films and sound recordings. In fact, it is a bundle of rights including, inter alia, rights of reproduction, communication to the public, adaptation and translation of the work. There could be slight variations in the composition of the rights depending on the work.

Trade Marks Act, 1999

The Trade Marks Act, 1999 (the “**Trade Marks Act**”) provides for the application and registration of trademarks in India for granting exclusive rights to marks such as a brand, label and heading and obtaining relief in case of infringement for commercial purposes as a trade description. The Trade

Marks Act prohibits any registration of deceptively similar trademarks or chemical compounds among others. It also provides for penalties for infringement, falsifying and falsely applying for trademarks.

GENERAL LAWS

- Apart from the above list of laws – which is inclusive in nature and not exhaustive - general laws like the Indian Contract Act 1872, Specific Relief Act 1963, Negotiable Instrument Act 1881, The Information Technology Act, 2000, Sale of Goods Act 1930 and Consumer Protection Act 1986 are also applicable to the company.

OTHER LAWS:

Foreign Trade (Development and Regulation) Act, 1992

The Development and Regulation of foreign trade by facilitating imports and exports from and to India. The Import-Export Code number and licence to import or export includes a customs clearance permit and any other permission issued or granted under this act. The Export and Import policy, provision for development and regulation of foreign trade shall be made by the Central Government by publishing an order. The Central Government may also appoint Director General of Foreign Trade (DGFT) for the purpose of Export-Import Policy formulation.

If any person makes any contravention to any law or commits economic offence or imports/exports in a manner prejudicial to the trade relations of India or to the interest of other person engaged in imports or exports then there shall be no Import Export Code number granted by Director-General to such person and if in case granted shall stand cancelled or suspended. Provision of search and seizure of Code of Criminal Procedure, 1973 shall apply to every search and seizure made under this Act. In case of appeals in a case the order made by the appellate authority shall be considered to be final. The powers of all the civil court under Code of Civil Procedure, 1908 shall vest in him.

The EXIM Policy is a set of guidelines and instructions established by the DGFT in matters related to the export and import of goods in India. This policy is regulated under the said act. Director General of Foreign Trade (herein after referred to as DGFT) is the main governing body in matters related to the EXIM Policy. The Act shall provide development and regulation of foreign trade by facilitating imports into, and augmenting exports from India. Trade Policy is prepared and announced by the Central Government (Ministry of Commerce).

Foreign Exchange Management Act, 1999

Foreign investment in India is primarily governed by the provisions of the Foreign Exchange Management Act, 1999(“FEMA”) and the rules and regulations promulgated there under. The act aims at amending the law relating to foreign exchange with facilitation of external trade and payments for promoting orderly developments and maintenance of foreign exchange market in India. It applies to all branches, offices and agencies outside India owned or controlled by a person resident in India and also to any contravention there under committed outside India by any person to whom this Act applies. Every exporter of goods is required to a) furnish to the Reserve Bank or to such other authority a declaration in such form and in such manner as may be specified, containing true and correct material particulars, including the amount representing the full export value or, if the full export value of the goods is not ascertainable at the time of export, the value which the exporter, having regard to the prevailing market conditions, expects to receive on the sale of the goods in a market outside India; b) furnish to the Reserve Bank such other information as may be required by the Reserve Bank for the purpose of ensuring the realization of the export proceeds by such exporter. The Reserve Bank may, for the purpose of ensuring that the full export value of the goods or such reduced value of the goods as the Reserve Bank determines, having regard to the prevailing market conditions, is received without any delay, direct any exporter to comply with such requirements as it deems fit. Every exporter of services shall furnish to the Reserve Bank or to such other authorities a declaration in such form and in such manner as may be specified, containing the true and correct material particulars in relation to payment for such services.

FEMA Regulations

As laid down by the FEMA Regulations, no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the automatic route within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIPB and/or the RBI. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 ("FEMA Regulations") to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India. Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department of Industrial Policy and Promotion, Ministry of Commerce & Industry, Government of India

THE FOREIGN DIRECT INVESTMENT

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment ("**FDI**") through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("**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 Circular on Foreign Investment in India every year. Presently, FDI in India is being governed by Master Circular on Foreign Investment dated July 01, 2015 as updated from time to time by RBI. In terms of the Master Circular, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Circular. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including filing of Form FC-GPR.

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 100 % foreign direct investment through automatic route is permitted in the sector in which our Company operates. Therefore applicable foreign investment up to 100% is permitted in our company under automatic route.

OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS

Our Company was originally incorporated as “Manorama Industries Private Limited” at Raipur, Chhattisgarh, as a Private Limited Company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated August 9, 2005 bearing Corporate Identification Number U15142CT2005PTC17858 issued by Registrar of Companies, Madhya Pradesh & Chhattisgarh. Subsequently our Company was converted in to Public Limited Company pursuant to shareholders resolution passed at Extraordinary General Meeting of our Company held on February 06, 2018 and the name of our Company was changed to “Manorama Industries Limited” and a Fresh Certificate of Incorporation consequent upon conversion of company to Public Limited dated March 23, 2018 was issued by Registrar of Companies, Maharashtra. The Corporate Identification number of our Company is U15142MH2005PLC243687.

Vinita Saraf is the promoter of our Company. Vinita Saraf and Ritu Saraf are the initial subscribers to Memorandum of Association of our Company. For further details w.r.t their shareholding, please refer chapter titled “Capital Structure” on page 85 of this Draft Red Herring Prospectus.

Our Company is engaged in manufacturing, processing and supply of exotic and specialty fats like sal butter, sal fat, sal oil, sal stearine, mango butter, mango fat, mango oil, mango stearine, kokum butter, kokum oil, mowrah fat, and several value-added tailors made products that form the ingredients of Cocoa Butter Equivalents (CBE).

For information on our Company’s profile, activities, market, products, etc, market of each segment, standing of our Company in comparison with prominent competitors, with reference to its products, management, managerial competence, technology, market, major suppliers and customers, environmental issues, geographical segment, etc. wherever applicable, please refer to this chapter and 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 161, 122, 218 219 and 251 respectively of this Draft Red Herring Prospectus.

CHANGE OF REGISTERED OFFICE

At the time of Incorporation, our Company’s Registered Office was situated at O-19, Anupam Nagar, Near Bal Udyan, Raipur Chhattisgarh- 492007 India. The details of changes in the address of our Registered Office are set forth below:

From	To	Effective Date	Reasons
O-19, Anupam Nagar, Near Bal Udyan, Raipur Chhattisgarh India	H-9, Anupam Nagar, Near T. V Tower, Raipur Chhattisgarh 492007	February 1, 2006	Administrative convenience
H-9, Anupam Nagar, Near Bal Udyan, Raipur Chhattisgarh 492007	F-6 Anupam Nagar, Raipur Chhattisgarh 492007	January 30, 2009	Administrative convenience
F-6 Anupam Nagar, Raipur Chhattisgarh 492007	41, 2 nd floor, Hanuman Building, 308 Perin Nariman Street, Fort Mumbai 400001	March 25, 2013	Administrative convenience
41, 2 nd floor, Hanuman Building, 308 Perin Nariman Street, Fort Mumbai 400001	Room No 104, 1 st Floor, J.K. Co Op HSG Society, 40/42 Mint Road, Fort, Mumbai 400001	August 1, 2013	Administrative convenience
Room No 104, 1 st Floor, J.K. Co Op HSG Society, 40/42 Mint Road, Fort, Mumbai 400001	Office No 403, 4 th Floor, Midas, Sahar Plaza, Andheri Kurla Road, Andheri East, Mumbai- 400059	May 16, 2018	Administrative convenience

KEY EVENTS AND MILESTONES IN THE HISTORY OF OUR COMPANY

Period	Events
2005	Incorporation of our Company
2013	Shifting of Registered Office from the Jurisdiction of Chhattisgarh to Maharashtra
2015	Received Award for 'Highest Processors and Highest Excellence in Exports of Vegetable Oils from India for 2015'
	Took Participation in International Exhibition- Cite Japan 2005 in Japan
2016	Received Award for 'Highest Exporter of Mango Kernel Oil (Fat)' from the Solvent Extractors Association of India
	Received Award for 'Highest Processor of Salseed' from the Solvent Extractors Association of India
	Received Award for 'Highest Exporter of Sal Oil' from the Solvent Extractors Association of India
	Received Award for 'Highest Exporter of Mango Kernel' from the Solvent Extractors Association of India
	Received Award towards Sustainability Organized by Globoil
	Quality Management System Certificate (ISO 9001:2008)
	Certificate issued by Indian Register Quality Systems (FSSC 22000)
2017	Received Star K Kosher Certification
	Membership with Federation of Indian Export Organisation
	Received Certificate of Conformance by Intertek
	Approval Certificate issued by Indian Register Quality Systems (ISO 22000:2005)
	Certificate of Compliance issued by Onecert International Organic Standards (EU Equivalent)
2018	Conversion of Company to Public Limited

OUR MAIN OBJECTS

The main objects of our Company, as contained in our Memorandum of Association, are as set forth below:

- To carry on all or any of the business of manufacturers, processors, traders, dealers, commission, agents, importers and exporters of oil, oil – cakes and meal from all kinds of oil-cakes, oil seed and/ or oil bearing materials by solvent extraction or other chemical processes, all kinds of vegetables/ fruits oils and oil cakes and meals by mechanical processes, all kinds of vitamins and foods for human being, animals and poultry, dehydration of fruits and/ or vegetable and /or molasses and /or various materials of vegetable or mineral origin, refining of vegetable oils, manufacturing of fatty acids.*
- To carry on the business of extracting oil and or other products either by crushing or by mechanical, electrical, chemical or any other processes from all kinds and or types of commodities, viz, til seeds, cotton seeds, soyabean seeds, sunflower seeds, sal seeds, linseeds, castor seeds, groundnut seeds, rapeseeds, shea seeds, palm kernel, kokum, dhupa, illeppe, vegetable seeds, copra, mango, rice bran, mahua seeds, neem, rapseed, cotton seed or any other nut or seed or other oil bearing substances whatsoever.*
- To carry on business as manufacturers, producers, processors, makers, converters, refiners, bottlers, importers, exporters, traders, buyers, sellers, retailers, wholesalers, suppliers, indenters, packers, consignors, jobbers, brokers, concessionaires otherwise deal in all kinds of edible oils, non edible oils, crude oil, refined oil, margarine hydrogenated oil, oil cakes, de oiled cakes, proteins and protein food, coco butter, coco butter equivalents, stearine of various oil, oline of various oil, palm mid fraction, nutrition foods, edible flours, textured foods, protein*

enriched food and feeding and fattening preparations of every description and oleaginous and saponaceous substances and unguents and ingredients.

4. *To carry on the business of manufacture and processing of nutrition foods, cattle feeds, acids, fatty acids, soap, perfumes, chemicals, glycerine and other products in which such oil seeds, oil cakes are utilised and of making, preparing and processing of formulations and by products of oils proteins from the products aforesaid.*

AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION

Since incorporation, the following changes have been made to our Memorandum of Association

Date of Shareholder's Approval	Amendment
March 25, 2011	Increase in Authorized Capital from Rs. 1,00,00,000 consisting of 10,00,000 Equity Shares of face value of Rs. 10 each to Rs. 2,00,00,000 consisting of 20,00,000 Equity Shares of face value of Rs. 10 each.
February 11, 2013	Increase in Authorized Capital from Rs. 2,00,00,000 consisting of 20,00,000 Equity Shares of face value of Rs. 10 each to Rs. 4,00,00,000 consisting of 40,00,000 Equity Shares of face value of Rs. 10 each.
June 26, 2012	Shifting of Registered office from one state to another i.e. from the Jurisdiction of ROC Madhya Pradesh & Chhattisgarh to the Jurisdiction of ROC Maharashtra. From 'F-6 Anupam Nagar, Raipur Chhattisgarh 492007' to '41, 2 nd floor, Hanuman Building, 308 Perin Nariman Street, Fort Mumbai 400001' Amendment to Clause II of Memorandum of Association upon change in registered office of our Company from the Jurisdiction of ROC Madhya Pradesh & Chhattisgarh to the Jurisdiction of ROC Maharashtra..
July 27, 2015	Authorised Capital of the Company to the extent of Rs. 2,00,00,000/- divided into 20,00,000 Equity Shares of Rs. 10/- each be reclassified as Preference Share Capital by way of cancellation of the said Authorised Equity Share Capital and creation in lieu thereof the Preference Share Capital of Rs. 2,00,00,000/- divided into 20,00,000 10% Non-Cumulative Redeemable Preference Shares of Rs. 10/- each.
March 15, 2016	Conversion of unissued 20,00,000 10% Non- Cumulative Redeemable authorised Preference Shares of Rs. 10/- each into 20,00,000 Equity Shares of Rs. 10/- each and accordingly the Authorised Capital altered as Rs. 4,00,00,000/- divided into 40,00,000 Equity Shares of Rs. 10/- each.
January 10, 2018	Increase in Authorized Capital from Rs. 4,00,00,000 consisting of 40,00,000 Equity Shares of face value of Rs. 10 each to Authorized Capital of Rs. 14,00,00,000 consisting of 1,40,00,000 Equity Shares of face value of Rs. 10 each.
February 06, 2018	Amendment of Memorandum of Association upon Conversion of our Company from a Private Limited Company to a Public Limited Company and the consequent change in name of our Company to "Manorama Industries Limited".

Date of Shareholder's Approval	Amendment
	A fresh certificate of incorporation pursuant to the change of name and conversion of Company to public was granted by the RoC on March 23, 2018

COUNTRYWISE EXPORT FOR THE YEAR ENDED MARCH 31, 2018

COUNTRYWISE EXPORT SALES	Rs. in lakhs
ITALY	1,800.96
NETHERLANDS	785.34
U.K.	471.06
USA	355.46
GERMANY	200.80
SWEDEN	142.01
SAINT-LEONARD	89.01
CANADA	84.26
FRANCE	52.51
SPAIN	28.58
SOUTH KOREA	6.61
VIATNAM	5.42
PORTUGA	4.26
CHINA	3.50
AUSTRALIA	2.47
MALAYSIA	1.83
ALGARIA	0.16
TOTAL	4,034.26

HOLDING COMPANY OF OUR COMPANY

Our Company has no holding company as on this date of filing of this Draft Red Herring Prospectus.

SUBSIDIARY COMPANY OF OUR COMPANY

There is no subsidiary of our Company as on this date of filing of this Draft Red Herring Prospectus.

PROMOTERS OF OUR COMPANY

The promoter of our Company is Vinita Saraf. For details, see “*Our Promoter and Promoter Group*” beginning on page 208 of this Draft Red Herring Prospectus.

CAPITAL RAISING ACTIVITIES THROUGH EQUITY OR DEBT

For details regarding our capital raising activities through equity and debt, refer to the section titled “*Capital Structure*” beginning on page 85 of this Draft Red Herring Prospectus.

INJUNCTIONS OR RESTRAINING ORDERS

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

MERGERS AND ACQUISITIONS IN THE HISTORY OF OUR COMPANY

Our Company has not merged/amalgamated itself nor has acquired any business/undertaking, since incorporation.

SHAREHOLDERS AGREEMENTS

Our Company has not entered into any shareholders agreement as on date of filing of this Draft Red Herring Prospectus.

OTHER AGREEMENTS

Our Company has not entered into any agreements/arrangement except under normal course of business of the Company, as on the date of filing of this Draft Red Herring Prospectus.

STRATEGIC/ FINANCIAL PARTNERS

Our Company does not have any strategic/financial partner as on the date of filing of this Draft Red Herring Prospectus.

DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS OR BANKS

There have been no defaults or rescheduling of borrowings with financial institutions or banks as on the date of this Draft Red Herring Prospectus.

CONVERSION OF LOANS INTO EQUITY SHARES

There have been no incident of conversion of loans availed from financial institutions and banks into Equity Shares as on the date of this Draft Red Herring Prospectus.

CHANGE IN ACTIVITIES OF OUR COMPANY IN THE LAST FIVE YEARS

There has been no change in the activities of our Company during the last five years which may have had a material effect on the profits/loss, including discontinuance of lines of business, loss of agencies or markets and similar factors.

STRIKES AND LOCKOUTS

There have been no strikes or lockouts in our Company since incorporation.

REVALUATION OF ASSETS

Our Company has not re-valued its assets since incorporation and has not issued any Equity Shares including bonus shares by capitalizing any revaluation reserves.

TIME AND COST OVERRUNS IN SETTING UP PROJECTS

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

NUMBER OF SHAREHOLDERS

Our Company has 8 shareholders as on date of this Draft Red Herring Prospectus.

OUR MANAGEMENT

BOARD OF DIRECTORS

Under our Articles of Association, Our Company is required to have not less than 3 directors and not more than 15 directors, subject to the applicable provisions of the Companies Act. Our Company currently has 6 directors on our Board.

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

Sr. No.	Name, Father's/Husband's Name, Designation, Occupation, Nationality, Term and DIN	Age, Name, Address, Term	Date of last Appointment / Re-appointment	Other Directorship
1.	Name: Vinita Saraf Age: 47 years Father's Name: Kedarnath Agrawal Address: H No. C-9, Anupam Nagar, Near Ganesh Mandir, Raipur-492001 Designation: Managing Director Occupation: Business Nationality: Indian Term: 5 years W.e.f from April 1, 2017 DIN: 00208621		Designated as Managing Director w.e.f. April 1, 2017	Public Limited Company Nil Private Limited Company – <ul style="list-style-type: none"> • Money Resources Private Limited • Manorama Oils Private Limited • Manorama Energy Private limited • Manorama Earth Private Limited Limited Liability Partnership: Nil
2.	Name: Kedarnath Agarwal Age: 78 years Father's Name: Chatru Bhuj Agarwal Address: 1109, 11 th CRS, Judicial L/o, BG 11 th Main Bangalore 560065 KA IN Designation: Executive Director Occupation: Business Nationality: Indian Term: Liable to retire by rotation DIN: 00183566		April 7, 2018	Public Limited Company Nil Private Limited Company <ul style="list-style-type: none"> • Money Resources Private Limited • Manorama Oils Private Limited • Manorama Energy Private Limited • Superfine Mercantile Company Private Limited (Under Process of Striking Off) • Manorama Earth Private Limited Limited Liability Partnership: Nil
3.	Name: Gautam Kumar Pal Age: 44 years Father's Name: Sisir Kumar Pal Address: Opp. Sonia Nagar, Sector-1, Raipur-492001 CT IN Designation: Executive Director Occupation: Service Nationality: Indian		January 10, 2018	Public Limited Company <ul style="list-style-type: none"> • Nil Private Limited Company – <ul style="list-style-type: none"> • Nil Limited Liability Partnership: <ul style="list-style-type: none"> • Nil

Sr. No.	Name, Father's/Husband's Name, Designation, Occupation, Nationality, Term and DIN	Age, Address, Date of last Appointment / Re-appointment	Other Directorship
	Term: Liable to retire by rotation DIN: 07645652		
4.	Name: Ashish Bakliwal Age: 30 years Father's Name: Kanhaiya Lal Bakliwal Designation: Independent Director Address: 203, EMP 75, Evershine Helio CHS Ltd, Thakur Village, Kandivali East Mumbai 400101 Maharashtra Occupation: Profession Nationality: Indian Term: Five years w.e.f. May 1, 2018 DIN: 05149608	May 1, 2018	Public Limited Company – Nil Private Limited Company – Nil Limited Liability Partnership: Nil
5.	Name: Ashish Kumar Agrawal Age: 40 years Father's Name: Mahabir Prasad Agrawal Designation: Independent Director Address: Kesinga Road, N H-201, Bhawanipatna, Orissa 766001 Occupation: Business Nationality: Indian Term: Five years w.e.f. May 1, 2018 DIN: 01936872	May 1, 2018	Public Limited Company – Nil Private Limited Company <ul style="list-style-type: none"> Ambika Real Estate Developers Private Limited Arati Infratech Private Limited AMR Infratech Private Limited Ganpati Agri Preservers Private Limited Limited Liability Partnership: <ul style="list-style-type: none"> Rosebey Resorts Llp
6.	Name: Kanhaiyalal Kothari Age: 62 years Father's Name: Badichand Kothari Designation: Independent Director Address: G 1 Flat No 4, Janata Housing Society, Jesal Park, Bhayandar East Maharashtra 401105 Occupation: Professional Nationality: Indian Term: Five years w.e.f. May 1, 2018 DIN: 07754543	May 1, 2018	Public Limited Company – <ul style="list-style-type: none"> Trimax IT Infrastructure & Services Limited Trimax Datacenter Services Limited Private Limited Company – Nil Limited Liability Partnership – Nil

BRIEF BIOGRAPHIES OF OUR DIRECTORS

Vinita Ashish Saraf

Vinita Saraf aged 47 Years is the Promoter and Managing Director of our company. She has completed her bachelor's degree in commerce from Mount Carmel Girls College Bangalore. She has 12 years of working experience in the food processing, Flour and Oil fat industry. Her journey has been marked by ambitious and entrepreneur vision coupled with great vigour and hard work. Her leadership has enabled Manorama group to achieve numerous milestones and also resulted in creation of a robust business model. She is the guiding force behind all the strategic decisions of Company and is entrusted with the responsibility of looking after the overall management and operations of Company.

Kedarnath Agarwal

Kedarnath Agarwal, aged 78 years is the Executive Director of our Company. He was re-appointed on Board since April 7, 2018.

Gautam Kumar Pal

Gautam Pal, aged 44 years is the Executive Director of our Company. He has completed his Bachelors in Chemical technology specialising in Oil Technology from University of Calcutta and Masters of Business Administration from Amity University. He has 13 years of experience in Specialty Oil and Fats Manufacturing and Quality Control. He is the Chief Research, development and technical officer of the Company.

Ashish Bakliwal

CA Ashish Bakliwal, aged 30 years is the Independent Director of the Company. He has completed his Bachelors of Commerce from Maharshi Dayanand Saraswati University, Ajmer. He is a Chartered Accountant and fellow member of Institute of Chartered Accountants of India. He is founder and managing partner of Bakliwal & Co., Chartered Accountants. He has wide experience in the field of Enterprise Risk Management, Internal Control Management, Auditing and Assurance services for Banks, Corporate, Individuals, Partnerships, LLPs. He has been appointed on our board since May 1, 2018.

Ashish Agrawal

Ashish Agrawal, age 40 years is the Independent Director of the Company. He has completed his Bachelor of Engineering from Utkal University. He has been appointed on our board since May 1, 2018.

Kanhaiyalal Kothari

Kanhaiyalal Kothari, aged 62 years is the Independent Director of the Company. He is a fellow member of Institute of Chartered Accountants of India (ICAI). He has been appointed on our board since May 1, 2018.

CONFIRMATIONS

As on the date of this Draft Red Herring Prospectus:

1. Except as stated below; none of the Directors of our Company are related to each other as per section 2(77) of the Companies Act, 2013.

Name of the Director	Name of the Other Director	Relation
Vinita Saraf	Kedarnath Agarwal	Daughter-Father

2. There are no arrangements or understanding with 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 the above mentioned Directors are on the RBI List of willful defaulters.

5. Further, 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 during the term of their directorship in such companies.
6. None of the Promoter, persons forming part of our Promoter Group, 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.

REMUNERATION/COMPENSATION PAID TO DIRECTORS

During the last financial year ended on March 31, 2017, the directors have been paid gross remuneration as follows.

Name of Director	Amount (Rs in lakhs)
Vinita Saraf	96.00
Gautam Kumar pal	2.40

Terms and conditions of employment of our Managing Director:

Vinita Saraf-

Vinita Saraf is the Promoter and Managing Director of our Company. She has been appointed as Director of our company since incorporation and has been re-designated as Managing Director w.e.f. April 1, 2017 for the period of five years. The terms and conditions of her appointment are as follows:

Remuneration	Rs. 96.00 lakhs per annum subject to be reviewed by Board from time to time
Term of appointment	5 years w.e.f April 1, 2017
Gratuity	Not exceeding one half month's salary for each completed year of service
Car	Provision of car use on Company's business and telephone at residence which will not be considered as perquisites. However, use of office car for personal use and will be billed by the Company to Managing Director
Entertainment allowance	The company shall provide actual entertainment and travelling expenses incurred by the Managing director in connection with the Company's Business.

However, the total managerial remuneration payable to the director shall not exceed the overall ceiling of the total managerial remuneration as provided under section 197 of the Companies Act, 2013 or such other limits as may be prescribed from time to time (i.e as per section 1 of Part II of Schedule V) or whether in case in any financial year, during his currency of tenure of a managerial person, the Company has no profits or its profits are inadequate, it may without approval of Central Government pay, the remuneration to above managerial personnel not exceeding the ceiling (not exceeding the highest of the limit prescribed under section 2 of Part II of Schedule V of the Act.

Terms and conditions of employment of our Non-Executive Director and Independent Directors

Non-Executive Director and Independent Directors of the 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.

OTHER CONFIRMATIONS

As on the date on this Draft Red Herring Prospectus:

1. There is no contingent or deferred compensation payable to any Director and/or Managing Director which has accrued for this year and payable in current or any future period.
2. No compensation was paid to any Director pursuant to bonus or profit sharing plan.

SHAREHOLDING OF OUR DIRECTORS IN THE COMPANY

As per the Articles of Association of our Company, a Director is not required to hold any qualification shares. Except as stated below no other directors have shareholding of our Company.

The following table details the shareholding of our Directors as on the date of this Draft Red Herring Prospectus :

Sr. No.	Name of the Director	No. of Equity Shares	% of Pre Issue Equity Share Capital	% of Post Issue Equity Share Capital
1.	Vinita Saraf	27,73,680	35.91	[●]

INTERESTS OF DIRECTORS

Our Directors are interested in our Company in the following manner: -

- All the Directors may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of the Board or a Committee thereof as well as to the extent of other remuneration and reimbursement of expenses payable to them under the Articles of Association;
- All the Directors may also be deemed to be interested to the extent of Equity Shares, if any, already held by them to the extent of any dividends payable to them and other distributions in respect of the said Equity Shares;
- All the Directors may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by our Company with any company in which they hold directorships or any partnership firms in which they are partners as declared in their respective declarations;
- Vinita Saraf, our Managing Director; has extended her personal guarantees for securing the repayment of certain bank loans obtained by our Company. For details, please refer chapter titled “Financial Indebtedness” beginning on page 237 of this Draft Red Herring Prospectus.

Except as stated above and under the heading “Financial Statements, as restated – Annexure Y – Restated Statement of Related Parties Transactions” on page 216 under the section titled “Financial Information”, 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.

SHAREHOLDING OF DIRECTORS IN SUBSIDIARIES AND ASSOCIATE COMPANIES

As on date of filing of this Draft Red Herring Prospectus we do not have any Subsidiary or Associate Company .

CHANGES IN OUR BOARD OF DIRECTORS DURING THE LAST THREE YEARS

Following are the changes in directors of our Company in last three years prior to the date of this Draft Red Herring Prospectus

Name	Date of Event	Nature of event	Reason
Vinita saraf	April 1, 2017	Re-appointment	Change in designation as Managing Director
Kedarnath Agarwal	April 7, 2018	Re-appointment	Appointment as Executive director
Gautam Kumar Pal	January 10, 2018	Re-appointment	Appointment as Executive director

Name	Date of Event	Nature of event	Reason
Ashish Bakliwal	May 1, 2018	Appointment	Appointment as independent director
Ashish Kumar Agarwal	May 1, 2018	Appointment	Appointment as independent director
Kanhaiyalal Kothari	May 1, 2018	Appointment	Appointment as independent director

BORROWING POWERS OF THE BOARD

Pursuant to a special resolution passed at the Extraordinary General Meeting of our Company held on April 10 and pursuant to provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 as amended from time to time, and rules made there under and the Board of Directors (including committees) of the Company be and is hereby authorized to borrow money on such terms and conditions as may be considered and suitable by the Board of Directors up to a limit of Rs. 250.00 Crores notwithstanding that the money(s) to be borrowed together with the money(s) already borrowed by the Company (apart from the 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 its Free Reserves of the Company.

CORPORATE GOVERNANCE

In addition to the applicable provisions of the Companies Act, 2013 with respect to corporate governance, provisions of the SEBI Listing Regulations will also be complied with the extent applicable to our Company immediately upon the listing of the Equity Shares on the Stock Exchange.

Our Company stands committed to good corporate governance practices based on the principles such as accountability, transparency in dealings with our stakeholders, emphasis on communication and transparent reporting. We have complied with the requirements of the applicable regulations, including Regulations, in respect of corporate governance including constitution of the Board and Committees thereof. The Corporate governance framework is based on an effective Independent Board, the Board's Supervisory role from the executive management team and constitution of the Board Committees, as required under law.

The Board functions either as a full board or through the various committees constituted to oversee specific operational areas.

As on the date of this Draft Red Herring Prospectus, there are 6 Directors on our Board out of which 3 directors are independent Directors. Our Company is in compliance with the corporate governance norms prescribed under the Companies Act, 2013, particularly, in relation to appointment of Independent Directors to our Board and constitution of Board-level committees.

Our Company undertakes to take all necessary steps to continue to comply with all the requirements of the SEBI Listing Regulations, the Equity Listing Agreements and the Companies Act, 2013.

The following committees have been constituted in terms of SEBI Listing Regulations and the Companies Act, 2013.

- A. Audit Committee
- B. Stakeholders Relationship Committee
- C. Nomination and Remuneration Committee
- D. Corporate Social Responsibility Committee

A. Audit Committee

Our Company has constituted an audit committee ("**Audit Committee**"), as per section 177 of the Companies Act 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; vide resolution passed at the meeting of the Board of Directors held on May 2, 2018.

The terms of reference of Audit Committee adheres to the requirements of Regulation 18 of the Listing Agreement, proposed to be entered into with the Stock Exchange in due course. The committee presently comprises the following directors:

Name of the Directors	Status	Nature of Directorship
Ashish Bakliwal	Chairman	Independent Director
Kanhaiyalal Badichand Kothari	Member	Independent Director
Ashish Kumar Agrawal	Member	Independent Director
Vinita Saraf	Member	Managing Director

The Company Secretary and Compliance Officer of the Company would act as the Secretary to the Audit Committee.

The Audit Committee shall have following powers:

- To investigate any activity within its terms of reference;
- To seek information from any employee;
- To obtain outside legal or other professional advice; and
- To secure attendance of outsiders with relevant expertise if it considers necessary.

The Audit Committee shall mandatorily review the following information:

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the Committee, reasons for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the shareholders. The Chairman of the Audit committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit.

The role of the Audit Committee not limited to but includes:

- 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.
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in respect of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
 - Changes, if any, in accounting policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on the exercise of judgment by management;
 - Significant adjustments made in the financial statements arising out of audit findings;
 - Compliance with listing and other legal requirements relating to financial statements;
 - Disclosure of any related party transactions;
 - Qualifications 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 offer document/Draft Prospectus/ Prospectus, notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
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.
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 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. Call for comments of the auditors about internal control systems, scope of audit including the observations of the auditor and review of the financial statements before submission to the Board.
20. 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.
21. To investigate any other matters referred to by the Board of Directors.
22. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Explanation (i): The term "related party transactions" shall have the same meaning as contained in the Accounting Standard 18, Related Party Transactions, issued by The Institute of Chartered Accountants of India.

Meeting of Audit Committee and relevant Quorum

The audit committee shall meet at least 4 times in a year and not more than 4 months shall elapse between 2 meetings. The quorum shall be either 2 members or one third of the members of the Audit Committee whichever is greater, but there shall be a minimum of 2 Independent Directors, who are members, present.

B. Stakeholder's Relationship Committee

Our Company has constituted a shareholder / investors grievance committee ("*Stakeholders' Relationship Committee*") to redress complaints of the shareholders. The Stakeholders' Relationship Committee was constituted vide resolution passed at the meeting of the Board of Directors held on May 2, 2018.

The Stakeholders' Relationship Committee comprises the following Directors:

Name of the Directors	Status	Nature of Directorship
Ashish Bakliwal	Chairman	Independent Director
Kanhaiyalal Badichand Kothari	Member	Independent Director
Ashish Kumar Agrawal	Member	Independent Director
Vinita Saraf	Member	Managing Director

The Company Secretary and Compliance Officer of the Company would act as the Secretary to the Stakeholders' Relationship Committee.

The Stakeholders Relationship Committee shall oversee all matters pertaining to investors of our Company. The scope and function of the Stakeholder's Relationship Committee and its terms of reference shall include the following:

- a. **Tenure:** The Stakeholder's Relationship Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Stakeholder's Relationship Committee as approved by the Board.
- b. **Meetings:** The Stakeholder's Relationship Committee shall meet at least four times a year with maximum interval of four months between two meetings and shall report to the Board on quarterly basis regard the status of redressal of complaints received from the shareholders of the Company. The quorum shall be two members present.
- c. **Role of the Stakeholder's Relationship Committee:**

The Committee shall consider and resolve grievances of security holders, including but not limited to:

1. Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the cages in the reverse for recording transfers have been fully utilized.
2. Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.; and
3. Review the process and mechanism of redressal of Shareholders /Investors grievance and suggest measures of improving the system of redressal of Shareholders /Investors grievances.
4. Non-receipt of share certificate(s), non-receipt of declared dividends, non-receipt of interest/dividend warrants, non-receipt of annual report and any other grievance/complaints with Company or any officer of the Company arising out in discharge of his duties.
5. Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolved them.
6. Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time.
7. Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting.
8. Carrying out any other function contained in the equity listing agreements as and when amended from time to time.

C. Nomination and Remuneration Committee

Our Company has constituted a Nomination and Remuneration Committee in accordance section 178 of Companies Act 2013. The constitution of the Nomination and Remuneration Committee was

approved by a Meeting of the Board of Directors held on May 2, 2018. The said committee is comprised as under:

The Nomination and Remuneration Committee comprises the following Directors:

Name of the Director	Status	Nature of Directorship
Ashish Bakliwal	Chairman	Independent Director
Kanhaiyalal Badichand Kothari	Member	Independent Director
Ashish Kumar Agrawal	Member	Independent Director
Vinita Saraf	Member	Chairman and Managing Director

The Company Secretary and Compliance Officer of the Company would act as the Secretary to the Nomination and Remuneration Committee. The scope and function of the Committee and its terms of reference shall include the following:

- a. **Tenure:** The Nomination and Remuneration Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board.
- b. **Meetings:** The committee shall meet as and when the need arise for review of Managerial Remuneration. The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher. Meeting of the Nomination and Remuneration Committee shall be called by at least seven days' notice in advance.
- c. **Role of the Nomination and Remuneration Committee not limited to but includes:**
 - Formulate the criteria for determining the qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to, the remuneration for directors, KMPs and other employees.
 - Identifying persons who are qualified to become directors and may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal.
 - Formulation of criteria for evaluation of performance of independent directors and Board of Directors
 - Devising a policy on diversity of board of directors
 - Deciding on, whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
 - Decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors.
 - Define and implement the Performance Linked Incentive Scheme (including ESOP of the Company) and evaluate the performance and determine the amount of incentive of the Executive Directors for that purpose.
 - Decide the amount of Commission payable to the Whole time Director / Managing Directors.
 - Review and suggest revision of the total remuneration package of the Executive Directors keeping in view the performance of the Company, standards prevailing in the industry, statutory guidelines etc.
 - To formulate and administer the Employee Stock Option Scheme.

A) Corporate Social Responsibility Committee

Our Company has reconstituted a Corporate Social Responsibility Committee in accordance section 135 of Companies Act 2013. The constitution of the Corporate Social Responsibility Committee was approved by a Meeting of the Board of Directors held on March 09, 2018. The said committee is comprised as under:

The Corporate Social Responsibility Committee comprises the following Directors:

Name of the Director	Status	Nature of Directorship
Ashish Bakliwal	Chairman	Independent Director
Kanhaiyalal Badichand Kothari	Member	Independent Director
Ashish Kumar Agrawal	Member	Independent Director
Vinita Saraf	Member	Chairman and Managing Director

A. **Tenure:** The Corporate Social Responsibility Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board.

B. Terms of Reference:

- To formulate, revise and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as per the Companies Act, 2013;
- To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the company;
- To monitor the CSR policy of the Company from time to time;

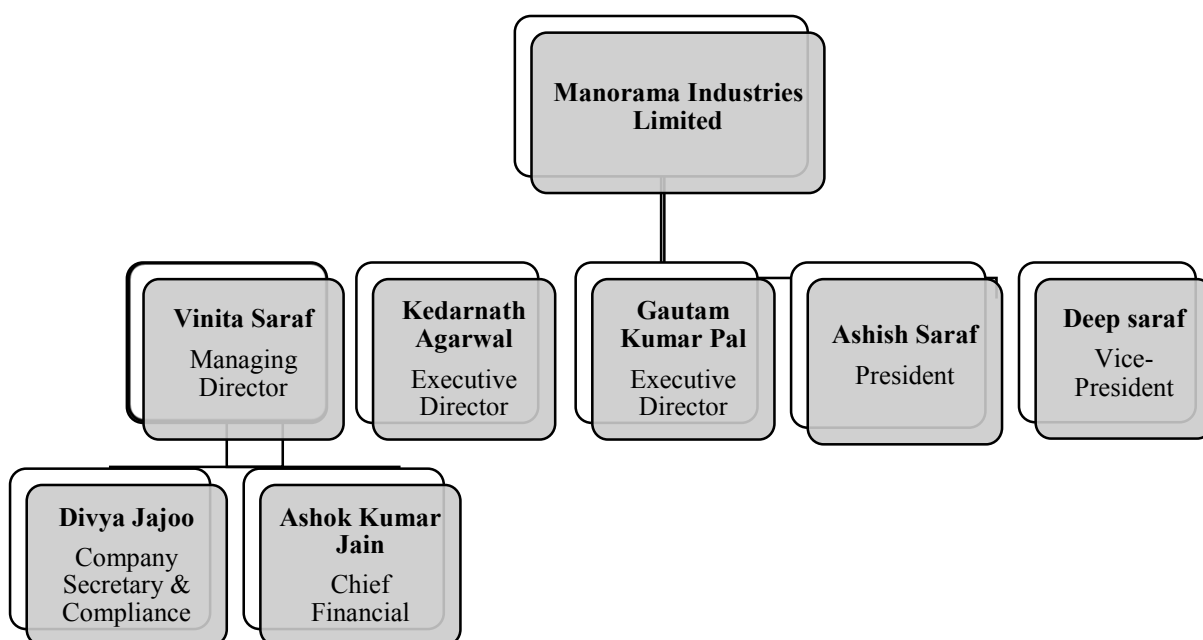
Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

Policy on Disclosures and Internal Procedure for Prevention of Insider Trading:

The provisions of Regulation 9(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 will be applicable to our Company immediately upon the listing of its Equity Shares on the SME Platform of BSE Limited. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 on listing of Equity Shares on stock exchanges. Further, Board of Directors at their meeting held on May 2, 2018 have formulated and adopted the code of conduct to regulate, monitor and report trading by its employees and other connected persons.

Divya Jajoo, Company Secretary & Compliance Officer will be responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the Code of Conduct under the overall supervision of the board.

ORGANISATIONAL STRUCTURE



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. Below are the details of the Key Managerial Personnel of our Company:

The details of our Key Managerial Personnel are set out below:

1. Vinita Saraf - Managing Director

Vinita Saraf aged 47 Years is the Promoter and Managing Director of our company. She has completed her bachelor's degree in commerce from Mount Carmel Girls College Bangalore. She has 12 years of working experience in the food processing, Flour and Oil fat industry. Her journey has been marked by ambitious and entrepreneur vision coupled with great vigour and hard work. Her leadership has enabled Manorama group to achieve numerous milestones and also resulted in creation of a robust business model. She is the guiding force behind all the strategic decisions of Company and is entrusted with the responsibility of looking after the overall management and operations of Company.

2. Ashish Saraf-President*

Ashish Saraf aged 48 years act as the president of the Company. He has been appointed as president since May 2,2018. He formulates and implements the strategic plan that guides the direction of our company. He oversees all the financials aspects of the company.

3. Deep Saraf – Vice President*

Deep Saraf aged 44 years act as the Vice-president of the Company. He has been appointed as president since May 2,2018. His role is to create, communicate and implement the organization's overall direction. He formulates and implements the strategic plan that guides the direction of our company.

4. Ashok Kumar Jain - Chief Financial Officer

Ashok Kumar, aged 35 years is the Chief Finance Officer of the Company. He has completed his Bachelor of Commerce from Ravishankar Shukla University, Raipur. He is a qualified Chartered Accountant by profession. He looks after the finance and accounts division of our company.

5. Divya jajoo - Company Secretary and Compliance Officer.

Divya Jajoo, aged 32 years is the Company Secretary and Compliance Officer of the Company. She is an associate member of Institute of Company Secretaries of India. She has also obtained her degree in Cost Accountancy from Institue of Cost Accountants of India, She has also done her bachelor in business administration from Jai Narain Vyas University, jodhpur and Master in business administration from Rajasthan technical university, kota..Currently she is looking after the legal, corporate law and secretarial department of our company.

* Individual at serial no 2 and 3 are not Directors /KMP within the meaning of the Companies Act, 2013.

RELATIONSHIP BETWEEN KEY MANAGERIAL PERSONNEL

None of the key managerial personnel are related to the each other within the meaning of Section 2 (77) of the Companies Act, 2013. All of Key Managerial Personnel are permanent employees of our Company.

ARRANGMENTS AND UNDERSTANDING WITH MAJOR SHAREHOLDERS

None of our Key Managerial Personnel have been appointed on our Board pursuant to any arrangement with our major shareholders, customers, suppliers or others.

SHAREHOLDING OF THE KEY MANAGERIAL PERSONNEL

Except as mentioned below, none of our Key Managerial Personnel holds any Equity shares of our company as on the date of this Draft Prospectus.

Sr. No.	Name of the Key Managerial Personnel	No. of Shares held
1.	Vinita Ashish Saraf	27,73,680

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 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

Our company has not given any loans and advances to the Key Managerial Personnel as on the date of this Draft 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 and dividends payable thereon and other distributions in respect of such equity shares. Except as disclosed in this Draft Prospectus, none of our key managerial personnel have been paid any consideration of any nature from our Company, other than their remuneration. Except as stated otherwise in this Draft Prospectus, we have not entered into any contract, agreement or arrangement during the preceding 2 (two) years from the date of this Draft Red Herring Prospectus in which the Key Managerial Personnel 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. Except as stated in this chapter, 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

Name of the K.M.P	Designation	Date of Event	Reason
Vinita Saraf	Managing director	April 1, 2017	Change in designation
Ashok Kumar Jain	Chief Financial Officer	April 7, 2018	Appointment as Chief Financial Officer
Divya Jajoo	Company Secretary	April 7, 2018	Appointment as Company Secretary and compliance officer

Other than the above changes, there have been no changes to the KMP of our company that are not in the normal cause of employment.

ESOP/ESPS SCHEME TO EMPLOYEES

Presently, we do not have any ESOP/ESPS Scheme for 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 218 of this Red Herring Prospectus, no amount or benefit has been paid or given within the three preceding years or is intended to be paid or given to any of our officers except the normal remuneration for services rendered as officers or employees.

OUR PROMOTER AND PROMOTER GROUP

OUR PROMOTER

The Promoter of our Company is Vinita Saraf. As on date of this Draft Red Herring Prospectus, our Promoter hold 27,73,680 aggregating to 35.91 % Pre Issue paid up equity Capital.

Brief profile of our Promoter is as under:

	<p>Vinita Saraf, Promoter & Chairman and Managing Director</p> <p>Vinita Saraf, aged 47 years, is the Promoter, Chairman and Managing Director of our Company. She has been appointed as director of our Company since incorporation and has been designated as Managing Director of our Company with effect from April 01, 2017. She has completed Bachelors of Commerce from Bangalore University. She has an experience of around 12 years in this Industry. She is the guiding force behind all the strategic decisions of Company and is entrusted with the responsibility of looking after the overall management and operations of Company.</p> <p>Passport No: Z2970860 Driving License: CG04 20060007780 Voters ID: MP/17/127/237425</p> <p>Address: H No C-9, Anupam Nagar, Near Ganesh Mandir, Raipur- 492007, Chhattisgarh, India.</p> <p>For further details relating to Vinita Saraf including terms of appointment as Managing Director and other directorships please refer to the chapter titled “Our Management” beginning on page 195 of this Draft Red Herring Prospectus.</p>
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DECLARATION

Our Company confirms that the Permanent Account Number, Bank Account Number and Passport Number of our Promoter shall be submitted to the Stock Exchange at the time of filing of this Draft Red Herring Prospectus..

INTEREST OF PROMOTERS

Our Promoter is interested in our Company to the extent that she has promoted our Company and to the extent of her shareholding and the dividend receivable, if any and other distributions in respect of the Equity Shares held by her. For details regarding shareholding of our Promoter in our Company, please refer “*Capital Structure*” on page 85 of this Draft Red Herring Prospectus.

Our Promoter is also the Director and Key Managerial Personnel of our Company and may be deemed to be interested to the extent of remuneration and/ or reimbursement of expenses payable to her for services rendered to us in accordance with the provisions of the Companies Act and in terms of the agreements entered into with our Company, if any and AoA of our Company. For details refer to the chapter titled “*Our Management*”, “*Financial Statements*” and “*Capital Structure*” beginning on pages 195, 218 and 85 respectively of this Draft Red Herring Prospectus.

Except as mentioned in the chapter titled, “Our Business” under the heading titled, “Land & Property” beginning on page 161 of this Draft Red Herring Prospectus, our Promoter do not have any interest in any property acquired or proposed to be acquired by our Company in a period of two years before filing of this Draft Red Herring Prospectus or in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

For details of related party transactions entered into by our Company during last financial year with our Promoters and Group Companies, the nature of transactions and the cumulative value of transactions, see “*Related Party Transactions*” on page 216 of this Draft Red Herring Prospectus.

Further, our Promoter Vinita Saraf has given personal guarantees, respectively, towards financial facilities availed from Bankers to our Company; therefore, are interested to the extent of the said guarantees.

OTHER VENTURES OF OUR PROMOTER

Save and except as disclosed in the chapter titled “*Our Promoter and Our Promoter Group*” and “*Group Companies*” beginning on page 208 and 211 respectively of this Draft Red Herring Prospectus, there are no ventures promoted by our Promoter in which she has any business interests / other interests.

RELATED PARTY TRANSACTIONS

For the transactions with our Promoter, Promoter Group and Group Company, during the last financial year, nature of transactions and the cumulative value of transactions, please refer to section titled “*Related Party Transactions*” beginning on page 216 of this Draft Red Herring Prospectus.

Except as stated in “*Related Party Transactions*” beginning on page 216 of this Draft Red Herring Prospectus, and as stated therein, our Promoter or any of the Promoter Group Entities do not have any other interest in our business.

PAYMENT OR BENEFITS TO PROMOTER

Except as stated otherwise in the chapter titled “*Related Party Transactions*” on page 216 of this Draft Red Herring Prospectus, there have been no payments or benefits to the Promoter during the two years prior to filing of this Draft Red Herring Prospectus nor is there any intention to pay or give any benefit to our Promoters or Promoter Group as on the date of this Draft Red Herring Prospectus.

OUR PROMOTER GROUP

Our Promoter Group in terms of Regulation 2(1)(zb) of the SEBI (ICDR) Regulations is as under:

A. Individuals related to our Promoter:

Relationship with Promoter	Vinita Saraf
Father	Kedarnath Agarwal
Mother	Bidyadevi Agarwal
Brother	Gautam Agarwal
Sister	Anita Gupta
Spouse	Ashish Saraf
Son	1. Shrey Saraf 2. Agastya Saraf
Daughter	NA
Spouse’s Father	Ramesh Agarwal
Spouse’s Mother	Archana Agarwal
Spouse’s Brother	Deep Saraf
Spouse’s Sister	NA

B. Companies, firms, proprietorships and HUFs which form part of our Promoter Group are as follows:

1. Manorama Earth Private Limited
2. Manorama Energy Private Limited
3. Money Resources Private Limited
4. Manorama Oils Private Limited
5. M/s Silken Products

6. M/s AVCO Handicrafts
7. M/s National Consumer Fair
8. Genesis Homes
9. Rock India Impex
10. M/s Facets
11. Ashish Saraf HUF
12. Deep Saraf HUF
13. Vidharbha Refineries Private Limited
14. Shri Hanuman Sagar Exports Private Limited
15. Hanuman Minor Oils Private Limited
16. Prem Products Private Limited
17. Hanuman Vitamins Private Limited

RELATIONSHIP OF PROMOTER WITH OUR DIRECTORS

Our Promoter forms part of our Board of Directors as Managing Director.

Except as mentioned below, none of our Promoters is related to any of our Company's Directors within the meaning of Section 2 (77) of the Companies Act, 2013.

Promoter	Director	Relationship
Vinita Saraf	Kedarnath Agarwal	Daughter- Father

DISASSOCIATION BY THE PROMOTER IN THE LAST THREE YEAR

Our Promoter have not disassociated themselves from any entities/firms during preceding three years.

CHANGES IN CONTROL

There has been no change in the management or control of our Company in the last five years.

LITIGATION INVOLVING OUR PROMOTER

For details of legal and regulatory proceedings involving our Promoter, refer to the chapter titled "*Outstanding Litigation and Material Developments* on page 241 of this Draft Red Herring Prospectus.

CONFIRMATIONS

Our Company, our Promoter and her relatives (as defined under the Companies Act, 2013) are not Wilful Defaulters and there are no violations of securities laws committed by our Promoter in the past and no proceedings for violation of securities laws are pending against them. Our Promoter is not interested as a member of a firm or company, and no sum has been paid or agreed to be paid to our Promoter or to such firm or company in cash or otherwise by any person for services rendered by our Promoter or by such firm or Company in connection with the promotion or formation of our Company.

Our Promoter and members of the Promoter Group have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority. Our Promoter is not and have never been a promoter, director 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. Except as disclosed in "*Related Party Transactions* on page 216 of this Draft Red Herring Prospectus, our Promoter are not related to any of the sundry debtors or are not beneficiaries of Loans and Advances given by/to our Company.

OUR GROUP COMPANIES

In accordance with the provisions of the SEBI (ICDR) Regulations, for the purpose of identification of 'Group Companies', our Company has considered companies as covered under the applicable accounting standards, i.e. Accounting Standard 18 issued by the Institute of Chartered Accountant of India and other companies as per the policy adopted by our Board. Pursuant to a resolution dated April 16, 2018, our Board vide a policy of materiality has resolved that except as mentioned in the list of related parties prepared in accordance with Accounting Standard 18 no other Company is material in nature. Further companies which have been disclosed as related parties in the restated financial statements of our company for the last five financial years and which are no longer associated with our

company have not been disclosed as group companies.

Accordingly, in terms of the above policy adopted by our Board for determining group companies, we have set out below the details of our Group Company. Our Board has also approved that, as on the date of the aforesaid resolution, there are no other group companies of our Company other than the company disclosed below.

Our Group Companies:

The details of our Group Companies are provided below:

1. Manorama Energy Private Limited

Corporate Information:

Manorama Energy Private Limited was incorporated on September 20, 2010 under the provisions of Companies Act, 1956. Its registered office is situated at 103- A, 1st Floor, J.K, CO-OP, HSG Society, Mint Road, Fort, Mumbai- 400001, Maharashtra, India. The Corporate Identification Number is U15100MH2010PTC207894

In terms of its Memorandum of Association, it is, inter-alia, carrying business of supplying electricity power or any other energy from conventional/non conventional energy sources on commercial basis and business of manufacturers, processors, traders, dealers, importers and exporters of oil cakes and meal from all kind of oil cakes.

Interest of Promoters:

Our Promoter, Vinita Saraf hold 5,000 equity shares, constituting 50.00% of the paid up capital of Manorama Energy Private Limited.

Audited Financial information:

(Rs in Lakhs)

Particulars	March 31, 2017	March 31, 2016	March 31, 2015
Paid-up Equity Capital.	1.00	1.00	1.00
Reserves & Surplus.	16.79	14.55	10.88
Net Asset Value per equity share (Rs).	177.93	155.57	118.87

2. Money Resources Private Limited

Corporate Information:

Money Resources Private Limited was incorporated on July 08, 2009 under the provisions of Companies Act, 1956. Its registered office is situated at F-6, Anupam Nagar Raipur Chhattisgarh 492007 India. The Corporate Identification Number is U15400CT2009PTC021269.

In terms of its Memorandum of Association, it is, inter-alia, carrying business of manufacturing and processing oil cakes and meals from oil seeds and all kinds of vegetable oils and oil cakes.

Interest of Promoters:

Our Promoter, Vinita Saraf hold 5,000 equity shares, constituting 50.00% of the paid up capital of Money Resources Private Limited.

Audited Financial information:

(Rs in Lakhs)

Particulars	March 31, 2017	March 31, 2016	March 31, 2015
Paid-up Equity Capital.	1.00	1.00	1.00
Reserves & Surplus.	16.26	13.58	12.59
Net Asset Value per equity share (Rs).	172.65	145.83	135.90

3. Manorama Earth Private Limited

Corporate Information:

Manorama Earth Private Limited was incorporated on July 13, 2015 under the provisions of Companies Act, 2013. Its registered office is situated at Office No.104, 1st floor, J.K. CO. OP. HSG Society 40/42 Mint Road, Fort Mumbai, Maharashtra – 400001, India. The Corporate Identification Number is U15100MH2015PTC266588.

In terms of its Memorandum of Association, it is, inter-alia, carrying business of acting as colonisers, town planners, constructors and architects and business of manufacturers, processors, traders, dealers, importers and exporters of oil cakes and meal from all kind of oil cakes.

Interest of Promoters:

Our Promoter, Vinita Saraf hold 9,000 equity shares, constituting 90.00% of the paid up capital of Manorama Earth Private Limited.

Audited Financial information:*

(`Rs in lakhs)

Particulars	March 31, 2017	March 31, 2016	March 31, 2015
Paid-up Equity Capital.	1.00	1.00	-
Reserves & Surplus.	(0.84)	(0.46)	-
Net Asset Value per equity share (Rs)	1.52	5.36	-

*Our Company was incorporated on July 13, 2015, hence, financials of FY 2014-15 is not available.

Related Party Transactions

For details on related party transactions please refer to “*Financial Statements, as restated – Annexure Y– Restated Statement of Related Parties Transactions*” on page 218 of this Draft Red Herring Prospectus.

Other disclosures:

Except as disclosed in this chapter, None of our Group Companies have remained defunct and no application has been made to the Registrar of Companies for striking off the name of any of our Group Companies during the five years preceding the date of filing the Draft Red Herring Prospectus.

None of our Group Companies are under any winding up proceedings and none of our Group Companies are declared as sick companies under the SICA.

Except as mentioned in the Chapter titled, “Related Party Transactions” beginning on page 216 of this Draft Red Herring Prospectus, none of our Group Companies have taken any unsecured loans from our Company.

None of our Group Companies are listed on any of the Stock Exchanges and they have not made any public/rights issue in last five years. Further, no action has been taken against these companies by any Stock Exchange or SEBI. None of our Group Companies have been restrained from accessing the capital markets for any reasons by SEBI or any other authorities.

Our Group Company has not been declared as wilful defaulters by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past and no proceedings pertaining to such penalties are pending against them.

Companies with negative net worth

None of our Group Companies have negative Net Worth as per the last audited financial statements mentioned herein.

Loss making Group Companies

Except, Manorama Earth Private Limited, None of our Group Companies have incurred losses during the last 3 years as per the last audited financial statements mentioned herein.

Nature and Extent of Interest of Group Companies

(a) In the promotion of our Company

None of our Group Companies have any interest in the promotion of our Company.

(b) In the properties acquired or proposed to be acquired by our Company in the past 2 years before filing the Draft Red Herring Prospectus

Except as mentioned in the Chapter titled, “Our Business” under the heading titled, “Land & Property” beginning on page 161 of this Draft Red Herring Prospectus, Our Group Companies do not have any interest in the properties acquired or proposed to be acquired by our Company in the past 2 years before filing the Draft Red Herring Prospectus.

(c) Interest in the transactions for acquisition of land, construction of building and supply of machinery.

None of our Group Companies is interested in any transactions for the acquisition of land, construction of building or supply of machinery.

(d) Related Business Transactions within the Group Companies and Significance on the Financial Performance of our Company

For details, please see “Financial Statements, as restated – Annexure –Y – Restated Statement of Related Parties Transactions” on page 218 of this Draft Red Herring Prospectus.

(e) Unsecured Loans extended to our Company

Except as mentioned in the Chapter titled, “Related Party Transactions” beginning on page 216 of this Draft Red Herring Prospectus, none of our Group Companies have taken any unsecured loans from our Company.

Common Pursuits amongst the Group Companies with our Company

All our Group Companies, Manorama Earth Private Limited, Manorama Energy Private Limited and Money Resources Private Limited, has some of the objects similar to that of our Company’s business.

Our Company will adopt the necessary procedures and practices as permitted by law to address any conflict situations as and when it arises. Further, we have entered into non compete agreement dated May 17, 2018 with these Group Companies.

Litigation involving our Group Companies

For details related to litigations and regulatory proceedings involving our group companies, please refer to the chapter titled ‘Outstanding Litigation and Material Developments’ beginning on page 241 of this Draft Red Herring Prospectus.

Sale/Purchase between Group Companies exceeding in value in aggregate of 10% of total sales or purchases of our Company

For details please refer to “*Financial Statements, as restated – Annexure-Y – Restated Statement of Related Parties Transactions*” on page 218 of this Draft Red Herring Prospectus.

Payment of Amount or Benefits to our Group Companies during the Last Two Years

Except as stated in “*Financial Statements, as restated – Annexure Y – Restated Statement of Related Parties Transactions*” on page 218 of this Draft Red Herring Prospectus, no amount or benefits were paid or were intended to be paid to our Group Companies during the last two years from the date of filing of this Draft Red Herring Prospectus.

Business Interest of Group Entities

Other than as stated above and as mentioned in “*Financial Statements, as restated – Annexure Y – Restated Statement of Related Parties Transactions*” on page 218 of this Draft Red Herring Prospectus, none of our Group Entities have any business interest in our Company.

RELATED PARTY TRANSACTION

For details on Related Party Transactions of our Company, please refer to *Annexure Y* of restated financial statements under the section titled, “*Financial Statements*” beginning on page 218 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. Our Company has not paid any dividend for the last five years.

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.

SECTION V – FINANCIAL STATEMENTS
FINANCIAL STATEMENTS AS RE-STATED

Particulars	Page No
Restated Standalone Financial Statements	FS 1 to FS 55

PSD & ASSOCIATES
Chartered Accountants

Branch Office:- 808, Tower A, Omkar Alta Monte, Pathanwadi, Malad (E), Mumbai – 400097.

INDEPENDENT AUDITOR'S REPORT

(As required by Section 26 of Companies Act, 2013 read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014)

To,

The Board of Directors,
MANORAMA INDUSTRIES LIMITED
Room No. 104, 1st Floor
J.K. Co. Op. Hsg. Society
40/42 Mint Road, Fort
Mumbai - 400001

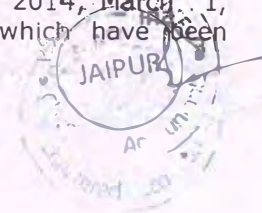
Dear Sir,

1. Report on Restated Standalone Financial Statements

We have examined the Restated Standalone Financial Statements of M/s MANORAMA INDUSTRIES LIMITED (hereinafter referred as "the Company"), the summarized statements of which annexed to this report have been prepared in accordance with the requirements of:

- i) Section 26 read with the applicable provisions within Rule-4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 of Companies Act, 2013, As amended (hereinafter referred to as the "Act") and
- ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("the Regulation") ("SEBI ICDR Regulations") issued by the Securities and Exchange Board of India (SEBI) and amendments made thereto;
- iii) The terms of reference to our engagements with the Company requesting us to examine Standalone financial statements referred to above and proposed to be included in the DRHP/RHP/Prospectus being issued by the Company for its proposed Initial Public Offering of equity shares on BSE SME ("IPO" or "SME IPO");
- iv) The (Revised) Guidance Note on Reports in Company Prospectuses issued by the Institute of Chartered Accountants of India ("ICAI") ;and
- v) In terms of Schedule VIII of the SEBI (ICDR) Regulations, 2009 and other provisions relating to accounts, We, M/s P S D & Associates, have been subjected to the peer review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the "Peer Review Board" of the ICAI.

- 2. The Restated Standalone Summary Statements and Financial information of the Company** have been extracted and prepared by the management from the Audited Financial Statements of the Company for the financial year ended March 31, 2014, March 31, 2015, March 31, 2016, March 31, 2017 and March 31, 2018 and which have been approved by the Board of Directors.



3. Financial Statements for the financial year ended on March 31, 2014, March 31, 2015, March 31, 2016, March 31, 2017 and March 31, 2018 has been audited by M/s Jain and Choudhary, Chartered Accountants and accordingly reliance has been placed on the financial information examined by us for the said Years. The Financial Report included for these years is based solely on the report submitted by them.

4. Financial Information as per Audited Financial Statements:

1. We have examined:

- a) The attached Restated Standalone Statement of Assets and Liabilities of the company, as at March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015, and March 31, 2014 (Annexure I);
- b) The attached Restated Standalone Statement of Profits and Losses of the Company year ended on March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015, and March 31, 2014 (Annexure II);
- c) The attached Restated Standalone Statement of Cash Flows of the Company for the year ended on March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015, and March 31, 2014 (Annexure III);
- d) The Significant Accounting Policies adopted by the Company and notes to the Restated Financial Statements along with adjustments on account of audit qualifications / adjustments / regroupings. (Annexure IV);

(Collectively hereinafter referred as "**Restated Standalone Financial Statements**" or "**Restated Standalone Summary Statements**")

2. In accordance with the requirements of Act, ICDR Regulations, Guidance Note on the reports in Company Prospectus (Revised) issued by ICAI and the terms of our Engagement Letter, we further report that:

(i) The "**Restated Standalone Statement of Assets and Liabilities**" as set out in **Annexure I** to this report, of the Company as at March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015, and March 31, 2014 are prepared by the Company and approved by the Board of Directors. This Statement of Assets and Liabilities, as restated have been arrived at after making such adjustments and regroupings to the individual Financial Statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in **Annexure IV** to this Report.

(ii) The "**Restated Standalone Statement of Profit and Loss**" as set out in **Annexure II** to this report, of the Company for the years ended on March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015, and March 31, 2014 are prepared by the Company and approved by the Board of Directors. This Statement of Profit and Loss, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in **Annexure IV** to this Report.

(iii) The "**Restated Standalone Statement of Cash Flow**" as set out in **Annexure III** to this report, of the Company for the Years ended on March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015, and March 31, 2014 are prepared by the



Company and approved by the Board of Directors. This Statement of Cash Flow, as restated, have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Restated Summary Statements as set out in **Annexure IV** to this Report.

Based on the above and also as per the reliance placed by us on the audited financial statements of the company and Auditors Report thereon which have been prepared by Statutory Auditor of the Company for the years ended on March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015, and March 31, 2014. Further we are of the opinion that "**Restated Standalone Financial Statements**" or "**Restated Standalone Summary Statements**" have been made after incorporating:

- a) Adjustments for any material amounts in the respective financial years have been made to which they relate; and
- b) There are no Extra-ordinary items that need to be disclosed separately in the Restated Summary Statements.
- c) Adjustments on account of the statutory audit qualifications, if any, have been given effect and regrouped to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in **Annexure IV** to this Report.
- d) Adjustments in Financial Statements have been made in accordance with the correct accounting policies, which includes the impact of provision of gratuity made on actuarial valuation basis, accounting of premium on forward contract, accounting of foreign exchange Gain/(loss) on year end outstanding balance of receivables and advance received from customers in the Restated Financial statements.
- e) There was no change in accounting policies, which needs to be adjusted in the "Restated Financial Statements" except mentioned in clause d) above.
- f) There are no revaluation reserves, which need to be disclosed separately in the "Restated Standalone Financial Statements."
- g) The Company has not paid any dividend on its equity shares till March 31, 2018.

5. Other Financial Information:

1. We have also examined the following financial information as set out in annexure prepared by the Management and as approved by the Board of Directors of the Company for the Years ended on March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015, and March 31, 2014.



Restated Statement of Share Capital, Reserves And Surplus	Annexure-A
Restated Statement of Long Term And Short Term Borrowings/ Statement of principle Term of Secured loan and Assets charges as security and Statement of term & Condition of unsecured Loans.	Annexure-B, B(A) and B(B)
Restated Statement of Deferred Tax (Assets) / Liabilities	Annexure-C
Restated Statement of Long Term Provisions	Annexure-D
Restated Statement of Trade Payables	Annexure-E
Restated Statement of Other Current Liabilities And Short Term Provisions	Annexure-F
Restated Statement of Fixed Assets	Annexure-G
Restated Statement of Non-Current Investments	Annexure-H
Restated Statement of Long-Term Loans And Advances	Annexure-I
Restated Statement of Non-Current Assets	Annexure-J
Restated Statement of Inventory	Annexure-K
Restated Statement of Trade Receivables	Annexure-L
Restated Statement of Cash & Cash Equivalents	Annexure-M
Restated Statement of Short-Term Loans And Advances	Annexure-N
Restated Statement of Other Current Assets	Annexure-O
Restated Statement of Turnover	Annexure-P
Restated Statement of Non- Operating Income	Annexure-Q
Restated Statement of Cost Of Material Consumed And Purchases Of Stock In Trade	Annexure-R
Restated Statement of Change in Inventories	Annexure-S
Restated Statement of Employee Benefits Expenses	Annexure-T
Restated Statement of Finance Cost	Annexure-U
Restated Statement of Depreciation & Amortization	Annexure-V
Restated Statement of Other Expenses	Annexure-W
Restated Statement of Mandatory Accounting Ratios	Annexure-X
Restated Statement of Related Party Transaction	Annexure-Y
Restated Statement of Capitalization	Annexure-Z
Restated Statement of Tax Shelter	Annexure-AA
Restated Statement of Related Summary of Contingent Liabilities	Annexure-AB

2. The Restated Financial Information contain all the disclosures required by the SEBI ICDR regulations and partial disclosures as required by Accounting Standards notified under section 133 of Companies Act, 2013.
3. We have carried out Re-audit of the Standalone financial statements for the Year ended on March 31, 2018 as required by SEBI regulations. We have not audited any financial statements of the Company as of any date or for any period subsequent to March 31, 2018. Accordingly, we do not express any opinion on the financial position, results or cash flows of the Company as of any date or for any period subsequent to March 31, 2018.
4. The preparation and presentation of the Financial Statements referred to above are based on the Audited financial statements of the Company in accordance with the provisions of the Act and the Financial Information referred to above is the responsibility of the management of the Company.
5. In our opinion, the above financial information contained in Annexure I to III and Annexure A to AB of this report read along with the Restated statement of Significant Accounting Policies and Notes as set out in Annexure IV are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with paragraph B, Part II of Schedule II of the Act, the SEBI Regulations, The Revised Guidance Note on Reports in Company Prospectus and Guidance Note on Audit Reports/Certificates on Financial

Information in Offer Documents issued by the Institute of Chartered Accountants of India ("ICAI") to the extent applicable, as amended from time to time, and in terms of our engagement as agreed with the Company. We did not perform audit tests for the purpose of expressing an opinion on individual balances of account or summaries of selected transactions, and accordingly, we express no such opinion thereon.

6. Consequently the financial information has been prepared after making such regroupings and adjustments as were, in our opinion, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.
7. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit report, nor should this constructed as a new opinion on any of the financial statements referred to herein.
8. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
9. Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the IPO-SME for Proposed Issue of Equity Shares of the Company and our report should not be used, referred to or adjusted for any other purpose without our written consent.

6. Auditor's Responsibility

Our responsibility is to express an opinion on these restated Standalone financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

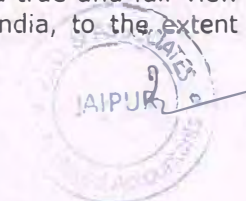
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

7. Opinion

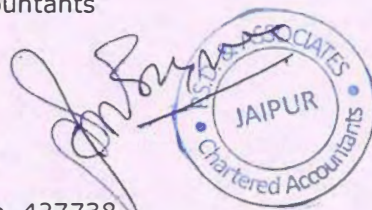
In our opinion and to the best of our information and according to the explanations given to us, the restated financial statements read together with the notes thereon, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, to the extent applicable.



- a) In the case of Restated Standalone Statement of Assets and Liabilities of the Company as at March 31, 2014, March 31, 2015, March 31, 2016 March 31, 2017 and March 31, 2018;
- b) In the case of the Restated Standalone Statement of Profit and Loss, of the profit/ (Loss) of the Company for the Years ended on that date; and
- c) In the case of the Restated Standalone Cash Flow Statement, of the cash flows of the Company for the Years ended on that date.

For P S D & Associates
Chartered Accountants
FRN 004501C

(Girish Vyas)
Partner
Membership No. 427738
Date: 10th May, 2018
Place: Mumbai



MANORAMA INDUSTRIES LIMITED

RESTATEd STANDALONE STATEMENT OF ASSETS AND LIABILITIES

Amount in Lakhs Rs.

PARTICULARS	As at the Year ended				
	31-03-2018	31-03-2017	31-03-2016	31-03-2015	31-03-2014
A) EQUITY AND LIABILITIES					
1. Shareholders' Funds					
(a) Share Capital	754.97	215.71	215.71	175.87	174.74
(b) Reserves & Surplus	1,717.40	1,221.10	1,083.59	788.15	689.89
	2,472.37	1,436.81	1,299.29	964.02	864.63
2. Non Current Liabilities					
(a) Long Term Borrowings	9.08	0.00	9.46	26.60	21.89
(b) Long Term Provisions	15.36	12.30	9.09	6.03	3.65
	24.44	12.30	18.55	32.63	25.54
3. Current Liabilities					
(a) Short Term Borrowings	1,782.34	0.75	465.63	330.00	1,119.85
(b) Trade Payables	102.87	717.30	152.44	129.99	45.45
(c) Other Current Liabilities	35.32	84.89	64.00	189.56	45.18
(d) Short Term Provisions	259.14	8.88	22.91	13.56	19.66
	2,179.67	811.83	704.98	663.11	1,230.16
Total	4,676.48	2,260.94	2,022.82	1,659.76	2,120.32
B) ASSETS					
1. Non Current Assets					
(a) Fixed Assets					
I) Tangible Assets					
(i) Gross Block	588.71	688.65	624.01	542.62	447.22
(ii) Depreciation	419.45	437.32	355.27	269.44	199.15
(iii) Net Block	169.26	251.33	268.74	273.18	248.08
II) Intangible Assets	0.04	0.04	0.04	0.05	0.07
III) Capital Work in Progress	225.50	-	11.18	-	-
	394.80	251.37	279.96	273.23	248.15
(b) Non-Current Investment	-	0.50	0.50	0.50	0.50
(c) Deferred Tax Assets (Net)	65.04	46.39	34.92	21.85	11.13
(d) Long Term Loans and Advances	16.05	6.36	6.14	5.57	3.18
(e) Other Non Current Assets	-	-	-	-	-
	81.09	53.25	41.56	27.92	14.80
2. Current Assets					
(a) Inventories	1,803.41	189.98	551.27	286.32	761.29
(b) Trade Receivables	157.96	107.05	37.52	100.45	316.47
(c) Cash and Cash equivalents	1,912.24	1,573.55	1,018.36	697.72	658.79
(d) Short-Term Loans and Advances	108.93	59.64	43.72	273.46	116.87
(e) Other Current Assets	218.04	26.09	50.42	0.64	3.93
	4,200.59	1,956.32	1,701.29	1,358.59	1,857.36
Total	4,676.47	2,260.94	2,022.82	1,659.75	2,120.32

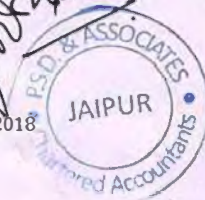
The accompanying summary of significant accounting policies, restated notes to accounts and notes on adjustments for restated standalone summary financial information (Annexure IV) are an integral part of this statement.

As per our report of even date

For P S D & Associates
Chartered Accountants
FRN 004501C

For and on Behalf of Board of Directors

(Girish Vyas)
Partner
M. No. 427738
Date: 10th May, 2018
Place: Mumbai



Vinita Saraf
Managing Director
DIN-00208621

Gautam Kumar Pal
Director
DIN-07645652

K.N. Agarwal
Director
DIN-00183566



MANORAMA INDUSTRIES LIMITED

RESTATED STANDALONE STATEMENT OF PROFIT AND LOSS

Amount in Lakhs Rs.

PARTICULARS	For the Year ended				
	31-03-2018	31-03-2017	31-03-2016	31-03-2015	31-03-2014
1 Revenue From Operation (Gross)	21,997.83	14,547.77	13,103.74	13,253.48	10,439.61
Less: Excise Duty	-	-	-	-	-
Revenue From Operation (Net)	21,997.83	14,547.77	13,103.74	13,253.48	10,439.61
2 Other Income	191.49	90.44	65.71	90.02	92.89
Total Revenue (1+2)	22,189.33	14,638.20	13,169.45	13,343.50	10,532.50
3 Expenditure					
(a) Cost of Materials Consumed	3,439.64	2,978.36	2,874.83	4,369.29	1,065.18
(b) Purchase of Traded Goods	16,001.04	9,122.36	8,230.33	5,926.52	8,418.14
(c) Changes in Inventories of finished goods, work in progress and stock -in-trade	(1,522.39)	360.51	(338.98)	512.87	(488.72)
(d) Employee Benefit Expenses	298.98	298.32	248.58	183.05	107.68
(e) Finance Cost	189.91	79.82	178.21	219.26	277.31
(f) Depreciation and Amortisation Expenses	70.60	82.05	85.84	69.08	61.20
(g) Other Expenses	2,120.57	1,512.06	1,723.55	1,919.41	967.96
4 Total Expenditure 3(a) to 3(g)	20,598.35	14,433.48	13,002.36	13,199.48	10,488.74
5 Profit/(Loss) Before Exceptional & extraordinary items & Tax (2-4)	1,590.98	204.72	167.08	144.03	123.76
6 Exceptional item	-	-	-	-	-
7 Profit/(Loss) Before Tax (5-6)	1,590.98	204.72	167.08	144.03	123.76
8 Tax Expense:					
(a) Tax Expense for Current Year	574.07	78.67	71.95	60.59	50.54
(b) Short/(Excess) Provision of Earlier Year	-	-	-	-	-
(c) Deferred Tax	(18.65)	(11.46)	(13.08)	(10.72)	(16.41)
Net Current Tax Expenses	555.42	67.20	58.87	49.87	34.13
9 Profit/(Loss) for the Year (7-8)	1,035.56	137.52	108.21	94.16	89.62

The accompanying summary of significant accounting policies, restated notes to accounts and notes on adjustments for restated standalone summary financial information (Annexure IV) are an integral part of this statement.

As per our report of even date

For P S D & Associates
Chartered Accountants
FRN 004501C

For and on Behalf of Board of Directors

(Girish Vyas)
Partner
M. No. 42773B
Date: 10th May, 2018
Place: Mumbai



Vinita Saraf
Managing Director
DIN-00208621

Gautam Kumar Pal
Director
DIN-07645652

K.N. Agarwal
Director
DIN-00183566



MANORAMA INDUSTRIES LIMITED

Amount in Lakhs Rs.

RESTATED STANDALONE CASH FLOW STATEMENT

PARTICULARS	FOR THE YEAR ENDED				
	31-03-2018 Rupees	31-03-2017 Rupees	31-03-2016 Rupees	31-03-2015 Rupees	31-03-2014 Rupees
A) Cash Flow From Operating Activities :					
Net Profit before tax	1,590.98	204.72	167.08	144.03	123.76
Adjustment for :					
Depreciation	70.60	82.05	85.84	69.08	61.20
Interest Paid	174.74	69.25	122.32	208.29	97.10
Interest Income	(143.35)	(87.19)	(59.67)	(84.21)	(89.51)
Provision for Gratuity expenses	3.67	3.91	3.26	2.73	0.36
Profit on Sale of Investment	(9.50)	-	-	-	-
(Profit)/Loss on Sale of Assets	23.88	(0.43)	-	-	-
Prior Period Gratuity adjusted with Reserves	-	-	-	-	(3.37)
Operating profit before working capital changes	1,711.02	272.32	318.84	339.92	189.53
Changes In Working Capital					
(Increase)/Decrease in Inventories	(1,613.43)	361.29	(264.95)	474.97	101.43
(Increase)/Decrease in Trade Receivables	(50.91)	(69.53)	62.93	216.02	268.34
(Increase)/Decrease in Short Term Loans & Advances	(49.29)	(15.92)	229.74	(156.59)	155.30
(Increase)/Decrease in Other Current Assets	(191.95)	24.32	(49.78)	3.29	(1.45)
Increase/(Decrease) in Trade Payables	(614.43)	564.86	22.45	84.53	(620.81)
Increase/(Decrease) in Other Current Liabilities	(22.57)	26.68	(119.62)	149.61	(12.41)
Increase/(Decrease) in Short Term Provisions	0.61	0.71	0.20	0.36	0.08
Increase/(Decrease) in Long Term Provisions	(0.61)	(0.71)	(0.20)	(0.36)	3.30
Increase/(Decrease) in Other Non Current Assets	-	-	-	-	-
Cash generated from operations	(831.57)	1,164.02	199.62	1,111.75	83.30
Less:- Income Taxes paid	(355.29)	(98.33)	(68.76)	(72.27)	(67.06)
Net cash flow from operating activities	A (1,186.86)	1,065.69	130.86	1,039.48	16.25
B) Cash Flow From Investing Activities :					
Net Purchase/Sale of Fixed Assets	(234.03)	(53.89)	(92.57)	(95.40)	(20.12)
Investment made/Sold during the year	10.00	-	-	-	-
Increase/(Decrease) in Long Term Loans and Advances	(9.69)	(0.22)	(0.57)	(2.39)	4.51
Interest Income	143.35	87.19	59.67	84.21	89.51
Net cash flow from investing activities	B (90.36)	33.08	(33.47)	(13.58)	73.90
C) Cash Flow From Financing Activities :					
Proceeds from Issue of Share Capital	-	-	227.06	6.47	31.90
Increase/(Decrease) in Short Term Borrowings	1,781.59	(464.88)	135.63	(789.85)	43.92
Increase/(Decrease) in Long Term Borrowings	9.08	(9.46)	(17.14)	4.71	(19.76)
Interest Paid	(174.74)	(69.25)	(122.32)	(208.29)	(97.10)
Net cash flow from financing activities	C 1,615.93	(543.59)	223.23	(986.96)	(41.04)
Net Increase/(Decrease) In Cash & Cash Equivalents (A+B+C)	338.71	555.18	320.64	38.94	49.08
Cash equivalents at the beginning of the year	1,573.55	1,018.36	697.73	658.79	609.71
Cash equivalents at the end of the year	1,912.25	1,573.55	1,018.36	697.73	658.79

Notes :-

	31-03-2018	31-03-2017	31-03-2016	31-03-2015	31-03-2014
1. Component of Cash and Cash equivalents					
Cash on hand	12.91	0.63	4.82	38.12	7.81
Balance With banks	30.53	258.68	10.17	21.24	39.86
Other Bank Balance	1,868.80	1,314.24	1,003.37	638.36	611.12
	1,912.24	1,573.55	1,018.36	697.72	658.79

2. Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the company are segregated.

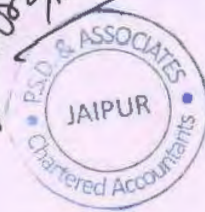
The accompanying summary of significant accounting policies, restated notes to accounts and notes on adjustments for restated standalone summary financial information (Annexure IV) are an integral part of this statement.

As per our report of even date

For P S D & Associates
Chartered Accountants
FRN 004501C

For and on Behalf of the Board of Directors

(Girish Vyasa)
Partner
M. No. 427738
Date: 10th May, 2018
Place: Mumbai



Vinita Saraf
Managing Director
DIN-00200621



Cautam Kumar Pal
Director
DIN-07645652

K.N. Agarwal
Director
DIN-00183566

ANNEXURE-IV

SIGNIFICANT ACCOUNTING POLICY AND NOTES TO THE RESTATED SUMMARY STATEMENTS

A. BACKGROUND

The Company was originally incorporated as "Manorama Industries Private Limited" at Raipur, Chhattisgarh, as a Private Limited Company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated August 9, 2005 bearing Corporate Identification Number U15142CT2005PTC17858 issued by Registrar of Companies, Madhya Pradesh & Chhattisgarh. Subsequently our Company was converted in to Public Limited Company pursuant to shareholders resolution passed at Extraordinary General Meeting of the Company held on February 06, 2018 and the name of the Company was changed to "Manorama Industries Limited" and a Fresh Certificate of Incorporation consequent upon conversion of company to Public Limited dated March 23, 2018 was issued by Registrar of Companies, Maharashtra. The Corporate Identification number of our Company is U15142MH2005PLC243687

B. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The Restated Standalone Summary Statement of Assets and Liabilities of the Company as on March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015, and March 31, 2014, and the Restated Standalone Summary Statement of Profit and Loss and Restated Summary Standalone Statements of Cash Flows for the year ended on March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015, and March 31, 2014 and the annexure thereto (collectively, the "**Restated Standalone Financial Statements**" or "**Restated Standalone Summary Statements**") have been extracted by the management from the Audited Financial Statements of the Company for the year ended March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015, and March 31, 2014.

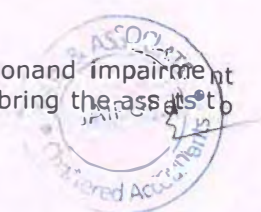
The financial statements are prepared and presented under the historical cost convention and evaluated on a going-concern basis using the accrual system of accounting in accordance with the accounting principles generally accepted in India (Indian GAAP) and the requirements of the Companies Act, including the Accounting Standards as prescribed by the Companies (Accounting Standards) Rules, 2006 as per section 211(3C) of the Companies Act, 1956 (which are deemed to be applicable as Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of Companies (Accounts) Rules, 2014).

2. USE OF ESTIMATES

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities, if any, as at the date of the financial statements and reported amounts of income and expenses during the year. Examples of such estimates include value of realizable value of stock etc. The difference between the actual results and estimates are recognized in the period in which results are known or materialized.

3. FIXED ASSETS

Fixed assets are stated at historical cost less accumulated depreciation and impairment losses. Cost includes purchase price and all other attributable cost to bring the assets to its working condition for the intended use.



Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

4. DEPRECIATION

Depreciation on Fixed Assets has been provided on 'Written Down Value Method' based on the useful life of the assets and in the manner prescribed in the Schedule II of the Companies Act, 2013. The Company has calculated depreciation through WDV method upto 31.03.2014 as per Schedule XIV of Companies Act 1956.

5. BORROWING COSTS

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

6. IMPAIRMENT OF ASSETS

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of amount.

7. INVESTMENTS

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

8. INVENTORIES

- i) Raw Material are valued at lower of Cost or net realizable value and Stores & Spares are valued at cost.
- ii) Finished Goods are valued at lower of cost or net realizable value. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition

9. REVENUE RECOGNITION

Sales are recognized, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Duty Drawbacks, claims are recognized on accrual basis.

10. FOREIGN CURRENCY TRANSACTIONS

- i) The transactions in foreign currencies are stated at the rate of exchange prevailing on the date of transactions.
- ii) The difference on account of fluctuation in the rate of exchange prevailing on the date of transaction and the date of realization is charged to the Statement of Profit and Loss.
- iii) Differences on translations of Current Assets and Current Liabilities remaining unsettled at the year-end are recognized in the Statement of Profit and Loss.
- iv) The premium/discount in respect of outstanding forward exchange contract is accounted as income/expense by comparing the premium/discount available if the contract is expiring on the year end. The net gain or loss on account of any exchange difference, cancellation or renewal of such forward exchange contracts is recognized in the Statement of Profit & Loss.

11. EMPLOYEE BENEFITS

Defined-contribution plans:

- i) The company has no policy of encashment and accumulation of leave. Therefore, no provision of leave Encashment is required.
- ii) Company's contribution to Provident Fund and other Funds for the year is accounted on accrual basis and charged to the Statement of Profit & Loss for the year.
- iii) Retirement benefits in the form of Gratuity are considered as defined benefit obligations and are provided on the basis of the actuarial valuation, using the projected unit credit method as at the date of the Balance Sheet

12. SEGMENT ACCOUNTING

(i) Business Segment

(a) The business segment has been considered as the primary segment.

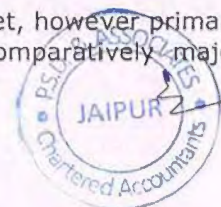
(b) The Company's primary business segments are reflected based on principal business activities, the nature of service, the differing risks and returns, the organization structure and the internal financial reporting system.

(c) The Company's primary business includes "Trading, Manufacturing and exports in Agro based Products Likes Seeds, DOC, Rice Grains, Sal / mango Oil, Sal Fat, Stearine and olein, Mango Fat, Stearine and olein, CBE, CBS etc." and accordingly there are two business segment i.e. Trading in Agro based commodities and Manufacturing of Sal Fat, Stearine and olein, Mango Fat, Stearine and olein, CBE, CBS, and accordingly disclosure is made as envisaged in Accounting Standard 17 'Segment Reporting'.

(ii) Geographical Segment

The Company supplies its product indomestic as well as export market, however primary segment is selected as reportable segment since there is no comparatively major difference in risk and reward in above geographical segments.

13. ACCOUNTING FOR TAXES ON INCOME



Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

(i) Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

(ii) Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each reporting date. The company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

14. CONTINGENT LIABILITIES AND PROVISIONS

Provisions are recognized only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made.

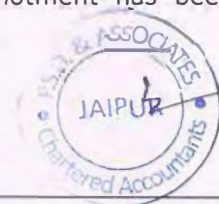
Contingent Liability is disclosed for

- a) Possible obligation which will be confirmed only by future events not wholly within the control of the Company or
- b) Present obligations arising from the past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.
- c) Contingent Assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

15. EARNINGS PER SHARE:

In determining the Earnings Per share, the company considers the net profit after tax which does not include any post tax effect of any extraordinary / exceptional item. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period. Bonus Share allotment has been considered as if it took place at the beginning of Restatement period.



16. CASH FLOW:

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. Cash flows from operating, investing and financing activities of the Company are segregated, accordingly.

C. CHANGES IN ACCOUNTING POLICIES IN THE YEARSS COVERED IN THE RESTATED FINANCIALS

In order to comply with the Accounting standard notified under section 133 of the Companies Act, 2013 and accordingly following are changes in accounting policy as compared with earlier year. Impact of the same has been disclosed in material adjustment given in serial no 8 of Note to the restated financial statements.

a) Accounting of Gratuity

Gratuity which was previously done on cash basis as and when required, has now been accounted based on mercantile system as certified by Independent Actuary

b) Translations of Current Assets and Current Liabilities remaining unsettled at the year-end

Foreign Exchange gain/(loss) has not been accounted in previous year, however Management has now provided differences on translations of Current Assets and Current Liabilities remaining unsettled at the year-end in the Statement of Profit and Loss.

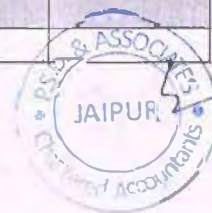
c) Accounting of premium on Forwards Contract(Derivative Instruments)

Premium /discount was not accounted in earlier year, Management has now accounted premium/discount in respect of outstanding forward exchange contract as income/expense by comparing the premium/discount available if the contract is expiring on the year end.

D. NOTES TO THE RESTATED FINANCIAL STATEMENTS

1. The Standalone financial statements including financial information have been prepared after making such regroupings and adjustments, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial statements/information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.
2. During the financial year 2017-18, Company has disposed off its long term investment in M/s Manorama Energy Private Limited dated 01/03/2018. The Company has not prepared consolidated financial for the entire period of restatement, as the investment is no longer exist as on 31st March 2018.
3. The amounts due to Micro, Small and Medium Enterprises suppliers defined under "The Micro Small and Medium Enterprises Development Act 2006" have been identified on the basis of information available with the Company.
4. Foreign Exchange Earnings and Expenditures are given below.

Sl. No.	Particulars	2017-18	2016-17	2015-16	2014-15	2013-14
	Earnings					

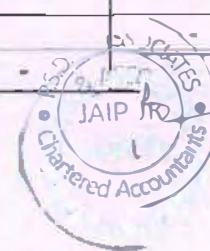


Sl. No.	Particulars	2017-18	2016-17	2015-16	2014-15	2013-14
1	Sales of Products	4,034.26	3,524.65	2,736.74	5,747.56	1147.72
	Total	4,034.26	3,524.65	2,736.74	5,747.56	1147.72
Expenditures and Import of Goods						
1	Sample, Testing & Analysis	9.06	2.23	5.59	13.73	-
2	Membership & Subscription	0.41	0.30	0.14	1.73	-
3	Certification Fees	-	2.02	11.65	0.03	-
4	Foreign Travelling	17.15	21.89	58.51	16.37	25.95
5	Exhibition Charges	-	0.64	-	-	-
6	Import of Goods	18.34	53.33	39.04	221.62	-
7	Books & Periodicals	-	-	6.02	0.01	-
8	Training & Development	-	-	10.26	-	-
9	Commission	0.74	-	-	-	-
	Total	45.70	80.40	131.20	253.50	25.95

5. Employee benefits:

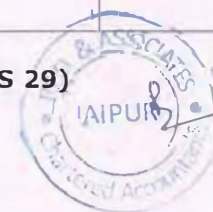
The Company has adopted the Accounting Standard 15 (revised 2005) on Employee Benefits as per an actuarial valuation carried out by an independent actuary. The disclosures as envisaged under the standard are as under:-

Gratuity		(Amount in Rs. Lakhs)			
Particulars	2017-18	2016-17	2015-16	2014-15	2013-14
1.The amounts recognized in the Balance Sheet are as follows:					
Present value of unfunded obligations Recognized	17.31	13.64	9.73	6.46	3.73
Net Liability	17.31	13.64	9.73	6.46	3.73
2.The amounts recognized in the Profit & Loss A/c are as follows:					
Current Service Cost	3.39	3.35	2.63	1.48	0.66
Interest on Defined Benefit Obligation	1.05	0.72	0.50	0.30	0.30
Net Actuarial Losses / (Gains) Recognized in Year	(0.77)	(0.15)	0.13	0.95	(0.60)
Past Service Cost	-	-	-	-	-



Total, Included in "Salaries, Allowances & Welfare"	3.67	3.91	3.26	2.73	0.36
3.Changes in the present value of defined benefit obligation:					
Defined benefit obligation as at the beginning of the year/period	13.64	9.73	6.46	3.73	3.37
Service cost	3.39	3.35	2.63	1.48	0.66
Interest cost	1.05	0.72	0.50	0.30	0.30
Actuarial Losses/(Gains)	(0.77)	(0.15)	0.13	0.95	(0.60)
Defined benefit obligation as at the end of the year/period	17.31	13.64	9.73	6.46	3.73
Benefit Description					
Benefit type:	Gratuity Valuation as per Act				
Retirement Age:	60 years	60 years	60 years	60 years	60 years
Vesting Period:	5 years	5 years	5 years	5 years	5 years
The principal actuarial assumptions for the above are:					
Future Salary Rise:	7.00%P.A	7.00%P.A	7.00%P.A	7.00%P.A	7.00%P.A
Discount rate per annum:	7.70%P.A	7.40%P.A	7.70%P.A	8.00%P.A	9.00%P.A
Attrition Rate:	5% at younger ages and reducing to 1% at older ages according to graduated scale	5% at younger ages and reducing to 1% at older ages according to graduated scale	5% at younger ages and reducing to 1% at older ages according to graduated scale	5% at younger ages and reducing to 1% at older ages according to graduated scale	5% at younger ages and reducing to 1% at older ages according to graduated scale
Mortality Rate:	Indian Assured Lives Mortality (2006-08) Ultimate	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate

6. Provisions, Contingent Liabilities and Contingent Assets (AS 29)



Contingent liabilities and commitments (to the extent not provided for). There are no contingent liabilities as on the end of respective period except as mentioned in Annexure -AB, for any of the years covered by the statements.

7. Related Party Disclosure (AS 18)

Related party transactions are reported as per AS-18 of Companies (Accounting Standards) Rules, 2006, as amended, in the Annexure - Y of the enclosed financial statements.

8. Accounting For Taxes on Income (AS 22)

Deferred Tax liability/Asset in view of Accounting Standard - 22: "Accounting for Taxes on Income" as at the end of the year/period is reported as under:

(Amt. in Lakh Rs.)

Particulars	As at				
	31-03-2018	31-03-2017	31-03-2016	31-03-2015	31-03-2014
Major Components of deferred tax arising on account of timing differences are:					
Timing Difference Due to Depreciation	(170.62)	(126.66)	(95.90)	(60.87)	(30.56)
Deferred Tax Liability/(Assets) (A)	(59.05)	(41.88)	(31.71)	(19.75)	(9.92)
Provision for Gratuity Expenses	17.31	13.64	9.73	6.46	3.73
Deferred Tax Assets/(Liabilities) (B)	5.99	4.51	3.22	2.10	1.21
Cumulative Balance of Deferred Tax Liability/(Assets) (Net) (A-B)	(65.04)	(46.39)	(34.92)	(21.85)	(11.13)

9. Segment Disclosure (AS 17)

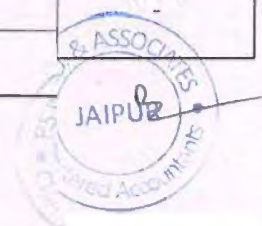
Segment disclosure is given below as per business segment identified by the management of the Company.

(In Rs Lakhs)

SEGMENT REPORTING

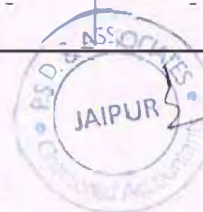
Particulars	2017-18			Total
	Trading	Manufacturing	Un-Allocable	
Revenue From Operation	15,790.97	6,206.86		21,997.83
Other Income		191.49	-	191.49
Identifiable Operating Expenses	15,837.60	2,080.68	-	17,918.28
Allocated Expenses		2,435.15	-	2,435.15
Depreciation and Amortization	-	70.60	-	70.60
Segment Operating Income	(46.63)	1,811.93	-	1,765.30
Unallocable Expenses			174.32	174.32
Profit before Income Tax	(46.63)	1,811.93	(174.32)	1,590.98
Income tax Expenses			555.42	555.42
Net Profit	(46.63)	1,811.93	(729.74)	1,035.56
Depreciation and Amortization		70.60		70.60
Non Cash expenses other than Depreciation and amortization	-	-	-	-

FS-17



SEGMENT REPORTING 2016-17				
Particulars	Trading	Manufacturing	Un-Allocable	Total
Revenue From Operation	8,763.99	5,783.77	-	14,547.77
Other Income	-	90.44	-	90.44
Identifiable Operating Expenses	9,587.64	2,878.81	-	12,466.45
Allocated Expenses	2.81	1,717.40	-	1,720.22
Depreciation and Amortization	-	82.05	-	82.05
Segment Operating Income	(826.46)	1,195.94	-	369.48
Unallocable Expenses	-	-	164.76	164.76
Profit before Income Tax	(826.46)	1,195.94	(164.76)	204.72
Income tax Expenses	-	-	67.20	67.20
Net Profit	(826.46)	1,195.94	(231.96)	137.52
Depreciation and Amortization	-	82.05	-	82.05
Non Cash expenses other than Depreciation and amortization	-	-	-	-

SEGMENT REPORTING 2015-16				
Particulars	Trading	Manufacturing	Un-Allocable	Total
Revenue From Operation	8,212.48	4,891.25	-	13,103.74
Other Income	-	65.71	-	65.71
Identifiable Operating Expenses	7,496.44	3,269.74	-	10,766.18
Allocated Expenses	-	1,789.53	-	1,789.53
Depreciation and Amortization	-	85.84	-	85.84
Segment Operating Income	716.04	(188.14)	-	527.90
Unallocable Expenses	-	-	360.82	360.82
Profit before Income Tax	716.04	(188.14)	(360.82)	167.08
Income tax Expenses	-	-	58.87	58.87
Net Profit	716.04	(188.14)	(419.69)	108.21
Depreciation and Amortization	-	85.84	-	85.84
Non Cash expenses other than Depreciation and amortization	-	-	-	-



SEGMENT REPORTING 2014-15				
Particulars	Trading	Manufacturing	Un-Allocable	Total
Revenue From Operation	5,386.29	7,867.19	-	13,253.48
Other Income	-	90.02	-	90.02
Identifiable Operating Expenses	6,172.52	4,635.11	-	10,807.62
Allocated Expenses	8.85	2,206.65	-	2,215.50
Depreciation and Amortization	-	69.08	-	69.08
Segment Operating Income	(795.08)	1,046.38	-	251.29
Unallocable Expenses	-	-	107.26	107.26
Profit before Income Tax	(795.08)	1,046.38	(107.26)	144.03
Income tax Expenses	-	-	49.87	49.87
Net Profit	(795.08)	1,046.38	(157.13)	94.16
Depreciation and Amortization	-	69.08	-	69.08
Non Cash expenses other than Depreciation and amortization	-	-	-	-

SEGMENT REPORTING 2013-14				
Particulars	Trading	Manufacturing	Un-Allocable	Total
Revenue From Operation	8,515.75	1,923.86	-	10,439.61
Other Income	-	92.89	-	92.89
Identifiable Operating Expenses	8,509.52	485.08	-	8,994.60
Allocated Expenses	14.14	1,209.14	-	1,223.28
Depreciation and Amortization	-	61.20	-	61.20
Segment Operating Income	(7.91)	261.33	-	253.42
Unallocable Expenses	-	-	129.67	129.67
Profit before Income Tax	(7.91)	261.33	(129.67)	123.75
Income tax Expenses	-	-	34.13	34.13
Net Profit	(7.91)	261.33	(163.80)	89.62
Depreciation and Amortization	-	61.20	-	61.20
Non Cash expenses other than Depreciation and amortization	-	-	-	-

10.Earnings Per Share (AS 20):

Earnings per Share have been calculated and reported in the Annexure -X of the enclosed financial statements.

11.MATERIAL ADJUSTMENTS[AS PER SEBI (ICDR) REGULATIONS, 2009]



Appropriate adjustments have been made in the restated financial statements, whenever required, by reclassification of the corresponding items of assets, liabilities and cash flow statement, in order to ensure consistency and compliance with requirement of Company Act 1956, and as replaced by Company Act 2013 after 01st April 2014 and Accounting Standards.

The Summary of results of restatements made in the audited financial statements of the Company for the respective years and their impact on the profit / (losses) of the Company is as under.

Statement of adjustments in the Financial Statements

The reconciliation of Profit after tax as per audited results and the Profit after tax as per Restated Accounts is presented below in Table-1. This summarizes the results of restatements made in the audited accounts for the respective years and its impact on the profit & losses of the company.

1. Standalone Statement of Profit and Loss after Tax

Table -1

(Amount in Lakhs Rs.)

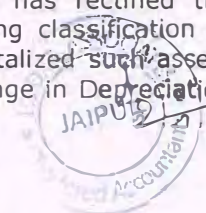
Particulars	31-03-18	31-03-17	31-03-16	31-03-15	31-03-14
Net Profit After Tax as per audited accounts but before adjustments for restated accounts: (A)	993.18	143.79	116.80	107.92	95.42
Adjustments :					
(Short)/Excess Provision of Gratuity Expense	13.64	(3.91)	(3.26)	(2.73)	(0.36)
(Short)/Excess Depreciation(net) charged in Books	0.00	(5.68)	(8.02)	(11.15)	(12.25)
(Short)/Excess Premium on Forward Contract	-	(0.39)	2.66	(2.27)	-
Short (Excess) Provision for deferred tax liability	51.42	4.50	4.76	5.18	12.18
Short/(Excess) provision of Foreign Exchange Gain/(Loss)	1.39	(1.31)	(1.69)	(1.04)	(3.57)
(Short)/Excess Provision of Income Tax	(24.08)	0.52	(3.03)	(1.75)	(1.83)
Net Adjustment in Profit and Loss Account (B)	42.38	(6.27)	(8.59)	(13.76)	(5.81)
Net Profit/(Loss) After Tax as per Restated Accounts: (A+B)	1,035.56	137.52	108.21	94.16	89.62

a) Adjustment on account of provision for Gratuity:

The Company did not provide gratuity based on the requirement of AS -15 (Revised) up to 31st March 2017. Therefore during the restatement of FY 2012-13 and FY 2016-17, provision for gratuity have been done as per the actuarial valuation and accordingly prior period expenses of Rs. 13.64 Lakhs as reported in Audited financials of FY 2017-18 has been nullified.

b) Accounting of Depreciation (AS -6)

During the process of restatement of Accounts, Company has rectified the Depreciation provision which has been changed due to wrong classification of furniture and fixtures as guest house. The Company has capitalized such assets as on 01.04.2012, therefore Upto March 2013, impact of change in Depreciation



i.e.15.93 Lakhs has been adjusted with Opening Balance of Retained earnings. Thereafter based on revised WDV, respective year short/(excess) depreciation has been adjusted with the respective year Depreciation charged to Statement of Profit and Loss. The same has been rectified and accordingly effect thereof has been stated in Table 1 (Statement of Profit and Loss after Tax).

c) Adjustment on account of premium on Outstanding forward Contract:

During the process of restatement of Accounts, Company has observed that premium/(discount) on outstanding forward Contract as on the end of respective financial year was not considered, therefore the premium/discount in respect of outstanding forward exchange contract is accounted as income/expense by comparing the premium/discount available if the contract is expiring on the year end.

d) Adjustment on account of Provision of Deferred Tax Assets:

Due to Provision for Gratuity (Employee benefits) and changes in provision for depreciation during the period of restatement, The Company has recalculated the deferred tax liability and deferred tax assets at the end of respective year ended at the rate of normal Tax rate applicable at the end of relevant year. Due to same deferred tax assets/liability has been recognized in the financial statement of the respective year.

e) Accounting of Exchange Gain/(loss) on Outstanding Export Receivables and advance received from overseas debtors:

During the Restatement of accounts, company identified that gain/(loss) on on Outstanding Export Receivables and advance received from overseas debtors was not given effect in audited financial statement, therefore during the restatement, such impact was calculated on each year ended and necessary impact has been given in Statement of Profit and Loss of respective year.

f) Provision of Income Tax:

During the period of Restatement, Income tax liability was recalculated as per the prevailing tax rates, accordingly the revised income tax provision has been charged to the Statement of Profit and Loss account along with interest on delay payment of direct tax. Short/(Excess) provision has adjusted in respective year. For More Details refer Annexure AA enclosed with the Standalone Restated Financial Statements.

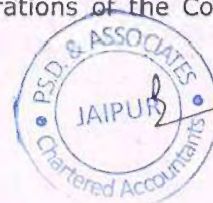
12.Realizations:

In the opinion of the Board and to the best of its knowledge and belief, the value on realization of current assets, loans and advances will, in the ordinary course of business, not be less than the amounts at which they are stated in the Statement of Assets and liabilities.

13.Contractual liabilities

All other contractual liabilities connected with business operations of the Company have been appropriately provided for.

14.Amounts in the financial statements



Amounts in the financial statements are reported in lakhs and rounded off to second digit of decimal. Figures in brackets indicate negative values.

15. Auditors Qualifications -

Details of Auditors qualifications and their impact on restated financial statement is given below.

a) Qualification which required adjustment in restated financial statements

None

b) Qualification which does not require adjustment in restated financial statements

Financial Year	Qualification																		
FY 2013-14	None																		
FY 2014-15																			
FY 2015-16																			
FY 2016-17																			
FY 2017-18	According to the information and explanations given to us and on the basis of our examination of the records, the Company is regular in depositing undisputed statutory dues including provident fund, income tax, service tax, cess and other material statutory dues with the appropriate authorities. However, the following dues of Income Tax have not been deposited by the Company on account of disputes:- <table><tr><th>Name of Statute</th><th>Nature of Dues</th><th>Demand (Rs)</th><th>Demand Paid under protest</th><th>Period to which the amount relates</th><th>Forum where dispute is pending</th></tr><tr><td>Income Tax</td><td>Penalty u/s. 271D</td><td>6,67,093/-</td><td>1,38,000/-</td><td>Assessment Year 2013-14</td><td>CIT (A)</td></tr><tr><td>Income Tax</td><td>Penalty u/s. 271E</td><td>57,02,081/-</td><td>11,40,000/-</td><td>Assessment Year 2013-14</td><td>CIT (A)</td></tr></table>	Name of Statute	Nature of Dues	Demand (Rs)	Demand Paid under protest	Period to which the amount relates	Forum where dispute is pending	Income Tax	Penalty u/s. 271D	6,67,093/-	1,38,000/-	Assessment Year 2013-14	CIT (A)	Income Tax	Penalty u/s. 271E	57,02,081/-	11,40,000/-	Assessment Year 2013-14	CIT (A)
Name of Statute	Nature of Dues	Demand (Rs)	Demand Paid under protest	Period to which the amount relates	Forum where dispute is pending														
Income Tax	Penalty u/s. 271D	6,67,093/-	1,38,000/-	Assessment Year 2013-14	CIT (A)														
Income Tax	Penalty u/s. 271E	57,02,081/-	11,40,000/-	Assessment Year 2013-14	CIT (A)														

For P S D & Associates

Chartered Accountants

FRN 004501C

(Girish Vyas)

Partner

Membership No. 427738

Date: 10th May, 2018

Place: Mumbai



RESTATED STANDALONE STATEMENT OF SHARE CAPITAL, RESERVES AND SURPLUS

(Amt. in Lakh Rs.)

Particulars	As on				
	31-03-2018	31-03-2017	31-03-2016	31-03-2015	31-03-2014
Share Capital					
Authorised Share Capital					
140,00,000 Equity Shares of Rs. 10 each	1,40,00,000	20,00,000	20,00,000	20,00,000	20,00,000
Share Capital (in Lakhs Rs.)	1,400	200	200	200	200
Issued, Subscribed and Paid up Share Capital					
Equity Shares of Rs. 10 each fully paid up	75,49,731	21,57,066	21,57,066	17,58,726	17,47,376
Share Capital (in Lakhs Rs.)	754.97	215.71	215.71	175.87	174.74
Total	754.97	215.71	215.71	175.87	174.74
Reserves and Surplus					
A) Securities Premium Account					
Balance as per last financial statement	395.61	395.61	208.38	203.05	176.95
Addition during the year	-	-	187.23	5.33	26.10
Less- Utilized during the year for Bonus issue of shares	395.61				
Closing Balance (A)	0.00	395.61	395.61	208.38	203.05
(B) General Reserve					
Balance as per last financial statement	-	-	-	-	-
Addition during the year	-	-	-	-	-
Closing Balance (B)	-	-	-	-	-
C) Surplus in Profit and Loss account					
Opening Balance	825.49	687.98	579.77	486.84	397.22
Add: Restated Profit/ (Loss) for the year	1,035.56	137.52	108.21	94.16	89.62
Less- WDV Adjusted with Retained earnings where assets having no residual life	-	-	-	1.24	-
Less- Utilized during the year for Bonus issue of shares	143.66				
Closing Balance (C)	1,717.40	825.49	687.98	579.77	486.84
Total (A+B+C)	1,717.40	1,221.10	1,083.59	788.15	689.89

1. Terms/rights attached to equity shares:

i. The company has only one class of shares referred to as equity shares having a par value of Rs.10/-. Each holder of equity shares is entitled to one vote per share

ii. In the event of liquidation of the Company, the holders of equity shares shall be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The amount distributed will be in proportion to the number of equity shares held by the shareholders.

2. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

3. Company does not have any Revaluation Reserve.

4. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

5. The reconciliation of the number of shares outstanding as at:-

Particulars	As at				
	31-03-2018	31-03-2017	31-03-2016	31.03.2015	31.03.2014
Number of shares at the beginning	22,15,066	22,15,066	18,16,726	18,05,376	17,47,376
Add: Shares issued during the year	53,92,665	-	3,98,340	11,350	58,000
Number of shares at the end	76,07,731	22,15,066	22,15,066	18,16,726	18,05,376

6. The detail of shareholders holding more than 5% of Shares:-

Name of Shareholders	As at (No. of Shares)				
	31-03-2018	31-03-2017	31-03-2016	31-03-2015	31-03-2014
Smt. Vinita Saraf	27,73,680	7,32,780	7,32,780	4,07,350	12,72,178
Smt. Ritu Saraf	9,06,878	2,59,108	2,59,108	1,86,198	1,86,198
Shri Agastya Saraf	29,80,873	8,51,678	8,51,678	8,51,678	1,77,000
Shri Shrey Saraf	8,87,250	2,53,500	2,53,500	2,53,500	-



RESTATED STANDALONE STATEMENT OF LONG TERM AND SHORT TERM BORROWINGS

(Amt. in Lakh Rs.)

Particulars	As on				
	31-03-2018	31-03-2017	31-03-2016	31.03.2015	31.03.2014
(Secured)					
(a) Term loans					
From Bank & Financial Institutions	13.12	10.30	26.25	69.79	41.65
From Others	-	-	-	-	-
Less Current Maturities	4.04	10.30	16.79	43.19	19.76
Sub-total (a)	9.08	0.00	9.46	26.60	21.89
(Unsecured)					
(b) Term loans					
From Bank & Financial Institutions	-	-	-	-	-
From Others	-	-	-	-	-
Sub-total (b)	-	-	-	-	-
(c) Loans and advances from related parties & shareholders (Unsecured)					
From Directors and their Relatives	-	-	-	-	-
Loans and advances from related parties	-	-	-	-	-
Sub-total (c)	-	-	-	-	-
(d) Intercompany Deposits					
From Body Corporate	-	-	-	-	-
Sub-total (d)	-	-	-	-	-
Total (a+b+c+d)	9.08	0.00	9.46	26.60	21.89
Short Term Borrowings					
Secured					
Loan Repayable on Demand					
From Banks	1,782.34	0.75	307.65	-	803.60
From Other Parties	-	-	157.97	330.00	316.25
Sub total (a)	1,782.34	0.75	465.63	330.00	1,119.85
UnSecured					
Loan from Others	-	-	-	-	-
Sub Total (b)	-	-	-	-	-
Total (a+b)	1,782.34	0.75	465.63	330.00	1,119.85

Note :

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.
3. List of persons/entities classified as 'Promoters' and 'Promoter Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.
4. The terms and conditions and other information in respect of Secured Loans as on 31.03.2016 are given in Annexure -B (A)
5. The terms and conditions and other information in respect of Unsecured Loans as on 31.03.2016 are given in Annexure - B (B)



RESTATED STANDALONE STATEMENT OF PRINCIPAL TERMS OF SECURED LOANS AND ASSETS CHARGED AS SECURITY							ANNEXURE - B(A)	
							(Amt. in Lakh Rs.)	
Name of Lender	Purpose	Sanctioned Amount (Rs.)	Rate of interest	Securities offered	Re-Payment Schedule	Moratorium	Outstanding amount as on (as per Books)	
							31-03-2018	31-03-2017
Daimler Financial Services It Vehicle Loan		50.00	8.73%	Vehicle purchase From Borrowed Fund	Repayable in 36 Installments Starting from March 2015 to Feb 2018, First 12 Months EMI is 2.10 lakhs, EMI for 13 to 24 month is Rs. 1.54 Lakhs, EMI for 25 to 36 Month is Rs. 0.99 Lakhs.	None	-	10.30
Axis Bank	Vehicle Loan	13.12	8.75%	Vehicle purchase From Borrowed Fund	Repayable in 36 Installments Starting from March April 2018 to March 2021, First 35 Months EMI is 0.415 lakhs, and Last EMI of Rs. 0.366 Lakhs.	None	13.12	-
State Bank of India	Export Packing Credit	900.00	MCLR-1 Year	Primary :- Hypothecation of Current Assets of the Company including stock of all category lying anywhere or in transit. Collateral - Cash Collateral TDS of Rs. 400.00 Lakhs in the name of Company/Directors/Guarantors. Personal Guarantee of Smt Vinita Ashish Saraf and Shree Ashish Saraf.	Repayable on Demand	None	338.11	0.75
Federal Bank	Export Packing Credit/PCFC	2,900.00	MCLR-1 Year +0.30 %/ LIBOR+3%	Primary:- Stock Meant For Export and domestic sales, Trade Receivables. Collateral Security :- A) EM of Residential Property owned by Promoter value Rs. 3.74 Crore. B) Pledge of FD having Present value of Rs. 8.53 Crore.	Repayable on Demand	None	444.37	-
Federal Bank	Cash Credit	1,000.00	MCLR-1 Year	C) Proposed term Deposit of 0.40 Crore D) 3% cut back on each export bill handled/sent for collection/inward remittance duly Charged for the limits of the Company E) Plant and Machinery of the Company having WDV of Rs. 3.17 Crore as on 31.03.2016.	Repayable on Demand	None	999.86	-



RESTATED STANDALONE STATEMENT OF TERMS & CONDITIONS OF UNSECURED LOANS

ANNEXURE - B(B)

(Amt. in Lakh Rs.)

A) Details of Unsecured Loans outstanding as at the end of the latest Reporting period from Directors/Promoters/Promoter Group / Associates/Relatives of D
Unsecured Loans from Promoters/Directors are interest free and all are taken without any preconditions attached towards repayments.

Name of Lender	Purpose	Rate of Interest	Re-Payment Schedule	Moratorium	Outstanding amount as on (as per Books)	
					31-03-2018	31-03-2017

NONE

Total



ANNEXURE - C

RESTATED STANDALONE STATEMENT OF DEFERRED TAX (ASSETS) / LIABILITIES

(Amt. in Lakh Rs.)

Particulars	As at				
	31-03-2018	31-03-2017	31-03-2016	31-03-2015	31-03-2014
Major Components of deferred tax arising on account of timing differences are:					
Timing Difference Due to Depreciation	(170.62)	(126.66)	(95.90)	(60.87)	(30.56)
Deferred Tax Liability/(Assets) (A)	(59.05)	(41.88)	(31.71)	(19.75)	(9.92)
Provision of Gratuity Expenses	17.31	13.64	9.73	6.46	3.73
Deferred Tax Assets/(Liabilities) (B)	5.99	4.51	3.22	2.10	1.21
Cumulative Balance of Deferred Tax Liability/(Assets) (Net)	(65.04)	(46.39)	(34.92)	(21.85)	(11.13)

Note: The above statement should be read with the significant accounting policies and notes to restated summary statement of profit and loss account and cash flows statement as appearing in Annexures IV, I, I and IIII.



RESTATED STANDALONE STATEMENT OF LONG TERM PROVISIONS

ANNEXURE ~ D

(Amt. in Lakh Rs.)

Particulars	As on				
	31-03-2018	31-03-2017	31-03-2016	31-03-2015	31-03-2014
Provision for Employee Benefits					
Gratuity Payable	15.36	12.30	9.09	6.03	3.65
Others	-	-	-	-	-
Total	15.36	12.30	9.09	6.03	3.65



RESTATED STANDALONE STATEMENT OF TRADE PAYABLES

ANNEXURE - E

(Amt. in Lakh Rs.)

Particulars	As on				
	31-03-2018	31-03-2017	31-03-2016	31-03-2015	31-03-2014
Trade Payables					
Micro, Small and Medium Enterprises	-	-	-	-	-
Others*	102.87	717.30	152.44	129.99	45.45
Total	102.87	717.30	152.44	129.99	45.45

Notes:

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.
3. Amount due to entities covered under Micro, Small and Medium Enterprises as defined in the Micro, Small, Medium Enterprises Development Act, 2006, have been identified on the basis of information available with the Company. There was no amount due to any such entities which needs to be disclosed.



ANNEXURE - F

RESTATED STANDALONE STATEMENT OF OTHER CURRENT LIABILITIES AND SHORT TERM PROVISIONS
(Amt. in lakh Rs.)

Particulars	31-03-2018	31-03-2017	As on		
			31-03-2016	31-03-2015	31-03-2014
Other Current Liabilities					
Current Maturities of Long Term Debt	4.04	10.30	16.79	43.19	19.76
Statutory Payables	8.95	43.82	33.60	38.73	17.68
Advances Received from Customers	-	2.92	4.56	84.23	2.57
Provision for Expenses	22.33	27.85	9.04	23.40	5.17
Total	35.32	84.89	64.00	189.56	45.18
Short Term Provisions					
(A) Provision for Employee Benefits					
Provision for Gratuity	1.96	1.34	0.64	0.43	0.08
Sub Total	1.96	1.34	0.64	0.43	0.08
(B) Provision for Tax					
Provision for Taxation (Net of Taxes Paid)	257.19	7.54	22.28	13.12	19.59
Sub Total	257.19	7.54	22.28	13.12	19.59
Total (A+B)	259.14	8.88	22.91	13.56	19.66

Notes:

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.



RESTATED STANDALONE STATEMENT OF FIXED ASSETS

ANNEXURE - G

(Amt. in lakh Rs.)

FY 2013-14

FY 2013-14										
Particulars	Gross Block				Accumulated Depreciation				Net Block	
	01.04.2013	Additions/ Disposals	Disposals	31.03.2014	01.04.2013	Depreciation charge for the year	adj on a/c of disposal	31.03.2014	31.03.2013	31.03.2014
Tangible Assets										
Furniture & Fixtures	121.61	0.00	-	121.61	22.01	18.03	-	40.04	99.60	81.57
Plant and Equipment	104.56	3.00	-	107.56	39.51	9.33	-	48.84	65.05	58.72
Office equipment	33.70	15.50	-	49.20	15.04	5.48	-	20.52	18.66	28.68
Computers	22.23	1.62	-	23.85	16.50	2.42	-	18.92	5.73	4.94
Vehicles	145.00	-	-	145.00	44.91	25.91	0.00	70.82	100.09	74.18
Total	427.10	20.12	-	447.22	137.97	61.18	0.00	199.15	289.13	248.08
Intangible Assets										
Trade Mark & copyright	0.39	-	0.00	0.39	0.30	0.02	-	0.32	0.09	0.07
TOTAL	0.39	-	0.00	0.39	0.30	0.02	-	0.32	0.09	0.07
TOTAL	427.49	20.12	0.00	447.61	138.27	61.20	0.00	199.47	289.22	248.15
Previous Year	209.23	221.77	3.50	427.50	94.06	46.42	2.22	138.27	115.17	289.23

FY 2014-15

Particulars	Gross Block				Accumulated Depreciation			Value Transferred to retain earning of an asset useful life is NTI	Net Block	
	01.04.2014	Additions/ Disposals	Disposals	31.03.2015	01.04.2014	Depreciation charge for the year	adj on a/c of disposal		31.03.2014	31.03.2015
Tangible Assets										
Furniture & Fixtures	121.61	-	-	121.61	40.04	16.19	-	56.23	81.57	65.38
Plant and Equipment	107.56	17.11	-	124.67	48.84	23.21	-	72.05	58.72	51.94
Office equipment	49.20	12.23	-	61.43	20.52	8.74	-	29.26	28.68	32.16
Computers	23.85	1.81	-	25.66	18.92	2.61	-	21.53	4.94	3.60
Vehicles	145.00	64.25	-	209.25	70.82	18.30	-	89.13	74.18	120.10
Total	447.23	95.40	-	542.62	199.15	69.06	-	268.21	248.08	273.18
Intangible Assets										
Trade Mark & copyright	0.39	-	-	0.39	0.32	0.02	-	0.34	0.07	0.05
TOTAL	0.39	-	-	0.39	0.32	0.02	-	0.34	0.07	0.05
TOTAL	447.62	95.40	-	543.01	199.47	69.08	-	268.55	248.15	273.23
Previous Year	427.49	20.12	0.00	447.61	138.27	61.20	0.00	199.47	289.22	248.15



FY 2015-16											
Particulars	Gross Block				Accumulated Depreciation				Value Transferred to retain earning of an asset useful life is NIL	Net Block	
	01.04.2015	Additions/ Disposals	Disposals	31.03.2016	01.04.2015	Depreciation charge for the year	adj on a/c of disposal	31.03.2016		31.03.2015	31.03.2016
<u>(A) Tangible Assets</u>											
Furniture & Fixtures	121.61	-	-	121.61	56.23	12.98	-	69.21		65.38	52.40
Plant and Machinery	124.67	66.53	-	191.20	72.73	27.46	-	100.19		51.94	91.01
Office equipment	61.43	2.26	-	63.69	29.26	9.12	-	38.38		32.16	25.31
Computers	25.66	4.62	-	30.28	22.07	3.95	-	26.02		3.60	4.26
Vehicles	209.25	8.06	0.09	217.22	89.15	32.31	-	121.47		120.10	95.75
Total	542.62	81.48	0.09	624.01	269.44	85.82	-	355.27		273.18	268.74
<u>(B) Intangible Assets</u>											
Trade Mark & copyright	0.39	-	-	0.39	0.34	0.01	-	0.35		0.05	0.04
TOTAL	0.39	-	-	0.39	0.34	0.01	-	0.35		0.05	0.04
<u>(C) Capital Work In Progress</u>											
Plant and Machinery	-	11.18	-	11.18	-	-	-	-		-	11.18
TOTAL	-	11.18	-	11.18	-	-	-	-		-	11.18
TOTAL A+B+C	543.01	92.66	0.09	635.58	269.78	85.84	-	355.62		273.23	279.96
Previous Year	447.62	95.40	-	543.01	199.47	69.08	-	268.55	1.24	248.15	273.23



FY 2016-17

Particulars	Gross Block				Accumulated Depreciation			Value Transferred to retain earning of an asset useful life is NIL	Net Block	
	01.04.2016	Additions/ Disposals	Disposals	31.03.2017	01.04.2016	Depreciation charge for the year	31.03.2017		31.03.2016	31.03.2017
(A) Tangible Assets										
Furniture & Fixtures	121.61	-	-	121.61	69.21	10.40	79.61		52.40	42.00
Plant and Machinery	191.20	24.24	-	215.45	100.19	32.64	132.83		91.01	82.62
Office equipment	63.69	3.30	-	66.99	38.38	8.14	46.52		25.31	20.47
Computers	30.28	3.53	-	33.81	26.02	2.22	28.24		4.26	5.57
Vehicles	217.22	36.10	2.53	250.79	121.47	28.65	150.12		95.75	100.67
Total	624.01	67.17	2.53	688.65	355.27	82.05	437.32		268.74	251.33
(B) Intangible Assets										
Trade Mark & copyright	0.39	-	-	0.39	0.35	-	0.35		0.04	0.04
TOTAL	0.39	-	-	0.39	0.35	-	0.35		0.04	0.04
(C) Capital Work In Progress										
Plant and Machinery	11.18	-	11.18	-	-	-	-		11.18	-
TOTAL	11.18	-	11.18	-	-	-	-		11.18	-
TOTAL A+B+C	635.58	67.17	13.71	689.04	355.62	82.05	437.67		279.96	251.37
Previous Year	543.01	92.66	0.09	635.58	269.78	85.84	355.62		273.23	279.96



FY 2017-18

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	01.04.2017	Additions/ Disposals	Disposals	31.03.2018	01.04.2017	Depreciation charge for the year	Deductions	31.03.2018	31.03.2017	31.03.2018
(A) Tangible Assets										
Furniture & Fixtures	121.61	-		121.61	79.61	8.34		87.95	42.00	33.66
Plant and Machinery	215.45	3.69	-	219.14	132.83	24.24	-	157.07	82.62	62.06
Office equipment	66.99	4.89	-	71.88	46.52	6.18	-	52.70	20.47	19.18
Computers	33.81	5.95	-	39.76	28.24	5.38	-	33.62	5.57	6.14
Vehicles	250.79	17.89	132.35	136.33	150.12	26.46	88.47	88.11	100.67	48.22
Total	688.65	32.41	132.35	588.71	437.32	70.60	88.47	419.45	251.33	169.26
(B) Intangible Assets										
Trade Mark & copyright	0.39	-	-	0.39	0.35	-		0.35	0.04	0.04
TOTAL	0.39	-	-	0.39	0.35	-		0.35	0.04	0.04
(C) Capital Work in Progress										
Capital Work in Progress	-	225.50	-	225.50	-	-		-	-	225.50
TOTAL A+B+C	689.04	257.91	132.35	814.60	437.67	70.60	88.47	419.80	251.37	394.80
Previous Year	635.58	67.17	13.71	689.04	355.62	82.05	437.67	-	279.96	251.37

Notes:

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits



RESTATED STANDALONE STATEMENT OF NON-CURRENT INVESTMENTS

ANNEXURE - H

(Amt. in Lakh Rs.)

Particulars	As at				
	31-03-2018	31-03-2017	31-03-2016	31-03-2015	31-03-2014
Non Current Investment (At Cost)					
Investment in Shares (Unquoted) of Associate Company					
Investment in 5000/- fully paid up equity shares of Rs. 10/- each of Manorama energy Pvt Ltd	-	0.50	0.50	0.50	0.50
Total	-	0.50	0.50	0.50	0.50

Notes:

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.



ANNEXURE - I

RESTATED STANDALONE STATEMENT OF LONG-TERM LOANS AND ADVANCES

(Amt. in Lakh Rs.)

Particulars	As at				
	31-03-2018	31-03-2017	31-03-2016	31-03-2015	31-03-2014
Unsecured, Considered Good unless otherwise stated					
Security Deposit	16.05	6.36	6.14	5.57	3.18
Loans and Advances to Related Parties	-	-	-	-	-
Total	16.05	6.36	6.14	5.57	3.18

Notes:

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.



RESTATED STANDALONE STATEMENT OF NON CURRENT ASSETS

ANNEXURE - J

(Amt. in Lakh Rs.)

Particulars	As at				
	31-03-2018	31-03-2017	31-03-2016	31-03-2015	31-03-2014
Unsecured, Considered Good unless otherwise stated	-	-	-	-	-
	-	-	-	-	-
Total	-	-	-	-	-

Notes:

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.



ANNEXURE - K

RESTATED STANDALONE STATEMENT OF INVENTORIES

(Amt. in Lakh Rs.)

Particulars	As at				
	31-03-2018	31-03-2017	31-03-2016	31-03-2015	31-03-2014
Raw Materials	95.64	4.60	5.38	79.41	41.51
Packing Materials	17.51	17.92	7.98	9.01	6.15
Stores and Consumables	18.02	8.25	7.42	5.81	1.60
Stock In Trade	-	55.59	-	-	-
Finished Goods	1,672.23	103.61	530.48	192.09	712.03
Total	1,803.41	189.98	551.27	286.32	761.29

Note:- Inventory has been physically verified by the management of the Company at the end of respective year/period



RESTATED STANDALONE STATEMENT OF TRADE RECEIVABLES

ANNEXURE - I

(Amt. in Lakh Rs.)

Particulars	As at				
	31-03-2018	31-03-2017	31-03-2016	31-03-2015	31-03-2014
Outstanding for a period exceeding six months (Unsecured and considered Good)					
From Directors/Promoters/Promoter Group/Associates/ Relatives of Directors/ Group Companies.	-	-	-	-	-
Others	11.58	-	-	-	0.33
Outstanding for a period not exceeding 6 months (Unsecured and considered Good)					
From Directors/Promoters/Promoter Group/Associates/ Relatives of Directors/ Group Companies.	-	-	-	-	-
Others	146.38	107.05	37.52	100.45	316.14
Total	157.96	107.05	37.52	100.45	316.47

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.
3. List of persons/entities classified as 'Promoters' and 'Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.



RESTATED STANDALONE STATEMENT OF CASH & CASH EQUIVALENTS

(Amt. in lakhRs.)

Particulars	As at				
	31-03-2018	31-03-2017	31-03-2016	31-03-2015	31-03-2014
Cash and Cash Equivalents: (as per Accounting Standard 3: Cash flow Statements)					
Balances with Banks	30.53	258.68	10.17	21.24	39.86
Cash on Hand	12.91	0.63	4.82	38.12	7.81
Other Bank Balances					
FD with Bank	1,868.80	1,314.24	1,003.37	638.36	611.12
Total	1,912.24	1,573.55	1,018.36	697.72	658.79
Fixed deposits under lien with Banks	1,538.82	1,295.96	999.81	631.60	600.00
Fixed deposits having maturity more than 3 months	1,868.80	1,314.24	1,003.37	638.36	611.12

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.



RESTATED STANDALONE STATEMENT OF SHORT-TERM LOANS AND ADVANCES

ANNEXURE - N

(Amt. in Lakh Rs.)

Particulars	As at				
	31-03-2018	31-03-2017	31-03-2016	31-03-2015	31-03-2014
Unsecured, Considered Good unless otherwise stated					
Advances to Vendors	99.06	46.90	30.91	22.70	24.84
Loans and Advances to Employees	8.92	5.69	9.63	4.03	9.80
Balance With Revenue Authorities	-	7.05	3.18	246.73	78.66
Loans and Advances to Relatives	-	-	-	-	-
Other Loans and Advances	0.95	-	-	-	3.57
Total	108.93	59.64	43.72	273.46	116.87

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.
3. List of persons/entities classified as 'Promoters' and 'Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.



ANNEXURE - O

RESTATED STANDALONE STATEMENT OF OTHER CURRENT ASSETS

(Amt. in Lakh Rs.)

Particulars	As at				
	31-03-2018	31-03-2017	31-03-2016	31-03-2015	31-03-2014
Other Current Assets					
Prepaid Expenses	8.95	11.33	5.20	2.91	3.93
Balance with Government authorities	186.03	14.76	44.82	-	-
Forward Contract - Premium/(Discount) Receivable	23.06	-	0.39	(2.27)	-
Total	218.04	26.09	50.42	0.64	3.93

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.



RESTATED STANDALONE STATEMENT OF TURNOVER

ANNEXURE - P

(Amt. in lakh Rs.)

Particulars	As on				
	31-03-2018	31-03-2017	31-03-2016	31-03-2015	31-03-2014
(i) turnover of products manufactured by the issuer	6,122.40	5,706.44	4,857.70	7,388.95	1,852.45
(ii) turnover of products traded in by the issuer; and	15,790.97	8,763.99	8,212.48	5,386.29	8,515.75
(iii) turnover in respect of products not normally dealt in by the issuer but included in (b) above*	-	-	-	-	-
Sub Total (A)	21,913.37	14,470.43	13,070.18	12,775.24	10,368.20
Other Operating Income					
Duty Drawback claim/DEPB	15.68	34.67	24.46	53.59	15.30
Vishesh Krishi Upaj Yojana Benefit Received- Net	-	-	9.09	267.20	56.11
Gain on Currency Forward Contract	62.78	23.82	-	157.45	-
Import Duty Received	-	10.84	-	-	-
Excise Refundable	6.01	-	-	-	-
Sub Total (B)	84.46	77.34	33.55	478.25	71.41
Total (A+B)	21,997.83	14,547.77	13,103.74	13,253.48	10,439.61

*As per information provided to us by the Issuer, there is no such item.

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.



RESTATED STANDALONE STATEMENT OF OTHER NON OPERATING INCOME

(Amt. in Lakh Rs.)

Particulars	31-03-2018	31-03-2017	As on 31-03-2016	31.03.2015	31.03.2014
a) Related and Recurring Income:					
Interest on FDR	143.35	87.19	59.67	84.21	89.47
Interest on Loan	-	-	-	-	0.04
Premium on Forward Contract	23.06	(0.39)	2.66	(2.27)	-
Sub Total (a)	166.41	86.80	62.33	81.94	89.51
b) Non related and Non Recurring Income:					
Insurance Claim Received	0.96	0.89	3.38	0.28	2.82
Profit on sale of vehicle	-	0.43	-	-	-
Profit on Sale of Investment	9.50	-	-	-	-
Balances W/off	-	1.29	-	-	-
Other Misc. Income	0.08	-	-	-	-
Sub Total (b)	10.54	2.61	3.38	0.28	2.82
c) Related and Non Recurring Income:					
Service Tax Claim Received	14.54	1.03	-	7.80	-
Job Work Charges received	-	-	-	-	0.56
Sub Total (c)	14.54	1.03	-	7.80	0.56
Total(a+b+c)	191.49	90.44	65.71	90.02	92.89
Other Non Operating Income % to Profit Before Tax	12.04%	44.18%	39.33%	62.50%	75.06%

1. The classification of other income as recurring/not-recurring, related/not-related to business activity is based on the current operations and business activity of the Company as determined by the management.

2. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

3. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.



ANNEXURE - R

RESTATED STANDALONE STATEMENT OF COST OF MATERIAL CONSUMED AND PURCHASES OF STOCK IN TRADE
(Amt. in Lakh Rs.)

Particulars	As on				
	31-03-2018	31-03-2017	31-03-2016	31-03-2015	31-03-2014
Cost of Material Consumed					
Opening Stock of Raw Material	4.60	5.38	79.41	41.51	631.66
Add: Purchases of Material	3,530.68	2,977.58	2,800.80	4,407.18	475.03
Less: Closing Stock of Raw Material	95.64	4.60	5.38	79.41	41.51
Total	3,439.64	2,978.36	2,874.83	4,369.29	1,065.18
Purchase of Stock in Trade					
Purchase of Stock in Trade	16,001.04	9,122.36	8,230.33	5,926.52	8,418.14
Total	16,001.04	9,122.36	8,230.33	5,926.52	8,418.14

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
3. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.



RESTATED STANDALONE STATEMENT OF CHANGES IN INVENTORIES

(Amt. in Lakh Rs.)

Particulars	As on				
	31-03-2018	31-03-2017	31-03-2016	31.03.2015	31.03.2014
Closing Inventories					
Stock in Trade	-	55.59	-	-	-
Finished goods	1,672.23	103.61	530.48	192.09	712.03
Packing Material	17.51	17.92	7.98	9.01	6.15
Stores and Consumables	18.02	8.25	7.42	5.81	1.60
Sub Total (A)	1,707.76	185.38	545.89	206.91	719.78
Opening Inventories					
Stock in Trade	55.59	-	-	-	-
Finished goods	103.61	530.48	192.09	712.03	220.68
Packing Material	17.92	7.98	9.01	6.15	9.04
Stores and Consumables	8.25	7.42	5.81	1.60	1.34
Sub Total (B)	185.38	545.89	206.91	719.78	231.06
Changes in Inventories	(1,522.39)	360.51	(338.98)	512.87	(488.72)

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
3. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.



RESTATED STANDALONE STATEMENT OF EMPLOYEE BENEFITS EXPENSE

ANNEXURE - T

(Amt. in Lakh Rs.)

Particulars	31-03-2018	31-03-2017	31-03-2016	31-03-2015	As on 31-03-2014
Salaries and Wages	286.59	291.33	234.98	147.05	107.31
Contribution to PF & other Fund	12.25	6.14	3.26	2.73	0.36
Staff Welfare Expenses	0.14	0.85	10.34	33.27	0.01
Total	298.98	298.32	248.58	183.05	107.68



RESTATED STANDALONE STATEMENT OF FINANCE COST

ANNEXURE - U

(Amt. in Lakh Rs.)

Particulars	As on				
	31-03-2018	31-03-2017	31-03-2016	31-03-2015	31-03-2014
Interest expense	158.20	67.76	119.61	205.47	94.12
Other Borrowing cost	15.17	10.57	9.32	10.97	6.83
Applicable Net Gain/Loss on Foreign Currency	-	-	46.57	-	173.38
Interest on Income Tax on account of Short					
Payment of Advance tax	16.54	1.49	2.71	2.82	2.98
Total	189.91	79.82	178.21	219.26	277.31



RESTATED STANDALONE STATEMENT OF DEPRECIATION & AMORTISATION

(Amt. in lakh Rs.)

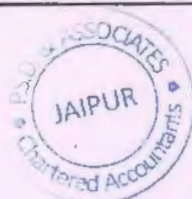
Particulars	31-03-2018	31-03-2017	As on 31-03-2016	31.03.2015	31.03.2014
Depreciation and amortization expenses	70.60	82.05	85.84	69.08	61.20
Total	70.60	82.05	85.84	69.08	61.20



RESTATESTANDALONE STATEMENT OF OTHER EXPENSES

(Amt. in Lakh Rs.)

Particulars	31-03-2018	31-03-2017	As on 31-03-2016	31-03-2015	31-03-2014
Rent, Rates and taxes	135.70	125.67	113.04	85.71	45.40
Freight Charges	412.95	321.35	489.73	619.22	279.79
Electricity Charges	33.56	38.76	48.72	17.23	14.77
Insurance Charges	31.55	19.14	22.62	27.19	12.11
Travelling Expenses	130.36	78.98	133.92	110.73	41.07
Processing Charges	895.07	592.59	458.19	685.49	252.89
Repair & Maintenance	8.74	9.42	16.99	8.00	7.65
Payment to Auditors	5.00	5.00	5.00	5.06	4.49
Miscellaneous Expenses					
Manufacturing Expenses					
Cleaning Expenses	-	-	-	-	2.16
Entry Tax	-	-	-	-	1.64
Godown Expenses	1.23	1.35	3.22	1.47	-
Laboratory & Supervision Charges	-	-	-	-	-
Labour/Wages Charges	40.55	44.69	50.24	31.55	3.31
Other Direct Expenses	-	-	-	-	-
Other Manufacturing Expenses	-	-	-	-	-
Packing Expenses	19.13	10.44	2.73	2.77	-
Plant Expenses	28.10	14.03	5.80	-	0.46
Procurement Expenses	5.42	12.95	37.05	40.32	77.22
Sampling & Testing charges	11.73	12.42	15.33	32.27	5.14
Supervision Expenses	15.15	21.14	16.31	19.30	-
Sub Total (A)	121.31	117.02	130.68	127.69	89.92
Administrative & selling expenses					
Advertisement Expenses	0.62	2.90	11.43	20.73	11.19
Agency Charges	50.67	25.18	41.87	31.86	19.04
Barrels & filling Expenses	-	-	-	-	-
Central Sales Tax paid	-	-	-	-	0.01
Charity & donation	0.37	-	1.37	1.79	-
Clearing & Forwarding Expenses	-	-	-	-	-
Commission Paid	21.06	4.63	20.09	25.11	2.00
Computer Expenses	-	-	-	-	0.93
Conveyance Expenses	2.04	0.96	1.39	1.20	-
Corporate Event Charges	21.85	-	-	-	-
Corr. Box Filling & Packing Expenses	-	-	-	-	3.33
Exchange Loss/(gain) on Foreign Exchange	(1.39)	1.31	1.69	1.04	3.57
Foreign Tour & Travelling Expenses	-	-	-	-	25.95
Legal & Professional Fees	31.43	24.50	38.79	27.38	15.80
Legal expenses	-	-	-	-	1.11
Lodging & boarding Expenses	64.29	43.19	77.63	34.44	7.50
Loss on sale of Export benefit Certificate	-	-	4.40	5.45	5.78
Loss on Sale/ Discard of Fixed Assets	23.88	-	-	-	-
Office Administrative Expenses	48.96	29.78	25.14	25.14	9.84
Office Rent	-	-	-	-	10.45
Other Selling & Administrative Expenses	-	-	-	-	28.25
Pest Control Charges	-	-	-	-	0.20
Postage & courier Charges	13.34	12.18	11.90	12.21	8.26
Printing & Stationary	3.97	3.78	8.27	5.56	2.90
Profession Tax	-	-	-	-	0.21
Puja Expenses	-	-	-	-	1.37
Registration & Exhibition Expenses	34.57	16.88	20.44	10.35	-
Sales Promotion Expenses	3.82	7.51	-	-	-
Service Tax	-	-	-	-	6.73
Sundry Balance W/off	-	-	6.91	5.73	(1.46)
Telephone & Internet Charges	8.59	9.46	10.24	10.74	10.40
Training & Development Expenses	-	-	-	-	22.32
Vat Audit Fees	-	-	-	-	1.12
VAT Paid	-	-	-	-	3.67
Vehicle Expenses	18.24	21.86	23.06	14.38	17.47
Website Development Expenses	-	-	-	-	1.91
Sub Total (B)	346.34	204.12	304.64	233.09	219.85
Total	2,120.57	1,512.06	1,723.55	1,919.41	967.96



RESTATED STANDALONE STATEMENT OF MANDATORY ACCOUNTING RATIOS

Particulars	(Amt. in Lakhs Rs. Except per share data)				
	31-03-2018	31-03-2017	As on 31-03-2016	31-03-2015	31-03-2014
Net Worth (A)	2,472.37	1,436.81	1,299.29	964.02	864.63
Restated Profit after tax	1,035.56	137.52	108.21	94.16	89.62
Less: Prior Period Item					
Adjusted Profit after Tax (B)	1,035.56	137.52	108.21	94.16	89.62
Number of Equity Share outstanding as on the End of Year/Period (C)	75,49,731	21,57,066	21,57,066	17,58,726	17,47,376
Weighted average no of Equity shares at the time of end of the year (D)	75,49,731	21,57,066	17,72,433	17,47,407	16,89,535
Weighted average no of Equity shares at the time of end of the year (E)	75,49,731	75,49,731	71,65,098	71,40,072	70,82,200
Current Assets (F)	4,200.59	1,956.32	1,701.29	1,358.59	1,857.36
Current Liabilities (G)	2,179.67	811.83	704.98	663.11	1,230.16
Face Value per Share	10	10	10	10	10
Restated Basic and Diluted Earning Per Share (Rs.) (B/D) before Bonus	13.72	6.38	6.11	5.39	5.30
Restated Basic and Diluted Earning Per Share (Rs.) (B/E) after Bonus	13.72	1.82	1.51	1.32	1.27
Return on Net worth (%) (B/A)	41.89%	9.57%	8.33%	9.77%	10.37%
Net asset value per share (A/C) (Face Value of Rs. 10 Each) Before Bonus	32.75	66.61	60.23	54.81	49.48
Net asset value per share (A/E) (Face Value of Rs. 10 Each) After Bonus	32.75	19.03	17.21	13.48	12.11
Current Ratio (F/G)	1.93	2.41	2.41	2.05	1.51

Note:

1) The ratios have been computed as below:

(a) Basic earnings per share (Rs.) :- Net profit after tax as restated for calculating basic EPS / Weighted average number of equity shares outstanding at the end of the period or year

(b) Diluted earnings per share (Rs.) :- Net profit after tax as restated for calculating diluted EPS / Weighted average number of equity shares outstanding at the end of the period or year for diluted EPS

(c) Return on net worth (%) :- Net profit after tax (as restated) / Net worth at the end of the period or year

(d) Net assets value per share :- Net Worth at the end of the period or year / Total number of equity shares outstanding at the end of the period or year

(e) Net assets value per share (effect of bonus issue of equity shares) :- Net Worth at the end of the period or year / Total number of equity shares outstanding at the end of the period or year (after split and bonus issue)

2) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/year adjusted by the number of equity shares issued during period/year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period/year.

3) Net worth for ratios mentioned in note 1(c) and 1(d) is = Equity share capital + Reserves and surplus (Including, Securities Premium, General Reserve and surplus in statement of profit and loss).

4) The figures disclosed above are based on the standalone restated summary statements of the Group.

5) The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

6) The Company has made Allotment of 53,92,665 Equity shares as bonus shares in ratio of 5: 2 dated 20/01/2018 accordingly weighted average no of



RESTATED STANDALONE STATEMENT OF RELATED PARTY TRANSACTION

ANNEXURE - V

(Amt. in lakh Rs.)

Names of the related parties with whom transaction were carried out during the years and description of relationship:

- | | | |
|------|---|---|
| i) | Key Management Personnel | Smt. Vinita Saraf |
| ii) | Relative of Key Management Personnel with whom the company has entered into the transactions during the period of Restatement | Ashish Saraf HUF
Mr. Ashish Saraf
Smt. Ritu Saraf
Shri. Agastya Saraf
Shri. Shrey Saraf
Mr. Deep Saraf
Mr. Ramesh Agrawal |
| iii) | Associate Company | Money Resources Private Limited
Manoram Earth Private Limited
Manorama Energy Private Limited |

A. Transaction with Companies/Entity owned or Significantly influenced by Director/KMP

(Amt. in Lakhs Rs.)

Sr. No.	Nature of Transaction	Nature of Transaction	For the Year ended				
			31-03-2018	31-03-2017	31-03-2016	31-03-2015	31-03-2014
1	Smt. Vinita Saraf	Director Remuneration	96.00	96.00	60.00	36.00	12.00
2	Mr. Ashish Saraf	Salary	15.00	14.50	15.00	15.00	13.80
3	Mr. Deep Saraf	Salary	15.00	14.50	15.00	14.13	13.60
4	Smt. Ritu Saraf	Salary	24.00	19.50	15.00	15.00	12.00
5	Mr. Ramesh Agrawal	Salary	-	-	-	3.60	0.13
6	Mrs. Shrey Saraf	Salary	18.00	18.00	15.00	-	-
7	Money Resources Private Limited	Loan Accepted	-	5.00	0.30	53.80	198.58
8	Money Resources Private Limited	Loan Repaid	-	5.00	0.30	53.80	198.58
9	Money Resources Private Limited	Purchases of Goods	93.00	-	-	-	-
10	Manoram Earth Private Limited	Sale of Vehicle	20.00	-	-	-	-
11	Manorama Energy Private Limited	Loan Accepted	-	3.60	1.50	3.64	2.70
12	Manorama Energy Private Limited	Loan Repaid	-	3.60	1.50	3.64	2.70
13	Smt. Ritu Saraf	Loan Received	28.77	-	34.40	-	-
14	Smt. Ritu Saraf	Loan Given	28.77	-	34.40	-	-
15	Smt. Ritu Saraf	Interest Paid	-	-	1.86	-	-
16	Mr. Shrey Saraf	Loan Accepted	-	-	110.00	-	-
17	Mr. Shrey Saraf	Sale of Investment	10.00	-	-	-	-
18	Mr. Shrey Saraf	Loan Repaid	-	-	110.00	-	-
19	Mr. Shrey Saraf	Interest Paid	-	-	4.06	-	-
20	Smt. Vinita Saraf	Loan Accepted	-	-	165.20	-	-
21	Smt. Vinita Saraf	Loan Repaid	-	-	165.20	-	-
22	Smt. Vinita Saraf	Interest Paid	-	-	7.07	-	-
23	Ashish Saraf HUF	Loan Accepted	-	-	-	175.00	-
24	Ashish Saraf HUF	Loan Repaid	-	-	-	175.00	-
II	Outstanding Balance of Related Party						
1	Sundry Creditors of Expenses		-	-	-	-	-
2	Unsecured Loan Accepted/Given		-	-	-	-	-

Note: Related parties were identified by the management of the company and relied upon by the peer Auditor



RESTATED STANDALONE STATEMENT OF CAPITALISATION

ANNEXURE - Z

(Amt. in lakh Rs.)

Particulars	Pre Issue 31-03-2018	Post Issue (Refer Note Below)
Debt		
Short Term Debt	1,782.34	
Long Term Debt	13.12	
Total Debt	1,795.46	
Shareholders' Fund (Equity)		
Share Capital	754.97	
Reserves & Surplus	1,717.40	
Less: Miscellaneous Expenses not w/off	-	
Total Shareholders' Fund (Equity)	2,472.37	
Long Term Debt/Equity	0.01	
Total Debt/Equity	0.73	

Notes:

1. Short term Debts represent which are expected to be paid/payable within 12 months and excludes installment of term loans repayable within 12 months.
2. Long term Debts represent debts other than Short term Debts as defined above but includes installment of term loans repayable within 12 months grouped under other current liabilities
3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 31/03/2018.
4. The figures disclosed above are based on the restated financial information of the Company.
5. The Post issue debt equity ratio will be computed on the conclusion of book building process.



RESTATED STANDALONE STATEMENT OF TAX SHELTER

(Amt. in lakh Rs.)

Particulars	As at				
	31-03-2018	31-03-2017	31-03-2016	31-03-2015	31-03-2014
A Profit before taxes as restated	1,590.98	204.72	167.08	144.03	123.76
Less : Income Considered in Capital gain Head	9.50	-	-	-	-
B Tax Rate Applicable %	34.608	33.063	33.063	32.445	32.445
C Tax Impact (A*B)	547.32	67.69	55.24	46.73	40.15
Adjustments:					
D Permanent Differences					
Donation	0.37	-	1.38	1.79	0.11
Interest on Income Tax and TDS	3.56	-	8.24	6.29	3.88
Loss/(Profit) on sale of Fixed Assets	23.88	(0.43)	-	-	-
Expenses (Professional Fee) on Which TDS not deducted, disallowed u/s 40a (ia)					
Interest on account of Short Payment of Advance Tax	16.54	1.49	2.71	2.82	2.98
Total Permanent Differences	44.35	1.06	12.33	10.90	6.97
E Timing Difference					
Difference between tax depreciation and book depreciation	20.09	28.23	34.94	29.07	24.69
Gratuity Expenses disallowed U/s 40(A) (7)	3.67	3.91	3.26	2.73	0.36
Total Timing Differences	23.76	32.15	38.20	31.81	25.04
Income Under the head of Capital Gain	9.19	-	-	-	-
F Net Adjustment (F) = (D+E)	77.30	33.21	50.53	42.71	32.01
G Tax Expenses/ (Saving) thereon (F*B)	26.75	10.98	16.71	13.86	10.39
H Tax Liability, After Considering the effect of Adjustment (C+G)	574.07	78.67	71.95	60.59	50.54
MAT Credit Utilized	-	-	-	-	-
H Tax Liability, After Considering the effect of MAT Credit	574.07	78.67	71.95	60.59	50.54
I Book Profit as per MAT *	1,590.98	204.72	167.08	144.03	123.76
J MAT Rate	21.34	20.39	20.39	20.01	20.01
K Tax liability as per MAT (I*J)	339.54	41.74	34.07	28.82	24.76
L Current Tax being Higher of H or K	574.07	78.67	71.95	60.59	50.54
M Tax Paid Under (Normal/MAT) in Income Tax Return Filed by Company	Normal	Normal	Normal	Normal	Normal

* MAT refers to Minimum Alternative Tax as referred to in section 115 JB of the Income Tax Act, 1961

Notes:

1. The aforesaid statement of tax shelters has been prepared as per the restated Summary statement of profits and losses of the Company. The permanent/timing differences have been computed considering the acknowledged copies of the income-tax returns of respective years stated above. The changes in the tax liability and the interest thereon arising on account of assessment proceedings, notices, appeals etc has been adjusted in the tax liability of the year to which the liability
2. The figures for the year ended March 31, 2018 are based on the provisional computation of Total Income prepared by the Company.
3. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.



RESTATED STANDALONE STATEMENT OF CAPITALISATION

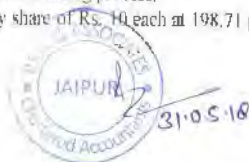
ANNEXURE – Z

(Amt. in lakh Rs.)

Particulars	Pre Issue 31-03-2018	Post Issue (Refer Note Below)
Debt		
Short Term Debt		1,782.34
Long Term Debt		13.12
Total Debt		1,795.46
Shareholders' Fund (Equity)		
Share Capital		772.35
Reserves & Surplus		2,045.34
Less: Miscellaneous Expenses not w/off		-
Total Shareholders' Fund (Equity)		2,817.69
Long Term Debt/Equity		0.005
Total Debt/Equity		0.64

Notes:

1. Short term Debts represent which are expected to be paid/payable within 12 months and excludes installment of term loans repayable within 12 months.
2. Long term Debts represent debts other than Short term Debts as defined above but includes installment of term loans repayable within 12 months grouped under other current liabilities
3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 31/03/2018.
4. The figures disclosed above are based on the restated financial information of the Company.
5. The Post issue debt equity ratio will be computed on the conclusion of book building process.
6. The Company has made preferential allotment of 1,73,779 No. of Equity share of Rs. 10 each at 198.71 per share (including of Premium of 188.71 per share) on 28th April 2018.



MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

You should read the following discussion of our financial condition and results of operations together with our Restated Financial Statements which is included in this Draft Red Herring Prospectus. The following discussion and analysis of our financial condition and results of operations is based on our Restated Financial Statements, as restated for the years ended March 31, 2018, March 31, 2017 and March 31, 2016, including the related notes and reports, included in this Draft Red Herring Prospectus is 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 statutory financial statements. 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 20 and 21 , respectively, and elsewhere in this Draft Red Herring Prospectus.

Our Fiscal ends on March 31 of each year. Accordingly, all references to a particular Fiscal are to the 12 months ended March 31 of that year.

OVERVIEW

Incorporated in 2005, our Company Manorama Industries Limited ("Manorama" or "Company" or "MIL") is engaged in manufacturing, processing and supply of exotic and specialty fats & oils like Sal butter, Sal fat, Sal oil, Sal Stearine, Sal olein, Mango butter, Mango fat, Mango oil, Mango Stearine, Kokum butter, Kokum oil, Mowrah fat, and several value added tailor made products. Currently, we are among the leading manufacturers of Sal Oils and Stearine globally with an annual production of 3,000-4,000 tonnes. Last year, we produced 908 tonnes of Stearine resulting into approximately 1% global market share. Globally, we are amongst the top 10 manufacturers of Stearine. [Source: CARE Industry Report]. As early as the 1970s, our Group had made its mark on global Oils and Fats industry with the Netherlands Government publishing special features on the Indian entrepreneur in leading Dutch newspapers publicizing the vast potential of Indian exotic fats.

We are majorly catering to chocolate and cosmetic industry. Our product stearine which is made out of sal or mango seeds is one of the key ingredients in the manufacturing of Cocoa Butter Equivalents (CBE), which has a demand in the Chocolate Industry. Further our product olein is generally demanded in cosmetic industry. Our products also serve as a non-palm oil ingredient as there is movement against usage of palm oil in many western countries. Further pursuant to the enactment of recent notification F. No. Stds /SCSS&H/ Notification (02)/FSSAI-2016 dated May 17th, 2017, from 1st Jan 2018, India has allowed 5% CBE produced from Indian exotic fats to be used in manufacturing of chocolates. The relaxation is not applicable for CBE produced out of imported Shea Stearine. This has been a major positive development for the Company. As the chocolate industry is growing rapidly in India, the demand for CBE should increase rapidly, which can be catered to by CBE produced from Sal, Mango, Kokum, Mahua, Phulwara, & Dhupa ,which are Indian exotic fats and considering our Company has already been dealing in such ingredients and is proposing to set up an integrated facility for manufacturing of CBE at Raipur, the said notification should boost our revenue from operations and financial results. We have also entered into an agreement with one of the leading chocolate manufacturers for supply of CBE for a period of two year from 2018. As on date of the DRHP, we have an order book to supply CBE worth Rs. 7680.00 lakhs over a period of two years from April, 2018.

Our key source of raw material is Sal seeds which are sourced from tribals living in Sal forests in Chhattisgarh, Jharkhand, Orissa & parts of Madhya Pradesh. The seeds start falling down during month of May and June and tribals collect them and bring them to the village centres. Manorama has been buying these seeds from tribals for many years and has an established network in more than 18,000

villages in the states of Chhattisgarh, Jharkhand, Orissa, Madhya Pradesh, etc. We also procure raw materials from forest departments and local markets if required.

Along with Sal Seeds, tribals also bring other forest and agri produced materials like rice, paddy, maize, etc. and we have been buying them in order to facilitate the tribals for ease of doing business and serving as a one point vendor for all of their products. We harboured the ambition of becoming Agro-Product trading house along with manufacturing. However, the trading business could not yield results as envisaged by our management. Though we have implemented better operational controls and systems, as a part of our future business strategy, our Company may not pursue the trading business.

Our manufacturing process can be divided into two parts i.e. i) Solvent extraction and pre-processing and ii) Refining and fractionation. We outsource solvent extraction and pre-processing activity to third parties at Chhattisgarh who conduct such processes under the supervision and guidance of our operations team. As on the date of the DRHP, we have entered into agreements with 3 parties to carry out such activities on solvent extraction on our behalf. The second part i.e refining and fractionation process is carried out at our manufacturing facility situated at Nagpur. This facility has been registered by Intertek as conforming to the requirements of EFfCI GMP Guide for Cosmetic Ingredients, including the certification standard and scheme for GMP for Cosmetic Ingredients- Revision 2012. It also meets the requirements laid down by OneCert International Organic Standards (EU Equivalent), National Programme for Organic Production (India), National Organic Programme technical standards (USA) and India's National Programme for Organic Production Standards. Our Company is in the process of setting up an integrated manufacturing facility at Raipur with a capacity of around 11,250 tonnes p.a. of speciality fats and CBE; which shall enable us to carry out the entire manufacturing operations under one roof. For details, please refer the chapter titled "Objects of the Issue" beginning on page 104 of the DRHP.

Our Company is promoted by Vinita Saraf. She has more than a decade of experience in the food processing and specialty oils industry. Her journey has been marked by ambitious and entrepreneur vision coupled with great vigour and hard work. She has been active in developing the seed collection systems as they are a critical component for the manufacture of specialty fats & CBE. Her leadership has enabled Manorama to achieve numerous milestones and also resulted in creation of a robust business model. As a family, we have been in this business for more than four decades and have built relationships with large global chocolate/CBE manufacturers like Ferrero (Italy), Ferrero (India), Mitsui (Japan), Unigra (Italy), Walter Rau (Germany), Adeka Corporation (Japan), Olvea Vegetable Oils (France), etc. who regularly source Sal Stearine and other fats from us. We have also entered into a supply agreement with The Body Shop International Ltd. (U.K.) ("The Body Shop") for supply of Mango Butter. The Body Shop is one of the leading global cosmetic brands who have pioneered social audits with extremely stringent criteria for sourcing of their products & selection of suppliers. Similarly, we have been supplying oleins & fats which have been used by other leading cosmetic companies like L'oreal, ActivON (Korea), Naturasante LeafMotiv (France), Gustav Hess GMBH (Germany), Hallstar (USA), Jedward International INC (USA), Kerfoot Group UK, etc.

Our Company is ISO 9001: 2008, ISO 22000:2005 and FSSC 22000 certified and the products manufactured by our Company are certified by various agencies such as Star Kosher Certification and meets the requirements set down by Food Safety & Standards Authority of India, Halal Certified Products List. We are supplying our products both in domestic and export markets. We have also been recognised as Star Export House by Government of India. Domestically, we majorly supply in Maharashtra, Gujarat, etc. and internationally, we mainly supply our products in countries like Japan, Italy, Malaysia, Indonesia, Singapore, Netherlands, Germany, Sweden, Denmark and UK. Further our Company has to its credit,

- *Highest Processor & Exporter of Sal seeds & Mango Kernel awarded by President of Solvent Extractors Association of India in 2013, 2014, 2015, 2016 & 2017*
- *The Chairman of Indian Oilseeds and Produce Export Promotion (IOPEPC) presented the Highest Export for Sal Oil and Mango Oil award to Manorama Industries in 2013, 2014, 2015, 2016 & 2017*
- *The Globoil India towards Sustainability in 2016*

- *SHEFEXIL Export Award for Highest Exporter of Fixed Vegetable, Oil, Cake & Others for the years 2009, 2010 & 2013;*

From FY 2013-14 to FY 2017-18, as per our Restated Financial Statements, i) our total revenue has shown growth from Rs. 10,532.50 lakhs to Rs. 22,189.33 lakhs, representing a CAGR of 20.46% ii) our EBITDA has shown growth from Rs. 462.26 lakhs to Rs. 1,851.48 lakhs, representing a CAGR of 41.43% iii) our profit after tax has shown growth from Rs. 89.62 lakhs to a profit of Rs. 1,035.56 lakhs representing a CAGR of 84.29% iv) our RONW has grown from 10.37% to 41.89%.

SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL YEAR

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 profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months except as follows:-

1. The Board of our Company has approved to raise funds through initial public offering in the meeting held on April 02, 2018. The members of our company approved proposal of Board of Directors to raise funds through initial public offering in the extra ordinary general meeting held on April 10, 2018.
2. The members of our Company approved in their meeting held on April 10, 2018 to borrow from time to time, any sum or sums of monies, which together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), may exceed the aggregate of the paid up capital of the company and free reserve, that is to say, reserves not set apart for any specific purposes, provided that the total outstanding amount so borrowed, shall not at any time exceed the limit of Rs. 250.00 crores.

FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business is subjected to various risks and uncertainties, including those discussed in the section titled "*Risk Factor*" beginning on page 21 of this Draft Red Herring Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- Costs and availability of raw materials;
- Changes in consumer preferences;
- Competition from existing and new entrants;
- General economic and business conditions;
- Changes in laws and regulations that apply to the industry in which operate;

SIGNIFICANT ACCOUNTING POLICIES

A. BACKGROUND

The Company was originally incorporated as "Manorama Industries Private Limited" at Raipur, Chhattisgarh, as a Private Limited Company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated August 9, 2005 bearing Corporate Identification Number U15142CT2005PTC17858 issued by Registrar of Companies, Madhya Pradesh & Chhattisgarh. Subsequently our Company was converted in to Public Limited Company pursuant to shareholders resolution passed at Extraordinary General Meeting of the Company held on February 06, 2018 and the name of the Company was changed to "Manorama Industries Limited" and a Fresh Certificate of Incorporation consequent upon conversion of company to Public Limited dated March 23, 2018 was issued by Registrar of Companies, Maharashtra. The Corporate Identification number of our Company is U15142MH2005PLC243687

B. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The Restated Standalone Summary Statement of Assets and Liabilities of the Company as on March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015, and March 31, 2014, and the Restated Standalone Summary Statement of Profit and Loss and Restated Summary Standalone Statements of Cash Flows for the year ended on March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015, and March 31, 2014 and the annexure thereto (collectively, the “Restated Standalone Financial Statements” or “Restated Standalone Summary Statements”) have been extracted by the management from the Audited Financial Statements of the Company for the year ended March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015, and March 31, 2014.

The financial statements are prepared and presented under the historical cost convention and evaluated on a going-concern basis using the accrual system of accounting in accordance with the accounting principles generally accepted in India (Indian GAAP) and the requirements of the Companies Act, including the Accounting Standards as prescribed by the Companies (Accounting Standards) Rules, 2006 as per section 211(3C) of the Companies Act, 1956 (which are deemed to be applicable as Section 133 of the Companies Act, 2013 (“the Act”) read with Rule 7 of Companies (Accounts) Rules, 2014).

2. USE OF ESTIMATES

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities, if any, as at the date of the financial statements and reported amounts of income and expenses during the year. Examples of such estimates include value of realizable value of stock etc. The difference between the actual results and estimates are recognized in the period in which results are known or materialized.

3. FIXED ASSETS

Fixed assets are stated at historical cost less accumulated depreciation and impairment losses. Cost includes purchase price and all other attributable cost to bring the assets to its working condition for the intended use.

Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

4. DEPRECIATION

Depreciation on Fixed Assets has been provided on 'Written Down Value Method' based on the useful life of the assets and in the manner prescribed in the Schedule II of the Companies Act, 2013. The Company has calculated depreciation through WDV method upto 31.03.2014 as per Schedule XIV of Companies Act 1956.

5. BORROWING COSTS

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

6. IMPAIRMENT OF ASSETS

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of amount.

7. INVESTMENTS

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

8. INVENTORIES

i) Raw Material are valued at lower of Cost or net realizable value and Stores & Spares are valued at cost.

ii) Finished Goods are valued at lower of cost or net realizable value. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition.

9. REVENUE RECOGNITION

Sales are recognized, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Duty Drawbacks, claims are recognized on accrual basis.

10. FOREIGN CURRENCY TRANSACTIONS

i) The transactions in foreign currencies are stated at the rate of exchange prevailing on the date of transactions.

ii) The difference on account of fluctuation in the rate of exchange prevailing on the date of transaction and the date of realization is charged to the Statement of Profit and Loss.

iii) Differences on translations of Current Assets and Current Liabilities remaining unsettled at the year-end are recognized in the Statement of Profit and Loss.

iv) The premium/discount in respect of outstanding forward exchange contract is accounted as income/expense by comparing the premium/discount available if the contract is expiring on the year end. The net gain or loss on account of any exchange difference, cancellation or renewal of such forward exchange contracts is recognized in the Statement of Profit & Loss.

11. EMPLOYEE BENEFITS

Defined-contribution plans:

i) The company has no policy of encashment and accumulation of leave. Therefore, no provision of leave Encashment is required.

ii) Company's contribution to Provident Fund and other Funds for the year is accounted on accrual basis and charged to the Statement of Profit & Loss for the year.

iii) Retirement benefits in the form of Gratuity are considered as defined benefit obligations and are provided on the basis of the actuarial valuation, using the projected unit credit method as at the date of the Balance Sheet

12. SEGMENT ACCOUNTING

(i) Business Segment

(a) The business segment has been considered as the primary segment.

(b) The Company's primary business segments are reflected based on principal business activities, the nature of service, the differing risks and returns, the organization structure and the internal financial reporting system.

(c) The Company's primary business includes "Trading , Manufacturing and exports in Agro based Products Likes Seeds, DOC, Rice Grains , Sal / mango Oil , Sal Fat, Stearine and olein, Mango Fat, Stearine and olein,CBE ,CBS etc." and accordingly there are two business segment i.e. Trading in Agro based commodities and Manufacturing of Sal Fat, Stearine and olein, Mango Fat, Stearine and olein,CBE ,CBS, and accordingly disclosure is made as envisaged in Accounting Standard 17 'Segment Reporting'.

(ii) Geographical Segment

The Company supplies its product in domestic as well as export market, however primary segment is selected as reportable segment since there is no comparatively major difference in risk and reward in above geographical segments.

13. ACCOUNTING FOR TAXES ON INCOME

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

(i) Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

(ii) Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each reporting date. The company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

14. CONTINGENT LIABILITIES AND PROVISIONS

Provisions are recognized only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made.

Contingent Liability is disclosed for

a) Possible obligation which will be confirmed only by future events not wholly within the control of the Company or

b) Present obligations arising from the past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

c) Contingent Assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

15. EARNINGS PER SHARE:

In determining the Earnings Per share, the company considers the net profit after tax which does not include any post tax effect of any extraordinary / exceptional item. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period. Bonus Share allotment has been considered as if it took place at the beginning of Restatement period.

16. CASH FLOW:

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. Cash flows from operating, investing and financing activities of the Company are segregated, accordingly.

DISCUSSION ON RESULT OF OPERATION

The following discussion on results of operations should be read in conjunction with the audited financial results of our Company for the financial years ended March 2018, 2017 and 2016.

OVERVIEW OF REVENUE & EXPENDITURE

Revenue: Our revenue comprises of revenue from operations and other income

Revenue from operations:

Our revenue from operations comprises of revenue from sale of manufactured and traded products. Our revenue from manufactured operations constituted mainly revenue from sale of speciality fats and oils made from sal seeds, mango kernel, kokum seeds, etc. Our traded operations consist of trading of agro based commodities. Our revenue from operations also consists of other operating revenue such as duty drawback claim, gain on currency forward contract, excise duty refundable, etc.

Our Manufacturing Operations

Currently, we are among the leading manufacturers of Sal Oils and Stearine globally with an annual production of 3,000-4,000 tonnes. Last year, we produced 908 tonnes of Stearine resulting into approximately 1% global market share. Globally, we are amongst the top 10 manufacturers of Stearine. [Source: CARE Industry Report]. The speciality fats and oils produced by us have been tailor-made to suit the needs of various confectioners. These specialty fats & CBEs are exported to Japan, Italy, Malaysia, Indonesia, Singapore, Netherlands, Germany, Sweden, Denmark and UK.

Trading Business

Along with our basic raw materials, tribals also bring other forest produced materials like rice, soya, rapeseed, dorb etc. and we have been buying them in order to facilitate the tribals for ease of doing business and serving as a one point vendor for all of their products. We harboured the ambition of becoming Agro-Product trading house along with manufacturing. However, the trading business could not yield results as envisaged by our management. Though we have implemented better operational controls and systems, as a part of our future business strategy, our Company may not pursue the trading business.

(Rs. in lakhs)

Particulars	2018	2017	2016
Manufacturing Break Up			
A. Export Revenue	4,034.25	3,524.64	2,736.74
As a % of total manufacturing revenue	65.89%	61.77%	56.34%
B. Domestic Revenue	2,088.15	2,181.80	2,120.96
As a % of total manufacturing revenue	34.11%	38.23%	43.66%
Total Manufacturing Revenue	6,122.40	5,706.44	4,857.70
<i>As a % of total revenue from operations</i>	<i>27.83%</i>	<i>39.23%</i>	<i>37.07%</i>
Trading Revenue	15,790.97	8,763.99	8,212.48

<i>As a % of total revenue from operations</i>	<i>71.78%</i>	<i>60.24%</i>	<i>62.67%</i>
Other Operating Income	84.46	77.34	33.55
Total Revenue from Operations	21,997.83	14,547.77	13,103.74

Other Income:

Our other income mainly comprised of interest on fixed deposits, premium on forward contract, insurance claim received, profit on sale of fixed assets, profit on sale of investment, sundry balances written back, service tax claim received and other miscellaneous income.

Expenditure

Our total expenditure primarily consists of comprise of costs of materials consumed, purchase of traded goods, changes in inventories of finished goods, work in progress and stock -in-trade, employee benefit expenses, finance cost, depreciation and amortization expenses and other expenses.

Direct Expenditure

Direct expenditure consists of cost of material consumed, purchase of stock in trade and changes of inventories of finished goods, traded goods and work in progress.

Costs of materials consumed

Our costs of material consumed expenditure comprised of expenditure on raw material consumption required in our manufacturing operations such as sal seeds, mango kernel, kokum seeds, etc.

Purchase of traded goods

Our purchase of traded goods comprised of expenditure on purchase of traded goods such as rice, maize, DORB, soya doc, etc.

Changes in inventories of finished goods, work in progress and stock -in-trade

Changes in inventories of finished goods, work in progress and stock -in-trade consist of changes in our inventory of finished goods, stock-in-trade, packing material, stores & consumables as at the beginning and end of the year.

Employee benefits expense

Our employee benefit expense mainly consists of salary and wages, incentives, director's remuneration, contribution to PF and other funds, staff welfare expense and provision for gratuity.

Finance Costs

Our finance costs comprises of interest on short term and long term loan from banks and financial institutions, other borrowing costs, applicable net gain/loss on foreign currency transaction and interest on delayed payment of taxes.

Depreciation

Tangible and intangible assets are depreciated and amortised over periods corresponding to their estimated useful lives. See "Significant Accounting Policies –Depreciation" under section titled financial statement on page 218 of this Draft Red Herring Prospectus.

Other Expenses

Our other expenses primarily consists of manufacturing expenses such as electricity charges, processing charges, labour charges, packing expenses, plant expenses, procurement expenses, sampling & testing charges, supervision expenses, etc. and administrative and selling expenses such as rent, rates & taxes, freight charges, insurance charges, travelling expenses, repairs & maintenance, audit fees, agency charges, commission expenses, legal & professional fee, lodging & boarding expenses, office administrative expenses, postage & courier expenses, registration & exhibition expenses, telephone & internet expenses, vehicle expenses among others.

Statement of profits and loss

The following table sets forth, for the fiscal years indicated, certain items derived from our Company's audited restated financial statements, in each case stated in absolute terms and as a percentage of total revenue:

Amount (Rs. In Lakhs)

Particulars`	For the Year ended March 31,		
	2018	2017	2016
Total Revenue:			
Revenue from operations	21,997.83	14,547.77	13,103.74
As a % of Total Revenue	99.14%	99.38%	99.50%
Other income	191.49	90.44	65.71
As a % of Total Revenue	0.86%	0.62%	0.50%
Total Revenue	22,189.33	14,638.20	13,169.45
Expenses:			
Costs of materials consumed	3,439.64	2,978.36	2,874.83
As a % of Total Revenue	15.50%	20.35%	21.83%
Purchase of traded goods	16,001.04	9,122.36	8,230.33
As a % of Total Revenue	72.11%	62.32%	62.50%
Changes in inventories of finished goods, work in progress and stock -in-trade	(1,522.39)	360.51	(338.98)
As a % of Total Revenue	(6.86)%	2.46%	(2.57)%
Employee benefit expenses	298.98	298.32	248.58
As a % of Total Revenue	1.35%	2.04%	1.89%
Finance costs	189.91	79.82	178.21
As a % of Total Revenue	0.86%	0.55%	1.35%
Depreciation and amortization expense	70.60	82.05	85.84
As a % of Total Revenue	0.32%	0.56%	0.65%
Other expenses	2,120.57	1,512.06	1,723.55
As a % of Total Revenue	9.56%	10.33%	13.09%
Total Expenses	20,598.35	14,433.48	13,002.36
As a % of Total Revenue	92.83%	98.60%	98.73%
Profit before exceptional, extraordinary items and tax	1,590.98	204.72	167.08
As a % of Total Revenue	7.17%	1.40%	1.27%
Exceptional items	-	-	-
Profit before extraordinary items and tax	1,590.98	204.72	167.08
As a % of Total Revenue	7.17%	1.40%	1.27%
Extraordinary items	-	-	-
Profit before tax	1,590.98	204.72	167.08
PBT Margin	7.17%	1.40%	1.27%
Tax expense :			
(i) Current tax	574.07	78.67	71.95
(ii) Deferred tax	(18.65)	(11.46)	(13.08)
Total Tax Expense	555.42	67.20	58.87
% of total income	2.50%	0.46%	0.45%
Profit for the year	1,035.56	137.52	108.21
PAT Margin	4.67%	0.94%	0.82%

Segment wise breakup of our revenue and expenses as per our restated financial statements

Particulars (INR Lacs)	2018	2017	2016
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Manufacturing			
Revenue from Operations	6,206.86	5,783.77	4,891.25
Other Income	191.49	90.44	65.71
Total Revenue from Operations	6,398.35	5,874.21	4,956.96
Identifiable Operating Expenses	2,080.68	2,878.81	3,269.74
As a % of manufacturing revenue	32.52%	49.01%	65.96%
Allocated Operating Expenses	2,435.14	1,717.40	1,789.53
As a % of manufacturing revenue	38.06%	29.24%	36.10%
Depreciation	70.60	82.05	85.84
As a % of manufacturing revenue	1.10%	1.40%	1.73%
Operating Income	1,811.93	1,195.94	(188.15)
Operating Income Margin %	28.32%	20.36%	-3.80%
Trading			
Revenue from Trading	15,790.97	8,763.99	8,212.48
Identifiable Operating Expenses	15,837.60	9,587.64	7,496.44
As a % of trading revenue	100.30%	109.40%	91.28%
Allocated Operating Expenses	-	2.81	-
Income / Loss from Trading	(46.63)	(826.46)	716.04
As a % of trading revenue	-0.30%	-9.43%	8.72%
Total Revenue	21,997.83	14,547.76	13,103.73
Unallocable expenses	174.32	164.76	360.82
Operating Income	1,811.93	1,195.94	(188.15)
Income from Trading	(46.63)	(826.46)	716.04
PBT	1,590.98	204.72	167.07
Tax	555.42	67.20	58.87
PAT	1,035.56	137.52	108.20

COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2018 WITH FINANCIAL YEAR ENDED MARCH 31, 2017

Total Revenue

Our total revenue increased by 51.59% to Rs. 22,189.33 lakhs for the financial year 2017-18 from Rs. 14,638.20 lakhs for the financial year 2016-17 due to the factors described below:

Revenue from operations: Our revenue from operations increased by 51.21% to Rs. 21,997.83 lakhs for the financial year 2017-18 from Rs. 14,547.77 lakhs for the financial year 2016-17. The increase was mainly due to:

Manufacturing:

Our manufacturing revenue increased by 7.29% to Rs. 6122.40 in financial 2017-18 from Rs. 5706.44 lakhs in financial year 2016-17. The increase has been relatively low due to capacity constraints.

Trading:

Our trading revenue increased by 80.18% to Rs. 15790.97 lakhs in financial 2017-18 from Rs. 8763.99 lakhs in financial year 2016-17. The increase has been largely due to higher trading sales of rice and DORB as there was a bumper crop & higher demand from Global / Domestic trading houses.

The increase in other operating revenue was mainly due to increase in gain on currency forward contract and excise refundable which was partially offset by decline in import duty received and duty drawback claim.

Other income: Our other income increased by 111.74% to Rs. 191.49 lakhs for the financial year 2017-18 from Rs. 90.44 lakhs for the financial year 2016-17. This was mainly due to increase in interest on fixed deposits by Rs. 56.16 lakhs, increase in premium on forward contract by Rs. 23.45 lakhs, profit on sale of investment by Rs. 9.50 lakhs, service tax claim received by Rs. 13.51 lakhs, other miscellaneous income by Rs. 0.08 lakhs, insurance claim received by Rs. 0.07 lakhs which was partially offset by decrease in balances written off by Rs. 1.29 lakhs and decrease in profit on sale of vehicle by Rs. 0.43 lakhs.

Total Expenses

Our total expenses increased by 42.71% to Rs. 20,598.35 lakhs for the financial year 2017-18 from Rs.14,433.48 lakhs for the financial year 2016-17, due to the factors described below:

Direct Expenditure: Our total expenses increased by 43.79% to Rs. 17,918.29 lakhs for the financial year 2017-18 from Rs.12,461.23 lakhs for the financial year 2016-17, due to the factors described below:

Costs of materials consumed: Our costs of materials consumed increased by 15.49% to Rs. 3,439.64 lakhs in FY 2017-18 from Rs. 2,978.36 lakhs in FY 2016-17 which was due to increase in our business operations.

Purchase of traded goods: Our purchase of traded goods increased by 75.40% to Rs. 16,001.04 lakhs in FY 2017-18 from Rs. 9,122.36 lakhs in FY 2016-17 which was due to increase in our trading operations.

Changes in inventories of finished goods, work in progress and stock -in-trade: Our changes in inventory of finished goods, work in progress and stock -in-trade changed by (522.28)% to Rs. (1,522.39) lakhs in financial year 2017-2018 from Rs. 360.51 lakhs in financial year 2016-2017. This was primarily due to higher level of closing stock at end of financial year 2017-2018 compared to financial year 2016-2017. As India has opened up for 5% CBE consumption with effect from 1st January 2018 and hence the demand from multinational companies has gone up and to cater to this demand, additional production was done which is reflected in increase in inventories. On account of this deregulation, the company has increased its inventory of CBE related ingredients from INR 103.61 lakhs in FY 17 to INR 1,672.23 lakhs in FY 18 in order to fulfil the domestic demand along with the existing global demand.

Employee benefits expenses: Our employee benefit expenses slightly increased by 0.22% to Rs. 298.98 lakhs for the financial year 2017-18 from Rs. 298.32 lakhs for the financial year 2016-17. The increase was mainly due to increase in contribution to provident and other fund by Rs. 6.11 lakhs. This was offset by slight decrease in salaries & wages by Rs. 4.74 lakhs and staff welfare expenses by Rs. 0.71 lakhs. Decrease in our salaries & wages was mainly due to decrease in number of employees which was offset by increase in salaries and wages of some employees.

Finance costs: Our finance costs increased by 137.93% to Rs. 189.91 lakhs for the financial year 2017-18 from Rs. 79.82 lakhs for the financial year 2016-17. The increase was mainly on account of increase in interest expense on short term borrowings by Rs. 90.43 lakhs, increase in other borrowing costs by Rs. 4.60 lakhs and increase in interest on delayed payment of taxes by Rs. 15.05 lakhs. Increase in interest expense was primarily due to increase in utilization of our short term borrowings.

Depreciation and amortisation expense: Our depreciation and amortization expense decreased by 13.96 % to Rs. 70.60 lakhs for the financial year 2017-18 from Rs. 82.05 lakhs for the financial year 2016-17. Our gross block decreased to Rs. 588.71 lakhs in the financial year 2017-18 from Rs. 688.65 lakhs in the financial year 2016-17.

Other expenses: Our other expenses increased by 40.24% to Rs. 2,120.57 lakhs for the financial year 2017-18 from Rs. 1,512.06 lakhs for the financial year 2016-17. The increase was mainly due to increase in our business operations and therefore increase in processing charges by Rs. 302.48 lakhs, freight charges by Rs. 91.60 lakhs, travelling expenses by Rs. 51.38 lakhs, agency charges by Rs. 25.49 lakhs, corporate event expenses by Rs. 21.85 lakhs, lodging and boarding expenses by Rs. 21.11 lakhs, among others in the financial year 2017-18. We have also booked loss on sale of fixed assets of Rs. 23.88 lakhs in FY 2017-18. However, the increase was partially offset by decrease in procurement expenses by Rs. 7.53 lakhs, supervision expenses by Rs. 5.99 lakhs, electricity charges by Rs. 5.20 lakhs, labour and welfare charges by Rs. 4.14 lakhs, sales promotion expenses by Rs. 3.69 lakhs and vehicle expenses by Rs. 3.61 lakhs among others in the financial year 2017-18.

Profit before tax: Our profit before tax increased by 677.15% to Rs. 1,590.98 lakhs for the financial year 2017-18 from Rs. 204.72 lakhs for the financial year 2016-17. The increase was mainly due to reduction in our raw material cost & increase in our oil yield recovery.

Tax expenses: Our tax expenses increased by 726.50% to Rs. 555.42 lakhs for the financial year 2017-18 from Rs. 67.20 lakhs for the financial year 2016-17 which was due to increase in current tax expense by Rs. 495.41 lakhs. This increase was offset by increase in deferred tax benefit by Rs. 7.19 lakhs in FY 2017-18.

Profit after tax: Our profit after tax increased by 653.04% to Rs. 1,035.56 lakhs for the financial year 2017-18 from Rs. 137.52 lakhs for the financial year 2016-17 due to reasons mentioned above.

COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2017 WITH FINANCIAL YEAR ENDED MARCH 31, 2016

Total Revenue

Our total revenue increased by 11.15% to Rs. 14,638.20 lakhs for the financial year 2016-17 from Rs. 13,169.45 lakhs for the financial year 2015-16 due to the factors described below:

Revenue from operations: Our revenue from operations increased by 11.02% to Rs. 14,547.77 lakhs for the financial year 2016-17 from Rs. 13,103.74 lakhs for the financial year 2015-16. The increase was mainly due to increase in our revenue from trading operations by Rs. 551.51 lakhs, increase in our revenue from manufacturing operations by Rs. 848.74 lakhs and increase in operating revenue by Rs. 43.79 lakhs. The increase in our trading operations was mainly due to increase in trading of mango kernel meal, maize, rice bran doc, etc. which was offset by decline in sale of other agro based commodities like rice, sal doc, rapeseed doc, etc. The increase in our revenue from manufactured products was mainly due to increase in sales of Sal oil & Fats, Mango oil & Fats, Kokum Butter, Mango Butter, Sal seed meal, Sal NBD Stearine, Soya DOC, etc. which was partially offset by decline in sales of DORB. The increase in other operating revenue was mainly due to increase in gain on currency forward contract, import duty received and duty drawback claim which was partially offset by decline in benefit received from Vishesh Krishi Upaj Yojana.

Other income: Our other income increased by 37.63% to Rs. 90.44 lakhs for the financial year 2016-17 from Rs. 65.71 lakhs for the financial year 2015-16. This was mainly due to increase in interest on fixed deposits by Rs. 27.52 lakhs, increase in balances w/off by Rs. 1.29 lakhs, increase in service tax claim received by Rs. 1.03 lakhs, profit on sale of vehicle by Rs. 0.43 lakhs which was partially offset by decline in premium on forward contract by Rs. 3.05 lakhs and insurance claim receipts by Rs. 2.49 lakhs.

Total Expenses

Our total expenses increased by 11.01% to Rs. 14,433.48 lakhs for the financial year 2016-17 from Rs. 13,002.36 lakhs for the financial year 2015-16, due to the factors described below:

Direct Expenditure: Our total expenses increased by 15.74% to Rs. 12,461.23 lakhs for the financial year 2016-17 from Rs. 10,766.19 lakhs for the financial year 2015-16, due to the factors described below:

Costs of materials consumed: Our costs of materials consumed increased by 3.60% to Rs. 2,978.36 lakhs in FY 2016-17 from Rs. 2,874.83 lakhs in FY 2015-16 which was due to increase in our business operations.

Purchase of traded goods: Our purchase of traded goods increased by 10.84% to Rs. 9,122.36 lakhs in FY 2016-17 from Rs. 8,230.33 lakhs in FY 2015-16 which was due to increase in our trading operations.

Changes in inventories of finished goods, work in progress and stock -in-trade: Our changes in inventory of finished goods, work in progress and stock -in-trade changed by (206.35)% to Rs. 360.51 lakhs in financial year 2016-2017 from Rs. (338.98) lakhs in financial year 2015-2016. This was primarily due to lower level of closing stock at end of financial year 2016-2017 compared to financial year 2015-2016.

Employee benefits expenses: Our employee benefit expenses increased by 20.01% to Rs. 298.32 lakhs for the financial year 2016-17 from Rs. 248.58 lakhs for the financial year 2015-16. The increase was mainly due to increase in salaries & wages by Rs. 56.35 lakhs, contribution to provident and other funds by Rs. 2.88 lakhs. This was offset by decrease in staff welfare expenses by Rs. 9.49 lakhs. Increase in our salaries & wages was mainly due to increase in number of employees as well as increase in salaries and wages of some employees.

Finance costs: Our finance costs decreased by 55.21% to Rs. 79.82 lakhs for the financial year 2016-17 from Rs. 178.21 lakhs for the financial year 2015-16. The decrease was mainly on account of decrease in interest expense on short term borrowings by Rs. 51.85 lakhs, applicable net gain/loss on foreign currency transaction by Rs. 46.57 lakhs and interest on delayed payment of taxes by Rs. 1.22 lakhs. The decrease was partially offset by increase in other borrowing costs by Rs. 1.25 lakhs. Decrease in interest expense was primarily due to decrease in utilization of our short term borrowings.

Depreciation and amortisation expense: Our depreciation and amortization expense decreased by 4.41% to Rs. 82.05 lakhs for the financial year 2016-17 from Rs. 85.84 lakhs for the financial year 2015-16.

Other expenses: Our other expenses decreased by 12.27% to Rs. 1,512.06 lakhs for the financial year 2016-17 from Rs. 1,723.555 lakhs for the financial year 2015-16. The decrease was mainly due to decrease in freight charges by Rs. 168.38 lakhs, travelling expenses by Rs. 54.94 lakhs, lodging & boarding expenses by Rs. 34.44 lakhs, procurement expenses by Rs. 24.10 lakhs, agency charges by Rs. 16.69 lakhs, commission paid by Rs. 15.47 lakhs, among others in the financial year 2016-17. However, the decrease was partially offset by increase in processing charges by Rs. 134.39 lakhs, rent, rates & taxes by Rs 12.63 lakhs, plant expenses by Rs. 8.23 lakhs, packing expenses by Rs. 7.71 lakhs and sales promotion expenses by Rs. 7.51 lakhs among others in the financial year 2016-17.

Profit before tax: Our profit before tax increased by 22.52% to Rs. 204.72 lakhs for the financial year 2016-17 from Rs. 167.08 lakhs for the financial year 2015-16. The increase was mainly due to increase in our business operations.

Tax expenses: Our tax expenses increased by 14.14% to Rs. 67.20 lakhs for the financial year 2016-17 from Rs. 58.87 lakhs for the financial year 2015-16 which was due to increase in current tax expense by Rs. 6.72 lakhs and decrease in deferred tax benefit by Rs. 1.61 lakhs in FY 2016-17.

Profit after tax: Our profit after tax increased by 27.08% to Rs. 137.52 lakhs for the financial year 2016-17 from Rs.108.21 lakhs for the financial year 2015-16 due to reasons mentioned above.

OTHER KEY RATIOS

The table below summaries key ratios in our Restated Financial Statements for the financial years ended March 31, 2018, 2017 and 2016:

Particulars	For the year ended March 31,		
	2018	2017	2016
Fixed Asset Turnover Ratio	36.17	22.70	18.08
Inventories Turnover Ratio	22.07	39.25	31.29
Debt Equity Ratio	0.73	0.01	0.38
Current Ratio	1.93	2.41	2.41

Fixed Asset Turnover Ratio: This is defined as revenue from manufacturing operations divided by total net fixed assets (excluding capital work in progress), based on Restated Financial Statements.

Inventories Turnover Ratio: This is defined as revenue from operations divided by average inventory. Average inventory is computed by dividing the sum of opening inventory and closing inventory by two, based on Restated Financial Statements.

Debt Equity Ratio: This is defined as total debt divided by total shareholder funds. Total debt is the sum of long-term borrowings, short-term borrowings and current maturity of long term debt, based on Restated Financial Statements. Shareholders funds is the aggregate of Equity Share Capital and Reserves and Surplus.

Current Ratio: This is defined as current assets divided by current liabilities, based on Restated Financial Statements.

Cash Flow

The table below summaries our cash flows from our Restated Financial Statements for the financial years 2018, 2017 and 2016:

(Rs. in lakhs)

Particulars	For the year ended March 31,		
	2018	2017	2016
Net cash (used in)/ generated from operating activities	(1,186.86)	1,065.69	130.86
Net cash (used in)/ generated from investing activities	(90.36)	33.08	(33.47)
Net cash (used in)/ generated from financing activities	1,615.93	(543.59)	223.23
Net increase/ (decrease) in cash and cash equivalents	338.71	555.18	320.64
Cash and Cash Equivalents at the beginning of the year	1,573.55	1,018.36	697.73
Cash and Cash Equivalents at the end of the year	1,912.25	1,573.55	1,018.36

Operating Activities

Financial year 2017-18

Our net cash flow used in operating activities was Rs. (1,186.86) lakhs for the financial year 2017-18. Our operating profit before working capital changes was Rs. 1,711.02 lakhs for the financial year 2017-18 which was primarily adjusted by payment of income tax of Rs 355.29 lakhs, increase in inventories by Rs. 1,613.43 lakhs, increase in trade receivables by Rs. 50.91 lakhs, increase in short term loans and advances by Rs. 49.29 lakhs, increase in other current assets by Rs. 191.95 lakhs, decrease in trade payables by Rs. 614.43 lakhs, decrease in other current liabilities by Rs. 22.57 lakhs, increase in short term provisions by Rs. 0.61 lakhs and decrease in long term provisions by Rs. 0.61 lakhs.

Financial year 2016-17

Our net cash flow generated from operating activities was Rs. 1,065.69 lakhs for the financial year 2016-17. Our operating profit before working capital changes was Rs. 272.32 lakhs for the financial year 2016-17 which was primarily adjusted by payment of income tax of Rs. 98.33 lakhs, decrease in inventories by Rs. 361.29 lakhs, increase in trade receivables by Rs. 69.53 lakhs, increase in short term loans and advances by Rs. 15.92 lakhs, decrease in other current assets by Rs. 24.32 lakhs, increase in trade payables by Rs. 564.86 lakhs, increase in other current liabilities by Rs. 26.68 lakhs, increase in short term provisions by Rs. 0.71 lakhs and decrease in long term provisions by Rs. 0.71 lakhs.

Financial year 2015-16

Our net cash flow generated from operating activities was Rs. 130.86 lakhs for the financial year 2015-16. Our operating profit before working capital changes was Rs. 318.84 lakhs for the financial year 2015-16 which was primarily adjusted by payment of income tax of Rs. 68.76 lakhs, increase in inventories by Rs. 264.95 lakhs, decrease in trade receivables by Rs. 62.93 lakhs, decrease in short term loans and advances by Rs. 229.74 lakhs, increase in other current assets by Rs. 49.78 lakhs, increase in trade payables by Rs. 22.45 lakhs, decrease in other current liabilities by Rs. 119.62 lakhs, increase in short term provisions by Rs. 0.20 lakhs and decrease in long term provisions by Rs. 0.20 lakhs.

Investing Activities

Financial year 2017-18

Net cash used in investing activities was Rs. 90.36 lakhs for the financial year 2017-18. This was primarily on account of purchase of fixed assets of Rs. 234.03 lakhs and increase in long term loans and advances of Rs. 9.69 lakhs. This was offset by disposal of non current investments of Rs. 10.00 lakhs, and interest income of Rs. 143.35 lakhs.

Financial year 2016-17

Net cash generated from investing activities was Rs. 33.08 lakhs for the financial year 2016-17. This was primarily on account of purchase of fixed assets of Rs. 53.89 lakhs, increase in long term loans and advances of Rs. 0.22 lakhs and was offset by receipt of interest income of Rs. 87.19 lakhs.

Financial year 2015-16

Net cash used in investing activities was Rs. 33.47 lakhs for the financial year 2015-16. This was primarily on account of purchase of fixed assets of Rs. 92.57 lakhs, increase in long term loans and advances of Rs. 0.57 lakhs and was offset by receipt of interest income of Rs. 59.67 lakhs.

Financing Activities

Financial year 2017-18

Net cash generated from financing activities for the financial year 2017-18 was Rs. 1,615.93 lakhs primarily consisting of increase in short term borrowings of Rs. 1,781.59 lakhs, increase in long term borrowings of Rs 9.08 lakhs and payment of interest and finance charges of Rs. 174.74 lakhs.

Financial year 2016-17

Net cash used in financing activities for the financial year 2016-17 was Rs. 543.59 lakhs primarily consisting of repayment of short term borrowings of Rs. 464.88 lakhs, repayment of long term borrowings of Rs. 9.46 lakhs and payment of interest and finance charges of Rs. 69.25 lakhs.

Financial year 2015-16

Net cash flow generated from financing activities for the financial year 2015-16 was Rs. 223.23 lakhs primarily consisting of proceeds from share capital of Rs. 227.06 lakhs, increase in short term borrowings of Rs. 135.63 lakhs, repayment of long term borrowings of Rs. 17.14 lakhs and payment of interest and finance charges of Rs. 122.32 lakhs.

Financial Indebtedness

As on March 31, 2018, the total outstanding borrowings of our Company aggregated to Rs. 1,795.46 lakhs which includes long-term borrowings of Rs. 9.08 lakhs, short-term borrowings of Rs.1,782.34 lakhs and current maturities of long term debt of Rs. 4.04 lakhs. For further details, refer chapter titled “Financial Indebtedness” beginning on page 237 of this Draft Red Herring Prospectus.

(Rs. in lakhs)

Particulars	As at March 31, 2018
Long Term Borrowings	
<i>Secured</i>	
- Banks and financial institutions	9.08
Sub Total (A)	9.08
Short Term Borrowings	
<i>Secured</i>	
- Cash Credit	999.86
- Export Pre-shipment Credit Facility	444.37
- Export Packing Credit	338.11
Sub Total (B)	1,782.34
Current Maturities of Long Term Borrowings (C)	4.04
Total (A)+(B)+(C)	1,795.46

In the event, any of our lenders declare an event of default, this 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, loans & advances given and taken and Issue of Equity Shares. For further details of such related parties under AS18, refer chapter titled “Financial Statements” beginning on page 218 of this Draft Red Herring Prospectus.

Contingent Liabilities

As of March 31, 2018, our Company has the following contingent liabilities:

Particulars	As at March 31, 2018
Income Tax Demand AY 13-14	63.69
Total	63.69

Further we have also been served with a demand notice dated January 3, 2018 by Office of the Deputy Director General of Foreign Trade for Rs. 14.48 lakhs for non-submission of proof of discharge of our earlier export obligation.

Off-Balance Sheet Items

We do not have any other off-balance sheet arrangements, derivative instruments or other relationships with any entity that have been established for the purposes of facilitating off-balance sheet arrangements.

Qualitative Disclosure about Market Risk

Financial Market Risks

Market risk is the risk of loss related to adverse changes in market prices, including interest rate risk. We are exposed to interest rate risk, inflation and credit risk in the normal course of our business.

Interest Rate Risk

Our financial results are subject to changes in interest rates, which may affect our debt service obligations and our access to funds.

Effect of Inflation

We are affected by inflation as it has an impact on the services used for our operations, 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 218 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 218 of this Draft Red Herring Prospectus, there have been no defaults in payment of statutory dues or repayment of debentures and interest thereon or repayment of deposits and interest thereon or repayment of loans from any bank or financial institution and interest thereon by the Company during the period April 1, 2015 up to March 31, 2018.

Material Frauds

There are no material frauds, as reported by our statutory auditor, committed against our Company, in the last five Fiscals or during the year ended March 31, 2018.

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 21 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 21 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 21 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 year's are as explained in the part "*Financial Year 2017-18 compared with financial year 2016-17 and Financial Year 2016-17 Compared With Financial Year 2015-16*" above.

Total Turnover of Each Major Industry Segment in Which the Issuer Operates

Please refer Segment Reporting under chapter titled Restated Financial Statements beginning on page 218 of the DRHP.

Competitive Conditions

We have competition with Indian and international speciality fat manufacturers and our results of operations could be affected by competition in the CBE industry in India and international market in the future. We expect competition to intensify due to possible new entrants in the market, existing competitors further expanding their operations and our entry into new markets where we may compete with well-established unorganized companies / entities. This we believe may impact our financial condition and operations. For details, please refer to the chapter titled "Risk Factors" beginning on page 21 of this Draft Red Herring Prospectus.

Increase in income

Increases in our income are due to the factors described above in in this chapter beginning on page 218 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 Suppliers or Customers

Significant proportion of our revenues have historically been derived from a limited number of customers The % of Contribution of our Company's customer vis a vis the total revenue from manufacturing operations and trading operations respectively and the % of contribution from supplier vis a vis the cost of raw materials and purchase of stock in trade for the year ended March 31, 2018 is as follows:

	Customers		Suppliers	
	Manufacturing	Trading	Manufacturing	Trading
Top 5 (%)	57.53%	99.15%	23.49%	90.17%
Top 10 (%)	73.60%	100%	34.01%	98.61%

Seasonality of Business

Our business is seasonal in nature. For details, refer associated Risk Factor No. 2 under the chapter titled "Risk Factors" beginning on page 21 of the DRHP.

FINANCIAL INDEBTEDNESS

Our Company utilizes various credit facilities from banks and others for conducting its business. Set forth is a brief summary of our Company's secured and unsecured borrowings as on March 31, 2018 together with a brief description of certain significant terms of such financing arrangements.

SECURED BORROWINGS

1. Loan of Rs. 918.00 Lakhs from State Bank of India as per Sanction letter dated March 2, 2017.

Sr. No.	Facility	Loan Limit (Rs. in Lakhs)
FUND BASED LIMIT		
a)	Term Loan	-
b)	Cash Credit (Export Packing Credit)	900.00
c)	Sub limit against book debts within overall limit	-
A] Total of Fund Based		900.00
NON FUND BASED LIMIT		
a)	Credit Exposure Limit	18.00
B] Total of Non Fund Based		18.00
TOTAL LIMIT (A+B)		918.00
Repayment		Repayable on demand
Rate of Interest		0.55% above 1 year MCLR of State Bank of India (1 year MCLR= 8%) Present effective rate is 8.55% wherever expedient.
Outstanding as on March 31, 2018		Rs. 338.11 lakhs

SECURITY DETAILS (FUND BASED/ NON FUND BASED)	
Limit	Primary Security
Cash Credit (EPC/ CEL)	Hypothecation of entire current assets of the Company including Raw materials, finished goods, stocks in process at the Company's factory premises at Nagpur/ port at Mumbai, Corporate Office at Raipur or at such places as may be approved by the Bank from time to time including stocks in transit, book debts, receivables including those purchased/ discounted (separate stocks will be shown in stock statement for our share of limit)
COLLATERAL SECURITY	
Immovable Property	Personal Guarantee
Cash Collateral STDR/ TDR Rs. 400.00 Lakhs in the name of the Company, directors, guarantors	1. Vinita Ashish Saraf 2. Shrey Ashish Saraf

Rate of Interest: 0.55% above MCLR

Key Restrictive Covenants:

During the currency of the Bank's credit facilities, the Unit/ Guarantors will not, without the Bank's prior permission in writing:

- 1) Effect any change in the Unit's capital structure.
- 2) Implement any scheme of expansion / modernization / diversification / renovation or acquire any fixed assets during any accounting year, except such schemes which have already been approved by the Bank.

- 3) Formulate any scheme of amalgamation or reconstruction.
- 4) 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 concerns. However, normal trade credit or security deposits in the normal course of business or advances to employees can be excluded.
- 5) Enter into borrowing arrangements either secured or unsecured with any other bank, Financial Institution, company or person.
- 6) Undertake guarantee obligations on behalf of any other company, firm or person.
- 7) Declare dividends for any year except out of profits relating to that year after making all due and necessary provisions and provided further that no default had occurred in any repayment obligations.
- 8) Effect any drastic change in their management setup.
- 9) Effect any change in the remuneration payable to the Directors / Partners, etc. either in the form of sitting fees or otherwise.
- 10) Pay guarantee commission to the guarantors whose guarantees have been stipulated /furnished for the credit limits sanctioned by the Bank.
- 11) Create any further charge, lien or encumbrance over the assets and properties of the Unit/ Guarantors to be charged / charged to the Bank in favour of any other bank, Financial Institution, firm or person.
- 12) Sell, assign, mortgage or otherwise dispose off any of the fixed assets charged to the Bank.
- 13) Undertake any trading activity other than the sale of produce arising out of its own manufacturing/ trading operations.
- 14) Open any account with any other bank. If already opened, the details thereof is to be given immediately and a confirmation to this effect given to the Bank.

2. Loan of Rs. 4400.00 Lakhs from The Federal Bank Limited as per Sanction letter dated May 11, 2017.

(Rs. in Lakhs)

Nature of Facility	Cash Credit -1	Packing Credit -2	Sublimit cash credit	Sublimit of packing credit	Forward Contract Sublimit of packing credit) USD	Forward Contract Sublimit of packing credit) USD	LC (Inland/Import) Sublimit of CC	Forward Contract
Limit sanctioned in Lakhs	1000.00	2900.00	500.00	2900.00	42.00	42.00	500.00	500.00
Period (in Months)	12	12	12	12	12	12	12	12
Interest/Comm/Disc (% PA)	9.25% pa (One year)	9.25% pa (One year)	Card rate	9.25% pa (One year MCLR+0.30%)	LIBOR + 3%	Card Rate	Card Rate	Card Rate

	MCL R+ 0.30%)	MCL R+ 0.30%)						
Basis for Interest reset	0.30% above the one year MCLR of the Bank as at the respective reset dates	0.30% above the one year MCLR of the Bank as at the respective reset dates	0.30% above the one year MCLR of the Bank as at the respective reset dates	5.95% above the one year MCLR of the Bank as at the respective reset dates	3.0% above the Card Rate of the Bank, as at the respective reset dates			
Repayment	Repayable on Demand							
Pre-Repayment Penalty	Nil, if prepaid from own sources, otherwise 2%							
Outstanding as on March 31, 2018	1444.23							

Note-As on date of this DRHP the Federal Bank,Raipur Branch has vide their mail dated May 17, 2018 has approved to use packing credit of Rs. 2,900.00 lakhs interchangeably as cash Credit Facility till renewal of the existing loan facility.

Guarantor(s):

1. Vinita Saraf
2. Ritu Saraf
3. Shrey Saraf
4. K N Agrawal

Securities	Description
Primary	<ul style="list-style-type: none"> • PCL/ PCFC: Hypothecation of stock meant for export Margin- 25% • CC: Hypothecation of stock, Margin -25% and receivables, Margin-25% • BG: 20% Cash Margin and Counter Guarantee • LC: 25% Cash Margin and charge on goods procured under LC • FD/ UBP/ EBRD, (LC/ order): Documents of title of goods evidencing export against confirmed orders/ irrevocable LC
Collateral	<ul style="list-style-type: none"> • EM of Residential Property in the name of promoters, value– Rs. 3.74 Cr • Pledge of FD having present value of Rs. 8.53 Cr. • Proposed Term Deposit of Rs. 0.40 crores • ECGC (WC-PT) Policy for PCL and ECGC buyer wise policy for PSL (Order) • 3% cut back on each export bill handled/ sent for collection/ inward remittance duly charged for the limits of the company –Rs. 0.50 Cr.

	<ul style="list-style-type: none"> Plant & Machinery of the Company, WDV value as on 31.03.2016 Rs. 3.17 Crores
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3. Loan of Rs. 13.12 Lakhs From Axis Bank

Nature of Facility	Auto Premium Loan
Loan Amount	Rs. 13.12 lakhs
Rate of Interest	8.75%
Tenure	Repayable in 36 Installments Starting from March April 2018 to March 2021, First 35 Months EMI is 0.415 lakhs, and Last EMI of Rs. 0.366 Lakhs.
Securities	Vehicle purchase From Borrowed Fund
Amount Outstanding as on March 31, 2018	Rs. 13.12 lakhs

4. Loan of Rs. 8.95 Lakhs From the Federal bank Ltd. as per sanction letter dated April 21, 2018

Nature of Facility	New Car Loan for Corporate
Loan Amount	Rs. 8.95 lakhs
Rate of Interest	8.80%
Tenure	60 months
Amount Outstanding as on March 31, 2018*	Nil
Guarantors	Vinita Saraf

5. Loan of Rs. 7.30 Lakhs From the Federal bank Ltd. as per sanction letter dated April 21, 2018

Nature of Facility	New Car Loan for Corporate
Loan Amount	Rs. 7.30 lakhs
Rate of Interest	8.80%
Tenure	60 months
Amount Outstanding as on March 31, 2018*	Nil
Guarantors	Vinita Saraf

*Since the loan was sanctioned in FY 2018-19, amount outstanding as on March 31, 2018 is nil.

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Except, as stated in this section and mentioned elsewhere in this Draft Red Herring Prospectus, there are no litigations including, but not limited to suits, criminal proceedings, civil proceedings, actions taken by regulatory or statutory authorities or legal proceedings, including those for economic offences, tax liabilities, show cause notice or legal notices pending against our Company, Directors, Promoters, Subsidiaries, Group Companies or against any other company or person/s whose outcomes could have a material adverse effect on the business, operations or financial position of the Company and there are no proceedings initiated for economic, civil or any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (a) of Part I of Schedule V of the Companies Act, 2013) other than unclaimed liabilities of our Company, and no disciplinary action has been taken by SEBI or any stock exchange against the Company, Directors, Promoters, Subsidiaries or Group Companies.

Except as disclosed below there are no i) litigation or legal actions, pending or taken, by any Ministry or department of the Government or a statutory authority against our Promoters during the last five years; (ii) direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action; (iii) pending proceedings initiated against our Company for economic offences; (iv) default and non-payment of statutory dues by our Company; (v) inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous companies law in the last five years against our Company and Subsidiaries including fines imposed or compounding of offences done in those five years; or (vi) material frauds committed against our Company in the last five years.

Except as stated below 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 May 2, 2018 determined that outstanding dues to creditors in excess of Rs. 15.00 lakhs as per last audited financial statements shall be considered as material dues (“Material Dues”).

Pursuant to SEBI ICDR Regulations, all other pending litigations except criminal proceedings, statutory or regulatory actions and taxation matters involving our Company, Promoters, Directors and Group Companies, would be considered ‘material’ for the purposes of disclosure if the monetary amount of claim by or against the entity or person in any such pending matter exceeds Rs. 5.00 lakhs as determined by our Board, in its meeting held on May 2, 2018.

Accordingly, we have disclosed all outstanding litigations involving our Company, Promoters, Directors and Group Companies which are considered to be material. In case of pending civil litigation proceedings wherein the monetary amount involved is not quantifiable, such litigation has been considered ‘material’ only in the event that the outcome of such litigation has an adverse effect on the operations or performance of our Company.

Unless otherwise stated to the contrary, the information provided is as of the date of this Prospectus.

For the purpose of this Chapter the Income Tax Act, 1961 shall be referred to as I.T. Act.

LITIGATIONS INVOLVING OUR COMPANY

LITIGATIONS AGAINST OUR COMPANY

Criminal Litigations

Nil

Civil Proceedings

Nil

Taxation Matters

Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016

Nil

Proceedings against Our Company for economic offences/securities laws/ or any other law

Nil

Penalties in Last Five Years

Nil

Pending Notices against our Company

Nil

Past Notices to our Company

Nil

Disciplinary Actions taken by SEBI or stock exchanges against Our Company

Nil

Defaults including non-payment or statutory dues to banks or financial institutions

Nil

Details of material frauds against the Company in last five years and action taken by the Companies.

Nil

LITIGATIONS FILED BY OUR COMPANY

Criminal Litigations

Nil

Civil Proceedings

1. MANORAMA INDUSTRIES PRIVATE LIMITED V. MP OIL EXTRACTION PRIVATE LIMITED

Our Company and M.P Oil Extraction Private Limited (“MOPEPL”) entered into an agreement on April 9, 2012 for maximum quantity of seed crushing of 10,000 metric tonnes. This agreement was further modified on June 5, 2012 to increase the capacity from 10000 metric tonnes to 15000 metric tonnes. MOEPL prepared a letter of termination on May 8, 2013 followed by meeting for termination of contract held on August 16, 2013. MOPEPL agreed to return Rs. 8,50,000/- as a full and final settlement but failed to pay the same. Our Company issued a statutory notice on December 5, 2013 followed by filing of petition with reference no. 15-A of 2014 for the recovery of amount on January 10, 2014 before Additional District Court, Raipur (“Court”). MOEPL has neither filed a written statement nor appeared for the hearing. On December 21, 2015 the Court framed issues. MOEPL pleaded for setting aside of ex-parte order. The Court passed an interim order dated July 14, 2016 setting aside the ex-parte proceeding. Our Company has filed a petition for winding up bearing no. 628 of 2005, in the High Court of Bombay ordinary original civil jurisdiction, on January 4, 2018 against MOEPL. The petition was admitted on February 6, 2017. Our Company filed a Writ of Certiorari in the High Court of Chhattisgarh and issued a further notice to MOEPL

on February 5, 2015. MOEPL submitted an amount of **Rs. 8,50,000/-** subject to various set off and claims on the grounds of service tax, labour charges and hamali. The notice returned unclaimed and the order for winding up is passed and the courts appointed official liquidator. The matter is currently pending.

2. MANORAMA INDUSTRIES PRIVATE LIMITED V. VOLKSWAGEN GROUP SALES PRIVATE LIMITED AND OTHERS

Our Company booked Sports Utility Vehicle, Audi Q7 on March 20, 2013 and paid **Rs 11, 00,000/-** as advance. VGSPL issued invoice on March 21, 2013 and paid balance amount of **Rs. 60,00,000/-** financed by Axis Bank Limited. The registration certificate was issued in last week of June. Our Company informed the manufacturing year of vehicle is 2012 and not 2013 and sent a letter on July 19, 2013 to Audi Germany for replacement of the vehicle. Failing a reply from Audi Germany, our Company issued legal notice to VGSPL dated August 29, 2013 for the replacement of vehicle or for the refund. Our Company then issued a legal notice to VGSPL on October 12, 2013 and on December 05, 2013. Another legal notice was issued on December 21, 2013 to VGSPL to get insurance policy papers. VGSPL issued insurance policy paper on January 1, 2014. Our Company filed a consumer case bearing reference no. 160 of 2014 dated February 11, 2015 against Volkswagen Group Sales Private Limited (“VGSPL”) before National Consumer Dispute Redressal Commission, New Delhi. The matter is currently pending.

3. MANORAMA INDUSTRIES PRIVATE LIMITED V. M/s SAFFRON INDUSTRIES LIMITED

Our Company sold Sal DOC to the Saffron Industries Limited (“SIL”) amounting to Rs. 27,19,236/- . Saffron made a payment of Rs. 22,75,930/-. Saffron filed an application dated November 20, 2012 under Section 15(1) of the Sick Industrial Companies (Special Provision) Act, 1985. The Bench for Industrial & Financial Reconstruction (“BIFR”) declared saffron sick company by passing order dated September 13, 2013 bearing case no. 75/2012 and appointed State Bank of India as operating agency to prepare and approve rehabilitation scheme for SIL. The State Bank of India conducted meeting on July 10, 2015 and SIL agreed to pay Rs. 4,00,000/- in 20 equal instalments of Rs. 20,000/- each. On May 24, 2016 State Bank of India issued letter to the Company regarding non-payment of instalment amount from September, 2015 onwards. As on March 31, 2018 amount of **Rs. 2,83,306/-** is still outstanding. The matter is currently pending.

Taxation Matters

Nil

Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016

Nil

Details of any enquiry, inspection or investigation initiated under Companies Act, 2013 or any previous Company Law

Nil

LITIGATIONS INVOLVING DIRECTOR/S OF OUR COMPANY

LITIGATIONS AGAINST DIRECTOR/S OF OUR COMPANY

Criminal Litigations

Nil

Civil Proceedings

Nil

Taxation Matters

Nil

Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016

Nil

Past Penalties imposed on our Directors

Nil

Proceedings initiated against our directors for Economic Offences/securities laws/ or any other law

Nil

Directors on list of wilful defaulters of RBI

Nil

LITIGATIONS FILED BY DIRECTOR/S OF OUR COMPANY

Criminal Litigations

Nil

Civil Proceedings

Nil

Taxation Matters

Nil

Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016

Nil

LITIGATIONS INVOLVING PROMOTER/S OF OUR COMPANY

LITIGATIONS AGAINST OUR PROMOTER/S

Criminal Litigations

Nil

Civil Proceedings

Nil

Taxation Matters

Nil

Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016

Nil

Past Penalties imposed on our Promoters

Nil

Proceedings initiated against our Promoters for Economic Offences/securities laws/ or any other law

Nil

Litigation /Legal Action pending or taken by Any Ministry or any statutory authority against any Promoter in last five years

Nil

Penalties in Last Five Years

Nil

Litigation /defaults in respect of the companies/Firms/ventures/ with which our promoter was associated in the past.

Nil

Adverse finding against Promoter for violation of Securities laws or any other laws

Nil

LITIGATIONS FILED BY OUR PROMOTER/S

Criminal Litigations

Nil

Civil Proceedings

Nil

Taxation Matters

Nil

Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016

Nil

LITIGATIONS INVOLVING OUR GROUP COMPANIES

LITIGATIONS AGAINST OUR GROUP COMPANIES

Criminal Litigations

Nil

Civil Proceedings

Nil

Taxation Matters

INCOME TAX PROCEEDINGS

Nil

Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016

Nil

Past Penalties imposed on our Group Companies

Nil

Proceedings initiated against our Group Companies for Economic Offences/securities laws/ or any other law

Nil

Litigation /Legal Action pending or taken by Any Ministry or any statutory authority against any Group Companies

Nil

Adverse finding against Group Companies for violation of Securities laws or any other laws

Nil

LITIGATIONS FILED BY OUR GROUP COMPANIES

Criminal Litigations

Nil

Civil Proceedings

Nil

Taxation Matters

Nil

Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016

Nil

LITIGATIONS INVOLVING OUR SUBSIDIARY COMPANIES

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

Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016

Nil

OTHER MATTERS

Nil

DETAILS OF ANY INQUIRY, INSPECTION OR INVESTIGATION INITIATED UNDER PRESENT OR PREVIOUS COMPANIES LAWS IN LAST FIVE YEARS AGAINST THE COMPANY OR ITS SUBSIDIARIES

Nil

OUTSTANDING LITIGATION AGAINST OTHER COMPANIES OR ANY OTHER PERSON WHOSE OUTCOME COULD HAVE AN ADVERSE EFFECT ON OUR COMPANY

Civil Matter – Arbitration of Hanuman Vitamins Foods Limited (HVFL), Prem Products Private Limited (PPPL), Ramesh Agarwal (Promoter Group - I), Ashish Saraf (Promoter Group - II) and Deep Saraf (Promoter Group – III).

THE KHAMGAON CO-OP BANK LIMITED V. VIDHARBHA REFINERIES PRIVATE LIMITED

(CLAIM AMOUNT - RS. 4,38,64,973/-).

Vidharbha Refineries Private Limited (“VRPL”), Promoter Group - III and others. VRPL approached the Bank to avail loan facilities and the following was sanctioned by Bank:

- i) Loan of Rs. 65,00,000/- in lieu of execution a mortgage deed and deed of hypothecation dated November 08, 1999 in favour of Bank;
- ii) Loan of Rs.17,75,000/- in lieu of promissory note dated April 10, 2000;
- iii) Loan of Rs. 57,00,000/- in lieu of executing bond of guarantee by Promoter Group - III dated April 20, 2001.

VRPL failed to repay the loan amount to the Bank. The Bank initiated an arbitration proceeding dated October 08, 2010 bearing no. ARB/KUCB/M/34/2010 and submitted all the loan documents before the arbitrator and furnished mortgage deeds executed by VRPL. VRPL and Promoter Group - III denied the contention of the Bank. Subsequently, the Bank filed evidence through affidavit on July 21, 2011. The arbitrator passed an arbitral award on September 21, 2012 and held that VRPL and Promoter Group along with others are jointly and individually liable to repay the claim amount **Rs. 4,38,64,973/-** along with the arbitration fees of **Rs 52,650/-** and **Rs. 10,000/-**. The matter is currently pending.

SICOM LIMITED V. HANUMAN VITAMIN FOODS LIMITED

(CLAIM AMOUNT RS. 4,18,93,463/-).

Sicom Limited ("SL") granted a loan to HVFL for expansion of its manufacturing unit and thereby sanctioned loan of Rs. 3,25,00,000/-. HVFL executed mortgage deed dated February 05, 2001 by creating charge over the immovable property bearing no. 37 & 38 of the HVFL. Promoter Group - I and Promoter Group - II also executed Deed of Guarantee dated February 12, 2001 against the said loan. SL further sanctioned bill discounting facility of Rs. 300 lakhs by executing bill discounting agreement on June 07, 2001. The HVFL was to repay term loan facility in 21 quarterly instalments from February 15, 2003 along with interest at the rate of 4% per annum. The HVFL failed to pay interest against which SL sent a legal notice dated September 24, 2002 and November 13, 2002 for cancellation of loan and for the repayment of entire principal amount. SL further issued a notice dated March 31, 2003 for the takeover of the property mortgaged of by HVFL. HVFL filed an application under Sick Industrial Companies Act against Board of Industrial Financial Reconstruction and obtained a status quo order. SL issued another notice to Promoter Group - I and Promoter Group - II on August 12, 2004 for invoking of personal guarantee. Sicom Limited ("SL") filed civil suit against Promoter Group - I & Promoter Group - II in the District Court, Khamgaon bearing no. 4/2007 dated January 10, 2007 praying for recovery of principal amount of **Rs. 3,25,00,000/-** along with interest of **Rs. 4,18,93,463/-** by way of invocation of personal guarantee. The matter is currently pending.

SICOM LIMITED V. HANUMAN VITAMIN FOODS LIMITED

(CLAIM AMOUNT RS. 4,41,75,855/-).

HVFL had taken a term loan from consortium of banks like BOB and Dena Bank for expansion and modernization. A loan of Rs. 325 lakhs were granted along with a bill discounting facility of Rs. 300 Lakhs. Promoter Group - I and Promoter Group - II executed deed of guarantee dated January 12, 2001. HVFL failed to repay the loan pursuant to which SL sent demand notices dated September 24, 2002, November 13, 2002 and November 27, 2002 and took over the loan from the consortium banks. Notice of the same was sent to HVFL, Promoter Group - I and Promoter Group - II on December 03, 2002. SL stated that principal amount of Rs. 2,50,00,000/- and interest of Rs. 1,91,75,855/- were outstanding and issued notice dated August 27, 2004 to Promoter Group - I and Promoter Group - II for invoking their personal guarantees. SL also filed a civil suit dated January 17, 2007 against Promoter Group - I and Promoter Group - II before the Court of Additional District Judge at Khamgaon. Sicom Limited for recovery of total amount of Rs. **4,41,75,855/-** along with costs and expenses of the proceedings. Promoter Group - I along with Promoter Group - II and others filed an application for transfer of petition to commercial court in Buldhana dated August 16, 2017. The matter is currently pending.

ASSET RECONSTRUCTION COMPANY LIMITED (ARCL) V. HANUMAN SAGAR IMPORT EXPORT PRIVATE LIMITED

(CLAIM AMOUNT RS. 1,16,39,685/-).

The Bank provided letter of credit facility to the Hanuman Sagar Export Import Private Limited (“HSIEPL”) for Rs. 90,00,000/- vide sanction letter dated December 15, 1999. HSIEPL issued promissory note dated December 15, 1999. Promoter Group – III executed letter of lien on December 15, 1999. ARCL filed a suit against HSIEPL and Promoter Group - III bearing no. 157 of 2004 on January 10, 2010 before DRT. DRT held that deed of guarantee filed in individual capacity are personal in nature and it is binding upon the parties and further passed an order dated June 05, 2017 holding HSIEPL, Promoter Group - III and others personally liable to pay Rs. 1,16,39,685/- with interest at the rate of 12% per annum from January 10, 2010 along with cost of litigation amounting to Rs. 1,19,000/- . The ARCL also issued demand notice dated February 19, 2018. The matter is pending for payment of amounts.

INTERNATIONAL ASSET RECONSTRUCTION COMPANY V. HANUMAN MINOR OIL PRIVATE LIMITED

(CLAIM AMOUNT RS. 59,93,49,036/-).

The Bank of Baroda have provided credit facilities to HMOL vide letter dated February 21, 2002 for the 18,00,00,000/-. To avail loan HMOL executed promissory notes dated March 30, 2002 in favour of Bank for the amount of Rs. 7,04,00,000/-. And Rs. 49,00,000/- and Rs. 1,51,98,000/- and Rs. 8,95,00,000/- with interest at the rate of 12.5 percent per annum. The HVFL, Promoter Group - I and Promoter Group - II executed deed of guarantee dated July 12, 2000. The HMOL defaulted in repayment of loan. IARC issued Demand notice dated July 27, 2009. The IARC sent possession notice to HMOL, Promoter Group - I, Promoter Group - II and HVFL. The Bank of Baroda sent loan recall notice on November 29, 2011 to HMOL for the repayment of loan amount along with interest. Bank of Baroda assigned its debt to IARC. IARC initiate debt recovery proceedings against Hanuman Minor Oil Limited (“HMOL”) and others bearing no. 85/2013 in the Debt Recovery Tribunal, Mumbai on February 06, 2013. The IARC also filed application for As on February 07, 2013 IARC claims Rs. 59,93,49,036/- along with future interest at the rate of 12.5 percent per annum.

UNION BANK OF INDIA V. SPECIALITY FATS LIMITED,

(CLAIM AMOUNT RS. 2,86,49,544/-).

Union Bank of India (“BANK”) provided financial assistance of cash credit facility of Rs. 1,70,00,000/- letter of credit for Rs. 1,00,00,000/- to the SFL since May 2001. Such financial assistance was secured by way of creating hypothecation of asset and goods. Our Promoter Group – III provided personal guarantee dated May 29, 2001 for the said financial assistance. SFL defaulted in loan repayment. Bank classified SFL loan as a non performing asset on June 30, 2003. Bank sent legal notice to SFL and Promoter Group – III for the repayment of loan on October 29, 2003. Bank initiated debt recovery proceeding bearing no 75 of 204 in the Debt Recovery against Specialty Fats Limited, and Promoter Group – III. Bank prays for the recovery of Rs. 2,86,49,533/- as on April 02, 2004. Bank also prays for permanent injunction against SFL and Promoter Group – III from dealing in any manner with the mortgage property. Bank also prays for a invoking of personal guarantee given by Promoter Group – III and others. Bank assigned its debt to Asset Reconstruction Company India Limited by agreement dated September 23, 2008.

INTERNATIONAL ASSET RECONSTRUCTION COMPANY V. HANUMAN VITAMIN FOODS LIMITED

(CLAIM AMOUNT RS. 57,34,09,011/-).

The HVFL applied to Bank of Baroda (“**BANK**”) for a loan and credit facilities. The Bank granted loan and credit facilities amounting to Rs. 17,40,00,000/- in July, 1997 and HVFL deposited title deed of property on July 08, 1997 against the said loan. The Bank also provided term loan of Rs. 1,44,10,000/- to HVFL against the promissory note and deed of hypothecation dated August 26, 1997. Promoter Group - I also executed deed of guarantee on August 26, 1997 to obtain said loan facility. The HVFL requested bank to enhance credit facilities vide letter dated September 17, 1999. The Promoter Group - I and Promoter Group - II executed deed of guarantee on September 20, 1999 to obtain extended credit facility. The Bank of Baroda along with Dena Bank also provided working capital facilities upto Rs 31,60,00,000/- to HVFL against which HVFL executed mortgage deed dated March 01, 2000. Upon letter dated March 30, 2002 Bank restructures the existing loan. The HVFL defaulted in repayment of loan. The Bank of Baroda assigned its debt to IARC vide dated January 13, 2009. The bank issued recall notice dated August 06, 2013 to HVFL for repayment of loan. The IARC claims total amount of **Rs. 57,34,09,011/-** along with future interest at the rate of 12.5 percent per annum on November 27, 2013. The matter is currently pending.

INTERNATIONAL ASSET RECONSTRUCTION COMPANY V. HANUMAN VITAMIN FOODS LIMITED

(CLAIM AMOUNT RS. 88,91,81,389/-).

Dena bank (“**BANK**”) provided financial assistance of Rs. to HVFL. Promoter Group - I and Promoter Group - II provided guarantee against the said loan and executed deed of guarantee. HVFL defaulted in repayment of loan. Bank assigned its debts to Asset Reconstruction Company India Limited vide agreement dated February 17, 2007. ARCIL claimed outstanding amount of **Rs. 88,91,81,389/-** as on March 17, 2011. M.Nagraj & Associates issued legal notice to Hanuman Vitamin Foods Limited, Promoter Group - I & Promoter Group - II on March 18, 2011.

BANK OF INDIA V. HANUMAN VITAMIN FOODS LIMITED

(CLAIM AMOUNT 8,14,46,293/-).

Promoter Group - I is the director of HVFL while Promoter Group - II is the guarantor in this matter. Bank of India (“**BOI**”) has granted credit facilities to HVFL for business requirements. The following credit facilities are provided:

- (i) Term loan facility with a limit of Rs. 300 lakhs dated November 10, 2001
- (ii) Cash credit facility with a limit of Rs 300 lakhs dated May 22, 2001
- (iii) Packing credit facility with a limit of Rs 200 lakhs dated February 2002
- (iv) Letter of credit (DA 150 days) with a limit of Rs 300 lakhs dated May 2001

HVFL provided security documents and Promoter Group - I executed letter of guarantee in favour of BOI for providing loan facility. HVFL and others were irregular in maintaining its accounts and have committed breach of the terms and conditions on which the advances were granted. BOI prays that HVFL and others shall jointly and severally be liable to pay (i) a sum of Rs. 3,11,51,700/- with future interest at the rate of 14.75% per annum in respect of term loan facility, (ii) a sum of Rs.22,08,376/- with future interest of 14.75% in respect of cash credit facility, (iii) a sum of Rs. 1,40,26,979/- with future interest of 14.75% in respect of packing credit facility with a limit of Rs 200 lakhs amounting to aggregate sum of Rs. **8,14,46,293/-** with future interest of 14.75% in respect of the term loan facility, cash credit facility and packing credit facility. BOI initiated debt recovery proceeding bearing OA no. 44/2014 against HVFL, Promoter Group - I and others. HVFL filed an application under Sick Industrial Companies Act (SICA) before Board for Industrial and Financial Reconstruction and obtained status quo. Debt Recovery Tribunal passed order on September 23, 2004 and held that application is in the violation of section 22 of the Sick Industrial Companies Act and matter is disposed of.

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 219 of this Draft Red Herring Prospectus, there have been no material developments, since the date of the last audited balance sheet.

OUTSTANDING DUES TO SMALL SCALE UNDERTAKINGS OR ANY OTHER CREDITORS

As of March 31, 2018, our Company had 67 creditors, to whom a total amount of Rs. 102.87 lakhs was outstanding. As per the requirements of SEBI Regulations, our Company, pursuant to a resolution of our Board dated May 2, 2018, considered creditors to whom the amount due exceeds Rs. 15.00 lakhs as per our Company’s restated financials for the purpose of identification of material creditors. Based on the above, there are no material creditors of our Company.

Further, none of our creditors have been identified as micro enterprises and small scale undertakings by our Company based on available information. For complete details about outstanding dues to creditors of our Company, please see the website of our Company www.manoramagroup.co.in.

Information provided on the website of our Company is not a part of this Draft Red Herring 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.manoramagroup.co.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 manufacturing, processing and supply of exotic and specialty fats & oils like Sal butter, Sal fat, Sal oil, Sal Stearine, Sal olein, Mango butter, Mango fat, Mango oil, Mango Stearine, Kokum butter, Kokum oil, Mowrah fat, and several value added tailor made products. , 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 179 of this Draft Red Herring Prospectus.

The Company has its business located at:

Registered Office: Office No 403, 4th Floor, Midas, Sahar Plaza, Andheri Kurla Road, Andheri East, Mumbai- 400059

Sales and Corporate Office: F-6, Anupam Nagar, Raipur, Chhattisgarh 492001

Processing Unit: U-103, U-104 & 105/2 in Nagpur Industrial Area of MIDC Village, Hingna, Nagpur.

Acquisition Unit: Village Birkoni Tal. & Dist. Mahasamund (Chattisgarh)

The objects clause of the Memorandum of Association enables our Company to undertake its present business activities. The approvals required to be obtained by our Company include the following:

APPROVALS FOR THE ISSUE

Corporate Approvals:

1. The Board of Directors have, pursuant to Section 62(1)(c) of the Companies Act 2013, by a resolution passed at its meeting held on April 02, 2018, authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
2. The shareholders of the Company have, pursuant to Section 62(1)(c) of the Companies Act 2013, by a special resolution passed in the Extra-Ordinary General Meeting held on April 10, 2018 authorized the Issue.

In- principle approval from the Stock Exchange

We have received in-principle approvals from the stock exchange for the listing of our Equity Shares pursuant to letter dated [●] bearing reference no. [●].

Agreements with NSDL and CDSL

1. The Company has entered into an agreement dated [●] with the Central Depository Services (India) Limited (“CDSL”) and the Registrar and Transfer Agent, who in this case is, M/s Link Intime India Private Limited for the dematerialization of its shares.
2. Similarly, the Company has also entered into an agreement dated [●] with the National Securities Depository Limited (“NSDL”) and the Registrar and Transfer Agent, who in this case is M/s Link Intime India Private Limited for the dematerialization of its shares.
3. The Company's International Securities Identification Number (“ISIN”) is [●].

INCORPORATION AND OTHER DETAILS

1. The Certificate of Incorporation dated August 09, 2005 issued by the Registrar of Companies, Madhya Pradesh & Chhattisgarh, in the name of “MANORAMA INDUSTRIES PRIVATE LIMITED”.
2. Change in Registered Office of our Company from the state of Chhattisgarh to the state of Maharashtra with effect from March 25, 2013.
3. Fresh Certificate of Incorporation Consequent upon Conversion from Private Company to Public company issued on March 23, 2018 by the Registrar of Companies, Maharashtra in the name of “MANORAMA INDUSTRIES LIMITED”.
4. The Corporate Identification Number (CIN) of the Company is U15142MH2005PLC243687

APPROVALS/LICENSES RELATED TO OUR BUSINESS ACTIVITIES

We require various approvals and/ or licenses under various rules and regulations to conduct our business. Some of the material approvals required by us to undertake our business activities are set out below:

Sr. No.	Description	Authority	Registration No./ Reference No./ License No.	Date of Issue	Date of Expiry
1	Certificate of Importer-Exporter Code (IEC)	Foreign Trade Development Officer, Ministry of Commerce and Industry, Government of India	1105004457	October 25, 2005	In case of change in name/address or constitution of IEC holder, the IEC holder shall cease to be eligible to Import or Export against the IEC after the expiry of 90 days from the date of such a change unless in the meantime, the consequential changes are effected in the IEC by the concerned licensing authority.

Sr. No.	Description	Authority	Registration No./ Reference No./ License No.	Date of Issue	Date of Expiry
2	Registration Certificate of Establishment (under Rule 3 of Chhattisgarh Shops and Establishments Act, 1958)	Joint municipal commissioner	000642/RPR/CE/2016	February 10, 2016	February 9, 2021
3	FIEO, Membership certificate	Federation of Import Export organisations	FIEO/WR/15922/2017-2018/662	April 01, 2015	March 31, 2020

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	AAECM3726C	August 9, 2005	Perpetual
2	Tax Deduction Account Number (TAN)	Income Tax Department through National Securities Depository Limited (NSDL), Ministry of Finance, Government of India	JBPM05986B	January 3, 2006	Perpetual
3	Goods and Service Tax Identification Number (GSTIN)-Maharashtra	Government of India	27AAECM3726C1ZR	September 23, 2017	NA
4	Goods and Service Tax Identification Number (GSTIN)	Government of India & Government of Madhya Pradesh	23AAECM3726C1ZZ	September 25, 2017	NA
5	Goods and Service Tax	Government of India &	22AAECM3726C1Z1	June 25, 2017	NA

Sr. No.	Authorisation granted	Issuing Authority	Registration No./Reference No./License No.	Date of Issue	Validity
	Identification Number (GSTIN)	Government of Chhattisgarh			
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	AAECM3726CST001	Date of Issue of Original: March 21, 2006	NA
8	Certificate of Registration Central Sales Tax (under Rule 5(1) of Central Sales Tax (Registration and Turnover) Rules, 1957)	Sales Tax Officer	MH01C097250	November 17, 2006	NA
9	Professional Tax Enrolment Certificate (PTEC) under section 5 Sub section (2A) of Maharashtra State Tax on Professional, Trades, Callings and Employment Act, 1975	Profession Tax Officer, Department of Sales Tax Government of Maharashtra	99432064090P		NA
10	Tax Payer Identification Number	Central Sales Tax Officer	27160578368C	November 17, 2006	Not Traceable

LABOUR RELATED APPROVALS/REGISTRATIONS

Sr. No.	Description	Authority	Registration No./Reference No./License No.	Date of Issue
1.	Employees Provident Fund Registration	Employees Provident Fund Organisation,	CGRAI1574013000	March 29, 2017




Sr. No.	Description	Authority	Registration No./Reference No./License No.	Date of Issue
	(under Employees' Provident Funds and Miscellaneous Provisions Act, 1952)	Ministry of Labour, Government of India		
2	Registration for Employees State Insurance (under Employees State Insurance Act, 1948)	Employees State Insurance Corporation	5900158399000099	March 25, 2017


OTHER BUSINESS RELATED APPROVALS

Sr No.	Description	Authority	Registration Number	Date of Certificate	Date of Expiry
1	Food Safety & Standard Authority of India (FSSAI) (Nagpur)	Central Licensing Authority, Food Safety & Standard Authority of India	10015022004495	November 24, 2016	November 23, 2019
2	Food Safety & Standard Authority of India (FSSAI) (Raipur)	Central Licensing Authority, Food Safety & Standard Authority of India	10014037000162	June 17, 2014	June 16, 2019
3	FSSC 22000	Indian Register Quality System, IRCLASS Systems and Solutions Private Limited	IRQS/1660302	April 20, 2016	April 19, 2019
4	JamiatUlama Halal Foundation India	Halal certificate	0501	December 20, 2017	June 18, 2018
5	Certificate of Conformance	Intertek	CONFEEFCI17-1102	December 14, 2017	December 13, 2020

Sr No.	Description	Authority	Registration Number	Date of Certificate	Date of Expiry
6	Food Safety Management ISO 22000:205	Indian Register Quality System	IRQS/1760307	April 1, 2014	March 30, 2020
7	Certificate of Compliance One cert Certified Organic	One Cert International Private Limited	ONE-2332-171109-H-EC	October 6, 2017	July 26, 2018
8	JamiatUlama Halal Foundation India	Halal certificate	0501	June 2, 2017	June 18, 2018
9	Certificate of Compliance One cert Certified Organic (National Organic Program)	One Cert Asia Agri Certification Private Limited	ORG/SC/1608/0019 00	October 6, 2017	July 26, 2018
10	Certificate of Compliance One cert Certified Organic (National Organic Program)	One Cert Asia Agri Certification Private Limited	ORG/SC/1608/0018 99	October 6, 2017	July 26, 2018
11	The Certification Body of TUV SUD South Asia Private Limited	ISO 9001:2008	9910014323	March 22, 2016	September 14, 2018
12	ISO 9001:2008	TUV SUD South Asia Private Limited	9910014323	March 22, 2016	September 14, 2018
13	Star –K-Kosher Certification	Director of Supervision Star-K-Kosher Certification	20 Kislev 5778	December 08, 2017	June 30, 2018

INTELLECTUAL PROPERTY RELATED APPROVALS/REGISTRATIONS**TRADEMARKS**

Sr No	Trademark	Trade mark Type	Class	Applica nt	Applicati on No.	Date of Applica tion	Validity/ Renewal	Registrati on status
1.		Devic e	3	Manora ma Industrie s private Limited	1495864	October 11, 2016	October 11, 2026	Registered
2.	NB KOKUM BUTTER	Word	29	Manora ma Industrie s private Limited	1494781	October 9, 2006	October 09, 2016	Expired
3		Word	29	Manora ma Industrie s private Limited	1494802	October 9, 2016	October 9, 2026	Registered
4	NB MANGO STEARINE	Word	35	Manora ma Industrie s private Limited	2007558	August 11, 2010	August 11, 2020	Registered
5	NB MANGO STEARINE	Word	4	Manora ma Industrie s private Limited	1494782	October 9, 2006	Ocotober 09, 2016	Expired
6	NB MANGO STEARINE	Word	29	Manora ma Industrie s private Limited	2007558	August 11, 2010	August 11, 2020	Registered
7	NB MOWRAH SATEARIN E	Word	35	Manora ma Industrie s private Limited	2002764	August 3, 2010	August 03, 2020	Registered
8		Word	4	Manora ma Industrie	1494806	October 9, 2006	October 09, 2016	Expired

Sr . No .	Trademark	Trade mark Type	Class	Applicant	Applicati on No.	Date of Applica tion	Validity/ Renewal	Registrati on status
				s private Limited			Non renewed	
9	NB SAL FAT	Word	35	Manora ma Industrie s private Limited	2002767	August 3, 2010	August 03, 2020	Registered
10	NB SAL FAT	Word	29	Manora ma Industrie s private Limited	1494780	October 9, 2006	October 09, 2016	Expired
11	NB SAL STEARINE	Word	35	Manora ma Industrie s private Limited	2002763	August 3, 2010	August 03, 2020	Registered
12	NB SAL STEARINE	Word	4	Manora ma Industrie s private Limited	1494807	October 9, 2006	October 09, 2016	Expired
13	NBD SAL FAT	Word	29	Manora ma Industrie s private Limited	1494804	October 9, 2006	October 09, 2016	Expired
14	MANORAM A	Devic e	35	Manora ma Industrie s private Limited	2017438	October 1, 2010	Septemb er 1, 2020	Registered
15	MANORAM A (LABEL) 	Devic e	30	Manora ma Industrie s private Limited	1495863	October 11, 2016	October 11, 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 in not made by the Company.
2. Professional tax Registration Certificate
3. Company is yet to make application for the renewal of following trademarks.
 - Application no. 1494781
 - Application no. 1494782
 - Application no. 1494806
 - Application no. 1494780
 - Application no. 1494807
 - Application no. 1494804

MATERIAL LICENSES / APPROVALS FOR WHICH THE COMPANY IS YET TO APPLY

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 Issue’ beginning on page no. 104 of this Draft Red Herring Prospectus to the extent that such licenses/approvals may be required for the same.

LICENSE AND APPROVALS OBTAINED/APPLIED FOR NEW VENTURES.

Sr no.	Description	Authority	Registration No.	Date
1	Labour License	Chhattisgarh Labour Department	58132086	March 29, 2018
2	Factories License	Chhattisgarh Labour Department	513166	March 31, 2018
3	Consent to establish and Consent to operate	Online Consent Management And Monitoring System	1002913866	March 04, 2018
4	Application for sanction of power supply	Chhattisgarh State Power Distribution Company Limited	NA	May 03, 2018
5	Application for Incentives Under Industrial Policy	Directorate of Industries, Chhattisgarh	25(92)/infra/stamp(land)/2017/368	March 21, 2018

OTHER REGULATORY AND STATUTORY DISCLOSURES

AUTHORITY FOR THE ISSUE

The Issue has been authorized by a resolution passed by our Board of Directors at its meeting held on April 02, 2018 and by the shareholders of our Company by a Special Resolution, pursuant to Section 62(1)(c) of the Companies Act, 2013 passed at the Extraordinary General Meeting of our Company held on April 10, 2018 at registered office of the Company.

Our Company is considering a Pre-IPO placement of upto 4,70,400 Equity Shares and/or aggregating upto 900.00 lakhs with certain investors ("Pre-IPO Placement"). The size of the Issue as disclosed in this Draft Red Herring Prospectus being 34,04,400 Equity Shares shall be reduced accordingly.

PROHIBITION BY SEBI, RBI OR OTHER GOVERNMENTAL AUTHORITIES

Neither our Company nor our Directors, our Promoter, relatives of Promoter, our Promoter Group, and our Group Companies has been declared as wilful defaulter(s) by the RBI or any other governmental authority. Further, there has been no violation of any securities law committed by any of them in the past and no such proceedings are currently pending against any of them. However, certain members forming part of our promoter group, namely Ashish Saraf, Deep Saraf and Ramesh Agarwal have been involved in certain cases, details of which have been mentioned in the chapter titled, "Outstanding Litigation and Material Development" beginning on page 241 of this Draft Red Herring Prospectus.

We confirm that our Company, Promoters, Promoter Group, Directors or Group Companies have not been prohibited from accessing or operating in the capital markets under any order or direction passed by SEBI or any other government authority. Neither our Promoter, nor any of our Directors or persons in control of our Company were or are a promoter, director or person in control of any other company which is debarred from accessing the capital market under any order or directions made by the SEBI or any other governmental authorities.

None of our Directors are associated with the securities market in any manner, including securities market related business.

ELIGIBILITY FOR THIS ISSUE

Our Company is eligible for the Issue in accordance with regulation 106M (2) and other provisions of chapter XB of the SEBI (ICDR) Regulations as the post issue face value capital exceeds Rs. 1,000 lakhs but does not exceed Rs 2,500 lakhs. Our Company also complies with the eligibility conditions laid by the SME Platform of BSE for listing of our Equity Shares.

We confirm that:

1. In accordance with regulation 106(P) of the SEBI (ICDR) Regulations, this Issue will be hundred percent underwritten and that the BRLM will underwrite at least 15% of the total issue size. For further details pertaining to underwriting please refer to chapter titled "*General Information*" beginning on page 74 of this Draft Red Herring Prospectus.
2. In, accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight days from the date our company becomes liable to repay it, then our company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under section 40 of the Companies Act, 2013.
3. In accordance with Regulation 106(O) the SEBI (ICDR) Regulations, we have not filed any Offer Document with SEBI nor has SEBI issued any observations on our Offer Document. Also, we shall ensure that our Book Running Lead Manager submits the copy of Red Herring Prospectus/ Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Draft Red Herring Prospectus with Stock Exchange and the Registrar of Companies.

4. In accordance with Regulation 106(V) of the SEBI ICDR Regulations, the BRLM will ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares offered in the Issue. For further details of the market making arrangement see chapter titled “General Information” beginning on page 74 of this Draft Red Herring Prospectus.
5. The Company has Net Tangible assets of at least Rs. 3 crore as per the latest audited financial results.
6. The Net worth (excluding revaluation reserves) of the Company is at least Rs. 3 crore as per the latest audited financial results.
7. The Company has track record of distributable profits in terms of section 123 of Companies Act for at least two years out of immediately preceding three financial years and each financial year has a period of at least 12 months.
8. The Distributable Profit of the Company as per the restated standalone financial statements for the year ended March 31, 2018, 2017, 2016, 2015, 2014 is as set forth below: (Rs in lakhs)

Particulars	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
Distributable Profits*	1,035.56	137.52	108.21	94.16	89.62
Net Tangible Assets**	2,407.29	1,390.39	1,264.34	942.13	853.43
Net Worth***	2,472.37	1,436.81	1,299.29	964.02	864.63

*“Distributable profits” have been computed in terms section 123 of the Companies Act, 2013.

**“Net tangible assets” are defined as the sum of all net assets of our Company, excluding intangible assets as defined in Accounting Standard 26 (AS 26) issued by the Institute of Chartered Accountants of India and deferred tax assets (net).

***“Net Worth” has been defined as the aggregate of the paid up share capital, share application money (excluding the portion included in other current liabilities) and reserves and surplus excluding miscellaneous expenditure, if any

9. The Post-issue paid up capital of the Company shall be at least Rs. 3 crore. The post issue capital of our Company is Rs. [●]
10. The Company shall mandatorily facilitate trading in demat securities and will enter into an agreement with both the depositories.
11. The Company has not been referred to Board for Industrial and Financial Reconstruction.
12. No petition for winding up is admitted by a court or a liquidator has not been appointed of competent jurisdiction against the Company
13. No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the Company.
14. There has been no change in the promoter(s) of the Company in the one year preceding the date of filing application to BSE for listing on SME segment.
15. The Company has a website www.manorama.in

We further confirm that we shall be complying with all the other requirements as laid down for such an Issue under Chapter X-B of SEBI (ICDR) Regulations and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106(M)(3) of SEBI (ICDR) Regulations, 2009, the provisions of Regulations 6(1), 6(2), 6(3), Regulation 7, Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and Sub regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to us in this Issue.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE OFFER DOCUMENT TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED TO MEAN THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THIS ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE BOOK RUNNING LEAD MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED, IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED, HAS FURNISHED TO STOCK EXCHANGE A DUE DILIGENCE CERTIFICATE AND WHICH SHALL ALSO BE SUBMITTED TO SEBI AFTER REGISTERING THE RED HERRING PROSPECTUS WITH ROC AND BEFORE OPENING OF THE ISSUE

“WE, THE UNDER NOTED BOOK RUNNING LEAD MANAGER TO THE ABOVE MENTIONED FORTHCOMING ISSUE, STATE AND CONFIRM AS FOLLOWS:

- 1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE DRAFT RED HERRING PROSPECTUS PERTAINING TO THE SAID ISSUE;**
- 2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:**
 - A. THE DRAFT RED HERRING PROSPECTUS FILED WITH THE EXCHANGE / BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;**
 - B. ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS, GUIDELINES, INSTRUCTIONS, ETC. FRAMED / ISSUED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**
 - C. THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 2013, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS,**

2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.

- 3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT RED HERRING PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.**
- 4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS**
- 5. WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTER DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT RED HERRING PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT RED HERRING PROSPECTUS.**
- 6. WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS.**
- 7. WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. – NOT APPLICABLE**
- 8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.**
- 9. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE DRAFT RED HERRING PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION – NOTED FOR COMPLIANCE**
- 10. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO**

GET THE SHARES IN DEMAT OR PHYSICAL MODE.- NOT APPLICABLE, AS IN TERMS OF THE PROVISIONS OF SECTION 29 OF THE COMPANIES ACT, 2013, THE SHARES ISSUED IN THE PUBLIC ISSUE SHALL BE IN DEMAT FORM ONLY

11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.
12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS:
- A. AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER AND
- B. AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.
13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE. – **NOTED FOR COMPLIANCE**
14. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE THAT HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS EXPERIENCE, ETC.
15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT RED HERRING PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY. – **NOTED FOR COMPLIANCE**
16. WE ENCLOSE STATEMENT ON PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKER AS PER FORMAT SPECIFIED BY THE BOARD (SEBI) THROUGH CIRCULAR – **DETAILS ARE ENCLOSED IN “ANNEXURE A”**
17. WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS.” *COMPLIED WITH TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS REPORTED IN ACCORDANCE WITH ACCOUNTING STANDARD 18 IN THE FINANCIAL STATEMENTS OF THE COMPANY INCLUDED IN THE DRAFT RED HERRING PROSPECTUS*

ADDITIONAL CONFIRMATIONS / CERTIFICATION TO BE GIVEN BY MERCHANT BANKER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH OFFER DOCUMENT REGARDING SME EXCHANGE

- (1) “WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE DRAFT RED HERRING PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.
- (2) WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN DRAFT RED HERRING PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE

SPECIFIED SECURITIES OFFERED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES / ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN.

- (3) WE CONFIRM THAT THE ABRIDGED PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009. – NOTED FOR COMPLIANCE**
- (4) WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE ISSUER. – NOTED FOR COMPLIANCE**
- (5) WE CERTIFY THAT AS PER THE REQUIREMENTS OF FIRST PROVISIO TO SUB-REGULATION (4) OF REGULATION 32 OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009; CASH FLOW STATEMENT HAS BEEN PREPARED AND DISCLOSED IN THE DRAFT RED HERRING PROSPECTUS.**
- (6) WE CONFIRM THAT UNDERWRITING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 106P OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE. – NOTED FOR COMPLIANCE**
- (7) WE CONFIRM THAT MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 106P AND 106V OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE – NOTED FOR COMPLIANCE**

The filing of this Draft Red Herring Prospectus does not, however, absolve our Company from any liabilities under Section 34 and 36 of the Companies Act, 2013 or from the requirement of obtaining such statutory and other clearances as may be required for the purpose of the proposed Issue. SEBI further reserves the right to take up at any point of time, with the Book Running Lead Manager any irregularities or lapses in the Draft Red Herring Prospectus.

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Red Herring Prospectus and Prospectus with the Registrar of Companies, Mumbai, Maharashtra, in terms of Section 26, 30, 32 and 33 of the Companies Act, 2013.

DISCLAIMER STATEMENT FROM OUR COMPANY AND THE BOOK RUNNING LEAD MANAGER

Our Company, our Directors and the Book Running Lead Manager accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at instance of our Company and that anyone placing reliance on any other source of information, including our website www.manorama.in would be doing so at his or her own risk.

Caution

The Book Running Lead Manager accepts no responsibility, save to the limited extent as provided in the Agreement for Issue Management entered into among the Book Running Lead Manager and our Company dated May 29, 2018, the Underwriting Agreement dated [●] entered into among the Underwriter and our Company and the Market Making Agreement dated [●] entered into among the Market Maker, Book Running Lead Manager and our Company.

Our Company and the Book Running Lead Manager shall make all information available to the public and investors at large and no selective or additional information would be available for a section of the

investors in any manner whatsoever including at road show presentations, in research or sales reports or at collection centres, etc.

The Book Running Lead Manager and its associates and affiliates may engage in transactions with and perform services for, our Company and associates of our Company in the ordinary course of business and may in future engage in the provision of services for which they may in future receive compensation. Pantomath Capital Advisors Private Limited is not an 'associate' of the Company and is eligible to Book Running Lead Manager this Issue, under the SEBI (Merchant Bankers) Regulations, 1992.

Investors who apply in this Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares and will not offer, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares. Our Company and the Book Running Lead Manager and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares.

PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE BOOK RUNNING LEAD MANAGER

For details regarding the price information and track record of the past issue handled by Pantomath Capital Advisors Private Limited, as specified in Circular reference CIR/CFD/DIL/7/2015 dated October 30, 2015 issued by SEBI, please refer "Annexure A" to this Draft Red Herring Prospectus and the website of the Book Running Lead Manager at www.pantomathgroup.com

DISCLAIMER IN RESPECT OF JURISDICTION

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of Rs. 2,500 Lakhs, pension funds with minimum corpus of Rs. 2,500 Lakhs and the National Investment Fund, and permitted non-residents including FPIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company. The 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 Issue will be subject to the jurisdiction of appropriate court(s) in Mumbai 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 BSE SME for its observations and BSE 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 since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

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

Further, each applicant where required agrees that such applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws, legislations and Draft Red Herring Prospectus in each jurisdiction, including India.

DISCLAIMER CLAUSE OF THE SME PLATFORM OF BSE

BSE Limited ("BSE") has given *vide* its letter dated [●] permission to this Company to use its name in this offer document as one of the stock exchanges on which this company's securities are proposed to be listed on the SME Platform. BSE has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. BSE Ltd does not in any manner:-

- i. warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
- ii. warrant that this Company's securities will be listed or will continue to be listed on BSE; or
- iii. take any responsibility for the financial or other soundness of this Company, its promoter, its management or any scheme or project of this Company;

and it should not for any reason be deemed or construed that this offer document has been cleared or approved by BSE. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE 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 for any other reason whatsoever.

FILING

The Draft Red Herring Prospectus has not been filed with SEBI, nor SEBI has issued any observation on the Offer Document in terms of Regulation 106(M)(3). However, a copy of the Red Herring Prospectus shall be filed with SEBI at the SEBI Bhavan, Plot No C4-A, G Block, Bandra Kurla Complex, Bandra East, Mumbai- 400051, Maharashtra. A copy of both, the Red Herring Prospectus and Prospectus, along with the documents required to be filed under Section 26 and Section 32 of the Companies Act, 2013 will be delivered to the RoC situated at 100, Everest, Marine Drive, Mumbai-400002, Maharashtra, India.

In terms of Chapter XB of the SEBI (ICDR) Regulations, there is no requirement of obtaining in-principle approval from SME Platform of BSE. However application will be made to the SME Platform of BSE for obtaining permission to deal in and for an official quotation of our Equity Shares. BSE SME will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized.

The SME Platform of BSE has given its in-principle approval for using its name in our Draft Red Herring Prospectus *vide* its letter dated [●].

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the SME Platform of BSE, our Company will forthwith repay, without interest, all moneys received from the applicants in pursuance of the Prospectus. If such money is not repaid within 8 days after our Company becomes liable to repay it (i.e. from the date of refusal or within 15 working days from the Issue Closing Date), then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of 8 days, be liable to repay the money, with interest at the rate of 15% per annum on application money, as prescribed under section 40 of the Companies Act, 2013.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of the BSE mentioned above are taken within six Working Days from the Issue Closing Date.

CONSENTS

Consents in writing of: (a) the Directors, the Promoters, the Company Secretary & Compliance Officer, Chief Financial Officer, Chief Executive Officer, the Statutory Auditors, the Peer Reviewed Auditors, the Banker to the Company; and (b) Book Running Lead Managers, Underwriter, Market Maker, Registrar to the Issue, Public Issue Bank / Banker to the Issue and Refund Banker to the Issue, Legal Advisor to the Issue to act in their respective capacities have been obtained and will be filed along with a copy of the Red Herring Prospectus/ Prospectus with the RoC, as required under Sections 26 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Red Herring Prospectus/ Prospectus for registration with the RoC. Our Peer Reviewed 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 & Prospectus for filing with the RoC.

EXPERT TO THE ISSUE

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

- Report of the Peer Reviewed Auditor on Statement of Tax Benefits.
- Report of the Peer Reviewed Auditor on the Restated Financial Statements for the financial years ended on March 31, 2018, 2017, 2016, 2015, 2014 of our Company

EXPENSES OF THE ISSUE

The expenses of this Issue include, among others, underwriting and management fees, printing and distribution expenses, legal fees, statutory advertisement expenses and listing fees. For details of total expenses of the Issue, refer to chapter “*Objects of the Issue*” beginning on page 104 of this Draft Red Herring Prospectus.

DETAILS OF FEES PAYABLE

Fees Payable to the Lead Manager

The total fees payable to the Book Running Lead Manager will be as per the Mandate Letter dated April 4, 2018 issued by our Company to the Book Running Lead Manager, the copy of which is available for inspection at our Registered Office.

Fees Payable to the Registrar to the Issue

The fees payable to the Registrar to the Issue will be as per the Agreement signed by our Company and the Registrar to the Issue dated May 29, 2018, a copy of which is available for inspection at our Registered Office. The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty and communication expenses. Adequate funds will be provided by the Company to the Registrar to the Issue to enable them to send allotment advice by registered post / speed post / under certificate of posting.

Fees Payable to Others

The total fees payable to the Legal Advisor, Auditor and Advertiser, etc. will be as per the terms of their respective engagement letters if any.

UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION

The underwriting commission and selling commission for this Issue is as set out in the Underwriting Agreement entered into between our Company and the Book Running Lead Manager. Payment of underwriting commission, brokerage and selling commission would be in accordance with Section 40 of Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rules, 2014.

PREVIOUS RIGHT AND PUBLIC ISSUES SINCE THE INCORPORATION

We have not made any previous rights and / or public issues since incorporation, and are an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations.

PREVIOUS ISSUES OF SHARES OTHERWISE THAN FOR CASH

Except as stated in the chapter titled “*Capital Structure*” beginning on page 85 of this Draft Red Herring Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

COMMISSION AND BROKERAGE ON PREVIOUS ISSUES

Since this is the 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 since our inception.

PARTICULARS IN REGARD TO OUR COMPANY AND OTHER LISTED COMPANIES UNDER THE SAME MANAGEMENT WITHIN THE MEANING OF SECTION 370 (1B) OF THE COMPANIES ACT, 1956 WHICH MADE ANY CAPITAL ISSUE DURING THE LAST THREE YEARS:

None of the equity shares of our Group Companies are listed on any recognized stock exchange. None of the above companies have raised any capital during the past 3 years.

PROMISE VERSUS PERFORMANCE FOR OUR COMPANY

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations. Therefore, data regarding promise versus performance is not applicable to us.

OUTSTANDING DEBENTURES, BONDS, REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS ISSUED BY OUR COMPANY

As on the date of this Draft Red Herring Prospectus, our Company has no outstanding debentures, bonds or redeemable preference shares.

STOCK MARKET DATA FOR OUR EQUITY SHARES

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations. Thus there is no stock market data available for the Equity Shares of our Company.

MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Agreement between the Registrar and our Company provides for retention of records with the Registrar for a period of at least three year from the last date of dispatch of the letters of allotment, demat credit and unblocking of funds to enable the investors to approach the Registrar to this Issue for redressal of their grievances. All grievances relating to this Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as the name, address of the applicant, number of Equity Shares applied for, amount paid on application and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection centre of the SCSB where the Application Form was submitted by the ASBA applicants.

DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

Our Company or the Registrar to the Issue or the SCSB in case of ASBA Applicant 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 May 02, 2018. For further details, please refer to the chapter titled “*Our Management*” beginning on page 195 of this Draft Red Herring Prospectus.

Our Company has appointed Divya Jajoo as Compliance Officer and she may be contacted at the following address:

Divya Jajoo

F-6, Anupam Nagar,
Behind Ganesh Mandir,
Raipur, Chhattisgarh- 492001

Tel: 0771 2283071

Fax: 0771 4269995

Email: cs@manoramagroup.co.in

Website: www.manoramagroup.co.in

Investors can contact the Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account or unblocking of funds, etc.

CHANGES IN AUDITORS DURING THE LAST THREE FINANCIAL YEARS

There have been no changes in Auditors of our Company in during the last three years preceding the date of this Draft Red Herring Prospectus.

CAPITALISATION OF RESERVES OR PROFITS

Save and except as stated in the chapter titled “*Capital Structure*” beginning on page 85 of this Draft Red Herring Prospectus, our Company has not capitalized its reserves or profits during the last five years.

REVALUATION OF ASSETS

Our Company has not revalued its assets since incorporation.

PURCHASE OF PROPERTY

Other than as disclosed in this Draft Red Herring Prospectus, there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of this Draft Red Herring Prospectus.

Except as stated elsewhere in this Draft Red Herring Prospectus, our Company has not purchased any property in which the Promoters and / or Directors have any direct or indirect interest in any payment made there under.

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 VII – ISSUE INFORMATION

TERMS OF THE ISSUE

The Equity Shares being issued and transferred pursuant to this Issue shall be subject to the provisions of the Companies Act, 2013, SEBI ICDR Regulations, SCRA, SCRR, the Memorandum and Articles of Association, the SEBI Listing Regulations, the terms of the 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 Issue. The Equity Shares shall also be subject to laws, as applicable, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the FIPB, the Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by SEBI, the RBI, the Government of India, the FIPB, the Stock Exchanges, the RoC and any other authorities while granting their approval for the Issue. SEBI has notified the SEBI Listing Regulations on September 2, 2015, which among other things governs the obligations applicable to a listed company which were earlier prescribed under the Equity Listing Agreement. The Listing Regulations have become effective from December 1, 2015.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015. All the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment.

Further vide the said circular Registrar to the Issue and Depository Participants have been also authorised to collect the Application forms. Investors may visit the official website of the concerned stock exchange for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available.

RANKING OF EQUITY SHARES

The Equity Shares being issued and transferred in the Issue shall be subject to the provisions of the Companies Act, 2013 and the Memorandum and Articles of Association and shall rank *pari-passu* with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees upon receipt of Allotment of Equity Shares under this Issue will be entitled to dividends and other corporate benefits, if any, declared by our Company after the date of Allotment in accordance with Companies Act, 1956 and Companies Act, 2013 and the Articles. For further details, please refer to the section titled “*Main Provisions of Articles of Association*” beginning on page number 340 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 217 of this Draft Red Herring Prospectus.

FACE VALUE AND ISSUE PRICE PER SHARE

The face value of the Equity Shares is Rs. 10 each and the Issue 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 Anchor Investor Allocation Price is Rs. [●] per Equity Share.

The Price Band and the minimum Bid Lot size for the Issue will be decided by our Company in consultation with the BRLM and advertised in [●] edition of the English national newspaper [●], [●]

edition of the Hindi national newspaper [●] and the Regional newspaper [●], each with wide circulation, at least five Working Days prior to the Bid/Issue Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading the same on their websites. 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 websites of the Stock Exchanges.

At any given point of time there shall be only one denomination of Equity Shares.

COMPLIANCE WITH SEBI ICDR REGULATIONS

Our Company shall comply with all requirements of the SEBI ICDR Regulations. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

RIGHTS OF THE EQUITY SHAREHOLDERS

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the Equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports & notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive issue for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation subject to any statutory and preferential claim being satisfied;
- Right of free transferability subject to applicable law, including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public limited company under the Companies Act, 2013 Act, the terms of the SEBI Listing Regulations and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association relating to voting rights, dividend, forfeiture and lien and / or consolidation / splitting, please refer to the section titled “*Main Provisions of Articles of Association*” beginning on page number 340 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 Issue:

- Agreement dated [●] amongst NSDL, our Company and the Registrar to the Issue; and
- Agreement dated [●] amongst CDSL, our Company and the Registrar to the Issue.

Since trading of the Equity Shares is in dematerialised form, the tradable lot is [●] Equity Share. Allotment in this Issue 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 Issue will be done in multiples of [●] Equity Share subject to a minimum allotment of [●] Equity Shares to the successful applicants.

MINIMUM NUMBER OF ALLOTTEES

Further in accordance with the Regulation 106R of SEBI (ICDR) Regulations, the minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked within 4 working days of closure of issue.

JURISDICTION

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Mumbai, Maharashtra, India.

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

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

JOINT HOLDER

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as joint tenants with benefits of survivorship.

NOMINATION FACILITY TO 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 Issue will be made only in dematerialized mode there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the investor wants to change the nomination, they are requested to inform their respective depository participant.

WITHDRAWAL OF THE ISSUE

Our Company in consultation with the BRLM, reserve the right to not to proceed with the Issue after the Bid/Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two days of the Bid/Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Book Running Lead Manager through, the Registrar to the Issue, shall notify the SCSBs 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.

Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment, and (ii) the final RoC approval of the Prospectus after it is filed with the RoC. If our Company withdraws the Issue after the Bid/ Issue Closing Date and thereafter determines that it will proceed with an issue/issue for sale of the Equity Shares, our Company shall file a fresh Draft Red Herring Prospectus with Stock Exchange.

BID/ ISSUE OPENING DATE

Bid / Issue Opening Date*	[●]
Bid / Issue Closing Date	[●]
Finalisation of Basis of Allotment with the Designated Stock Exchange	[●]
Initiation of Refunds	[●]
Credit of Equity Shares to demat accounts of Allottees	[●]
Commencement of trading of the Equity Shares on the Stock Exchange	[●]

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

The above timetable is indicative and does not constitute any obligation on our Company, and the BRLM. 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 Bid/Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid/Issue 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/Issue Period. On the Bid/Issue 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 Manager 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/Issue Closing Date, the Bidders are advised to submit their Bids one day prior to the Bid/Issue Closing Date and, in any case, no later than 5.00 p.m. (IST) on the Bid/Issue 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/Issue Closing Date, as is typically experienced in public issue, 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 Issue. Bids will be accepted only on Business Days. Neither our Company nor the Book Running Lead Manager is 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 in consultation with the BRLM, reserves the right to revise the Price Band during the Bid/ Issue 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/Issue Period will be extended for at least three additional working days after revision of Price Band subject to the Bid/ Issue Period not exceeding 10 working days. Any revision in the Price Band and the revised Bid/ Issue 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 Manager and at the terminals of the Syndicate Member.

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 Issue shall ask for rectified data

MINIMUM SUBSCRIPTION

This Issue is not restricted to any minimum subscription level and is 100% underwritten.

As per Section 39 of the Companies Act, 2013, if the “stated minimum amount” has not 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 issue through the Issue Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable law.

In accordance with Regulation 106 P (1) of the SEBI (ICDR) Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the issue through the Draft Red Herring Prospectus and shall not be restricted to the minimum subscription level.

Further, in accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will be allotted will not be less than 50 (Fifty)

Further, in accordance with Regulation 106(Q) 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 BSE 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 BSE 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 and transferred through this Issue are proposed to be listed on the BSE SME (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 BSE SME. For further details of the market making arrangement please refer to chapter titled “General Information” beginning on page 74 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 BSE SME.

AS PER THE EXISTANT POLICY OF THE GOVERNMENT OF INDIA, OCBS CANNOT PARTICIPATE IN THIS ISSUE

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FIIs and foreign venture capital investors registered with SEBI to invest in shares of Indian Companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India / RBI while granting such approvals.

OPTION TO RECEIVE SECURITIES IN DEMATERIALIZED FORM

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange. Allottees shall have the option to re-materialise the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

NEW FINANCIAL INSTRUMENTS

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company.

APPLICATION BY ELIGIBLE NRIs, FPI'S REGISTERED WITH SEBI, VCF'S, AIF'S REGISTERED WITH SEBI AND QFI'S

It is to be understood that there is no reservation for Eligible NRIs or FPIs or QFIs or VCFs or AIFs registered with SEBI. Such Eligible NRIs, QFIs, FPIs, VCFs or AIFs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

RESTRICTIONS, IF ANY ON TRANSFER AND TRANSMISSION OF EQUITY SHARES

Except for lock-in of the pre-Issue Equity Shares and Promoter's minimum contribution in the Issue as detailed in the chapter "*Capital Structure*" beginning on page 85 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 340 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 Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the 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.

ISSUE STRUCTURE

This Issue is being made in terms of Regulation 106(M)(2) of Chapter XB of SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, our post issue face value capital exceeds ten crore rupees but does not exceed twenty five crore . The Company shall issue specified securities to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the BSE SME). For further details regarding the salient features and terms of such an issue please refer chapter titled “*Terms of the Issue*” and “*Issue Procedure*” on page 271 and 283 of this Draft Red Herring Prospectus.

Following is the issue structure:

Initial Public Issue of Upto 34,04,400 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 Issue comprises a Net Issue to the public of up to [●] Equity Shares (the “Net Issue”). The Issue and Net Issue will constitute [●] % and [●] % of the post-Issue paid-up Equity Share capital of our Company.

Our Company is considering a Pre IPO Placement of upto 4,70,400 Equity Shares and/or aggregating upto Rs 900.00 lakhs with certain investors If the Pre IPO Placement is completed, the issue size would be reduced to the extent of such Pre IPO Placement, subject to minimum Issue size of 25 per cent of the post issue paid up equity share capital being offered to public. The Equity Shares allotted under the Pre IPO Placement, if completed, shall be subject to a lock in period of one year from the date of Allotment pursuant to the Issue. The size of the Issue as disclosed in this Draft Red Herring Prospectus being 34,04,400 Equity Shares shall be reduced accordingly.

The Issue comprises a reservation of upto [●] Equity Shares of Rs. 10 each for subscription by the designated Market Maker (“the Market Maker Reservation Portion”).

Particulars	Qualified Institutional Bidders	Market Maker Reservation Portion	Non Institutional Bidders	Retail Individual Bidders
Number of Equity Shares	[●] Equity Shares	[●] Equity Shares	[●] Equity Shares	[●] Equity Shares
Percentage of Issue Size available for allocation	[●]% of Net the Issue size shall be available for allocation to QIBs. However, up to 5% of net QIB Portion (excluding the Anchor Investor Portion) will be available for allocation proportionately to Mutual Fund only. Upto 60% of the QIB Portion may be available for allocation to Anchor Investors and one-third of	[●] % of Issue Size	[●] % of Net Issue shall be available for allocation	[●] % of Net Issue shall be available for allocation

Particulars	Qualified Institutional Bidders	Market Maker Reservation Portion	Non Institutional Bidders	Retail Individual Bidders
	the Anchor Investors Portion shall be available for allocation to domestic mutual funds only*			
Basis of Allotment / Allocation if respective category is oversubscribed	<p>Proportionate as follows (excluding the Anchor Investor Portion:-</p> <p>a) upto [●] Equity Shares, shall be available for allocation on a proportionate basis to Mutual Funds only and;</p> <p>b) [●] Equity shares shall be allotted on a proportionate basis to all QIBs including Mutual Funds receiving allocation as per (a) above</p> <p>[●] Equity Shares may be allocated on a discretionary basis to Anchor Investors</p> <p>For further details please refer to the section titled “<i>Issue Procedure</i>” beginning on page 283 of the Draft Red Herring Prospectus</p>	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>Issue Procedure</i> ” beginning on page 283 of the Draft Red Herring
Mode of Bid cum Application	Online or Physical through ASBA Process only	Through ASBA Process only	All applicants/ bidders shall make the application (Online or Physical	All applicants/ bidders shall make the application

Particulars	Qualified Institutional Bidders	Market Maker Reservation Portion	Non Institutional Bidders	Retail Individual Bidders
	(except Anchor Investors)		through ASBA Process only)	(Online or Physical through ASBA Process only)
Minimum Bid Size	Such number of Equity Shares in multiples of [●] Equity Shares such that the Application size exceeds Rs 2,00,000	[●] Equity Shares of face value of Rs 10/- each	Such number of Equity Shares in multiples of [●] Equity Shares such that the Application size exceeds Rs 2,00,000	Such number of Equity Shares in multiples of [●] Equity Shares such that the Application size does not exceed Rs 2,00,000
Maximum Bid Size	Not exceeding the size of the Issue subject to regulations as applicable to the Bidder	[●] Equity Shares of face value of Rs 10/- each	Not exceeding the size of the issue	Such number of Equity Shares in multiples of [●] Equity Shares such that the Application size does not exceed Rs 2,00,000
Mode of Allotment	Compulsorily in Dematerialised mode	Compulsorily in Dematerialised mode	Compulsorily in Dematerialised mode	Compulsorily in Dematerialised mode
Trading Lot	[●] Equity Shares	[●] Equity Shares, however the Market Maker may accept odd lots if any in the market as required under the SEBI ICDR Regulations	[●] Equity Shares	[●] Equity Shares
Terms of payment	The entire Bid Amount will be payable at the time of submission of the Bid Form			

1. * Our Company, in consultation with the BRLM may allocate upto 60% of the QIB Portion to Anchor Investors on a discretionary basis, in accordance with the SEBI (ICDR) Regulations, 2009, as amended. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Price. For further details please refer to the section titled "Issue Procedure" beginning on page 283 of the Draft Red Herring Prospectus;

2. *Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Form.*
3. *Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in any category other than the QIB Category would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories.*
4. *The QIB Portion includes Anchor Investor Portion, as per the SEBI Regulations. Anchor Investor shall pay the entire Bid Amount at the time of submission of the Anchor Investor Bid. Provided that any difference between the Anchor Investor Allocation Price and Anchor Investor Allocation Price, shall be payable by Anchor Investor Pay-in Date*
5. *The Issue is being made through the Book Building Process, wherein not more than [●]% of the Net Issue shall be available for allocation on a proportionate basis to QIBs, provided that our Company, in consultation with the BRLM may allocate upto 60% of the QIB Portion to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. Further not less than [●]% of the Net Issue shall be available for allocation on a proportionate basis to Non Institutional Bidders and not less than [●]% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price.*

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.

WITHDRAWAL OF THE ISSUE

Our Company in consultation with the BRLM, reserve the right to not to proceed with the Issue after the Bid/Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two days of the Bid/Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Book Running Lead Manager through, the Registrar to the Issue, shall notify the SCSBs 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.

Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment, and (ii) the final RoC approval of the Prospectus after it is filed with the RoC. If our Company withdraws the Issue after the Bid/ Issue Closing Date and thereafter determines that it will proceed with an issue for sale of the

Equity Shares, our Company shall file a fresh Draft Red Herring Prospectus with Stock Exchange. In terms of the SEBI Regulations, Non retail applicants shall not be allowed to withdraw their Application after the Issue Closing Date.

BID/ ISSUE OPENING DATE

Bid / Issue Opening Date*	[●]
Bid / Issue Closing Date	[●]
Finalisation of Basis of Allotment with the Designated Stock Exchange	[●]
Initiation of Refunds	[●]
Credit of Equity Shares to demat accounts of Allottees	[●]
Commencement of trading of the Equity Shares on the Stock Exchange	[●]

**Our Company may, in consultation with the BRLM may, consider participation by Anchor Investors. The Anchor Investor shall Bid in the Anchor Investor Bid Period i.e. one Working Day prior to the Bid Opening Date.*

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

In case of Bids by Non Institutional Bidders, the Bids and the revisions in Bids shall be accepted only between 10:00 am and 3:00 pm (Indian Standard Time) and uploaded till 4:00 pm on the Bid Closing Date.

ISSUE 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 ("General Information Document"), and including SEBI circular bearing number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and SEBI circular bearing number SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 included below under "Part B – General Information Document", which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 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 is also available on the websites of the Stock Exchanges and the BRLM. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

Our Company and the BRLM 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.

Please note that all the Bidders can participate in the Issue only through the ASBA process. All Bidders shall ensure that the ASBA Account has sufficient credit balance such that the full Bid Amount can be blocked by the SCSB at the time of submitting the Bid. Please note that all Bidders are required to make payment of the full Bid Amount along with the Bid cum Application Form.

Bidders are required to submit Bids to the Selected Branches / Offices of the RTAs, DPs, Designated Bank Branches of SCSBs or to the Syndicate Members. The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <http://www.sebi.gov.in>. For details on designated branches of SCSB collecting the Bid cum Application Form, please refer the above mentioned SEBI link. The list of Stock Brokers, Depository Participants ("DP"), Registrar to an Issue and Share Transfer Agent ("RTA") that have been notified by Bombay Stock Exchange. to act as intermediaries for submitting Bid cum Application Forms are provided on <http://www.bseindia.com> For details on their designated branches for submitting Bid cum Application Forms, please see the above mentioned BSE website.

Pursuant to the SEBI (Issue of Capital and Disclosure Requirements) (Fifth Amendment) Regulations, 2015, the ASBA process become mandatory for all investors w.e.f. January 1, 2016 and it allows the registrar, share transfer agents, depository participants and stock brokers to accept Bid cum Application Forms.

BOOK BUILDING PROCEDURE

The Issue is being made under Regulation 106(M)(2) of Chapter XB of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009. The Issue is being made through the Book Building Process wherein [●]% of the Net Issue shall be available for allocation to Qualified Institutional Buyers on a proportionate basis provided that Our Company in consultation with the BRLM may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with SEBI Regulation. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. 5% of the QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on

a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids.

Further not less than [●]% of the Net Issue shall be available for allocation on a proportionate basis to Non Institutional Bidders and not less than [●]% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price.

Subject to the valid Bids being received at or above the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for the Retail Portion where Allotment to each Retail Individual 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 in consultation with the BRLM 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.

BID CUM APPLICATION FORM

Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the BRLM, 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 websites of the BSE (www.bseindia.com), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Bid/Issue Opening Date.

All Bidders shall mandatorily participate in the Issue only through the ASBA process. ASBA Bidders must provide bank account details and authorisation to block funds in the relevant space provided in the Bid cum Application Form and the Bid cum Application Forms that do not contain such details are liable to be rejected.

ASBA Bidders shall ensure that the Bids are made on Bid cum Application Forms bearing the stamp of the Designated Intermediary, 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

Category	Colour of Bid cum Application Form*
Anchor Investors**	As prescribed by the Issuer

*excluding electronic Bid cum Application Form

** Bid cum Application Forms for Anchor Investors shall be available at the offices of the BRLM

Designated Intermediaries (other than SCSBs) 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.

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, price and the number of Equity Shares that the Applicants wish to apply for. Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. ASBA Bidders are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount can be blocked by the SCSBs at the time of submitting the Bid.

Applicants are required to submit their applications only through any of the Application Collecting Intermediaries

- An SCSB, with whom the bank account to be blocked is maintained
- A syndicate member (or sub syndicate member)
- A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) (broker)
- A depository participant (DP) (whose name is mentioned on the website of stock exchange as eligible for this activity)
- A registrar to an issue and share transfer agent (RTA) (whose name is mentioned on the website of the stock exchange as eligible for this activity)

The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgment to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by”

For applications submitted by investors to SCSB	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified
For applications submitted by investors to intermediaries other than SCSBs	After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading they shall forward a schedule as per prescribed format along with the application forms to designated branches of respective SCSBs for blocking of funds within one day of closure of Issue.

Upon completion and submission of Application Form to Application Collecting intermediaries, the Applicants are deemed to have authorized our Company to make the necessary changes in the Draft 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 under “*General Information Document for Investing in Public Issues – Category of Investors Eligible to participate in an Issue*”, the following persons are

also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- FPIs and sub-accounts registered with SEBI other than Category III foreign portfolio investor;
- Category III foreign portfolio investors, which are foreign corporates or foreign individuals only under the Non Institutional Investors (NIIs) category;
- Scientific and / or industrial research organisations authorised in India to invest in the Equity Shares.

MAXIMUM AND MINIMUM APPLICATION SIZE

a) For Retail Individual Bidders:

The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Bid Amount payable by the Bidder does not exceed Rs 2,00,000. In case of revision of Bid, the Retail Individual Bidders have to ensure that the Bid Amount does not exceed Rs. 2,00,000.

b) For Other Bidders (Non-Institutional Bidders and QIBs):

The Bid cum Application must be for a minimum of such number of Equity Shares such that the Bid Amount exceeds Rs.2,00,000 and in multiples of [●] Equity Shares thereafter. A Bid cannot be submitted for more than the Issue Size. However, the maximum Bid by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. **A QIB and a Non-Institutional Bidder cannot withdraw or lower the size of their Bid at any stage and are required to pay the entire Bid Amount upon submission of the Bid.** The identity of QIBs applying in the Net Issue shall not be made public during the Issue Period. In case of revision in Bid, the Non-Institutional Bidders, who are individuals, have to ensure that the Bid Amount is greater than Rs 2,00,000 for being considered for allocation in the Non-Institutional Portion.

INFORMATION FOR THE BIDDERS

- a. Our Company shall file the Red Herring Prospectus with the RoC at least three working days before the Bid / Issue Opening Date.
- b. Our Company shall, after registering the Red Herring Prospectus with the RoC, make a pre-Issue advertisement, in the form prescribed under the ICDR Regulations, in English and Hindi national newspapers and one regional newspaper with wide circulation. In the pre-Issue advertisement, our Company and the Book Running Lead Manager shall advertise the Issue Opening Date, the Issue Closing Date. This advertisement, subject to the provisions of the Companies Act, shall be in the format prescribed in Part A of Schedule XIII of the ICDR Regulations.
- c. The Price Band as decided by our Company in consultation with the Book Running Lead Manager is Rs. [●] per Equity Share. The Floor Price of Equity Shares is Rs. [●] per Equity Share and the Cap Price is Rs. [●] per Equity Share and the minimum bid lot is of [●] Equity Shares. Our Company shall also announce the Price Band at least five Working Days before the Issue Opening Date in English and Hindi national newspapers and one regional newspaper with wide circulation.
- d. This announcement shall contain relevant financial ratios computed for both upper and lower end of the Price Band. Further, this announcement shall be disclosed on the websites of the Stock Exchanges where the Equity Shares are proposed to be listed and shall also be pre-filled in the Bid cum Application Forms available on the websites of the stock exchanges.
- e. The Issue Period shall be for a minimum of three Working Days. In case the Price Band is revised, the Issue Period shall be extended, by an additional three Working Days, subject to the total Issue Period not exceeding ten Working Days. The revised Price Band and Issue Period will be widely disseminated by notification to the SCSBs and Stock Exchanges, and by publishing in English and Hindi national newspapers and one regional newspaper with wide circulation and also by indicating the change on the websites of the Book Running Lead Manager and at the terminals of the members of the Syndicate.

The 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 bidding system of the Stock Exchanges by the Syndicate Member does not match with the PAN, DP ID and Client ID available in the database of Depositories, the Bid cum Application Form is liable to be rejected.

OPTION TO SUBSCRIBE IN THE ISSUE

- a. As per Section 29(1) of the Companies Act, 2013 allotment of Equity Shares shall be in dematerialised form only.
 - b. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.
- A single Bid cum application from any investor shall not exceed the investment limit / minimum number of specified securities that can be held by him/her/it under the relevant regulations / statutory guidelines and applicable law

AVAILABILITY OF RED HERRING PROSPECTUS AND BID CUM APPLICATION FORM

Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the BRLM, 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 websites of SCSBs (via Internet Banking) and BSE (www.bseindia.com) at least one day prior to the Bid/Issue Opening Date.

APPLICATIONS BY ELIGIBLE NRI'S/RFPI's ON REPATRIATION BASIS

Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the BRLM, 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 websites of SCSBs (via Internet Banking) and BSE (www.bseindia.com) at least one day prior to the Bid/Issue Opening Date.

PARTICIPATION BY ASSOCIATED/AFFILIATES OF BOOK RUNNING LEAD MANAGER AND SYNDICATE MEMBERS

The BRLM and the Syndicate Members, if any, shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations.

The BRLM, Syndicate Members and any persons related to the BRLM and Syndicate Members (other than Mutual Funds sponsored by entities related to the BRLM) cannot apply in the Issue under the Anchor Investor Portion. However, the associates and affiliates of the BRLM and the Syndicate Members, if any, may subscribe the Equity Shares in the Offer, either in the Net 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.

APPLICATIONS BY ELIGIBLE NRI'S

NRIs may obtain copies of Bid cum Application Form from the offices of the BRLM and the Designated Intermediaries. 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") ASBA 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.

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)

BIDS BY FPI INCLUDING FIIs

In terms of the SEBI FPI Regulations, any qualified foreign investor or FII who holds a valid certificate of registration from SEBI shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or a sub-account may participate in this Issue, in accordance with Schedule 2 of the FEMA Regulations, until the expiry of its registration with SEBI as an FII or a sub-account. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued by the designated depository participant under the FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. An FII or subaccount may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Issue, until the expiry of its registration as a FII or sub-account, or until it obtains a certificate of registration as FPI, whichever is earlier. Further, in case of Bids made by SEBI-registered FIIs or sub-accounts, which are not registered as FPIs, a certified copy of the certificate of registration as an FII issued by SEBI is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason.

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10.00% of our post-Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10.00% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectorial cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included. The existing individual and aggregate investment limits an FII or sub account in our Company is 10.00% and 24% of the total paid-up Equity Share capital of our Company, respectively.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with know your client' norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for Non-Residents (blue in colour).

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 BRLM 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.

BIDS BY ANCHOR INVESTORS

Our Company, in consultation with the BRLM, may consider participation by Anchor Investors in the Issue for upto 60% of the QIB Portion in accordance with the SEBI Regulations. Only QIBs as defined in Regulation 2(1)(zd) of the SEBI Regulations and not otherwise excluded pursuant to Schedule XI of the SEBI Regulations are eligible to invest. The QIB Portion will be reduced in proportion to allocation under the Anchor Investor Portion. In the event of under-subscription in the Anchor Investor Portion, the balance Equity Shares will be added to the QIB Portion. In accordance with the SEBI Regulations, the key terms for participation in the Anchor Investor Portion are provided below.

1. Anchor Investor Bid cum Application Forms will be made available for the Anchor Investors at the offices of the BRLM.
2. The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount is atleast Rs 100 million. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of Rs 100 million.
3. One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.
4. Bidding for Anchor Investors will open one Working Day before the Bid/ Issue Opening Date and be completed on the same day.
5. Our Company, in consultation with the BRLM, will finalise allocation to the Anchor Investors on a discretionary basis, provided that the minimum and maximum number of Allottees in the Anchor Investor Portion will be, as mentioned below:
 - a. where allocation in the Anchor Investor Portion is upto Rs. 1000.00 Lakhs, maximum of 2 (two) Anchor Investors;

- b. where the allocation under the Anchor Investor Portion is more than Rs. 1000.00 Lakhs but upto Rs. 25,000 Lakhs, minimum of 2 (two) and maximum of 15 (fifteen) Anchor Investors, subject to a minimum Allotment of Rs. 500 Lakhs per Anchor Investor; and
 - c. where the allocation under the Anchor Investor portion is more than Rs. 25,000 Lakhs: (i) minimum of 5 (five) and maximum of 15 (fifteen) Anchor Investors for allocation upto Rs. 25,000 Lakhs; and (ii) an additional 10 Anchor Investors for every additional allocation of Rs. 25,000 Lakhs or part thereof in the Anchor Investor Portion; subject to a minimum Allotment of Rs. 500 Lakhs per Anchor Investor.
6. Allocation to Anchor Investors will be completed on the Anchor Investor Bid/ Issue Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLM before the Bid/ Issue Opening Date, through intimation to the Stock Exchange.
 7. Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
 8. If the Issue Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Issue Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors within 2 (two) Working Days from the Bid/Issue Closing Date. If the Issue Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Issue Price.
 9. At the end of each day of the bidding period, the demand including allocation made to anchor investors, shall be shown graphically on the bidding terminals of syndicate members and website of stock exchange offering electronically linked transparent bidding facility, for information of public.
 10. Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 30 days from the date of Allotment.
 11. The BRLM, our Promoters, Promoter Group or any person related to them (except for Mutual Funds sponsored by entities related to the BRLM) will not participate in the Anchor Investor Portion. The parameters for selection of Anchor Investors will be clearly identified by the BRLM and made available as part of the records of the BRLM for inspection by SEBI.
 12. Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.
 13. Anchor Investors are not permitted to Bid in the Issue through the ASBA process

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 LIMITED LIABILITY PARTNERSHIPS

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any bid without assigning any reason thereof. Limited liability partnerships can participate in the Issue only through the ASBA process.

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:

- 1) equity shares of a company: the least of 10.00% of the investee company's subscribed capital (face value) or 10.00% of the respective fund in case of life insurer or 10.00% of investment assets in case of general insurer or reinsurer;
- 2) the entire group of the investee company: not more than 15% of the respective 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
- 3) 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 (a), (b) and (c) above, as the case may be. Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

BIDS UNDER POWER OF ATTORNEY

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with a minimum corpus of Rs. 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2500 Lakhs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the 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 reasons thereof. In addition to the above, certain additional documents are required to be submitted by the following entities:

- a) With respect to Bids by FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form.
- b) With respect to Bids by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged along with the Bid cum Application Form.
- c) With respect to Bids made by provident funds with a minimum corpus of Rs. 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2500 Lakhs, a certified copy of a

certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Bid cum Application Form.

d) With respect to Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form

e) Our Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that our Company and the BRLM may deem fit.

The above information is given for the benefit of the Bidders. Our Company, the Book Running Lead Manager 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.

BIDS BY PROVIDENT FUNDS/PENSION FUNDS

In case of Bids made by provident funds with minimum corpus of Rs. 25 Crore (subject to applicable law) and pension funds with minimum corpus of Rs. 25 Crore, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the 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 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 ASBA Form, failing which our Company reserve the right to reject any Bid by a banking company without assigning any reason.

Bid cum Application Form, failing which our Company reserve 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 (the "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 Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making Bid cum

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 Bid cum application in public issues and clear demarcated funds should be available in such account for such Bid cum applications.

ISSUANCE OF A CONFIRMATION NOTE (“CAN”) AND ALLOTMENT IN THE ISSUE

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Issue shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Issue.

2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder

TERMS OF PAYMENT

Terms of Payment

The entire Issue price of Rs. [●] per share is payable on Bid cum application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar to the issue shall instruct the SCSBs to unblock the excess amount blocked.

SCSBs will transfer the amount as per the instruction received by the Registrar to the Public Issue Bank Account, post finalisation of basis of Allotment. The balance amount after transfer to the Public Issue Account shall be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, the Bankers to the Issue and the Registrar to the Issue to facilitate collections from the Bidders.

Payment mechanism for Bidders

The Bidders shall specify the bank account number in the Bid cum Application Form and the SCSBs shall block an amount equivalent to the Bid cum Application Amount in the bank account specified in the Bid cum Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the bid cum application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non Retail Bidders shall neither withdraw nor lower the size of their bid cum applications at any stage. In the event of withdrawal or rejection of the Bid cum Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalisation of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the bid cum application by the ASBA Applicant, as the case may be.

Please note that pursuant to the applicability of the directions issued by SEBI vide its circular bearing number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all Investors are applying in this Issue shall mandatorily make use of ASBA facility.

PAYMENT INTO ESCROW ACCOUNT FOR ANCHOR INVESTORS

All the investors other than Anchor Investors are required to bid through ASBA Mode. Anchor Investors are requested to note the following:

Our Company in consultation with the BRLM, in its absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favour of:

- a. In case of resident Anchor Investors: — [●]
- b. In case of Non-Resident Anchor Investors: — [●]

Bidders should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Escrow Collection Bank and the Registrar to the Issue to facilitate collections from the Anchor Investors.

SIGNING OF UNDERWRITING AGREEMENT AND FILING OF PROSPECTUS WITH ROC

- a) Our Company has entered into an Underwriting agreement dated [●].
- b) A copy of the Red Herring Prospectus and Prospectus will be filed with the RoC in terms of Section 32 of the Companies Act.

PRE- ISSUE ADVERTISEMENT

Subject to Section 30 of the Companies Act, 2013, our Company shall, after registering the Red Herring Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in: (i) English National Newspaper; (ii) Hindi National Newspaper; and (iii) Regional Newspaper, each with wide circulation. In the pre-Issue advertisement, we shall state the Bid Opening Date and the Bid Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule XIII of the SEBI Regulations.

ADVERTISEMENT REGARDING ISSUE PRICE AND PROSPECTUS

Our Company will issue 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 Issue Price. Any material updates between the date of the Red Herring Prospectus and the date of Prospectus will be included in such statutory advertisement.

GENERAL INSTRUCTIONS

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 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. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
8. 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;
9. Ensure that you request for and receive a stamped acknowledgement of the Bid cum Application Form for all your Bid options;

10. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process to 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);
 11. Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
 12. 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;
 13. Ensure that the Demographic Details are updated, true and correct in all respects;
 14. 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;
 15. Ensure that the category and the investor status is indicated;
 16. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;
 17. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
 18. Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. Where the Bid cum Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form;
 19. 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 Red Herring Prospectus;
 20. Ensure that you have mentioned the correct ASBA Account number in the Bid cum Application Form;
 21. Ensure that you have correctly signed the authorization/undertaking box in the Bid cum Application Form, or have otherwise provided an authorization to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;
 22. Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Bid cum Application Form; and
- The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Dont's:

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 QIBs and 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 Rs. 200,000 (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 Issue size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;
11. Do not submit 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 more than five Bid cum Application Forms per ASBA Account;

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

BIDS AT DIFFERENT PRICE LEVELS AND REVISION OF BIDS

- a) Our Company in consultation with the BRLM, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid/ Issue 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 disclosed. If the revised price band decided, falls within two different price bands than the minimum application lot size shall be decided based on the price band in which the higher price falls into.
- b) Our Company in consultation with the BRLM, will finalize the Issue Price within the Price Band, without the prior approval of, or intimation, to the Bidders.
- c) The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. Retail Individual Bidders may Bid at the Cut-off Price. However, bidding at Cut-off Price is prohibited for QIB and Non-Institutional Bidders and such Bids from QIB and Non-Institutional Bidders shall be rejected.

d) Retail Individual Bidders, who Bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders shall submit the Bid cum Application Form along with a cheque/demand draft for the Bid Amount based on the Cap Price with the Syndicate. In case of ASBA Bidders (excluding Non-Institutional Bidders and QIB Bidders) bidding at Cut-off Price, the ASBA Bidders shall instruct the SCSBs to block an amount based on the Cap Price.

e) The price of the specified securities offered to an anchor investor shall not be lower than the price offered to other applicants

COMMUNICATIONS

All future communications in connection with Bids made in this Issue should be addressed to the Registrar quoting the full name of the sole or First Bidder, Bid cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid cum Application Form, name and address of the Application Collecting Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Bidders can contact the Compliance Officer or the Registrar in case of any pre Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

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.”

UNDERTAKINGS BY THE COMPANY

Our Company undertake as follows:

- 1. That the complaints received in respect of the Issue shall be attended expeditiously and satisfactorily;
- 2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at SME Platform of Bombay Stock Exchange where the Equity Shares are proposed to be listed within six working days from Issue Closure date.
- 3. That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar and Share Transfer Agent to the Issue by our Company;
- 4. That our Promoter's contribution in full has already been brought in;
- 5. That no further issue 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.; and
- 6. That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment.
- 7. If our Company does not proceed with the Issue after the Bid/Issue 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/Issue Closing Date. The public notice shall be issued in the same newspapers where the Pre-Issue advertisements were published. The stock exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;

8. If our Company withdraw the Issue after the Bid/Issue 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 Issue;
9. Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law for the delayed period

UTILIZATION OF THE ISSUE PROCEEDS

The Board of Directors of our Company certifies that:

1. all monies received out of the issue shall be transferred to a separate Bank Account other than the bank account referred to in Sub-Section (3) of Section 40 of the Companies Act, 2013;
2. details of all monies utilized out of the issue referred above shall be disclosed and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized;
3. details of all unutilized monies out of the issue, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested; and
4. Our Company shall comply with the requirements of the SEBI Listing Regulations in relation to the disclosure and monitoring of the utilisation of the proceeds of the Issue.
5. Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from all the Stock Exchanges where listing is sought has been received.
6. The Book Running Lead Manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactory.

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 is in the process of signing the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a. Agreement dated [●] among NSDL, the Company and the Registrar to the Issue;
- b. Agreement dated [●] among CDSL, the Company and the Registrar to the Issue;

The Company's shares bear ISIN no [●].

PART B

GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES

This General Information Document highlights the key rules, processes and procedures applicable to public issues in accordance with the provisions of the Companies Act, 2013 (to the extent notified and in effect), the Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon the notification of the Companies Act, 2013), the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. Bidders should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Issue. For taking an investment decision, the Bidders should rely on their own examination of the Issue and the Issuer, and should carefully read the Draft Red Herring prospectus before investing in the Issue.

SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)

This document is applicable to the public issues undertaken *inter-alia* through the Book-Building Process as well as to the Fixed Price Issue. The purpose of the “General Information Document for Investing in Public Issues” is to provide general guidance to potential Bidders in IPOs, on the processes and procedures governing IPOs and FPOs, undertaken in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“SEBI ICDR Regulations, 2009”).

Bidders should note that investment in equity and equity related securities involves risk and Bidder should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/or for subscribing to securities in an Issue and the relevant information about the Issuer undertaking the Issue are set out in the Red Herring Prospectus (“RHP”)/Prospectus filed by the Issuer with the Registrar of Companies (“RoC”). Bidders should carefully read the entire RHP/Prospectus and the Bid cum Application Form/Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Issue. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the RHP/Prospectus, the disclosures in the RHP/Prospectus shall prevail. The RHP/Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the BRLM to the Issue and on the website of Securities and Exchange Board of India (“SEBI”) at www.sebi.gov.in.

For the definitions of capitalized terms and abbreviations used herein Bidders may refer to the section “Glossary and Abbreviations”.

SECTION 2: BRIEF INTRODUCTION TO IPOs ON SME EXCHANGE

2.1 Initial public offer (IPO)

An IPO means an offer of specified securities by an unlisted Issuer to the public for subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.

For undertaking an IPO, an Issuer is *inter-alia* required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI ICDR Regulations, 2009. For details of compliance with the eligibility requirements by the Issuer, Bidders/Applicants may refer to the DRHP.

2.2 Further public offer (FPO)

An FPO means an offer of specified securities by a listed Issuer to the public for subscription and may include Offer for Sale of specified securities to the public by any existing holder of such securities in a listed Issuer. For undertaking an FPO, the Issuer is *inter-alia* required to comply with

the eligibility requirements in terms of Regulation 26/ Regulation 27 of the SEBI ICDR Regulations, 2009. For details of compliance with the eligibility requirements by the Issuer, Bidders/Applicants may refer to the RHP/Prospectus.

The Issuer may also undertake IPO under of chapter XB of the SEBI (ICDR) Regulations, wherein as per,

- Regulation 106M (1): An issuer whose post- issue face value capital does not exceed ten crore rupees shall issue its specified securities in accordance with provisions of this Chapter.
- Regulation 106M (2): An issuer, whose post issue face value capital, is more than ten crore rupees and up to twenty five crore rupees, may also issue specified securities in accordance with provisions of this Chapter.

The present Issue being made under Regulation 106M (2) of Chapter XB of SEBI (ICDR) Regulation.

2.3 OTHER ELIGIBILITY REQUIREMENTS

In addition to the eligibility requirements specified in paragraphs 2.1 and 2.2, an Issuer proposing to undertake an IPO or an FPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, 2009, the Companies Act, 1956 and the Companies Act, 2013 (the “Companies Act”), The Securities Contracts (Regulation) Rules, 1957 (the “SCRR”), industry-specific regulations, if any, and other applicable laws for the time being in force. Following are the eligibility requirements for making an SME IPO under Regulation 106M (2) of Chapter XB of SEBI (ICDR) Regulation:

- In accordance with regulation 106(P) of the SEBI (ICDR) Regulations, issue has to be 100% underwritten and the BRLM has to underwrite at least 15% of the total issue size.
- In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, total number of proposed allottees in the issue shall be greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight days from the date the company becomes liable to repay it, than the Company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under section 40 of the Companies Act, 2013.
- In accordance with Regulation 106(O) the SEBI (ICDR) Regulations, Company is not required to file any Offer Document with SEBI nor has SEBI issue any observations on the Offer Document. The Book Running Lead Manager shall submit the copy of Red Herring Prospectus and Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Red Herring Prospectus and Prospectus with Stock Exchange and the Registrar of Companies.
- In accordance with Regulation 106(V) of the SEBI ICDR Regulations, the BRLM has to ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares offered in the issue.
- The Company has track record of distributable profits in terms of section 123 of Companies Act for at least two years out of immediately preceding three financial years and each financial year has a period of at least 12 months.
- The Distributable Profit of the Company as per the restated standalone financial statements for the year ended March 31, 2018, 2017, 2016, 2015, 2014 is as set forth below: (Rs in lakhs)

Particulars	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
Distributable Profits*	1,035.56	137.52	108.21	94.16	89.62

Net Tangible Assets**	2,407.29	1,390.39	1,264.34	942.13	853.43
Net Worth***	2,472.37	1,436.81	1,299.29	964.02	864.63

*“Distributable profits” have been computed in terms section 123 of the Companies Act, 2013.

**“Net tangible assets” are defined as the sum of all net assets of our Company, excluding intangible assets as defined in Accounting Standard 26 (AS 26) issued by the Institute of Chartered Accountants of India and deferred tax assets (net).

***“Net Worth” has been defined as the aggregate of the paid up share capital, share application money (excluding the portion included in other current liabilities) and reserves and surplus excluding miscellaneous expenditure, if any

- (g) The Post-issue paid up capital of the Company shall be at least Rs. 3 crore. The post issue capital of our Company is Rs. [●]
- (h) The Company shall mandatorily facilitate trading in demat securities and will enter into an agreement with both the depositories.
- (i) The Company has not been referred to Board for Industrial and Financial Reconstruction.
- (j) No petition for winding up is admitted by a court or a liquidator has not been appointed of competent jurisdiction against the Company
- (k) No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the Company.
- (l) There has been no change in the promoter(s) of the Company in the one year preceding the date of filing application to BSE for listing on SME segment.
- (m) The Company has a website www.manorama.in

We further confirm that we shall be complying with all the other requirements as laid down for such an Issue under Chapter X-B of SEBI (ICDR) Regulations and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106(M)(3) of SEBI (ICDR) Regulations, 2009, the provisions of Regulations 6(1), 6(2), 6(3), Regulation 7, Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and Sub regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to us in this Issue.

Thus Company is eligible for the issue in accordance with regulation 106M (1) and other provisions of chapter XB of the SEBI (ICDR) Regulations as the post issue face value capital does not exceed Rs. 1000 Lakhs. Company also complies with the eligibility conditions laid by the BSE SME for listing of our Equity Shares.

2.4 TYPES OF PUBLIC ISSUES – FIXED PRICE ISSUES AND BOOK BUILT ISSUES

In accordance with the provisions of the SEBI ICDR Regulations, 2009, an Issuer can either determine the Issue Price through the Book Building Process (“**Book Built issues**”) or undertake a Fixed Price Issue (“**Fixed Price Issues**”). An issuer may mention Price or Price Band in the Draft Red Herring Prospectus (in case of a fixed price Issue) and Floor price or price band in the Red Herring prospectus (in case of a book built issue) and determine the price at a later date before registering the prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-issue advertisement was given at least five Working Days before the Bid/ Issue Opening Date, in case of an IPO and at least one Working Day before the Bid/Issue Opening Date, in case of an FPO.

The Floor Price or the Issue price cannot be lesser than the face value of the securities. Bidders should refer to the RHP/ Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

2.5 ISSUE PERIOD

The Issue may be kept open for a minimum of three Working Days (for all category of Bidders/Applicants) and not more than ten Working Days. Bidders/Applicants are advised to refer to the Bid cum Application Form and Abridged Prospectus or RHP/Prospectus for details of the Bid/Issue Period. Details of Bid/Issue Period are also available on the website of the Stock Exchange(s).

In case of a Book Built Issue, the Issuer may close the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date if disclosures to that effect are made in the RHP. In case of revision of the Floor Price or Price Band in Book Built Issues the Bid/Issue Period may be extended by at least three Working Days, subject to the total Bid/Issue Period not exceeding 10 Working Days. For details of any revision of the Floor Price or Price Band, Bidders/Applicants may check the announcements made by the Issuer on the websites of the Stock Exchanges and the BRLM and the advertisement in the newspaper(s) issued in this regard

2.6 MIGRATION TO MAIN BOARD

SME Issuer may migrate to the Main Board of SE from the SME Exchange at a later date subject to the following:

- (a) If the Paid up Capital of the Company is likely to increase above Rs. 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), the Company shall apply to SE for listing of its shares on its Main Board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the Main Board.

OR

- (b) If the Paid up Capital of the company is more than 10 crores but below Rs. 25 crores, the Company may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the 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.

2.7 FLOWCHART OF TIMELINES

A flow chart of process flow in Fixed Price and Book Built Issues is as follows



SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN ISSUE

Each Bidder should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Bidders, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders are requested to refer to the DRHP for more details.

Subject to the above, an illustrative list of Bidders is as follows:

1. Indian nationals resident in India who are not incompetent to contract in single or joint names (not more than three) or in the names of minors through natural/legal guardian;
2. Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidders 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 would be considered at par with those from individuals;
3. Companies, Corporate Bodies and Societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
4. Mutual Funds registered with SEBI;
5. Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
6. Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
7. FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI
8. Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
9. State Industrial Development Corporations;
10. Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
11. Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
12. Insurance Companies registered with IRDA;
13. Provident Funds and Pension Funds with minimum corpus of Rs. 2,500 Lakhs and who are authorized under their constitution to hold and invest in equity shares;
14. Multilateral and Bilateral Development Financial Institutions;
15. National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
16. Insurance funds set up and managed by army, navy or air force of the Union of India or by Department of Posts, India;
17. Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws

As per the existing regulations, OCBs cannot participate in this Issue.

SECTION 4: APPLYING IN THE ISSUE

Book Built Issue: Bidders should only use the specified Bid cum Application Form (or in case of Anchor Investors, the Anchor Investor Application Form) either bearing the stamp of a member of the Syndicate or any other Designated Intermediary, bearing a stamp of the Registered Broker or stamp of SCSBs as available or downloaded from the websites of the Stock Exchanges.

Bid cum Application Forms are available with the book running lead manager, members of the Syndicate, Registered Brokers, Designated Intermediaries at Branches of the Bidding Centres, SCSBs and at the registered office of the Issuer. Electronic Bid cum Application Forms will be available on the websites of the Stock Exchanges at least one day prior to the Bid/ Issue Opening Date. For further details, regarding availability of Bid cum Application Forms, Bidders may refer to the DRHP/RHP.

Bidders/Applicants should ensure that they apply in the appropriate category. The prescribed colour of the Bid cum Application Form for various categories of Bidders/Applicants is as follows:

Category	Colour of the Bid cum Application Form (Excluding downloaded forms from SE website)
Resident Indian, Eligible NRIs applying on a non repatriation basis	White
Non-Residents and Eligible NRIs, FIIs, FVCIs, etc. applying on a repatriation basis	Blue
Anchor Investors (where applicable) & Bidders applying in the reserved category	Not Applicable

Securities issued in an IPO can only be in dematerialized form in compliance with Section 29 of the Companies Act, 2013. Bidders will not have the option of getting the allotment of specified securities in physical form. However, they may get the specified securities rematerialized subsequent to allotment.

4.1 INSTRUCTIONS FOR FILING THE BID CUM APPLICATION FORM/ ASBA FORM

Bidders may note that forms not filled completely or correctly as per instructions provided in this GUID, the DRHP and the Bid cum Application Form/ Application Form are liable to be rejected. Instructions to fill each field of the Bid cum Application Form can be found on the reverse side of the Bid cum Application Form. Specific instructions for filling various fields of the Resident Bid cum Application Form and Non-Resident Bid cum Application Form and samples are provided below.

The samples of the Bid cum Application Form for resident Bidders and the Bid cum Application Form for non- resident Bidders are reproduced below:

R Bid cum Application Form

<p>COMMON BID CUM APPLICATION FORM</p>	<p>MANORAMA INDUSTRIES LIMITED - INITIAL PUBLIC ISSUE - R Registered Office: 104, 1st Floor, J. K. Co Op HSG Society, 40/42 Mint Road, Fort, Mumbai, Maharashtra, India, Tel. No.: 022-22622299; Fax No.: NA; E-mail: info@shreeramproteins.com; Website: www.shreeramproteins.com; Corporate Identification Number: U1514MH2005PLC243687</p>	<p>FOR RESIDENT INDIANS INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS</p>
<p>To, The Board of Directors MANORAMA INDUSTRIES LIMITED</p>		
<p>BOOK BUILT ISSUE ISIN - INE</p>		
<p>Bid Cum Application Form No.</p>		
<p>SYNDICATE MEMBER'S STAMP & CODE</p>		<p>BROKER'S / SCSE / CDP / RTA STAMP & CODE</p>
<p>SUB-BROKER'S / SUB-AGENT'S STAMP & CODE</p>		<p>ESCROW BANK / SCSE BRANCH STAMP & CODE</p>
<p>BANK BRANCH SERIAL NO.</p>		<p>SCSE SERIAL NO.</p>
<p>1. NAME & CONTACT DETAILS OF SOLE/FIRST BIDDER</p>		
<p>Mr./Ms./M/s. _____ Age _____</p>		
<p>Address _____</p>		
<p>Email _____</p>		
<p>Tel. No (with STD code) / Mobile _____</p>		
<p>2. PAN OF SOLE/FIRST BIDDER</p>		
<p>_____</p>		
<p>3. BIDDER'S DEPOSITORY ACCOUNT DETAILS</p>		<p><input type="checkbox"/> NSDL <input type="checkbox"/> CDSL</p>
<p>For NSDL enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID.</p>		<p>6. INVESTOR STATUS</p>
<p>4. BID OPTIONS (Only Retail individual Bidders can BID at "Cut-Off"). Price band Rs. [•]/- to Rs. [•]/-</p>		<p><input type="checkbox"/> Individual(s) - IND <input type="checkbox"/> Hindu Undivided Family* - HUF <input type="checkbox"/> Non-Resident Indians - NRI (Non-Repatriation basis) <input type="checkbox"/> Bodies Corporate - CO <input type="checkbox"/> Banks & Financial Institutions - FI <input type="checkbox"/> Mutual Funds - MF <input type="checkbox"/> National Investment Funds - NIF <input type="checkbox"/> Insurance Funds - IF <input type="checkbox"/> Venture Capital Funds - VCF <input type="checkbox"/> Alternate Investment Funds - AIF <input type="checkbox"/> Others (Please Specify) - OTH</p>
<p>Bid Options</p>		<p>5. CATEGORY</p>
<p>No. of Equity Shares Bid (In Figures) (Bids must be in multiples of [•] equity shares)</p>		<p><input type="checkbox"/> Retail Individual Bidder <input type="checkbox"/> Non Institutional Bidder <input type="checkbox"/> QIB</p>
<p>Price per Equity Share (₹) / "Cut-off"</p>		<p><input type="checkbox"/> "Cut-Off" (Please ✓ tick)</p>
<p>Bid Price</p>		<p>_____</p>
<p>Retail Discount</p>		<p>_____</p>
<p>Net Price</p>		<p>_____</p>
<p>Option 1</p>		<p>_____</p>
<p>(OR) Option 2</p>		<p>_____</p>
<p>(OR) Option 3</p>		<p>_____</p>
<p>7. PAYMENT DETAILS</p>		
<p>Amount Blocked (₹ in Figures) _____ (₹ in words) _____</p>		
<p>ASBA Bank A/c No. _____</p>		
<p>Bank Name & Branch _____</p>		
<p>8. SIGNATURE OF SOLE / FIRST BIDDER</p>		
<p>Date: _____, 2018</p>		
<p>8 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)</p>		
<p>I/We authorize the SCSE to do all acts as are necessary to make the Application in the Issue</p>		
<p>1) _____</p>		
<p>2) _____</p>		
<p>3) _____</p>		
<p>SYNDICATE MEMBER/BROKER / SCSE / CDP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)</p>		
<p>TEAR HERE</p>		
<p>MANORAMA INDUSTRIES LIMITED - INITIAL PUBLIC ISSUE - R</p>		<p>Acknowledgement Slip for Syndicate Member / Broker / SCSE / CDP / RTA</p>
<p>Bid Cum Application Form No.</p>		<p>PAN of Sole / First Bidder</p>
<p>DPID / CLID</p>		<p>Stamp & Signature of SCSE Branch</p>
<p>Amount Blocked (₹ in figures) _____ ASBA A/c No. _____</p>		<p>_____</p>
<p>Bank & Branch _____</p>		<p>_____</p>
<p>Received from Mr./Ms./M/s. _____</p>		<p>_____</p>
<p>Telephone / Mobile _____ Email _____</p>		<p>_____</p>
<p>TEAR HERE</p>		
<p>MANORAMA INDUSTRIES LIMITED - INITIAL PUBLIC ISSUE - R</p>		<p>Stamp & Signature of Syndicate Member / Registered Broker / SCSE / CDP / RTA</p>
<p>No. of Equity Shares</p>		<p>Name of Sole / First Bidder</p>
<p>Bid Price</p>		<p>_____</p>
<p>Amount Blocked (₹)</p>		<p>_____</p>
<p>ASBA Bank A/c No.</p>		<p>Acknowledgment Slip for Bidder</p>
<p>Bank & Branch</p>		<p>_____</p>
<p>Bid Cum Application Form No.</p>		<p>_____</p>

NR Bid cum Application ASBA Form

<p style="text-align: center;">COMMON BID CUM APPLICATION FORM</p>	<p style="text-align: center;">MANORAMA INDUSTRIES LIMITED - INITIAL PUBLIC ISSUE - NR</p> <p style="font-size: small;">Registered Office: 104, 1st Floor, J. K. Co Op HSG Society, 40/42 Mint Road, Fort, Mumbai, Maharashtra, India, Tel. No.: 022-22622299; Fax No.: NA; E-mail: info@shareanprotrains.com; Website: www.shareanprotrains.com; Corporate Identification Number: U1514MH2005PLC243687</p>	<p style="font-size: small;">FOR NON-RESIDENTS, INCLUDING ELIGIBLE NRIs, FIIs FPIs OR FVCIs, ETC APPLYING ON A REPATRIATION BASIS</p>																												
	<p>To, The Board of Directors MANORAMA INDUSTRIES LIMITED</p>	<p>BOOK BUILT ISSUE ISIN - INE</p>																												
		<p>Bid Cum Application Form No. _____</p>																												
<p>SYNDICATE MEMBER'S STAMP & CODE</p>	<p>BROKER'S/SCSB/CDP/RTA STAMP & CODE</p>	<p>1. NAME & CONTACT DETAILS OF SOLE/FIRST BIDDER</p> <p>Mr./Ms./M/s. _____</p> <p>Age _____</p> <p>Address _____</p> <p>Email _____</p> <p>Tel. No (with STD code) / Mobile _____</p>																												
<p>SUB-BROKER'S / SUB-AGENT'S STAMP & CODE</p>	<p>ESCROW BANK / SCSB BRANCH STAMP & CODE</p>	<p>2. PAN OF SOLE/FIRST BIDDER</p> <p>_____</p>																												
<p>BANK BRANCH SERIAL NO.</p>	<p>SCSB SERIAL NO.</p>																													
<p>3. BIDDER'S DEPOSITORY ACCOUNT DETAILS <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL</p> <p style="font-size: x-small;">For NSDL enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID.</p>		<p>6. INVESTOR STATUS</p> <p><input type="checkbox"/> NRI Non-Resident Indian(s) (Residential basis)</p> <p><input type="checkbox"/> FII FI or Sub Account not a Corporate/ Foreign Individual</p> <p><input type="checkbox"/> FPIA FI Sub Account Corporate/Individual</p> <p><input type="checkbox"/> FVCI Foreign Venture Capital Investor</p> <p><input type="checkbox"/> FPI Foreign Portfolio Investor</p> <p><input type="checkbox"/> OTH Others (Please Specify) _____</p>																												
<p>4. BID OPTIONS (Only Retail individual Bidders can BID at "Cut-Off").</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2">Bid Options</th> <th rowspan="2">No. of Equity Shares Bid (In Figures) (Bids must be in multiples of 1 equity shares)</th> <th colspan="4">Price per Equity Share (₹) / "Cut-off"</th> </tr> <tr> <th>Bid Price</th> <th>Retail Discount</th> <th>Net Price</th> <th>"Cut-Off" (Please ✓/tick)</th> </tr> </thead> <tbody> <tr> <td>Option 1</td> <td>_____</td> <td>_____</td> <td>_____</td> <td>_____</td> <td><input type="checkbox"/></td> </tr> <tr> <td>(OR) Option 2</td> <td>_____</td> <td>_____</td> <td>_____</td> <td>_____</td> <td><input type="checkbox"/></td> </tr> <tr> <td>(OR) Option 3</td> <td>_____</td> <td>_____</td> <td>_____</td> <td>_____</td> <td><input type="checkbox"/></td> </tr> </tbody> </table>			Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of 1 equity shares)	Price per Equity Share (₹) / "Cut-off"				Bid Price	Retail Discount	Net Price	"Cut-Off" (Please ✓/tick)	Option 1	_____	_____	_____	_____	<input type="checkbox"/>	(OR) Option 2	_____	_____	_____	_____	<input type="checkbox"/>	(OR) Option 3	_____	_____	_____	_____	<input type="checkbox"/>
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<p>5. CATEGORY</p> <p><input type="checkbox"/> Retail Individual Bidder</p> <p><input type="checkbox"/> Non Institutional Bidder</p> <p><input type="checkbox"/> QIB</p>																														
<p>7. PAYMENT DETAILS</p> <p>Amount Blocked (₹ in Figures) _____ (₹ in words) _____</p> <p>ASBA Bank A/c No. _____</p> <p>Bank Name & Branch _____</p>																														
<p>7. PAYMENT OPTION: Full Payment <input type="checkbox"/></p>																														
<p>I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC OFFERS ("GID") AND HEREBY AGREE AND CONFIRM THE 'BIDDERS UNDERTAKING' AS GIVEN OVER LEAF I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVER LEAF</p>																														
<p>8A. SIGNATURE OF SOLE / FIRST BIDDER</p> <p>_____</p> <p>Date: _____, 2018</p>	<p>8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)</p> <p>I/We authorize the SCSB to do all acts as are necessary to make the Application in the Issue</p> <p>1) _____</p> <p>2) _____</p> <p>3) _____</p>	<p>SYNDICATE MEMBER/BROKER / SCSB / CDP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)</p>																												
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	Option 1	Option 2	Option 3																											
No. of Equity Shares	_____	_____	_____																											
Bid Price	_____	_____	_____																											
Amount Blocked (₹)	_____	_____	_____																											

4.1.1 FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/ FIRST BIDDER

Bidders should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.

- (a) **Mandatory Fields:** Bidders should note that the name and address fields are compulsory and e-mail and/or telephone number/ mobile number fields are optional. Bidders should note that the contact details mentioned in the Bid cum Application Form/ Application Form may be used to dispatch communications) in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Bid cum Application Form may be used by the Issuer, the members of the Syndicate, the Registered Broker and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.
- (b) **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/ Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Bidder whose name appears in the Bid cum Application Form/ Application Form or the Revision Form and all communications may be addressed to such Bidder and may be dispatched to his or her address as per the Demographic Details received from the Depositories.
- (c) **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:

- *makes or abets making of an application in a fictitious name to a Company for acquiring, or subscribing for, its securities; or*
- *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*
- *otherwise induces directly or indirectly a Company to allot, or register any transfer of securities to him, or to any other person in a fictitious name,*

Shall be liable for action under section 447 of the said Act.

- (d) **Nomination Facility to Bidder:** 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.

4.1.2 FILED NUMBER 2: PAN NUMBER OF SOLE /FIRST BIDDER

- a) PAN (of the sole/first Bidder) provided in the Bid cum Application Form/Application Form should be exactly the same as the PAN of the person in whose sole or first name the relevant beneficiary account is held as per the Depositories' records.
- b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Bids on behalf of the Central or State Government, Bids by officials appointed by the courts and Bids by Bidders residing in Sikkim ("PAN Exempted Bidders"). Consequently, all Bidders, other than the PAN Exempted Bidders, are required to disclose their PAN in the Bid cum Application Form, irrespective of the Bid

Amount. Bids by the Bidders whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.

- c) The exemption for the PAN Exempted Bidders is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.
- d) Bid cum Application Forms which provide the GIR Number instead of PAN may be rejected.
- e) Bids by Bidders whose demat accounts have been ‘suspended for credit’ are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as “Inactive demat accounts” and Demographic Details are not provided by depositories.

4.1.3 FIELD NUMBER 3: BIDDERS DEPOSITORY ACCOUNT DETAILS

- a) Bidder should ensure that DP ID and the Client ID are correctly filled in the Bid cum Application Form. The DP ID and Client ID provided in the Bid cum Application Form should match with the DP ID and Client ID available in the Depository database, otherwise, the **Bid cum Application Form is liable to be rejected.**
- b) Bidder should ensure that the beneficiary account provided in the Bid cum Application Form is active.
- c) Bidder should note that on the basis of DP ID and Client ID as provided in the Bid cum Application Form, the Bidder may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the as available on the records of the depositories. These Demographic Details may be used, among other things, for sending allocation advice and for other correspondence(s) related to the Issue.
- d) Bidders are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Bidders’ sole risk.

4.1.4 FIELD NUMBER 4: BID OPTIONS

- a) Price or Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) may be disclosed in the Red Herring Prospectus by the Issuer. The Issuer is required to announce the Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) by way of an advertisement in at least one English, one Hindi and one regional newspaper, with wide circulation, at least five Working Days before Bid/Issue Opening Date in case of an IPO, and at least one Working Day before Bid/Issue Opening Date in case of an FPO.
- b) The Bidders may Bid at or above Floor Price or within the Price Band for IPOs undertaken through the Book Building Process. Cut-Off Price: Retail Individual Investors or Employees or Retail Individual Shareholders can Bid at the Cut off Price indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process. Bidding at the Cut-off Price is prohibited for QIBs and NIIs and such Bids from QIBs and NIIs may be rejected.
- c) **Cut-Off Price:** Retail Individual Investors or Employees or Retail Individual Shareholders can Bid at the Cut-off Price indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process. Bidding at the Cut-off Price is prohibited for QIBs and NIIs and such Bids from QIBs and NIIs may be rejected.
- d) **Minimum Bid Value and Bid Lot:** The Issuer in consultation with the BRLM may decide the minimum number of Equity Shares for each Bid to ensure that the minimum Bid value is within

the range of above Rs.1,00,000. The minimum Bid Lot is accordingly determined by an Issuer on basis of such minimum Bid value.

- e) **Allotment:** The Allotment of specified securities to each RII shall not be less than the minimum Bid Lot, subject to availability of shares in the RII category, and the remaining available shares, if any, shall be Allotted on a proportionate basis. For details of the Bid Lot, Bidders may refer to the RHP or the advertisement regarding the Price Band published by the Issuer.

4.1.4.1 Maximum and Minimum Bid Size

- a) The Bidder may Bid for the desired number of Equity Shares at a specific price. Bids by Retail Individual Investors, Employees and Retail Individual Shareholders must be for such number of shares so as to ensure that the Bid Amount less Discount (as applicable), payable by the Bidder does not exceed Rs. 200,000.
- b) In case the Bid Amount exceeds Rs. 200,000 due to revision of the Bid or any other reason, the Bid may be considered for allocation under the Non-Institutional Category (with it not being eligible for Discount), then such Bid may be rejected if it is at the Cut-off Price.
- c) For NRIs, a Bid Amount of up to Rs. 200,000 may be considered under the Retail Category for the purposes of allocation and a Bid Amount exceeding Rs. 200,000 may be considered under the Non-Institutional Category for the purposes of allocation.
- d) Bids by QIBs and NIIs must be for such minimum number of shares such that the Bid Amount exceeds Rs. 200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the Bid cum Application Form and the RHP/Prospectus, or as advertised by the Issuer, as the case may be. Non-Institutional Investors and QIBs are not allowed to Bid at Cut off Price.
- e) RII may revise or withdraw their bids until Bid/ Issue Closing Date. QIBs and NII's cannot withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after Bidding and are required to pay the Bid Amount upon submission of the Bid.
- f) In case the Bid Amount reduces to Rs. 200,000 or less due to a revision of the Price Band, Bids by the Non-Institutional Investors who are eligible for allocation in the Retail Category would be considered for allocation under the Retail Category.
- g) For Anchor Investors, if applicable, the Bid Amount shall be least Rs 10 crores. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors. Bids by various schemes of a Mutual Fund shall be aggregated to determine the Bid Amount. A Bid cannot be submitted for more than 60% of the QIB Category under the Anchor Investor Portion. Anchor Investors cannot withdraw their Bids or lower the size of their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after the Anchor Investor Bid/ Issue Period and are required to pay the Bid Amount at the time of submission of the Bid. In case the Anchor Investor Issue Price is lower than the Issue Price, the balance amount shall be payable as per the pay-in-date mentioned in the revised CAN. In case the Issue Price is lower than the Anchor Investor Issue Price, the amount in excess of the Issue Price paid by the Anchor Investors shall not be refunded to them.
- h) A Bid cannot be submitted for more than the issue size.
 - I) The maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under the applicable laws.
 - II) The price and quantity options submitted by the Bidder in the Bid cum Application Form may be treated as optional bids from the Bidder and may not be cumulated. After determination of the issue Price, the number of Equity Shares Bid for by a Bidder at or

above the issue Price may be considered for Allotment and the rest of the Bid(s), irrespective of the Bid Amount may automatically become invalid. This is not applicable in case of FPOs undertaken through Alternate Book Building Process.

4.1.4.2 Multiple Bids

- (a) Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of Bids at three different price levels in the Bid cum Application Form and such options are not considered as multiple Bids. Submission of a second Bid cum Application Form to either the same or to another member of the Syndicate, SCSB or Registered Broker and duplicate copies of Bid cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.
- (b) Bidders are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple Bids:
 - i. All Bids may be checked for common PAN as per the records of the Depository. For Bidders other than Mutual Funds and FII sub-accounts, Bids bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected.
 - ii. For Bids from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Bidders, the Bid cum Application Forms may be checked for common DP ID and Client ID. Such Bids which have the same DP ID and Client ID may be treated as multiple Bids and are liable to be rejected.
- (c) The following Bids may not be treated as multiple Bids:
 - i. Bids by Reserved Categories Bidding in their respective Reservation Portion as well as bids made by them in the Issue portion in public category.
 - ii. Separate Bids by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Bids clearly indicate the scheme for which the Bid has been made.
 - iii. Bids by Mutual Funds, and sub-accounts of FIIs (or FIIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.
 - iv. Bids by Anchor Investors under the Anchor Investor Portion and the QIB Portion.

4.1.5 FIELD NUMBER 5: CATEGORY OF BIDDERS

- (a) The categories of Bidders identified as per the SEBI ICDR Regulations, 2009 for the purpose of Bidding, allocation and allotment in the Issue are RIIs, NIIs and QIBs.
- (b) An Issuer can make reservation for certain categories of Bidders as permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, Bidders may refer to the RHP.
- (c) The SEBI ICDR Regulations, 2009, specify the allocation or allotment that may be made to various categories of Bidders in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation Bidder may refer to the DRHP.

4.1.6 FIELD NUMBER 6: INVESTOR STATUS

- (a) Each Bidder should check whether it is eligible to apply under applicable law and ensure that any prospective allotment to it in the Issue is in compliance with the investment restrictions under applicable law.
- (b) Certain categories of Bidder, such as NRIs, FPIs and FVCIs may not be allowed to Bid/apply in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Bidders are requested to refer to the Draft Red Herring Prospectus for more details.
- (c) Bidders should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Bid cum Application Form and Non-Resident Bid cum Application Form.
- (d) Bidders should ensure that their investor status is updated in the Depository records.

4.1.7 FIELD NUMBER 7: PAYMENT DETAILS

- i. The full Bid Amount (net of any Discount, as applicable) shall be blocked in the ASBA Account based on the authorisation provided in the Bid cum Application Form. If discount is applicable in the Issue, the RIIs should indicate the full Bid Amount in the Bid cum Application Form and the funds shall be blocked for the Bid Amount net of Discount. Only in cases where the RHP indicates that part payment may be made, such an option can be exercised by the Bidder. In case of Bidders specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less Discount offered, if any.
- ii. Bid Amount cannot be paid in cash, through money order or through postal order or through stock invest.
- iii. Bidders who Bid at Cut-off Price shall DEPOSIT the Bid Amount based on the Cap Price.
- iv. All Bidders can participate in the Issue only through the ASBA mechanism.
- v. Please note that, providing bank account details in the space provided in the Bid cum Application Form is mandatory and Applications that do not contain such details are liable to be rejected.

4.1.7.1. Payment instructions for Bidders

- a) Bidders may submit the Bid cum Application Form either
 - i. in electronic mode through the internet banking facility offered by an SCSB authorizing blocking of funds that are available in the ASBA account specified in the Bid cum Application Form, or
 - ii. in physical mode to any Designated Intermediary.
- b) Bidders must specify the Bank Account number in the Bid cum Application Form. The Bid cum Application Form submitted by Bidder and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, will not be accepted.
- c) Bidders should ensure that the Bid cum Application Form is also signed by the ASBA Account holder(s) if the Bidder is not the ASBA Account holder.
- d) Bidders shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.
- e) From one ASBA Account, a maximum of five Bid cum Application Forms can be

submitted.

- f) Bidders should submit the Bid cum Application Form only at the Bidding Centre i.e. to the respective member of the Syndicate at the Specified Locations, the SCSBs, the Registered Broker at the Broker Centres, the RTA at the Designated RTA Locations or CDP at the Designated CDP Locations
- g) Bidders bidding through a Designated Intermediary, other than a SCSB, should note that Bid cum Application Forms submitted to such Designated Intermediary may not be accepted, if the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has not named at least one branch at that location for such Designated Intermediary, to deposit Bid cum Application Forms.
- h) Bidders bidding directly through the SCSBs should ensure that the Bid cum Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.
- i) Upon receipt of the Bid cum Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form.
- j) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and for application directly submitted to SCSB by investor, may enter each Bid option into the electronic bidding system as a separate Bid.
- k) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not accept such Bids and such bids are liable to be rejected.
- l) Upon submission of a completed Bid cum Application Form each Bidder may be deemed to have agreed to block the entire Bid Amount and authorized the Designated Branch of the SCSB to block the Bid Amount specified in the Bid cum Application Form in the ASBA Account maintained with the SCSBs
- m) The Bid Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Bid, as the case may be.
- n) SCSBs bidding in the Issue must apply through an Account maintained with any other SCSB; else their Bids are liable to be rejected.
- o) The Bid Amount may remain blocked in the aforesaid ASBA Account until finalization on the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Bid, as the case may be.
- p) SCSBs bidding in the Issue must apply through an Account maintained with any other SCSB; else their Bids are liable to be rejected.

4.1.7.2 Payment instructions for Anchor Investors:

- a. Anchor Investors may submit their Bids with a BRLM.
- b. Payments by Anchor Investors are required to be made through direct credit, RTGS or NEFT
- c. The Escrow Collection Bank shall maintain the monies in the Escrow Account for and on behalf of the Anchor Investors until the Designated Date.

4.1.8. FIELD NUMBER 8: Unblocking of ASBA Account

- (a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful Bids transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Bid, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Bid, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected Bids, if any, to enable the SCSBs to unblock the respective bank accounts.
- (b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful Bidder to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.
- (c) In the event of withdrawal or rejection of the Bid cum Application Form and for unsuccessful Bids, the Registrar to the Issue may give instructions to the SCSB to unblock the Bid Amount in the relevant ASBA Account within six Working Days of the Bid/Issue Closing Date.
- (d) In the event of withdrawal or rejection of the Bid cum Application Form and for unsuccessful Bidders, the Registrar to the Issue may give instructions to the SCSB to unblock the Bid Amount in the relevant ASBA Account within 6 Working Days of the Bid/Issue Closing Date.

4.1.8.1. Discount (if applicable)

- (a) The Discount is stated in absolute rupee terms.
- (b) Bidders applying under RII category, Retail Individual Shareholder and employees are only eligible for discount. For Discounts offered in the Issue, Bidders may refer to the RHP/Prospectus.
- (c) The Bidders entitled to the applicable Discount in the Issue may make payment for an amount i.e. the Bid Amount less Discount (if applicable).

Bidder may note that in case the net payment (post Discount) is more than two lakh Rupees, the bidding system automatically considers such Bids for allocation under Non-Institutional Category. These Bids are neither eligible for Discount nor fall under RII category.

4.1.8.2. Additional Payment Instructions for NRIs

The Non-Resident Indians who intend to block funds through Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis). In the case of Bids by NRIs applying on a repatriation basis, payment shall not be accepted out of NRO Account.

4.1.9. FIELD NUMBER 9: SIGNATURES AND OTHER AUTHORISATIONS

- (a) Only the First Bidder is required to sign the Bid cum Application Form. Bidders should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.
- (b) If the ASBA Account is held by a person or persons other than the Bidder, then the Signature of the ASBA Account holder(s) is also required.
- (c) In relation to the Bids, signature has to be correctly affixed in the authorization/undertaking box in the Bid cum Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid/amount mentioned in the Bid cum Application Form.

- (d) Bidders must note that Bid cum Application Form without signature of Bidder and /or ASBA Account holder is liable to be rejected.

4.1.10. FIELD NUMBER 10: ACKNOWLEDGEMENT AND FUTURE COMMUNICATION

- (a) Bidders should ensure that they receive the acknowledgment duly signed and stamped by Bid Collecting Intermediary or SCSB, as applicable, for submission of the Bid cum Application Form.
- (b) All communications in connection with Bid made in the Issue should be addressed as under:
- In case of queries related to Allotment, non-receipt of Allotment Advice, credit of allotted equity shares, the Bidders should contact the Registrar to the Issue.
 - In case of ASBA Bids submitted to the Designated Branches of the SCSBs, the Bidders should contact the relevant Designated Branch of the SCSB.
 - Bidders may contact the Company Secretary and Compliance Officer or BRLM in case of any other complaints in relation to the Issue.
 - In case of queries relating to uploading of Bids by a Syndicate Member, the Bidders should contact the relevant Syndicate Member.
 - In case of queries relating to uploading of Bids by a Registered Broker, the Bidders should contact the relevant Registered Broker
 - In case of Bids submitted to the RTA, the Bidders should contact the relevant RTA.
 - In case of Bids submitted to the DP, the Bidders should contact the relevant DP.
- (c) The following details (as applicable) should be quoted while making any queries -
- Full name of the sole or First Bidder, Bid cum Application Form number, Bidder' DP ID, Client ID, PAN, number of Equity Shares applied for, amount paid on Bid.
 - name and address of the Designated Intermediary, where the Bid was submitted; or
- For further details, Bidder may refer to the Draft Red Herring Prospectus and the Bid cum Application Form.

4.2. INSTRUCTIONS FOR FILING THE REVISION FORM

- (a) During the Bid/ Issue Period, any Bidder (other than QIBs and NIIs, who can only revise their Bid amount upwards) who has registered his or her interest in the Equity Shares for a particular number of shares is free to revise number of shares applied using revision forms available separately.
- (b) RII may revise / withdraw their Bid till closure of the Bid/ Issue period.
- (c) Revisions can be made only in the desired number of Equity Shares by using the Revision Form.
- (d) The Bidder can make this revision any number of times during the Bid/ Issue Period. However, for any revision(s) in the Bid, the Bidders will have to use the services of the SCSB through which such Bidder had placed the original Bid.

A sample Revision form is reproduced below:

Revision Form – R

COMMON BID REVISION FORM	MANORAMA INDUSTRIES LIMITED - INITIAL PUBLIC ISSUE - R Registered Office: 104, 1 st Floor, J. K. Co Op HSG Society, 40/42 Mint Road, Fort, Mumbai, Maharashtra, India, Tel. No.: 022-22622299; Fax No.: NA; E-mail: info@shreeramproteins.com; Website: www.shreeramproteins.com; Corporate Identification Number: U1514MH2005PLC243637	FOR RESIDENT INDIANS INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS

SYNDICATE MEMBER'S STAMP & CODE	REGISTERED BROKER / SCSE / CDP / RTA STAMP & CODE	SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	ESCROW BANK / SCSE BRANCH STAMP & CODE	BANK BRANCH SERIAL NO.	SCSB SERIAL NO.	BOOK BUILT ISSUE ISIN - INE	Bid Cum Application Form No.
						1. NAME & CONTACT DETAILS OF SOLE/FIRST BIDDER Mr/Ms/M/s _____ Address _____ Email _____ Tel. No (with STD code) / Mobile _____ 2. PAN OF SOLE / FIRST BIDDER _____ 3. BIDDERS DEPOSITORY ACCOUNT DETAILS <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL For NSDL enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID	

PLEASE CHANGE MY BID

4. FROM (AS PER LAST BID OR REVISION)					
Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of [•] equity shares)	Price per Equity Share (₹) "Cut-off" (In Figures)			
		Bid Price	Retail Discount, if any	Net Price	"Cut-off" (Please ✓ tick)
Option 1					<input type="checkbox"/>
(OR) Option 2					<input type="checkbox"/>
(OR) Option 3					<input type="checkbox"/>

5. TO (REVISED BID) (Only Retail individual Bidders can BID at "Cut-Off")					
Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of [•] equity shares)	Price per Equity Share (₹) "Cut-off" (In Figures)			
		Bid Price	Retail Discount, if any	Net Price	"Cut-off" (Please ✓ tick)
Option 1					<input type="checkbox"/>
(OR) Option 2					<input type="checkbox"/>
(OR) Option 3					<input type="checkbox"/>

6. PAYMENT DETAILS		PAYMENT OPTION: FULL PAYMENT <input type="checkbox"/> PART PAYMENT: <input checked="" type="checkbox"/>	
Additional Amount Paid (₹ in Figures)		(₹ in words)	
ASBA Bank A/c No.			
Bank Name & Branch			

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE BIDDERS' UNDERTAKING AS GIVEN OVERLEAF I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF

7A. SIGNATURE OF SOLE / FIRST BIDDER	7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) I/We authorize the SCSE to do all acts as are necessary to make the Application in the form	SYNDICATE MEMBER/BROKER / SCSE / CDP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)
Date: _____, 2018	1) _____ 2) _____ 3) _____	

TEAR HERE

MANORAMA INDUSTRIES LIMITED - BID REVISION FORM- INITIAL PUBLIC ISSUE - R	Acknowledgement Slip for Syndicate Member Broker/SCSE/CDP/RTA	Bid Cum Application Form No.	PAN of Sole / First Bidder
DPID / CLID			
Additional Amount Blocked (₹ in Figures)	ASBA A/c No.	Stamp & Signature of SCSE Branch	
Bank & Branch			
Received from Mr/Ms.			
Telephone / Mobile	Email		

TEAR HERE

MANORAMA INDUSTRIES LIMITED - BID REVISION FORM- INITIAL PUBLIC ISSUE - R	Stamp & Signature of Syndicate Member / Registered Broker / SCSE / CDP / RTA	Name of Sole / First Bidder	
No. of Equity Shares	Option 1	Option 2	Option 3
Bid Price			
Additional Amount Blocked (₹)			
ASBA Bank A/c No.			
Bank & Branch			
Acknowledgement Slip for Bidder		Bid Cum Application Form No.	

Revision Form – NR

COMMON BID REVISION FORM	MANORAMA INDUSTRIES LIMITED - INITIAL PUBLIC ISSUE - NR Registered Office: 104, 1 st Floor, J. K. Co Op BSG Society, 40/42 Mint Road, Fort, Mumbai, Maharashtra, India. Tel No: 022 22622299; Fax No: NA; E-mail: info@sharemanproteins.com; Website: www.sharemanproteins.com Corporate Identification Number: U15140MH2005PLC243657	FOR NON RESIDENTS, INCLUDING ELIGIBLE NRIs, FIIs/FBIs OR FVCI, ETC APPLYING ON A REPATRIATION BASIS																
	To, The Board of Directors MANORAMA INDUSTRIES LIMITED	BOOK BUILT ISSUE ISIN - INE																
		Bid Cum Application Form No.																
SYNDICATE MEMBER'S STAMP & CODE	REGISTERED BROKER / SCBS / CDP / RTA STAMP & CODE	1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER Mr./Ms./M/s. Address Email Tel. No (with STD code) / Mobile																
SUBBROKER'S / SUBAGENT'S STAMP & CODE	SCSB BRANCH STAMP & CODE	2. PAN OF SOLE / FIRST BIDDER																
BANK BRANCH SERIAL NO.	SCSB SERIAL NO.	3. BIDDERS DEPOSITORY ACCOUNT DETAILS ■ NSDL ■ CDSL For NSDL, enter 8 Digit DP ID, followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID.																
PLEASE CHANGE MY BID																		
4. FROM (AS PER LAST BID OR REVISION)																		
Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of [●] equity shares)	Price per Equity Share (₹) / "Cut-off" (In Figures) <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Bid Price</th> <th>Retail Discount, if any</th> <th>Net Price</th> <th>"Cut-off" (Please ✓ tick)</th> </tr> </thead> <tbody> <tr> <td>Option 1</td> <td></td> <td></td> <td></td> </tr> <tr> <td>(OR) Option 2</td> <td></td> <td></td> <td></td> </tr> <tr> <td>(OR) Option 3</td> <td></td> <td></td> <td></td> </tr> </tbody> </table>	Bid Price	Retail Discount, if any	Net Price	"Cut-off" (Please ✓ tick)	Option 1				(OR) Option 2				(OR) Option 3			
Bid Price	Retail Discount, if any	Net Price	"Cut-off" (Please ✓ tick)															
Option 1																		
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(OR) Option 3																		
5. TO (REVISED BID) (Only Retail individual Bidders can BID at "Cut-off")																		
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Bid Price	Retail Discount, if any	Net Price	"Cut-off" (Please ✓ tick)															
Option 1																		
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(OR) Option 3																		
6. PAYMENT DETAILS																		
Additional Amount Blocked (₹ in Figures) (₹ in words)																		
ASBA Bank A/c No.																		
Bank Name & Branch																		
I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THAT I/WE AGREE TO PROSECUTE AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUE "GID" AND HEREBY AGREE AND CONFIRM THE BIDDERS UNDERTAKING AS GIVEN OVER LEAF I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVER LEAF.																		
7A. SIGNATURE OF SOLE / FIRST BIDDER Date: 2018	7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) I/WE authorize the SCBS to debit all such amount necessary to make the Application in the form: <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>1)</td> <td></td> </tr> <tr> <td>2)</td> <td></td> </tr> <tr> <td>3)</td> <td></td> </tr> </table>	1)		2)		3)		SYNDICATE MEMBER BROKER / SCBS / CDP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)										
1)																		
2)																		
3)																		
TEAR HERE																		
MANORAMA INDUSTRIES LIMITED - BID REVISION FORM - INITIAL PUBLIC ISSUE - NR		Acknowledgement Slip for Syndicate Member Registered Broker / SCBS / CDP / RTA																
		Bid Cum Application Form No.																
PAN of Sole / First Bidder																		
DPID / CDP	Additional Amount Blocked (₹ in figures)	ASBA A/c No.																
Bank & Branch		Stamp & Signature of SCBS Branch																
Received from Mr./Ms.																		
Telephone / Mobile	Email																	
TEAR HERE																		
MANORAMA INDUSTRIES LIMITED - BID REVISION FORM - INITIAL PUBLIC ISSUE - NR	Option 1 Option 2 Option 3 No. of Equity Shares Bid Price Additional Amount Blocked (₹) ASBA Bank A/c No.: Bank & Branch:	Stamp & Signature of Syndicate Member / Registered Broker / SCBS / CDP / RTA Name of Sole / First Bidder Acknowledgement Slip for Bidder Bid Cum Application Form No.																

4.2.1. FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER, PAN OF SOLE/FIRST BIDDER & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER

Bidders should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.2.2. FIELD 4 & 5: BID OPTIONS REVISION 'FROM' AND 'TO'

- (a) Apart from mentioning the revised number of shares in the Revision Form, the Bidder must also mention the details of shares applied/bid for given in his or her Bid cum Application Form or earlier Revision Form. For example, if a Bidder has Bid for three options in the Bid cum Application Form and such Bidder is changing only one of the options in the Revision Form, the Bidder must still fill the details of the other two options that are not being revised, in the Revision Form. The members of the Syndicate, the Registered Brokers and the Designated Branches of the SCSBs may not accept incomplete or inaccurate Revision Form.
- (b) In case of revision, Bid options should be provided by Bidders in the same order as provided in the Bid cum Application Form.
- (c) In case of revision of Bids by RIIs, Employees and Retail Individual Shareholders, such Bidders should ensure that the Bid Amount, subsequent to revision, does not exceed Rs. 200,000. In case the Bid Amount exceeds Rs. 200,000 due to revision of the Bid or for any other reason, the Bid may be considered, subject to eligibility, for allocation under the Non-Institutional Category, not being eligible for Discount (if applicable) and such Bid may be rejected if it is at the Cut-off Price. The Cut-off Price option is given only to the RIIs, Employees and Retail Individual Shareholders indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process.
- (d) In case the total amount (i.e., original Bid Amount plus additional payment) exceeds Rs. 200,000, the Bid will be considered for allocation under the Non-Institutional Category in terms of the RHP. If, however, the RII does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the RII and the RII is deemed to have approved such revised Bid at Cut-off Price.
- (e) In case of a downward revision in the Price Band, RIIs and Bids by Employees under the Reservation Portion, who have bid at the Cut-off Price could either revise their Bid or the excess amount paid at the time of Bidding may be unblocked in case of Bidders.

4.2.3. PAYMENT DETAILS

- a) All Bidders are required to make payment of the full Bid Amount (less Discount, if applicable) along with the Bid Revision Form. In case of Bidders specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less discount offered, if any.
- b) Bidder may Issue instructions to block the revised amount based on cap of the revised Price Band (adjusted for the Discount (if applicable) in the ASBA Account, to the same Designated Intermediary through whom such Bidder had placed the original Bid to enable the relevant SCSB to block the additional Bid Amount, if any.
- c) In case the total amount (i.e., original Bid Amount less discount (if applicable) plus additional payment) exceeds Rs. 200,000, the Bid may be considered for allocation under the Non-Institutional Category in terms of the DRHP. If, however, the Bidder does not

either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for may be adjusted downwards for the purpose of Allotment, such that additional amount is required blocked and the Bidder is deemed to have approved such revised Bid at the Cut-off Price.

- d) In case of a downward revision in the Price Band, RIIs, Employees and Retail Individual Shareholders, who have bid at the Cut-off Price, could either revise their Bid or the excess amount paid at the time of Bidding may be unblocked.

4.2.4. FIELD NUMBER 7: SIGNATURES AND ACKNOWLEDGEMENTS

Bidders may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

4.3. SUBMISSION OF REVISION FORM/ BID CUM APPLICATION FORM /APPLICATION FORM

4.3.1. Bidders may submit completed Bid cum Application form / Revision Form in the following manner:-

Mode of Bid	Submission of Bid cum Application Form
All investors Bids	To the Bid cum Application Collecting Intermediaries as mentioned in the Draft Red Herring Prospectus/ Bid cum Application Form
Application by Anchor Investor	To the BRLM at the location specified in the Anchor Investor Application Form

Bidders should submit the Revision Form to the same Designated Intermediary through which such Bidders had placed the original Bid.

SECTION 5: INSTRUCTIONS FOR FILING APPLICATION FORM IN ISSUES MADE OTHER THAN THROUGH THE BOOK BUILDING PROCESS (FIXED PRICE ISSUE)

This being book built issue procedure for fixed price issue is not applicable.

SECTION 6- ISSUE PROCEDURE IN BOOK BUILT ISSUE

Book Building, in the context of the Issue, refers to the process of collection of Bids within the Price Band or above the Floor Price and determining the Issue Price based on the Bids received as detailed in Schedule XI of SEBI ICDR Regulations, 2009. The Issue Price is finalised after the Bid/Issue Closing Date. Valid Bids received at or above the Issue Price are considered for allocation in the Issue, subject to applicable regulations and other terms and conditions.

6.1 SUBMISSION OF BIDS

- During the Bid/Issue Period, Bidders may approach any of the Designated Intermediaries to register their Bids. Anchor Investors who are interested in subscribing for the Equity Shares should approach the Book Running Lead Manager, to register their Bid.
- In case of Bidders (excluding NIIs and QIBs) Bidding at Cut-off Price, the Bidders may instruct the SCSBs to block Bid Amount based on the Cap Price less Discount (if applicable).
- For Details of the timing on acceptance and upload of Bids in the Stock Exchanges Platform Bidders are requested to refer to the DRHP.

6.2 ELECTRONIC REGISTRATION OF BIDS

- a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the issue.
- b) On the Bid/Issue Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges.
- c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 1:00 pm on the day following the Bid/Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Issue Period after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing.

6.3 BUILD UP OF THE BOOK

- a. Bids received from various Bidders through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchanges' on a regular basis. The book gets built up at various price levels. This information may be available with the BRLM at the end of the Bid/Issue Period.
- b. Based on the aggregate demand and price for Bids registered on the Stock Exchanges Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchanges may be made available at the Bidding centres during the Bid/Issue Period.

6.4 WITHDRAWAL OF BIDS

- a) RIIs can withdraw their Bids until Bid/Issue Closing Date. In case a RII wishes to withdraw the Bid during the Bid/Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.
- b) The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

6.5 REJECTION & RESPONSIBILITY FOR UPLOAD OF BIDS

- a) **The Designated Intermediaries are individually responsible for the acts, mistakes or errors or omission in relation to:**
 - 1) the Bids accepted by the Designated Intermediaries,
 - 2) the Bids uploaded by the Designated Intermediaries, and
 - 3) the Bid cum Application Forms accepted but not uploaded by the Designated Intermediaries.

- b) The BRLM and their affiliate Syndicate Members, as the case may be, may reject Bids if all the information required is not provided and the Bid cum Application Form is incomplete in any respect.
- c) The SCSBs shall have no right to reject Bids, except in case of unavailability of adequate funds in the ASBA account or on technical grounds.
- d) In case of QIB Bidders, only the (i) SCSBs (for Bids other than the Bids by Anchor Investors); and (ii) BRLM and their affiliate Syndicate Members (only in the Specified Locations) have the right to reject bids. However, such rejection shall be made at the time of receiving the Bid and only after assigning a reason for such rejection in writing.
- e) All bids by QIBs, NIIs & RIIs Bids can be rejected on technical grounds listed herein.

GROUND OF 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;
- Bid by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Bid cum 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;
- Bid for lower number of Equity Shares than specified for that category of investors;
- Bids at Cut-off Price by NIIs and QIBs;
- Submission of more than five Bid cum Application Forms/Application Form as through a single ASBA Account
- Bids for number of Equity Shares which are not in multiples Equity Shares which are not in multiples 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;
- Bid accompanied by Stock invest/ money order/ postal order/ cash/ cheque/ demand draft/ pay order;
- Signature of sole Bidder is missing;
- Bid cum Application Forms not delivered by the Bidder within the time prescribed as per the Bid cum Application Forms, Bid/Issue Opening Date advertisement and the DRHP 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;
- Bid 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 Exchanges; 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;
- Details of ASBA Account not provided in the Bid cum Application Form

For details of instructions in relation to the Bid cum Application Form, Bidders may refer to the relevant section the GID.

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 EXCHANGES 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.

BASIS OF ALLOCATION

- a) The SEBI ICDR Regulations, 2009 specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.
- b) Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLM and the Designated Stock Exchange and in accordance with the

SEBI ICDR Regulations, 2009. Unsubscribed portion in QIB Category is not available for subscription to other categories.

- c) In case of under subscription in the Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to the RHP.

d) Illustration of the Book Building and Price Discovery Process

Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes Bidding by Anchor Investors.

Bidders can bid at any price within the Price Band. For instance, assume a Price Band of Rs.20 to Rs 24 per share, Issue size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

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

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., Rs. 22.00 in the above example. The Issuer, in consultation with the BRLM, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below Rs. 22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

SECTION 6: ISSUE PROCEDURE IN FIXED PRICE ISSUE

This being Book Built Issue, this section is not applicable for this Issue.

SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The Allotment of Equity Shares to Bidders other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders may refer to DRHP. No Retail Individual Investor will be allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue (excluding any Issue for Sale of specified securities). However, in case the Offer is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

7.1 BASIS OF ALLOTMENT

a. For Retail Individual Bidders

Bids received from the Retail Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Retail Individual Bidders will be made at the Issue Price.

The Issue size less Allotment to Non-Institutional and QIB Bidders shall be available for Allotment to Retail Individual Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the

Issue 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 Issue 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 Issue 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 Issue Price.

The Issue size less Allotment to QIBs and Retail shall be available for Allotment to Non- Institutional Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue 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 Issue 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.

c. For QIBs

For the Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to the SEBI ICDR Regulations 2009 or RHP/Prospectus. Bids received from the QIB Category (net of Anchor Portion) at or above the Issue Price shall be grouped together to determine the total demand under this portion. The Issue size less Allotment to Non Institutional Bidders and Retail shall be available for Allotment to Non- QIB Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. The Allotment to all the QIB Bidders will be made at the Issue Price. The QIB Portion shall be available for Allotment to QIB Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price.

Allotment shall be undertaken in the following manner:

(a) In the first instance allocation to Mutual Funds for [●]% of the QIB Portion shall be determined as follows:

- In the event that Bids by Mutual Fund exceeds [●]% of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for [●]% of the QIB Portion.
- In the event that the aggregate demand from Mutual Funds is less than [●]% of the QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Issue Price.
- Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Bidders as set out in (b) below;

(b) In the second instance Allotment to all QIBs shall be determined as follows:

- In the event that the oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Issue Price shall be allotted Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter for [●]% of the QIB Portion.

- Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, along with other QIB Bidders.
- Under-subscription below [●]% of the QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis. The aggregate Allotment to QIB Bidders shall not be more than [●] Equity Shares.

d. ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)

(a). Allocation of Equity Shares to Anchor Investors at the Anchor Investor Allocation Price will be at the discretion of the Issuer, in consultation with the BRLM, subject to compliance with the following requirements

(i) not more than 60% of the QIB Portion will be allocated to Anchor Investors;

(ii) one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and

(iii) allocation to Anchor Investors shall be on a discretionary basis and subject to:

- a maximum number of two Anchor Investors for allocation up to Rs. 10 crores;
- a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than Rs. 10 crores and up to Rs. 250 crores subject to minimum allotment of Rs. 5 crores per such Anchor Investor; and
- a minimum number of five Anchor Investors and maximum number of 25 Anchor Investors for allocation of more than Rs. 250 crores subject to minimum allotment of Rs. 5 crores per such Anchor Investor

(b) A physical book is prepared by the Registrar on the basis of the Anchor Investor Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the Issuer, in consultation with the BRLM, selected Anchor Investors will be sent a CAN and if required, a revised CAN.

(c) In the event that the Issue Price is higher than the Anchor Investor Allocation Price: Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Issue Price and the Anchor Investor Allocation Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors.

(d) In the event the Issue Price is lower than the Anchor Investor Allocation Price: Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

e. Basis of Allotment for QIBs (other than Anchor Investors) and NIIs in case of Over-Subscribed Issue

In the event of the Issue being Over-Subscribed, the Issuer may finalise the Basis of Allotment in consultation with the SME Platform of Bombay Stock Exchange (The Designated Stock Exchange). The allocation may be made in marketable lots on proportionate basis as set forth hereunder:

(a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the

inverse of the oversubscription ratio (number of Bidders in the category x number of Shares applied for).

- (b) The number of Shares to be allocated to the successful Bidders will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
- (c) For Bids where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:
 - Each successful Bidder shall be allotted [●] equity shares; and
 - The successful Bidder out of the total bidders for that category shall be determined by the drawl of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (b) above.
- (d) If the proportionate allotment to a Bidder works out to a number that is not a multiple of [●] equity shares, the Bidder would be allotted Shares by rounding off to the nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.
- (e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Bidders in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Bidder in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising Bidder applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of [●] Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the offer specified under the Capital Structure mentioned in this DRHP.

Retail Individual Investor' means an investor who applies for shares of value of not more than Rs. 2,00,000/-. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with Bombay Stock Exchange.

The Executive Director / Managing Director of Bombay Stock Exchange Limited - the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

7.2 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

- (a) **Designated Date:** On the Designated Date, the SCSBs shall transfer the funds represented by allocation of Equity Shares to Anchor Investors from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Issue Account with the Bankers to the Issue. The balance amount after transfer to the Public Issue Account shall be transferred to the Refund Account. Payments of refund to the Bidders applying in the Anchor Investor Portion shall also be made from the Refund Account as per the terms of the Escrow Agreement and the RHP. On the Designated Date, the Registrar to the Issue shall instruct the SCSBs to unblock funds represented by allocation of Equity Shares from ASBA Accounts into the Public Issue Account.
- (b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. **Bidders are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.**

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment

Advice to the Bidders who have been Allotted Equity Shares in the Issue.

- (c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.
- (d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) initiate corporate action for credit of shares to the successful Bidders Depository Account will be completed within 4 Working Days of the Issue Closing Date. The Issuer also ensures the credit of shares to the successful Bidder depository account is completed within one Working Day from the date of Allotment, after the funds are transferred from the Public Issue Account on the Designated Date.

SECTION 8: INTEREST AND REFUNDS

8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 6 Working Days of the Bid/Issue Closing Date. The Registrar to the Issue may give instructions for credit to Equity Shares the beneficiary account with DPs, and dispatch the Allotment Advice within 6 Working Days of the Bid/Issue Closing Date.

8.2 GROUNDS FOR REFUND

8.2.1 NON RECEIPT OF LISTING PERMISSION

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in Red Herring Prospectus/ Prospectus. The Designated Stock Exchange may be as disclosed in the Red Herring Prospectus/ Prospectus with which the Basis of Allotment may be finalised.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith repay, without interest, all moneys received from the Bidders in pursuance of the RHP/Prospectus.

If such money is not repaid within eight days after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of eight days, be liable to repay the money, with interest at such rate, as prescribed under Section 73 of the Companies Act, 2013 and as disclosed in the DRHP.

8.2.2 NON RECEIPT OF MINIMUM SUBSCRIPTION

This Issue is not restricted to any minimum subscription level. This Issue 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 the Issuer does not receive the subscription of 100% of the Issue through this offer document including devolvement of Underwriters within sixty days from the date of closure of the Issue, the Issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after the Issuer becomes liable to pay the amount, the Issuer shall pay interest prescribed under section 73 of the Companies Act, 1956 (or the Company shall follow any other substitutional or additional provisions as has been or may be notified under the Companies Act, 2013).

8.2.3 MINIMUM NUMBER OF ALLOTTEES

The Issuer may ensure that the number of prospective Allottees to whom Equity Shares may be allotted may not be less than 50 failing which the entire application monies may be refunded forthwith.

8.3 MODE OF REFUND

(a) In case of ASBA Bids: Within six Working Days of the Bid/ Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Accounts of unsuccessful Bidders and also for any excess amount blocked on Bidding/Application.

(b) In case of Anchor Investors: Within six Working Days of the Bid/ Issue Closing Date may dispatch refunds for all amounts payable to unsuccessful Anchor Investors. The Registrar to the Issue may obtain from the Depositories the Bidders/Applicants' bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Anchor Investors in their Anchor Investor Application Forms for refunds. Accordingly, Anchor Investors are advised to immediately update their details as appearing on the records of their DPs. Failure to do so may result in delays in dispatch of refunds through electronic transfer of funds, as applicable, and any such delay may be at the Anchor Investors' sole risk and neither the Issuer, the Registrar to the Issue, the Escrow Collection Bank, or the Syndicate, may be liable to compensate the Anchor Investors for any losses caused to them due to any such delay, or liable to pay any interest for such delay.

8.3.1 Mode of making refunds

The Registrar to the Issue may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA Bids or in the event of withdrawal or failure of the Issue.

8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer may pay interest at the rate of 15% per annum /or demat credits are not made to Bidders or instructions for unblocking of funds in the ASBA Account are not dispatched within the 4 Working days of the Bid/Issue Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 6 days from the Bid/Issue Closing Date, if Allotment is not made.

SECTION IX- GLOSSARY AND ABBREVIATIONS

Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time.

Term	Description
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to a Bidder as proof of registration of the Bid.
Allotment Advice	Note or advice or intimation of Allotment sent to the successful Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allotment/ Allot/ Allotted	Unless the context otherwise requires, issue / allotment of Equity Shares pursuant to the Issue to successful Applicants.
Allottee(s)	Successful Bidders(s) to whom Equity Shares have been allotted/transferred.
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion, who has Bid for an amount of at least Rs. 1000 Lakhs, in accordance with the requirements specified in the SEBI ICDR Regulations
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and Prospectus
Anchor Investor Portion	Upto 60% of the QIB Portion, which may be allocated by our Company, in consultation with the BRLM to Anchor Investors on a discretionary basis, out of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price.
Application Supported by Blocked Amount Form/ASBA Form	An application from, whether physical or electronic, used by ASBA Bidders/Applicants, which will be considered as the application for Allotment in terms of the Red Herring Prospectus.
ASBA / Application Supported by Blocked Amount	An application, whether physical or electronic, used by Bidders, to make a Bid authorising an SCSB to block the Bid Amount in the ASBA Account
ASBA Account	An account maintained with an SCSB and specified in the Bid cum Application Form submitted by Bidders for blocking the Bid Amount mentioned in the Bid cum Application Form
ASBA Application Location(s) / Specified Cities	Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata and Raipur
ASBA form	An application form, whether physical or electronic, used by Bidders which will be considered as the application for Allotment in terms of the Red Herring Prospectus.
Banker(s) to the Issue	The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public Issue Account will be opened and in this case being ICICI Bank Limited and HDFC Bank Limited.

Term	Description
Basis of Allotment	The basis on which Equity Shares will be Allotted to the successful Bidders under the Issue and which is described under chapter titled “ <i>Issue Procedure</i> ” beginning on page 283 of this Draft Red Herring Prospectus.
Bid	An indication to make an offer during the Bid/Issue Period by a Bidder (other than an Anchor Investor) or on Anchor Investor Bidding Date by an Anchor Investor, pursuant to submission of the Bid cum Application Form, 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 Red Herring Prospectus and Bid cum Application Form
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and in the case of Retail Individual Bidders Bidding at Cut Off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder and mentioned in the Bid cum Application Form and payable by the Retail Individual Bidder or blocked in the ASBA Account upon submission of the Bid in the Issue
Bid cum Application Form	An application form, whether physical or electronic, used by Bidders, other than Anchor Investors, to make a Bid and which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Bid/ Issue Opening Date	Except in relation to Anchor Investors, the date on which the Syndicate, the Designated Branches and the Registered Brokers shall start accepting Bids, which shall be notified in [●] edition of the English national newspaper [●], [●] 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/Issue Opening Date also to be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI ICDR Regulations.
Bid/ Issue Period	The period between the Bid/Issue Opening Date and the Bid/Issue Closing Date, inclusive of both days, during which Bidders other than Anchor Investor can submit their Bids, including any revisions thereof. Provided however that the Bidding/Issue Period shall be kept open for a minimum of three Working Days for all categories of Bidders, other than Anchor Investors.
Bidder	Any prospective investor who makes a Bid/Application pursuant to the terms of the DRHP/RHP/Prospectus and the Bid cum Application Form. In case of issues undertaken through the fixed price process, all references to a Bidder/Applicants should be construed to mean an Applicant
Book Building Process	Book building process, as provided in Schedule XI of the SEBI ICDR Regulations, in terms of which the Issue is being made

Term	Description
Book Running Lead Manager or BRLM	The Book Running Lead Manager to the Issue namely Pantomath capital Advisors Private Limited
Broker Centres	Broker centres notified by the Stock Exchanges, where the Bidders can submit the Bid cum application forms to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers, are available on the website of Bombay Stock Exchange.
Business Day	Monday to Friday (except public holiday)
CAN or Confirmation of Allocation Note	In the case of Anchor Investors, CAN shall mean the note or advice or intimation of Allotment of Equity Shares sent to the Anchor Investors to whom Equity Shares have been Allotted
Cap Price	The higher end of the Price Band, above which the Issue Price will not be finalised and above which no Bids will be accepted
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account.
Collecting Depository Participant or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Controlling Branch/Designated Branch	Such branch of the SCSBs which coordinate Bid cum Applications under this Issue by the ASBA Applicants with the Registrar to the Issue and the Stock Exchanges and a list of which is available at http://www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time
Cut-off Price	Issue Price, which shall be any price within the Price Band finalised by our Company and the BRLM. 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, occupation and bank account details
Depositories	Depositories 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
Designated Branches	Such branches of the SCSBs which may collect the Bid cum Application Forms used by Bidders/Applicants (except Anchor Investor) and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html
Designated CDP Locations	Such centres of the CDPs where Bidders can submit the Bid Cum Application Forms. 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 (www.bseindia.com) and updated from time to time

Term	Description
Designated Date	The date on which the Collection Banks transfer funds from the public issue Accounts, and the SCSBs issue instructions for transfer of funds from the ASBA Accounts, to the Public Issue Account or the Refund Account, as appropriate, in terms of the Red Herring Prospectus following which the Board of Directors may Allot Equity Shares to successful Bidders in the Issue.
Designated Intermediary(ies)	Syndicate, Sub-Syndicate Members/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are authorized to collect ASBA Forms from the Bidders, in relation to the Issue
Designated RTA Locations	Such centres of the RTAs where Bidder can submit the Bud cum Application Forms. The details of such Designated RTA Locations, along with the names and contact details of the RTAs are available on the respective websites of the Stock Exchange (www.bseindia.com) and updated from time to time
Designated Stock Exchange	The designated stock exchange as disclosed in the Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus of the issuer
Discount	Discount to the Issue Price that may be provided to Bidders/Applicants in accordance with the SEBI ICDR Regulations, 2009.
DP	Depository Participant
DP ID	Depository Participant's Identification Number
Draft Red Herring Prospectus or DRHP	This Draft Red Herring Prospectus dated May 31, 2018 issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Issue
Employees	Employees of an Issuer as defined under SEBI ICDR Regulations, 2009 and including, in case of a new company, persons in the permanent and full time employment of the promoting companies excluding the promoters and immediate relatives of the promoters. For further details, Bidder/Applicant may refer to the DRHP
Equity Shares	Equity Shares of the Issuer
FCNR Account	Foreign Currency Non-Resident Account
FII(s)	Foreign Institutional Investors as defined under the SEBI (Foreign Institutional Investors) Regulations, 1995 and registered with SEBI under applicable laws in India
First/sole Bidder	Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names
Floor Price	The lower end of the Price Band, subject to any revision thereto, at or above which the Issue Price will be finalised and below which no Bids will be accepted
Foreign Venture Capital Investors or FVCIs	Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI (Foreign Venture Capital Investors) Regulations, 2000
FPIs	Foreign Portfolio Investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
FPO	Further public offering

Term	Description
Issue	The Initial Public Issue of up to 34,04,400 Equity Shares of face value of Rs.10 each for cash at a price of Rs. [●] each, aggregating up to Rs.[●] lakhs Our Company is considering a Pre-IPO placement of upto 4,70,400 Equity Shares and/or aggregating upto 900.00 lakhs with certain investors ("Pre-IPO Placement"). The size of the Issue as disclosed in this Draft Red Herring Prospectus being 34,04,400 Equity Shares shall be reduced accordingly.
Issuer/Company	The Issuer proposing the initial public offering/further public offering as applicable
Maximum RII Allottees	The maximum number of RIIs who can be Allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot
MICR	Magnetic Ink Character Recognition - nine-digit code as appearing on a cheque leaf
Mutual Fund(s)	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time
Mutual Funds Portion	5% of the QIB Category (excluding the Anchor Investor Portion) available for allocation to Mutual Funds only, being such number of equity shares as disclosed in the DRHP/RHP/Prospectus and Bid cum Application Form
NEFT	National Electronic Fund Transfer
Net Issue	Issue less Market maker reservation portion
Non-Institutional Category	The portion of the Issue being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the DRHP/RHP/Prospectus and the Bid cum Application Form
Net QIB Portion	The QIB Portion less the number of Equity Shares Allotted to the Anchor Investors.
Non-Institutional Investors or NIIs	All Bidders/Applicants, including sub accounts of FIIs registered with SEBI which are foreign corporates or foreign individuals and FPIs which are Category III foreign portfolio investors, that are not QIBs or RIBs and who have Bid for Equity Shares for an amount of more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
Non-Resident	A person resident outside India, as defined under FEMA and includes FIIs and FPIs
NRE Account	Non-Resident External Account
NRI	NRIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the DRHP/RHP/Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares
NRO Account	Non-Resident Ordinary Account
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
Issue Price	The final price at which Equity Shares will be Allotted in terms of the Red Herring Prospectus The Issue Price will be decided by our Company

Term	Description
	in consultation with the BRLM on the Pricing Date in accordance with the Book-Building Process and the Red Herring Prospectus
Other Investors	The final price, less discount (if applicable) at which the Equity Shares may be Allotted to Bidders other than Anchor Investors, in terms of the Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Allocation Price. The Issue Price may be decided by the Issuer in consultation with the Book Running Lead Manager
PAN	Permanent Account Number allotted under the Income Tax Act, 1961
Pre Ipo Placement	Our Company is considering a Pre-IPO placement of upto 4,70,400 Equity Shares and/or aggregating upto 900.00 lakhs with certain investors ("Pre-IPO Placement"). The size of the Issue as disclosed in this Draft Red Herring Prospectus being 34,04,400 Equity Shares shall be reduced accordingly.
Price Band	<p>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.</p> <p>The Price Band and the minimum Bid Lot size for the Issue will be decided by our Company in consultation with the BRLM and will be advertised at least five Working Days prior to the Bid/ Issue Opening Date, in [●] edition of the English national newspaper [●], [●] edition of the Hindi national newspaper [●] and [●] edition of the regional newspaper [●], each with wide circulation</p>
Pricing date	The date on which our Company in consultation with the BRLM, will finalise the Issue Price
Prospectus	The Prospectus to be filed with the RoC on or after the Pricing Date in accordance with Section 32 of the Companies Act, 2013, and the SEBI ICDR Regulations containing, inter alia, the Issue Price, the size of the Issue and certain other information
Public Issue Account	Account opened with the Banker to the Issue i.e. ICICI Bank Limited and HDFC Bank Limited under Section 40 of the Companies Act, 2013 to receive monies from the SCSBs from the bank accounts of the bidders on the Designated Date.
Qualified Institutional Buyers or QIBs	Qualified Institutional Buyers as defined under Regulation 2(1)(zd) of the SEBI (ICDR) Regulations, 2009.
Red Herring Prospectus or RHP	<p>The Red Herring Prospectus to be issued in accordance with Section 32 of the Companies Act, 2013, and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Issue, including any addenda or corrigenda thereto.</p> <p>The Red Herring Prospectus will be registered with the RoC at least three days before the Bid/Issue Opening Date and will become the Prospectus upon filing with the RoC on or after the Pricing Date</p>
Refund Account(s)	The account opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount (excluding refund to Bidders) shall be made.

Term	Description
Refund Bank(s) / Refund Banker(s)	Bank which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Account will be opened, in this case being ICICI Bank Limited
Refund through electronic transfer of funds	Refunds through NECS, direct credit, RTGS or NEFT, as applicable
Registered Broker	Individuals or companies registered with SEBI as "Trading Members" (except Syndicate/Sub-Syndicate Members) who hold valid membership of Bombay Stock Exchange 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 http://www.bseindia.com/membership/dynaContent/find_a_broker.htm
Registrar /Registrar to the Issue	Registrar to the Issue, in this case being Link Intime India Private Limited having registered office at C-101,1st Floor, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai- 400083, Maharashtra, India
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bid cum Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Reservation Portion	The portion of the offer reserved for category of eligible Bidders as provided under the SEBI (ICDR) Regulations, 2009
Reserved Category / Categories	Categories of persons eligible for making Bids under reservation portion.
Revision Form	Form used by the Bidders, to modify the quantity of the Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s)
RoC	The Registrar of Companies
RTGS	Real Time Gross Settlement
SCSB/ Self Certified Syndicate Banker	Shall mean a Banker to an Issue registered under SEBI (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which offer the service of making Bids/Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/RecognisedIntermediaries or at such other website as may be prescribed by SEBI from time to time
SEBI	The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992
SEBI ICDR Regulations, 2009	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
Specified Locations	Bidding centres where the Syndicate shall accept Bid cum Application Forms from Bidders, a list of which is available on the website of SEBI (www.sebi.gov.in) and updated from time to time
Stock Exchanges / SE	The stock exchanges as disclosed in the DRHP/RHP/Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Issue are proposed to be listed
Syndicate Agreement	Agreement dated [●] entered into amongst the BRLM, the Syndicate Members, our Company in relation to the procurement of Bid cum Application Forms by Syndicate

Term	Description
Syndicate Members	Intermediaries registered with SEBI who are permitted to carry out activities as an underwriter, namely, Pantomath Stock Brokers Private Limited
Syndicate or Members of the Syndicate	The BRLM and the Syndicate Members
Underwriter	Pantomath Capital Advisors Private Limited
Underwriting Agreement	The agreement dated [●] entered into between the Underwriter and our Company
Working Day	<p>Till Application / Issue closing date: All days other than a Saturday Sunday or a public holiday</p> <p>Post Application / Issue closing date and till the Listing of Equity Shares: All trading days, of stock exchanges excluding Sundays and public holidays, in accordance with the SEBI circular no. SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 India</p>

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and Foreign Exchange Management Act, 1999 (**“FEMA”**). While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are the Reserve Bank of India (**“RBI”**) and Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (**“DIPP”**).

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment (**“FDI”**) through press notes and press releases. The 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 Circular on Foreign Investment in India every year. Presently, FDI in India is being governed by Master Circular on Foreign Investment dated July 01, 2015 as updated from time to time by RBI. In terms of the Master Circular, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Circular. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including filing of Form FC-GPR.

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 100 % foreign direct investment through automatic route is permitted in the sector in which our Company operates. Therefore applicable foreign investment up to 100% is permitted in our company under automatic route.

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 with the pricing guidelines and documentation requirements as specified by Reserve Bank of India from time to time.; (iii) where the transfer of shares does not meet the pricing guidelines under the FEMA, 1999 provided that: a) The resultant FDI is in compliance with the extant FDI policy and FEMA regulations in terms of sectoral caps, 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 conversion of any debt instrument under any arrangement shall be reckoned as foreign investment under the composite cap.

Portfolio Investment upto aggregate foreign investment level of 49% or sectoral/statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, if such investment does not result in transfer of ownership and/or control of Indian entities from resident Indian citizens to non-resident entities. Other foreign investments will be subject to conditions of Government approval and compliance of sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in the issuing entity will not exceed the sectoral/statutory cap.

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 i.e.:

- The total holding by any individual NRI or OCI shall not exceed 5 percent of the total paid-up equity capital on a fully diluted basis or should not exceed 5 percent of the

paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10 percent of the total paid-up equity capital on a fully diluted basis or shall not exceed 10 percent of the paid-up value of each series of debentures or preference shares or share warrants; provided that the aggregate ceiling of 10 percent may be raised to 24 percent if a special resolution to that effect is passed by the general body of the Indian company.

iii. Investment by NRI or OCI on non-repatriation basis

As per current FDI Policy 2017, schedule 4 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations – Purchase/ sale of Capital Instruments or convertible notes or units or contribution to the capital of an LLP by a NRI or OCI on non-repatriation basis – will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (“US Securities Act”) or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of “US Persons” as defined in Regulation S of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws.

Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

Further, no offer to the public (as defined under Directive 2003/71/EC, together with any amendments) and implementing measures thereto, (the “Prospectus Directive”) has been or will be made in respect of the Issue in any member State of the European Economic Area which has implemented the Prospectus Directive except for any such offer made under exemptions available under the Prospectus Directive, provided that no such offer shall result in a requirement to publish or supplement a prospectus pursuant to the Prospectus Directive, in respect of the Issue.

Any forwarding, distribution or reproduction of this document in whole or in part may be unauthorised. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions. Any investment decision should be made on the basis of the final terms and conditions and the information contained in this Prospectus.

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

The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.

SECTION VIII – MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

Pursuant to Schedule II to the Companies Act and the SEBI Regulations, the main provisions of our Articles relating, inter alia, to voting rights, dividend, lien, forfeiture, restrictions on transfer and transmission of Equity Shares or debentures and/or on their consolidation/splitting are detailed below. Please note that each provision herein below is numbered as per the corresponding article number in our Articles and capitalized/defined terms herein have the same meaning given to them in our Articles.

Sr. No	Particulars	
1.	No regulation contained in Table “F” in the First Schedule to Companies Act, 2013 shall apply to this Company but the regulations for the Management of the Company and for the observance of the Members thereof and their representatives shall be as set out in the relevant provisions of the Companies Act, 2013 and subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of or addition to its regulations by Special Resolution as prescribed by the said Companies Act, 2013 be such as are contained in these Articles unless the same are repugnant or contrary to the provisions of the Companies Act, 2013 or any amendment thereto.	Table F Applicable.
	Interpretation Clause	
2.	In the interpretation of these Articles the following expressions shall have the following meanings unless repugnant to the subject or context:	
	(a) "The Act" means the Companies Act, 2013 and includes any statutory modification or re-enactment thereof for the time being in force.	Act
	(b) “These Articles” means Articles of Association for the time being in force or as may be altered from time to time vide Special Resolution.	Articles
	(c) “Auditors” means and includes those persons appointed as such for the time being of the Company.	Auditors
	(d) "Capital" means the share capital for the time being raised or authorized to be raised for the purpose of the Company.	Capital
	(e) *“The Company” shall mean MANORAMA INDUSTRIES LIMITED	Company
	(f) “Executor” or “Administrator” means a person who has obtained a probate or letter of administration, as the case may be from a Court of competent jurisdiction and shall include a holder of a Succession Certificate authorizing the holder thereof to negotiate or transfer the Share or Shares of the deceased Member and shall also include the holder of a Certificate granted by the Administrator General under section 31 of the Administrator General Act, 1963.	Executor or Administrator
	(g) "Legal Representative" means a person who in law represents the estate of a deceased Member.	Legal Representative
	(h) Words importing the masculine gender also include the feminine gender.	Gender

Sr. No	Particulars	
	(i) "In Writing" and "Written" includes printing lithography and other modes of representing or reproducing words in a visible form.	In Writing and Written
	(j) The marginal notes hereto shall not affect the construction thereof.	Marginal notes
	(k) "Meeting" or "General Meeting" means a meeting of members.	Meeting or General Meeting
	(l) "Month" means a calendar month.	Month
	(m) "Annual General Meeting" means a General Meeting of the Members held in accordance with the provision of section 96 of the Act.	Annual General Meeting
	(n) "Extra-Ordinary General Meeting" means an Extraordinary General Meeting of the Members duly called and constituted and any adjourned holding thereof.	Extra-Ordinary General Meeting
	(o) "National Holiday" means and includes a day declared as National Holiday by the Central Government.	National Holiday
	(p) "Non-retiring Directors" means a director not subject to retirement by rotation.	Non-retiring Directors
	(q) "Office" means the registered Office for the time being of the Company.	Office
	(r) "Ordinary Resolution" and "Special Resolution" shall have the meanings assigned thereto by Section 114 of the Act.	Ordinary and Special Resolution
	(s) "Person" shall be deemed to include corporations and firms as well as individuals.	Person
	(t) "Proxy" means an instrument whereby any person is authorized to vote for a member at General Meeting or Poll and includes attorney duly constituted under the power of attorney.	Proxy
	(u) "The Register of Members" means the Register of Members to be kept pursuant to Section 88(1)(a) of the Act.	Register of Members
	(v) "Seal" means the common seal for the time being of the Company.	Seal
	(w) "Special Resolution" shall have the meanings assigned to it by Section 114 of the Act.	Special Resolution
	(x) Words importing the Singular number include where the context admits or requires the plural number and vice versa.	Singular number
	(y) "The Statutes" means the Companies Act, 2013 and every other Act for the time being in force affecting the Company.	Statutes
	(z) "These presents" means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time.	These presents
	(aa) "Variation" shall include abrogation; and "vary" shall include abrogate.	Variation
	(bb) "Year" means the calendar year and "Financial Year" shall have the meaning assigned thereto by Section 2(41) of the Act.	Year and Financial Year
	Save as aforesaid any words and expressions contained in these Articles shall bear the same meanings as in the Act or any statutory modifications thereof for the time being in force.	Expressions in the Act to bear the same

Sr. No	Particulars	
		meaning in Articles
	CAPITAL	
3.	a) The Authorized Share Capital of the Company shall be such amount as may be mentioned in Clause V of Memorandum of Association of the Company from time to time.	Authorized Capital.
	b) The minimum paid up Share capital of the Company shall be Rs. 5,00,000 or such other higher sum as may be prescribed in the Act from time to time.	
4.	The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new Shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 47 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article the Directors shall comply with the provisions of Section 64 of the Act.	Increase of capital by the Company how carried into effect
5.	Except so far as otherwise provided by the conditions of issue or by these Presents, any capital raised by the creation of new Shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.	New Capital same as existing capital
6.	The Board shall have the power to issue a part of authorized capital by way of non-voting Shares at price(s) premia, dividends, eligibility, volume, quantum, proportion and other terms and conditions as they deem fit, subject however to provisions of law, rules, regulations, notifications and enforceable guidelines for the time being in force.	Non Voting Shares
7.	Subject to the provisions of the Act and these Articles, the Board of Directors may issue redeemable preference shares to such persons, on such terms and conditions and at such times as Directors think fit either at premium or at par, and with full power to give any person the option to call for or be allotted shares of the company either at premium or at par, such option being exercisable at such times and for such consideration as the Board thinks fit.	Redeemable Preference Shares
8.	The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares.	Voting rights of preference shares
9.	On the issue of redeemable preference shares under the provisions of Article 7 hereof, the following provisions shall take effect:	Provisions to apply on issue of

Sr. No	Particulars	
	<p>(a) No such Shares shall be redeemed except out of profits of which would otherwise be available for dividend or out of proceeds of a fresh issue of shares made for the purpose of the redemption;</p> <p>(b) No such Shares shall be redeemed unless they are fully paid;</p> <p>(c) Subject to section 55(2)(d)(i) the premium, if any payable on redemption shall have been provided for out of the profits of the Company or out of the Company's security premium account, before the Shares are redeemed;</p> <p>(d) Where any such Shares are redeemed otherwise then out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Account", a sum equal to the nominal amount of the Shares redeemed, and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 55 of the Act apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company; and</p> <p>(e) Subject to the provisions of Section 55 of the Act, the redemption of preference shares hereunder may be effected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit. The reduction of Preference Shares under the provisions by the Company shall not be taken as reducing the amount of its Authorized Share Capital</p>	Redeemable Preference Shares
10.	<p>The Company may (subject to the provisions of sections 52, 55, 56, both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce</p> <p>(a) the share capital;</p> <p>(b) any capital redemption reserve account; or</p> <p>(c) any security premium account</p> <p>In any manner for the time being, authorized by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.</p>	Reduction of capital
11.	<p>Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors 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.</p>	Debentures
12.	<p>The Company may exercise the powers of issuing sweat equity shares conferred by Section 54 of the Act of a class of shares already</p>	Issue of Sweat Equity Shares

Sr. No	Particulars	
	issued subject to such conditions as may be specified in that sections and rules framed thereunder.	
13.	The Company may issue shares to Employees including its Directors other than independent directors and such other persons as the rules may allow, under Employee Stock Option Scheme (ESOP) or any other scheme, if authorized by a Special Resolution of the Company in general meeting subject to the provisions of the Act, the Rules and applicable guidelines made there under, by whatever name called.	ESOP
14.	Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.	Buy Back of shares
15.	Subject to the provisions of Section 61 of the Act, the Company in general meeting may, from time to time, sub-divide or consolidate all or any of the share capital into shares of larger amount than its existing share or sub-divide its shares, or any of them into shares of smaller amount than is fixed by the Memorandum; subject nevertheless, to the provisions of clause (d) of sub-section (1) of Section 61; Subject as aforesaid the Company in general meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.	Consolidation, Sub-Division And Cancellation
16.	Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue depository receipts in any foreign country.	Issue of Depository Receipts
17.	Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue any kind of securities as permitted to be issued under the Act and rules framed thereunder.	Issue of Securities
	MODIFICATION OF CLASS RIGHTS	
18.	(a) If at any time the share capital, by reason of the issue of Preference Shares or otherwise is divided into different classes of shares, all or any of the rights privileges attached to any class (unless otherwise provided by the terms of issue of the shares of the class) may, subject to the provisions of Section 48 of the Act and whether or not the Company is being wound-up, be varied, modified or dealt, with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a separate general meeting of the holders of the shares of that class. The provisions of these Articles relating to general meetings shall mutatis mutandis apply to every such separate class of meeting. Provided that if variation by one class of shareholders affects the rights of any other class of shareholders, the consent of three-fourths of such other class of shareholders shall also be obtained and the provisions of this section shall apply to such variation.	Modification of rights

Sr. No	Particulars	
19.	The rights conferred upon the holders of the Shares including Preference Share, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of shares of that class, be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares ranking pari passu therewith.	New Issue of Shares not to affect rights attached to existing shares of that class.
20.	Subject to the provisions of Section 62 of the Act and these Articles, the shares in the capital of the company for the time being 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 and with the sanction of the company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares.	Shares at the disposal of the Directors.
21.	The Company may issue shares or other securities in any manner whatsoever including by way of a preferential offer, to any persons whether or not those persons include the persons referred to in clause (a) or clause (b) of sub-section (1) of section 62 subject to compliance with section 42 and 62 of the Act and rules framed thereunder.	Power to issue shares on preferential basis.
22.	The shares in the capital shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned no share shall be sub-divided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.	Shares should be Numbered progressively and no share to be subdivided.
23.	An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register shall for the purposes of these Articles, be a Member.	Acceptance of Shares.
24.	Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the Capital of the Company as payment or part payment for any property (including goodwill of any business) sold or transferred, goods or machinery supplied or for services rendered to the Company either in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or	Directors may allot shares as full paid-up

Sr. No	Particulars	
	partly paid-up otherwise than in cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares as aforesaid.	
25.	The money (if any) which the Board shall on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them shall become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him, accordingly.	Deposit and call etc.to be a debt payable immediately.
26.	Every Member, or his heirs, executors, administrators, or legal representatives, shall pay to the Company the portion of the Capital represented by his share or shares which may, for the time being, remain unpaid thereon, in such amounts at such time or times, and in such manner as the Board shall, from time to time in accordance with the Company's regulations, require on date fixed for the payment thereof.	Liability of Members.
27.	Shares may be registered in the name of any limited company or other corporate body but not in the name of a firm, an insolvent person or a person of unsound mind.	Registration of Shares.
	RETURN ON ALLOTMENTS TO BE MADE OR RESTRICTIONS ON ALLOTMENT	
28.	The Board shall observe the restrictions as regards allotment of shares to the public, and as regards return on allotments contained in Sections 39 of the Act	
	CERTIFICATES	
29.	(a) Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as provided in the relevant laws) to several certificates, each for one or more of such shares and the company shall complete and have ready for delivery such certificates within two months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application for registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe or approve, provided that in respect of a 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 of shares to one of several joint holders shall be sufficient delivery to all such holder. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in cases of issues against letter of acceptance or of renunciation or in cases of issue of bonus	Share Certificates.

Sr. No	Particulars	
	<p>shares. Every such certificate shall be issued under the seal of the Company, which shall be affixed in the presence of two Directors or persons acting on behalf of the Directors under a duly registered power of attorney and the Secretary or some other person appointed by the Board for the purpose and two Directors or their attorneys and the Secretary or other person shall sign the share certificate, provided that if the composition of the Board permits of it, at least one of the aforesaid two Directors shall be a person other than a Managing or whole-time Director. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person, to whom it has been issued, indicating the date of issue.</p> <p>(b) Any two or more joint allottees of shares shall, for the purpose of this Article, be treated as a single member, and the certificate of any shares which may be the subject of joint ownership, may be delivered to anyone of such joint owners on behalf of all of them. For any further certificate the Board shall be entitled, but shall not be bound, to prescribe a charge not exceeding Rupees Fifty. The Company shall comply with the provisions of Section 39 of the Act.</p> <p>(c) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.</p>	
30.	<p>If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof 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 lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, being given, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every Certificate under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.50/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.</p> <p>Provided that notwithstanding what is stated above the Directors shall comply with such Rules or Regulation or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956, or any other Act, or rules applicable in this behalf.</p>	<p>Issue of new certificates in place of those defaced, lost or destroyed.</p>

Sr. No	Particulars	
	The provisions of this Article shall mutatis mutandis apply to debentures of the Company.	
31.	(a) If any share stands in the names of two or more persons, the person first named in the Register shall as regard receipts of dividends or bonus or service of notices and all or any other matter connected with the Company except voting at meetings, and the transfer of the shares, be deemed sole holder thereof but the joint-holders of a share shall be severally as well as jointly liable for the payment of all calls and other payments due in respect of such share and for all incidentals thereof according to the Company's regulations.	The first named joint holder deemed Sole holder.
	(b) The Company shall not be bound to register more than three persons as the joint holders of any share.	Maximum number of joint holders.
32.	Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise any equitable, contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as the holder thereof but the Board shall be at liberty at its sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.	Company not bound to recognise any interest in share other than that of registered holders.
33.	If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by installment, every such installment shall when due be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative.	Installment on shares to be duly paid.
	UNDERWRITING AND BROKERAGE	
34.	Subject to the provisions of Section 40 (6) of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing, to subscribe (whether absolutely or conditionally) for any shares or debentures in the Company, or procuring, or agreeing to procure subscriptions (whether absolutely or conditionally) for any shares or debentures in the Company but so that the commission shall not exceed the maximum rates laid down by the Act and the rules made in that regard. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.	Commission
35.	The Company may pay on any issue of shares and debentures such brokerage as may be reasonable and lawful.	Brokerage
	CALLS	
36.	(1) The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board and not by a circular resolution, make such calls as it thinks fit, upon	Directors may make calls

Sr. No	Particulars	
	<p>the Members in respect of all the moneys unpaid on the shares held by them respectively and each Member shall pay the amount of every call so made on him to the persons and at the time and places appointed by the Board.</p> <p>(2) A call may be revoked or postponed at the discretion of the Board.</p> <p>(3) A call may be made payable by installments.</p>	
37.	Fifteen days' notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call shall be paid.	Notice of Calls
38.	A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorising such call was passed and may be made payable by the members whose names appear on the Register of Members on such date or at the discretion of the Directors on such subsequent date as may be fixed by Directors.	Calls to date from resolution.
39.	Whenever any calls for further share capital are made on shares, such calls shall be made on uniform basis on all shares falling under the same class. For the purposes of this Article shares of the same nominal value of which different amounts have been paid up shall not be deemed to fall under the same class.	Calls on uniform basis.
40.	The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the members who on account of the residence at a distance or other cause, which the Board may deem fairly entitled to such extension, but no member shall be entitled to such extension save as a matter of grace and favour.	Directors may extend time.
41.	If any Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board not exceeding 21% per annum but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member.	Calls to carry interest.
42.	If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by installments at fixed time (whether on account of the amount of the share or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or installment accordingly.	Sums deemed to be calls.
43.	On the trial or hearing of any action or suit brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, if shall be sufficient to prove that the name of the Member in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder, at or subsequent to the date	Proof on trial of suit for money due on shares.

Sr. No	Particulars	
	at which the money is sought to be recovered is alleged to have become due on the share in respect of which such money is sought to be recovered in the Minute Books: and that notice of such call was duly given to the Member or his representatives used in pursuance of these Articles: and that it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.	
44.	Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member of 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 thereafter proceeding to enforce forfeiture of such shares as hereinafter provided.	Judgment, decree, partial payment motto proceed for forfeiture.
45.	(a) The Board may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the amounts of his respective shares beyond the sums, actually called up and upon the moneys so paid in advance, or upon so much thereof, from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made the Board may pay or allow interest, at such rate as the member paying the sum in advance and the Board agree upon. The Board may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to the Member three months' notice in writing: provided that moneys paid in advance of calls on shares may carry interest but shall not confer a right to dividend or to participate in profits. (b) No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable. The provisions of this Article shall mutatis mutandis apply to calls on debentures issued by the Company.	Payments in Anticipation of calls may carry interest
	LIEN	
46.	The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all	Company to have Lien on shares.

Sr. No	Particulars	
	dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this clause.	
47.	For the purpose of enforcing such lien the Directors may sell the shares subject thereto in such manner as they shall think fit, but no sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such member or the person (if any) entitled by transmission to the shares and default shall have been made by him in payment, fulfillment of discharge of such debts, liabilities or engagements for seven days after such notice. To give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof and purchaser shall be registered as the holder of the shares comprised in any such transfer. Upon any such sale as the Certificates in respect of the shares sold shall stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new Certificate or Certificates in lieu thereof to the purchaser or purchasers concerned.	As to enforcing lien by sale.
48.	The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to 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.	Application of proceeds of sale.
	FORFEITURE AND SURRENDER OF SHARES	
49.	If any Member fails to pay the whole or any part of any call or installment or any moneys due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same, the Directors may, at any time thereafter, during such time as the call or installment or any part thereof or other moneys as aforesaid remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such Member or on the person (if any) entitled to the shares by transmission, requiring him to pay such call or installment of such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all reasonable expenses (legal or otherwise) that may have been accrued by the Company by reason of such non-payment. Provided that no such shares shall be forfeited if any moneys shall remain unpaid in respect of any call or installment or any part thereof as aforesaid by reason of the delay occasioned in payment due to the necessity of complying with the provisions contained in the relevant exchange control laws or other applicable laws of India, for the time being in force.	If call or installment not paid, notice may be given.

Sr. No	Particulars	
50.	<p>The notice shall name a day (not being less than fourteen days from the date of notice) and a place or places on and at which such call or installment and such interest thereon as the Directors shall determine from the day on which such call or installment ought to have been paid and expenses as aforesaid are to be paid.</p> <p>The notice shall also state that, in the event of the non-payment at or before the time and at the place or places appointed, the shares in respect of which the call was made or installment is payable will be liable to be forfeited.</p>	Terms of notice.
51.	<p>If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given, may at any time thereafter but before payment of all calls or installments, interest and expenses, due in respect thereof, be forfeited by resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited share and not actually paid before the forfeiture.</p>	On default of payment, shares to be forfeited.
52.	<p>When any shares have been forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof shall forthwith be made in the Register of Members.</p>	Notice of forfeiture to a Member
53.	<p>Any shares so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted, or otherwise disposed of, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board in their absolute discretion shall think fit.</p>	Forfeited shares to be property of the Company and may be sold etc.
54.	<p>Any Member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand all calls, installments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of the forfeiture until payment, at such rate as the Board may determine and the Board may enforce the payment of the whole or a portion thereof as if it were a new call made at the date of the forfeiture, but shall not be under any obligation to do so.</p>	Members still liable to pay money owing at time of forfeiture and interest.
55.	<p>The forfeiture shares shall involve extinction at the time of the forfeiture, of all interest in all claims and demand against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.</p>	Effect of forfeiture.
56.	<p>A declaration in writing that the declarant is a Director or Secretary of the Company and that shares in the Company have been duly forfeited in accordance with these articles 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 shares.</p>	Evidence of Forfeiture.

Sr. No	Particulars	
57.	The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition thereof and the person to whom such share is sold, re-allotted or disposed of may be registered as the holder of the share and he shall not be bound to see to the application of the consideration: if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the shares.	Title of purchaser and allottee of Forfeited shares.
58.	Upon any sale, re-allotment or other disposal under the provisions of the preceding Article, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons entitled thereto.	Cancellation of share certificate in respect of forfeited shares.
59.	In the meantime and until any share so forfeited shall be sold, re-allotted, or otherwise dealt with as aforesaid, the forfeiture thereof may, at the discretion and by a resolution of the Directors, be remitted as a matter of grace and favour, and not as was owing thereon to the Company at the time of forfeiture being declared with interest for the same unto the time of the actual payment thereof if the Directors shall think fit to receive the same, or on any other terms which the Director may deem reasonable.	Forfeiture may be remitted.
60.	Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of 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 the purchasers shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, 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 and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.	Validity of sale
61.	The Directors may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering on such terms the Directors may think fit.	Surrender of shares.
TRANSFER AND TRANSMISSION OF SHARES		
62.	(a) The instrument of transfer of any share in or debenture of the Company shall be executed by or on behalf of both the transferor and transferee. (b) The transferor shall be deemed to remain a holder of the share or debenture until the name of the transferee is entered in the Register of Members or Register of Debenture holders in respect thereof.	Execution of the instrument of shares.

Sr. No	Particulars	
63.	<p>The instrument of transfer of any share or debenture shall be in writing and all the provisions of Section 56 and statutory modification thereof including other applicable provisions of the Act shall be duly complied with in respect of all transfers of shares or debenture and registration thereof.</p> <p>The instrument of transfer shall be in a common form approved by the Exchange;</p>	Transfer Form.
64.	<p>The Company shall not register a transfer in the Company other than the transfer between persons both of whose names are entered as holders of beneficial interest in the records of a depository, unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation if any, of the transferee, has been delivered to the Company along with the certificate relating to the shares or if no such share certificate is in existence along with the letter of allotment of the shares: Provided that where, on an application in writing made to the Company by the transferee and bearing the stamp, required for an instrument of transfer, it is proved to the satisfaction of the Board of Directors that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit, provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares in the Company has been transmitted by operation of law.</p>	Transfer not to be registered except on production of instrument of transfer.
65.	<p>Subject to the provisions of Section 58 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, the Directors may, decline to register—</p> <p>(a) any transfer of shares on which the company has a lien.</p> <p>That registration of transfer shall however not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever;</p>	Directors may refuse to register transfer.
66.	<p>If the Company refuses to register the transfer of any share or transmission of any right therein, the Company shall within one month from the date on which the instrument of transfer or intimation of transmission was lodged with the Company, send notice of refusal to the transferee and transferor or to the person giving intimation of the transmission, as the case may be, and there upon the provisions of Section 56 of the Act or any statutory modification thereof for the time being in force shall apply.</p>	Notice of refusal to be given to transferor and transferee.
67.	<p>No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate and letter of administration, Certificate of Death or Marriage, Power of Attorney or similar other document with the Company.</p>	No fee on transfer.
68.	<p>The Board of Directors shall have power on giving not less than seven days previous notice in accordance with section 91 and rules</p>	Closure of Register

Sr. No	Particulars	
	made thereunder close the Register of Members and/or the Register of debentures holders and/or other security holders at such time or times and for such period or periods, not exceeding thirty days at a time, and not exceeding in the aggregate forty five days at a time, and not exceeding in the aggregate forty five days in each year as it may seem expedient to the Board.	Members or debentureholder or other security holders.
69.	The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all the transfer deeds with the Company after such period as they may determine.	Custody of transfer Deeds.
70.	Where an application of transfer relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.	Application for transfer of partly paid shares.
71.	For this purpose the notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post/speed post/ courier to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.	Notice to transferee.
72.	<p>(a) On the death of a Member, the survivor or survivors, where the Member was a joint holder, and his his nominee or nominees or legal representatives where he was a sole holder, shall be the only person recognized by the Company as having any title to his interest in the shares.</p> <p>(b) Before recognising any executor or administrator or legal representative, the Board may require him to obtain a Grant of Probate or Letters Administration or other legal representation as the case may be, from some competent court in India. Provided nevertheless that in any case where the Board in its absolute discretion thinks fit, it shall be lawful for the Board to dispense with the production of Probate or letter of Administration or such other legal representation upon such terms as to indemnity or otherwise, as the Board in its absolute discretion, may consider adequate</p> <p>(c) Nothing in clause (a) above shall release the estate of the deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.</p>	Recognition of legal representative.
73.	The Executors or Administrators of a deceased Member or holders of a Succession Certificate or the Legal Representatives in respect of the Shares of a deceased Member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the Shares registered in the name of such	Titles of Shares of deceased Member

Sr. No	Particulars	
	Members, and the Company shall not be bound to recognize such Executors or Administrators or holders of Succession Certificate or the Legal Representative unless such Executors or Administrators or Legal Representative shall have first obtained Probate or Letters of Administration or Succession Certificate as the case may be from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks fit, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register Shares standing in the name of a deceased Member, as a Member. However, provisions of this Article are subject to Sections 72 of the Companies Act.	
74.	Where, in case of partly paid Shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56 of the Act.	Notice of application when to be given
75.	Subject to the provisions of the Act and these Articles, any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy, insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may, with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of this title as the Director shall require either be registered as member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as Member in respect of such shares; provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favour of his nominee an instrument of transfer in accordance so he shall not be freed from any liability in respect of such shares. This clause is hereinafter referred to as the 'Transmission Clause'.	Registration of persons entitled to share otherwise than by transfer. (Transmission clause).
76.	Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse or suspend register a person entitled by the transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.	Refusal to register nominee.
77.	Every transmission of a share shall be verified in such manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.	Board may require evidence of transmission.
78.	The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of	Company not liable for

Sr. No	Particulars	
	shares made, or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register or Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or require to regard or attend or give effect to any notice which may be given to them of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Directors shall so think fit.	disregard of a notice prohibiting registration of transfer.
79.	In the case of any share registered in any register maintained outside India the instrument of transfer shall be in a form recognized by the law of the place where the register is maintained but subject thereto shall be as near to the form prescribed in Form no. SH-4 hereof as circumstances permit.	Form of transfer Outside India.
80.	No transfer shall be made to any minor, insolvent or person of unsound mind.	No transfer to insolvent etc.
	NOMINATION	
81.	i) Notwithstanding anything contained in the articles, every holder of securities of the Company may, at any time, nominate a person in whom his/her securities shall vest in the event of his/her death and the provisions of Section 72 of the Companies Act, 2013 shall apply in respect of such nomination. ii) No person shall be recognized by the Company as a nominee unless an intimation of the appointment of the said person as nominee has been given to the Company during the lifetime of the holder(s) of the securities of the Company in the manner specified under Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014 iii) The Company shall not be in any way responsible for transferring the securities consequent upon such nomination. iv) If the holder(s) of the securities survive(s) nominee, then the nomination made by the holder(s) shall be of no effect and shall automatically stand revoked.	Nomination
82.	A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either- (i) to be registered himself as holder of the security, as the case may be; or (ii) to make such transfer of the security, as the case may be, as the deceased security holder, could have made;	Transmission of Securities by nominee

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	<p>(iii) if the nominee elects to be registered as holder of the security, himself, as the case may be, he shall deliver or send to the Company, a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased security holder as the case may be;</p> <p>(iv) a nominee shall be entitled to the same dividends and other advantages to which he would be entitled to, if he were the registered holder of the security except that he shall not, before being registered as a member in respect of his security, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.</p> <p>Provided further 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 or debenture, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable or rights accruing in respect of the share or debenture, until the requirements of the notice have been complied with.</p>	
	DEMATERIALISATION OF SHARES	
83.	Subject to the provisions of the Act and Rules made thereunder the Company may offer its members facility to hold securities issued by it in dematerialized form.	Dematerialisation of Securities
	JOINT HOLDER	
84.	Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint Shareholders with benefits of survivorship subject to the following and other provisions contained in these Articles.	Joint Holders
85.	(a) The Joint holders of any share 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.	Joint and several liabilities for all payments in respect of shares.
	(b) on the death of any such joint holders the survivor or survivors shall be the only person recognized by the Company as having any title to the share but the Board may require such evidence of death as it may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability of shares held by them jointly with any other person;	Title of survivors.
	(c) Any one of two or more joint holders of a share may give effectual receipts of any dividends or other moneys payable in respect of share; and	Receipts of one sufficient.
	(d) only the person whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share or to receive documents from the Company and any such document	Delivery of certificate and giving of notices

Sr. No	Particulars	
	served on or sent to such person shall deemed to be service on all the holders.	to first named holders.
	SHARE WARRANTS	
86.	The Company may issue warrants subject to and in accordance with provisions of the Act and accordingly the Board may in its discretion with respect to any Share which is fully paid upon application in writing signed by the persons registered as holder of the Share, and authenticated by such evidence(if any) as the Board may, from time to time, require as to the identity of the persons signing the application and on receiving the certificate (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 a share warrant.	Power to issue share warrants
87.	<p>(a) The bearer of a share warrant may at any time deposit the warrant at 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 call in 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 clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the Share included in the deposit warrant.</p> <p>(b) Not more than one person shall be recognized as depositor of the Share warrant.</p> <p>(c) The Company shall, on two day's written notice, return the deposited share warrant to the depositor.</p>	Deposit of share warrants
88.	<p>(a) Subject as herein otherwise expressly provided, no person, being a bearer of a share warrant, shall sign a requisition for calling a meeting of the Company or attend or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notice from the Company.</p> <p>(b) The bearer of a 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 holder of the Share included in the warrant, and he shall be a Member of the Company.</p>	Privileges and disabilities of the holders of share warrant
89.	The Board may, from time to time, make bye-laws as to 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.	Issue of new share warrant coupons
	CONVERSION OF SHARES INTO STOCK	
90.	<p>The Company may, by ordinary resolution in General Meeting.</p> <p>a) convert any fully paid-up shares into stock; and</p> <p>b) re-convert any stock into fully paid-up shares of any denomination.</p>	Conversion of shares into stock or reconversion.
91.	The holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulation under which the shares from which the stock arose might before the conversion have	Transfer of stock.

Sr. No	Particulars	
	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.	
92.	The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, participation in profits, voting at meetings of the Company, and other matters, as if they hold the shares for which the stock arose but no such privilege or advantage shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.	Rights of stock holders.
93.	Such of the regulations of the Company (other than those relating to share warrants), as are applicable to paid up share shall apply to stock and the words "share" and "shareholders" in those regulations shall include "stock" and "stockholders" respectively.	Regulations.
	BORROWING POWERS	
94.	Subject to the provisions of the Act and these Articles, the Board may, from time to time at its discretion, by a resolution passed at a meeting of the Board generally raise or borrow money by way of deposits, loans, overdrafts, cash credit or by issue of bonds, debentures or debenture-stock (perpetual or otherwise) or in any other manner, or from any person, firm, company, co-operative society, any body corporate, bank, institution, whether incorporated in India or abroad, Government or any authority or any other body for the purpose of the Company and may secure the payment of any sums of money so received, raised or borrowed; provided that the total amount borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) shall not without the consent of the Company in General Meeting 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 specified purpose.	Power to borrow.
95.	Subject to the provisions of the Act and these Articles, any bonds, debentures, debenture-stock or any other securities may be issued at a discount, premium or otherwise and with any special privileges and conditions as to redemption, surrender, allotment of shares, appointment of Directors or otherwise; provided that debentures with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.	Issue of discount etc. or with special privileges.
96.	The payment and/or repayment of moneys borrowed or raised as aforesaid or any moneys owing otherwise or debts due from the Company may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit, and in particular by mortgage, charter, lien or any other security upon all or any of the assets or property (both present and future) or the undertaking of the Company including its uncalled capital for the time being, or by a guarantee by any Director, Government or third party, and the bonds,	Securing payment or repayment of Moneys borrowed.

Sr. No	Particulars	
	debentures and debenture stocks and other securities may be made assignable, free from equities between the Company and the person to whom the same may be issued and also by a similar mortgage, charge or lien to secure and guarantee, the performance by the Company or any other person or company of any obligation undertaken by the Company or any person or Company as the case may be.	
97.	Any bonds, debentures, debenture-stock or their securities issued or to be issued by the Company shall be under the control of the Board who may issue them upon such terms and conditions, and in such manner and for such consideration as they shall consider to be for the benefit of the Company.	Bonds, Debentures etc. to be under the control of the Directors.
98.	If any uncalled capital of the Company is included in or charged by any mortgage or other security the Directors shall subject to the provisions of the Act and these Articles make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed.	Mortgage of uncalled Capital.
99.	Subject to the provisions of the Act and these Articles if the Directors or any of them or any other person shall incur or be about to incur any liability whether as principal or surety for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.	Indemnity may be given.
	MEETINGS OF MEMBERS	
100.	All the General Meetings of the Company other than Annual General Meetings shall be called Extra-ordinary General Meetings.	Distinction between AGM & EGM.
101.	(a) The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of requisition of Members made in compliance with Section 100 of the Act, forthwith proceed to convene Extra-Ordinary General Meeting of the members	Extra-Ordinary General Meeting by Board and by requisition
	(b) If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members of the Company holding not less than one-tenth of the total paid up share capital of the Company may call for an Extra-Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors.	When a Director or any two Members may call an Extra Ordinary General Meeting

Sr. No	Particulars	
102.	No General Meeting, Annual or Extraordinary shall be competent to enter upon, discuss or transfer any business which has not been mentioned in the notice or notices upon which it was convened.	Meeting not to transact business not mentioned in notice.
103.	The Chairman (if any) of the Board of Directors shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there is no such Chairman of the Board of Directors, or if at any meeting he is not present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the chair, then the Members present shall elect another Director as Chairman, and if no Director be present or if all the Directors present decline to take the chair then the Members present shall elect one of the members to be the Chairman of the meeting.	Chairman of General Meeting
104.	No business, except the election of a Chairman, shall be discussed at any General Meeting whilst the Chair is vacant.	Business confined to election of Chairman whilst chair is vacant.
105.	<p>a) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.</p> <p>b) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.</p> <p>c) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.</p> <p>d) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.</p>	Chairman with consent may adjourn meeting.
106.	In the case of an equality of votes the Chairman shall both on a show of hands, on a poll (if any) and e-voting, have casting vote in addition to the vote or votes to which he may be entitled as a Member.	Chairman's casting vote.
107.	Any poll duly demanded on the election of Chairman of the meeting or any question of adjournment shall be taken at the meeting forthwith.	In what case poll taken without adjournment.
108.	The demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.	Demand for poll not to prevent transaction of other business.
VOTES OF MEMBERS		

Sr. No	Particulars	
109.	No Member shall be entitled to vote either personally or by proxy at any General Meeting or Meeting of a class of shareholders either upon a show of hands ,upon a poll or electronically, or be reckoned in a quorum 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 or lien.	Members in arrears not to vote.
110.	Subject to the provision of these Articles and without prejudice to any special privileges, or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the company, every Member, not disqualified by the last preceding Article shall be entitled to be present, and to speak and to vote at such meeting, and on a show of hands every member present in person shall have one vote and upon a poll the voting right of every Member present in person or by proxy shall be in proportion to his share of the paid-up equity share capital of the Company, Provided, however, if any preference shareholder is present at any meeting of the Company, save as provided in sub-section (2) of Section 47 of the Act, he shall have a right to vote only on resolution placed before the meeting which directly affect the rights attached to his preference shares.	Number of votes each member entitled.
111.	On a poll taken at a meeting of the Company a member entitled to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.	Casting of votes by a member entitled to more than one vote.
112.	A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, or a minor 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.	Vote of member of unsound mind and of minor
113.	Notwithstanding anything contained in the provisions of the Companies Act, 2013, and the Rules made there under, the Company may, and in the case of resolutions relating to such business as may be prescribed by such authorities from time to time, declare to be conducted only by postal ballot, shall, get any such business/ resolutions passed by means of postal ballot, instead of transacting the business in the General Meeting of the Company.	Postal Ballot
114.	A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.	E-Voting
115.	a) 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. If more than one of the said persons remain present than the senior shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased	Votes of joint members.

Sr. No	Particulars	
	<p>Member in whose name share stands shall for the purpose of these Articles be deemed joint holders thereof.</p> <p>b) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.</p>	
116.	<p>Votes may be given either personally or by attorney or by proxy or in case of a company, by a representative duly Authorised as mentioned in Articles</p>	Votes may be given by proxy or by representative
117.	<p>A body corporate (whether a company within the meaning of the Act or not) may, if it is member or creditor of the Company (including being a holder of debentures) authorise such person by resolution of its Board of Directors, as it thinks fit, in accordance with the provisions of Section 113 of the Act to act as its representative at any Meeting of the members or creditors of the Company or debentures holders of the Company. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate as if it were an individual member, creditor or holder of debentures of the Company.</p>	Representation of a body corporate.
118.	<p>(a) A member paying the whole or a part of the amount remaining unpaid on any share held by him although no part of that amount has been called up, shall not be entitled to any voting rights in respect of the moneys paid until the same would, but for this payment, become presently payable.</p>	Members paying money in advance.
	<p>(b) A member is not prohibited from exercising his voting rights on the ground that he has not held his shares or interest in the Company for any specified period preceding the date on which the vote was taken.</p>	Members not prohibited if share not held for any specified period.
119.	<p>Any person entitled under Article 73 (transmission clause) to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least 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 transfer such shares and give such indemnify (if any) as the Directors may require or the directors shall have previously admitted his right to vote at such meeting in respect thereof.</p>	Votes in respect of shares of deceased or insolvent members.
120.	<p>No Member shall be entitled to vote on a show of hands unless such member is present personally or by attorney or is a body Corporate present by a representative duly Authorised under the provisions of the Act in which case such members, attorney or representative may vote on a show of hands as if he were a Member of the Company. In the case of a Body Corporate the production at the meeting of a copy of such resolution duly signed by a Director or Secretary of such Body Corporate and certified by him as being a true copy of the</p>	No votes by proxy on show of hands.

Sr. No	Particulars	
	resolution shall be accepted by the Company as sufficient evidence of the authority of the appointment.	
121.	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.	Appointment of a Proxy.
122.	An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.	Form of proxy.
123.	A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the Member, or revocation of the proxy or of any power of attorney which such proxy signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the meeting or adjourned meeting at which the proxy is used.	Validity of votes given by proxy notwithstanding death of a member.
124.	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.	Time for objections to votes.
125.	Any such objection raised to the qualification of any voter in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.	Chairperson of the Meeting to be the judge of validity of any vote.
	DIRECTORS	
126.	Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors (including Debenture and Alternate Directors) shall not be less than three and not more than fifteen. Provided that a company may appoint more than fifteen directors after passing a special resolution	Number of Directors
127.	A Director of the Company shall not be bound to hold any Qualification Shares in the Company.	Qualification shares.
128.	(a) Subject to the provisions of the Companies Act, 2013 and notwithstanding anything to the contrary contained in these Articles, the Board may appoint any person as a director nominated by any institution in pursuance of the provisions of any law for the time being in force or of any agreement (b) The Nominee Director/s so appointed shall not be required to hold any qualification shares in the Company nor shall be liable to retire by rotation. The Board of Directors of the Company	Nominee Directors.

Sr. No	Particulars	
	<p>shall have no power to remove from office the Nominee Director/s so appointed. The said Nominee Director/s shall be entitled to the same rights and privileges including receiving of notices, copies of the minutes, sitting fees, etc. as any other Director of the Company is entitled.</p> <p>(c) If the Nominee Director/s is an officer of any of the financial institution the sitting fees in relation to such nominee Directors shall accrue to such financial institution and the same accordingly be paid by the Company to them. The Financial Institution shall be entitled to depute observer to attend the meetings of the Board or any other Committee constituted by the Board.</p> <p>(d) The Nominee Director/s shall, notwithstanding anything to the Contrary contained in these Articles, be at liberty to disclose any information obtained by him/them to the Financial Institution appointing him/them as such Director/s.</p>	
129.	The Board may appoint an Alternate Director to act for a Director (hereinafter called "The Original Director") during his absence for a period of not less than three months from India. An Alternate Director appointed under this Article shall not hold office for period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to India. If the term of Office of the Original Director is determined before he so returns to India, any provision in the Act or in these Articles for the automatic re-appointment of retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.	Appointment of alternate Director.
130.	Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint any other person to be an Additional Director. Any such Additional Director shall hold office only upto the date of the next Annual General Meeting.	Additional Director
131.	Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint a Director, if the office of any director appointed by the company in general meeting is vacated before his term of office expires in the normal course, who shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been vacated by him.	Directors power to fill casual vacancies.
132.	Until otherwise determined by the Company in General Meeting, each Director other than the Managing/Whole-time Director (unless otherwise specifically provided for) shall be entitled to sitting fees not exceeding a sum prescribed in the Act (as may be amended from time to time) for attending meetings of the Board or Committees thereof.	Sitting Fees.
133.	The Board of Directors may subject to the limitations provided in the Act allow and pay to any Director who attends a meeting at a place other than his usual place of residence for the purpose of attending a meeting, such sum as the Board may consider fair, compensation for	Travelling expenses Incurred by Director on

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	travelling, hotel and other incidental expenses properly incurred by him, in addition to his fee for attending such meeting as above specified.	Company's business.
	PROCEEDING OF THE BOARD OF DIRECTORS	
134.	(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.	Meetings of Directors.
135.	a) The Directors may from time to time elect from among their members a Chairperson of the Board and determine the period for which he is to hold office. If at any meeting of the Board, the Chairman is not present within five minutes after the time appointed for holding the same, the Directors present may choose one of the Directors then present to preside at the meeting. b) Subject to Section 203 of the Act and rules made there under, one person can act as the Chairman as well as the Managing Director or Chief Executive Officer at the same time.	Chairperson
136.	Questions arising at any meeting of the Board of Directors shall be decided by a majority of votes and in the case of an equality of votes, the Chairman will have a second or casting vote.	Questions at Board meeting how decided.
137.	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.	Continuing directors may act notwithstanding any vacancy in the Board
138.	Subject to the provisions of the Act, the Board may delegate any of their powers to a Committee consisting of such member or members of its body as it thinks fit, and it may from time to time revoke and discharge any such committee either wholly or in part and either as to person, or purposes, but every Committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.	Directors may appoint committee.
139.	The Meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.	Committee Meetings how to be governed.
140.	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.	Chairperson of Committee Meetings

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141.	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.	Meetings of the Committee
142.	Subject to the provisions of the Act, all acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director.	Acts of Board or Committee shall be valid notwithstanding defect in appointment.
RETIREMENT AND ROTATION OF DIRECTORS		
143.	Subject to the provisions of Section 161 of the Act, if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid.	Power to fill casual vacancy
POWERS OF THE BOARD		
144.	The business of the Company shall be managed by the Board who may exercise all such powers of the Company and do all such acts and things as may be necessary, unless otherwise restricted by the Act, or by any other law or by the Memorandum or by the Articles required to be exercised by the Company in General Meeting. However no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.	Powers of the Board
145.	Without prejudice to the general powers conferred by the Articles and so as not in any way to limit or restrict these powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the Articles, it is hereby, declared that the Directors shall have the following powers, that is to say	Certain powers of the Board
	(1) Subject to the provisions of the Act, to purchase or otherwise acquire any lands, buildings, machinery, premises, property, effects, assets, rights, creditors, royalties, business and goodwill of any person firm or company carrying on the business which this Company is authorised to carry on, in any part of India.	To acquire any property , rights etc.
	(2) Subject to the provisions of the Act to purchase, take on lease for any term or terms of years, or otherwise acquire any land or lands, with or without buildings and out-houses thereon, situate in any part of India, at such conditions as the Directors may	To take on Lease.

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	think fit, and in any such purchase, lease or acquisition to accept such title as the Directors may believe, or may be advised to be reasonably satisfy.	
(3)	To erect and construct, on the said land or lands, buildings, houses, warehouses and sheds and to alter, extend and improve the same, to let or lease the property of the company, in part or in whole for such rent and subject to such conditions, as may be thought advisable; to sell such portions of the land or buildings of the Company as may not be required for the company; to mortgage the whole or any portion of the property of the company for the purposes of the Company; to sell all or any portion of the machinery or stores belonging to the Company.	To erect & construct.
(4)	At their discretion and subject to the provisions of the Act, the Directors may pay property rights or privileges acquired by, or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures or other securities of the Company, and any such share 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 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.	To pay for property.
(5)	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 buildings, 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.	To insure properties of the Company.
(6)	To open accounts with any Bank or Bankers and to pay money into and draw money from any such account from time to time as the Directors may think fit.	To open Bank accounts.
(7)	To secure the fulfillment of any contracts or engagement entered into by the Company by mortgage or charge on all or any of the property of the Company including its whole or part of its undertaking as a going concern and its uncalled capital for the time being or in such manner as they think fit.	To secure contracts by way of mortgage.
(8)	To accept from any member, so far as may be permissible by law, a surrender of the shares or any part thereof, on such terms and conditions as shall be agreed upon.	To accept surrender of shares.
(9)	To appoint any person to accept and hold in trust, for the Company property belonging to the Company, or in which it is interested or for any other purposes and to execute and to do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees.	To appoint trustees for the Company.

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	(10) To institute, conduct, defend, compound or abandon any legal proceeding by or against the Company or its Officer, or otherwise concerning the affairs and also to compound and allow time for payment or satisfaction of any debts, due, and of any claims or demands by or against the Company and to refer any difference to arbitration, either according to Indian or Foreign law and either in India or abroad and observe and perform or challenge any award thereon.	To conduct legal proceedings.
	(11) To act on behalf of the Company in all matters relating to bankruptcy insolvency.	Bankruptcy & Insolvency
	(12) To make and give receipts, release and give discharge for moneys payable to the Company and for the claims and demands of the Company.	To issue receipts & give discharge.
	(13) Subject to the provisions of the Act, and these Articles to invest and deal with any moneys of the Company not immediately required for the purpose thereof, upon such authority (not being the shares of this Company) or without security and in such manner as they may think fit and from time to time to vary or realise such investments. Save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name.	To invest and deal with money of the Company.
	(14) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or as surety, for the benefit of the Company, such mortgage of the Company's property (present or future) as they think fit, and any such mortgage may contain a power of sale and other powers, provisions, covenants and agreements as shall be agreed upon;	To give Security by way of indemnity.
	(15) To determine from time to time persons who shall be entitled to sign on Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose, whether by way of a resolution of the Board or by way of a power of attorney or otherwise.	To determine signing powers.
	(16) To give to any Director, Officer, or other persons employed by the Company, a commission on the profits of any particular business or transaction, or a share in the general profits of the company; and such commission or share of profits shall be treated as part of the working expenses of the Company.	Commission or share in profits.
	(17) To give, award or allow any bonus, pension, gratuity or compensation to any employee of the Company, or his widow, children, dependents, that may appear just or proper, whether such employee, his widow, children or dependents have or have not a legal claim on the Company.	Bonus etc. to employees.
	(18) To set aside out of the profits of the Company such sums as they may think proper for depreciation or the depreciation funds or to insurance fund or to an export fund, or to a Reserve Fund, or Sinking Fund or any special fund to meet contingencies or repay debentures or debenture-stock or for	Transfer to Reserve Funds.

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	<p>equalizing dividends or for repairing, improving, extending and maintaining any of the properties of the Company and for such other purposes (including the purpose referred to in the preceding clause) as the Board may, in the absolute discretion think conducive to the interests of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as may be required to be invested, upon such investments (other than shares of this Company) as they may think fit and from time to time deal with and vary such investments and dispose of and apply and extend all or any part thereof for the benefit of the Company notwithstanding the matters to which the Board apply or upon which the capital moneys of the Company might rightly be applied or expended and divide the reserve fund into such special funds as the Board may think fit; with full powers to transfer the whole or any portion of a reserve fund or division of a reserve fund to another fund and with the full power to employ the assets constituting all or any of the above funds, including the depredation fund, in the business of the company or in the purchase or repayment of debentures or debenture-stocks and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with the power to the Board at their discretion to pay or allow to the credit of such funds, interest at such rate as the Board may think proper.</p>	
	<p>(19) To appoint, and at their discretion remove or suspend such general manager, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisers, research workers, labourers, clerks, agents and servants, for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and to fix their salaries or emoluments or remuneration and to require security in such instances and for such amounts they may think fit and also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit and the provisions contained in the next following clauses shall be without prejudice to the general powers conferred by this clause.</p>	<p>To appoint and remove officers and other employees.</p>
	<p>(20) At any time and from time to time by power of attorney under the seal of the Company, 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 Board under these presents and excluding the power to make calls and excluding also except in their limits authorised by the Board the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit, and such appointments may (if the Board think fit) be made in favour of the members or any of the members of any local Board established as aforesaid or in</p>	<p>To appoint Attorneys.</p>

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	favour of any Company, or the shareholders, directors, nominees or manager of any Company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such powers of attorney may contain such powers for the protection or convenience for dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegated Attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them.	
	(21) Subject to Sections 188 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.	To enter into contracts.
	(22) From time to time to make, vary and repeal rules for the regulations of the business of the Company its Officers and employees.	To make rules.
	(23) To effect, make and enter into on behalf of the Company all transactions, agreements and other contracts within the scope of the business of the Company.	To effect contracts etc.
	(24) To apply for, promote and obtain any act, charter, privilege, concession, license, authorization, if any, Government, State or municipality, provisional order or license of any authority for enabling the Company to carry any of this objects into effect, or for extending and any of the powers of the Company or for effecting any modification of the Company's constitution, or for any other purpose, which may seem expedient and to oppose any proceedings or applications which may seem calculated, directly or indirectly to prejudice the Company's interests.	To apply & obtain concessions licenses etc.
	(25) To pay and charge to the capital account of the Company any commission or interest lawfully payable there out under the provisions of Sections 40 of the Act and of the provisions contained in these presents.	To pay commissions or interest.
	(26) To redeem preference shares.	To redeem preference shares.
	(27) To subscribe, incur expenditure or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or any other institutions or subjects which shall have any moral or other claim to support or aid by the Company, either by reason of locality or operation or of public and general utility or otherwise.	To assist charitable or benevolent institutions.
	(28) To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company. (29) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereon under the provisions of Sections 40 of the Act.	

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	<p>(30) To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing, to provide other associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit and subject to the provision of Section 181 of the Act, to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or object which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of the public and general utility or otherwise.</p>	
	<p>(31) To purchase or otherwise acquire or obtain license for the use of and to sell, exchange or grant license for the use of any trade mark, patent, invention or technical know-how.</p> <p>(32) To sell from time to time any Articles, materials, machinery, plants, stores and other Articles and thing belonging to the Company as the Board may think proper and to manufacture, prepare and sell waste and by-products.</p> <p>(33) From time to time to extend the business and undertaking of the Company by adding, altering or enlarging all or any of the buildings, factories, workshops, premises, plant and machinery, for the time being the property of or in the possession of the Company, or by erecting new or additional buildings, and to expend such sum of money for the purpose aforesaid or any of them as they be thought necessary or expedient.</p> <p>(34) To undertake on behalf of the Company any payment of rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company and to purchase the reversion or reversions, and otherwise to acquire on free hold sample of all or any of the lands of the Company for the time being held under lease or for an estate less than freehold estate.</p> <p>(35) To improve, manage, develop, exchange, lease, sell, resell and re-purchase, dispose off, deal or otherwise turn to account, any property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested.</p> <p>(36) To let, sell or otherwise dispose of subject to the provisions of Section 180 of the Act and of the other Articles any property of the Company, either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as it thinks fit and to accept payment in satisfaction for the same in cash or otherwise as it thinks fit.</p>	

Sr. No	Particulars	
	<p>(37) Generally subject to the provisions of the Act and these Articles, to delegate the powers/authorities and discretions vested in the Directors to any person(s), firm, company or fluctuating body of persons as aforesaid.</p> <p>(38) To comply with the requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with.</p>	
	MANAGING AND WHOLE-TIME DIRECTORS	
146.	<p>a) Subject to the provisions of the Act and of these Articles, the Directors may from time to time in Board Meetings appoint one or more of their body to be a Managing Director or Managing Directors or whole-time Director or whole-time Directors of the Company for such term not exceeding five years at a time as they may think fit to manage the affairs and business of the Company, and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.</p> <p>b) The Managing Director or Managing Directors or whole-time Director or whole-time Directors so appointed shall be liable to retire by rotation. A Managing Director or Whole-time Director who is appointed as Director immediately on the retirement by rotation shall continue to hold his office as Managing Director or Whole-time Director and such re-appointment as such Director shall not be deemed to constitute a break in his appointment as Managing Director or Whole-time Director.</p>	Powers to appoint Managing/ Wholetime Directors.
147.	The remuneration of a Managing Director or a Whole-time Director (subject to the provisions of the Act and of these Articles and of any contract between him and the Company) shall from time to time be fixed by the Directors, and may be, by way of fixed salary, or commission on profits of the Company, or by participation in any such profits, or by any, or all of these modes.	Remuneration of Managing or Wholetime Director.
148.	<p>(1) Subject to control, direction and supervision of the Board of Directors, the day-to-day management of the company will be in the hands of the Managing Director or Whole-time Director appointed in accordance with regulations of these Articles of Association with powers to the Directors to distribute such day-to-day management functions among such Directors and in any manner as may be directed by the Board.</p> <p>(2) The Directors may from time to time entrust to and confer upon the Managing Director or Whole-time Director for the time being save as prohibited in the Act, such of the powers exercisable under these presents by the Directors as they may think fit, and may confer such objects and purposes, and upon such terms and conditions, and with such restrictions as they think expedient; and they may subject to the provisions of the Act and these Articles confer such powers, either collaterally with or to the exclusion of, and in substitution for, all or any of</p>	Powers and duties of Managing Director or Whole-time Director.

Sr. No	Particulars	
	<p>the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any such powers.</p> <p>(3) The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Wholetime Director or Wholetime Directors of the Company and may exercise all the powers referred to in these Articles.</p> <p>(4) The Managing Director shall be entitled to sub-delegate (with the sanction of the Directors where necessary) all or any of the powers, authorities and discretions for the time being vested in him in particular from time to time by the appointment of any attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as they may think fit.</p> <p>(5) Notwithstanding anything contained in these Articles, the Managing Director is expressly allowed generally to work for and contract with the Company and especially to do the work of Managing Director and also to do any work for the Company upon such terms and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time be agreed between him and the Directors of the Company.</p>	
	Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer	
149.	<p>a) Subject to the provisions of the Act,—</p> <p>i. A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;</p> <p>ii. A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.</p> <p>b) A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.</p>	Board to appoint Chief Executive Officer/ Manager/ Company Secretary/ Chief Financial Officer
	THE SEAL	
150.	<p>(a) The Board shall provide a Common Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given.</p> <p>(b) The Company shall also be at liberty to have an Official Seal in accordance with of the Act, for use in any territory, district or place outside India.</p>	The seal, its custody and use.

Sr. No	Particulars	
151.	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 authorized 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.	Deeds how executed.
	Dividend and Reserves	
152.	<p>(1) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.</p> <p>(2) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.</p> <p>(3) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.</p>	Division of profits.
153.	The Company in General Meeting may declare dividends, to be paid to members according to their respective rights and interests in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors, but the Company may declare a smaller dividend in general meeting.	The company in General Meeting may declare Dividends.
154.	<p>a) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit.</p> <p>b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.</p>	Transfer to reserves
155.	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.	Interim Dividend.

Sr. No	Particulars	
156.	The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.	Debts may be deducted.
157.	No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this articles as paid on the share.	Capital paid up in advance not to earn dividend.
158.	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 dividends as from a particular date such share shall rank for dividend accordingly.	Dividends in proportion to amount paid-up.
159.	The Board of Directors may retain the dividend payable upon shares in respect of which any person under Articles has become entitled to be a member, or any person under that Article is entitled to transfer, until such person becomes a member, in respect of such shares or shall duly transfer the same.	Retention of dividends until completion of transfer under Articles.
160.	No member shall be entitled to receive payment of any interest or dividend or bonus in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares (or otherwise however, either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend payable to any member all such sums of money so due from him to the Company.	No Member to receive dividend whilst indebted to the company and the Company's right of reimbursement thereof.
161.	A transfer of shares does not pass the right to any dividend declared thereon before the registration of the transfer.	Effect of transfer of shares.
162.	Any one of several persons who are registered as joint holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such share.	Dividend to joint holders.
163.	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.	Dividends how remitted.
164.	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.	Notice of dividend.

Sr. No	Particulars	
165.	No unclaimed dividend shall be forfeited before the claim becomes barred by law and no unpaid dividend shall bear interest as against the Company.	No interest on Dividends.
	CAPITALIZATION	
166.	<p>(1) The Company in General Meeting may, upon the recommendation of the Board, resolve:</p> <p>(a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the Profit and Loss account, or otherwise available for distribution; and</p> <p>(b) that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.</p> <p>(2) The sums aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in clause (3) either in or towards:</p> <p>(i) paying up any amounts for the time being unpaid on any shares held by such members respectively;</p> <p>(ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or</p> <p>(iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii).</p> <p>(3) A Securities Premium Account and Capital Redemption Reserve Account may, for the purposes of this regulation, only be applied in the paying up of unissued shares to be issued to members of the Company and fully paid bonus shares.</p> <p>(4) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.</p>	Capitalization.
167.	<p>(1) Whenever such a resolution as aforesaid shall have been passed, the Board shall —</p> <p>(a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby and all allotments and issues of fully paid shares, if any, and</p> <p>(b) generally to do all acts and things required to give effect thereto.</p> <p>(2) The Board shall have full power -</p> <p>(a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in case of shares becoming distributable in fractions; and also</p> <p>(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalization, or (as the case may require) for the payment by</p>	Fractional Certificates.

Sr. No	Particulars	
	<p>the Company on their behalf, by the application thereto of their respective proportions, of the profits resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing shares.</p> <p>(3) Any agreement made under such authority shall be effective and binding on all such members.</p> <p>(4) That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any questions or difficulties that may arise in regard to any issue including distribution of new equity shares and fractional certificates as they think fit.</p>	
168.	<p>(1) The books containing the minutes of the proceedings of any General Meetings of the Company shall be open to inspection of members without charge on such days and during such business hours as may consistently with the provisions of Section 119 of the Act be determined by the Company in General Meeting and the members will also be entitled to be furnished with copies thereof on payment of regulated charges.</p> <p>(2) Any member of the Company shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company with a copy of any minutes referred to in sub-clause (1) hereof on payment of Rs. 10 per page or any part thereof.</p>	Inspection of Minutes Books of General Meetings.
169.	<p>a) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.</p> <p>b) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.</p>	Inspection of Accounts
	FOREIGN REGISTER	
170.	The Company may exercise the powers conferred on it by the provisions of the Act with regard to the keeping of Foreign Register of its Members or Debenture holders, and the Board may, subject to the provisions of the Act, make and vary such regulations as it may think fit in regard to the keeping of any such Registers.	Foreign Register.
	DOCUMENTS AND SERVICE OF NOTICES	
171.	Any document or notice to be served or given by the Company be signed by a Director or such person duly authorised by the Board for such purpose and the signature may be written or printed or lithographed.	Signing of documents & notices to be served or given.
172.	Save as otherwise expressly provided in the Act, a document or proceeding requiring authentication by the company may be signed by a Director, the Manager, or Secretary or other Authorised Officer	Authentication of documents and proceedings.

Sr. No	Particulars	
	of the Company and need not be under the Common Seal of the Company.	
	WINDING UP	
173.	<p>Subject to the provisions of Chapter XX of the Act and rules made thereunder—</p> <p>(i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.</p> <p>(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.</p> <p>(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.</p>	
	INDEMNITY	
174.	<p>Subject to provisions of the Act, every Director, or Officer or Servant of the Company or any person (whether an Officer of the Company or not) employed by the Company as Auditor, shall be indemnified by the Company against and it shall be the duty of the Directors to pay, out of the funds of the Company, all costs, charges, losses and damages which any such person may incur or become liable to, by reason of any contract entered into or act or thing done, concurred in or omitted to be done by him in any way in or about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own wrongful act neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him as such Director, Officer or Auditor or other officer of the Company in defending any proceedings whether civil or criminal in which judgment is given in his favor, or in which he is acquitted or in connection with any application under Section 463 of the Act on which relief is granted to him by the Court.</p>	Directors' and others right to indemnity.

SECTION IX – 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 Draft 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 Office No 403, 4th Floor, Midas, Sahar Plaza, Andheri Kurla Road, Andheri East, Mumbai- 400059, India from date of filing this Draft Red Herring Prospectus with Stock Exchange to Bid Closing Date on working days from 10.00 a.m. to 5.00 p.m.

Material Contracts

1. Issue Agreement dated May 29, 2018 between our Company and the BRLM.
2. Registrar Agreement dated May 29, 2018 between our Company and Link Intime India Private Limited, Registrar to the Issue.
3. Underwriting Agreement dated [●] between our Company and Underwriter viz. BRLM
4. Market Making Agreement dated [●] between our Company, Market Maker and the BRLM
5. Bankers to the Issue Agreement dated [●] amongst our Company, the BRLM, Banker(s) to the Issue and the Registrar to the Issue.
6. Tripartite agreement among the NSDL, our Company and Registrar to the Issue dated [●].
7. Tripartite agreement among the CDSL, our Company and Registrar to the Issue dated [●].
8. Syndicate Agreement dated [●] between our Company, the BRLM and Syndicate Member.
9. Agreement dated April 1, 2017 between our Company and Managing Director
10. Industry Report dated May 25, 2018 issued by CARE.

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 April 2, 2018 in relation to the Issue and other related matters.
3. Shareholders' resolution dated April 10, 2018 in relation to the Issue and other related matters.
4. Statement of Tax Benefits dated May 10, 2018 issued by our Peer Reviewed Auditor, PSD & Associates, Chartered Accountants.
5. Report of the Peer Reviewed Auditor, PSD & Associates, Chartered Accountants, dated May 10, 2018 on the Restated Financial Statements for the financial years ended as on March 31, 2018, 2017, 2016, 2015 & 2014 of our Company.
6. Consents of Promoters, Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditors, Peer Reviewed Auditors, Banker to the Company, Legal Advisor to the offer, the Book Running Lead Manager, Registrar to the Issue, Underwriter, Market Maker, Bankers to the Issue, Refund Banker to the issue to act in their respective capacities.
7. Due Diligence Certificate dated May 31, 2018 from Book Running Lead Manager to BSE Limited.
8. Copy of approval from BSE Ltd. Limited vide letter dated [●], to use the name of BSE in this offer

document for listing of Equity Shares on BSE SME (SME Platform) of Bombay Stock Exchange 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 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, as the case may be, have been complied with and no statement made in the 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 the Draft Red Herring Prospectus are true and correct.

Signed by all the Directors of our Company

Name and Designation	Signature
Vinita Saraf <i>Managing Director</i>	Sd/-
Kedarnath Agarwal <i>Whole Time Director</i>	Sd/-
Gautam Kumar Pal <i>Executive Director</i>	Sd/-
Kanhaiyalal Kothair <i>Independent Director</i>	Sd/-
Ashish Agarwal <i>Independent Director</i>	Sd/-
Ashish Bakliwal <i>Independent Director</i>	Sd/-

Signed by Chief Financial Officer and Company Secretary & Compliance Officer of the Company

Sd/-
Divya Jajoo
Company Secretary & Compliance Officer

Sd/-
Ashok Jain
Chief Financial Officer

Place: Mumbai

Date:- May 31, 2018

Annexure A

DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED

DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED

Sr. No	Issue Name	Issue Size (Cr)	Issue Price (Rs.)	Listing date	Opening price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	South West Pinnacle Exploration Limited	35.85	78.00	February 19, 2018	93.60	3.72% (-2.45%)	0.13% (1.33%)	Not Applicable
2.	Macpower CNC Machines Limited	36.61	140.00	March 22, 2018	149.00	84.54% (4.44%)	Not Applicable	Not Applicable
3.	Benara Bearings and Pistons Limited	33.49	63.00	April 3, 2018	64.00	3.97% (5.41%)	Not Applicable	Not Applicable
4.	Soni Soya Products Limited	4.50	25.00	April 12, 2018	26.00	0.40% (3.33%)	Not Applicable	Not Applicable
5.	Vera Synthetic Limited	5.34	40.00	April 12, 2018	45.00	5.00% (3.33%)	Not Applicable	Not Applicable
6.	S.S. Infrastructure Development Consultants Limited	17.11	40.00	April 12, 2018	42.95	5.75% (3.33%)	Not Applicable	Not Applicable
7.	Mahickra Chemicals Limited	5.25	25.00	April 26, 2018	35.00	93.60% (-0.12%)	Not Applicable	Not Applicable
8.	Akshar Spintex Limited	26.99	40.00	May 11, 2018	40.00	Not Applicable	Not Applicable	Not Applicable
9.	Softtech Engineers Limited	22.81	80.00	May 11, 2018	88.00	Not Applicable	Not Applicable	Not Applicable
10.	Innovator Façade Systems Limited	40.76	72.00	May 24, 2018	72.00	Not Applicable	Not Applicable	Not Applicable

Notes:

Affordable Robotic & Automation Limited and Accuracy Shipping Limited have registered its Red Herring Prospectus with Registrar of Companies.

Shree Vasu Logistics Limited , Nakoda Group of Industries Limited and Latteys Industries Limited have registered its Prospectus with Registrar of Companies and are in the process of listing.

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 30th/90th/180th day is not a trading day, closing price on BSE/NSE of the next trading day has been considered
4. In case 30th/90th/180th days, scrips are not traded then last trading price has been considered.

As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect maximum 10 issues (Initial Public Offers) managed by the lead manager. Hence, disclosures pertaining to recent 10 issues handled by the lead manager are provided.

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%
15-16	*9	54.01	-	-	1	3	2	3	-	1	1	4	3	-
16-17	**24\$	204.56	-	-	5	5	3	8	-	1	5	10	1	6
17-18	***30\$\$	610.90	-	-	4	10	7	9	-	1	2	11	2	4
18-19	****8\$\$\$	156.25	-	-	-	1	-	4	-	-	-	-	-	-

*The scripts of Filtra Consultants and Engineers Limited, Ambition Mica Limited, Jiya Eco Products Limited, M.D. Inducto Cast Limited, Majestic Research Services and Solutions Limited, Mangalam Seeds Limited, Sri Krishna Constructions (India) Limited, Patdiam Jewellery Limited and Vidli Restaurants Limited were listed on April 15, 2015, July 14, 2015, July 16, 2015, July 16, 2015, July 16, 2015, August 12, 2015, October 01, 2015, October 16, 2015 and February 15, 2016 respectively.

**The scripts Ruby Cables Limited, Sysco Industries Limited, Lancer Containers Lines Limited, Yash Chemex Limited, Titaanium Ten Enterprise Limited, Commercial Syn Bags Limited, Shiva Granito Export Limited, Sprayking Agro Equipment Limited, Narayani Steels Limited, Nandani Creation Limited, DRA Consultant Limited, Gretex Industries Limited, Sakar Health Care Limited, Bindal Exports Limited, Mewar Hi-Tech Engineering Limited, Shashijit Infraprojects Limited, Agro Phos (India) Limited, Majestic Research Services and Solutions Limited, Maheshwari Logistics Limited, Madhav Copper Limited, Chemcrux Enterprises Limited, Manomay Tex India Limited, Oceanic Foods Limited and Euro India Fresh Foods Limited were listed on April 13, 2016, April 13, 2016, April 13, 2016, June 20, 2016, July 14, 2016, July 14, 2016, September 06, 2016, September 14, 2016, September 14, 2016, October 10, 2016, October 13, 2016, October 14, 2016, October 14, 2016, October 17, 2016, October 17, 2016, October 17, 2016, November 16, 2016, December 14, 2016, January 16, 2017, February 06, 2017, March 28, 2017, March 28, 2017, March 31, 2017 and March 31, 2017 respectively.

***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, Soya Products Limited, Vera Synthetic Limited, S.S. Infrastructure Development Consultants Limited, Mahickra Chemicals Limited, Akshar Spintex Limited, Softtech Engineers Limited and Innovator Façade Systems Limited were listed on April 3, 2018, April 12, 2018, April 12, 2018, April 12, 2018, April 26, 2018, May 11, 2018, May 11, 2018 and May 24, 2018 respectively.

\$. As on 30th trading day the closing price of the scripts Ruby Cables Limited and Shashijit Infraprojects Limited were at par with the issue price. Hence, they are not considered for counting the number of IPOs trading at discount and premium.

\$\$ The scripts of One Point One Solutions Limited, Astron Paper & Board Mill Limited, Shree Ram Proteins Limited, 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 have not completed 180 Days, 180 Days, 180 Days, 180 Days, 180 Days, 180 Days, 180 Days, 180 Days, 180 days, 180 Days and 180 Days respectively from the date of listing.

\$\$\$ The scripts of Benara Bearings and Pistons Limited, Soni Soya Products Limited, Vera Synthetic Limited, S.S. Infrastructure Development Consultants Limited, Akshar Spintex Limited, Softtech Engineers Limited and Innovator Façade Systems Limited have not completed 180 Days, 180 Days, 180 Days, 180 Days, 30 Days, 30 Days and 30 days respectively from the date of listing.

***Note:** Majestic Research Services and Solutions Limited and Ambition Mica Limited are Further Public Offerings lead managed by Pantomath Capital Advisors Private Limited in the Financial Years 2016-17 and 2017-18 respectively and the same have not been included in the above mentioned Summary Statement of Disclosure as the disclosure is limited to IPOs only.*