



AGI INFRA LIMITED

Our Company was incorporated as G. I. Builders Pvt. Ltd. on May 27, 2005 under the Companies Act, 1956, with the Registrar of Companies, Punjab, Himachal Pradesh and Chandigarh, bearing Registration Number - 028466 and CIN U45200PB2005PTC28466. The status of our Company was changed to a public limited company and the name of our Company was changed from "G. I. Builders Private Limited" to "AGI Infra Limited" by a special resolution passed on February 16, 2011. A fresh Certificate of Incorporation consequent to the change of name was granted to our Company on February 22, 2011, by the Registrar of Companies, Punjab, Himachal Pradesh and Chandigarh bearing CIN U45200PB2005PTC28466. Further, a fresh Certificate of Incorporation dated June 27, 2012, was issued by the Registrar of Companies, Punjab and Chandigarh, consequent upon conversion into a public limited company. For further details regarding the changes in our name and registered office, please see the chapter titled "History and Certain Corporate Matters" beginning on page 95 of this Prospectus. The Corporate Identification Number of our Company is U45200PB2005PLC028466.

Registered Office: Jalandhar Heights, 66 FT Road, Village Pholriwal, Near Urban Estate, Phase II, Jalandhar, Punjab - 144 001

Tel.: +91 - 181 - 2681986; **Tele-Fax:** +91 - 181 - 2681886; **Website:** www.agiinfra.com

Company Secretary and Compliance Officer: Ms. Neelu Kapoor; **Email:** info@agiinfra.com;

Our Promoters: Mr. Sukhdev Singh and Mrs. Salwinderjit Kaur

THE ISSUE

PUBLIC ISSUE OF 27,76,000 EQUITY SHARES OF ₹ 10 EACH ("EQUITY SHARES") OF AGI INFRA LIMITED ("AIL" OR THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ 54 PER SHARE (INCLUDING SHARE PREMIUM OF ₹ 44 PER SHARE) (THE "ISSUE PRICE"), AGGREGATING TO ₹ 1499.04 LACS ("THE ISSUE"), OF WHICH, 1,42,000 EQUITY SHARES OF ₹ 10 EACH WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKERS TO THE ISSUE (AS DEFINED IN THE CHAPTER "DEFINITIONS AND ABBREVIATIONS") (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION i.e. ISSUE OF 26,34,000 EQUITY SHARES OF ₹ 10 EACH IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 27.17% AND 25.78%, RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF THE COMPANY.

THIS ISSUE IS BEING MADE IN TERMS OF CHAPTER XB OF THE SEBI (ICDR) REGULATIONS, 2009 AS AMENDED FROM TIME TO TIME.

For further details, please see the section titled "Issue Related Information" beginning on page 176 of this Prospectus.

All potential investors may participate in the Issue 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 "Issue Procedure" beginning on page 182 of this Prospectus. In case of delay, if any in refund, our Company shall pay interest on the application money at the rate of 15% per annum for the period of delay.

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10 EACH AND THE ISSUE PRICE IS 5.4 TIMES OF THE FACE VALUE.

RISKS IN RELATION TO THE FIRST ISSUE

This being the first issue of the company, there has been no formal market for the securities of the company. The face value of the shares is ₹ 10 per Equity Share and the issue price is 5.40 times of the face value. The Issue Price (as determined by Company in consultation with the Lead Manager) as stated under the chapter titled "Basis for Issue Price" beginning on page 56 of this Prospectus, 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 of our company or regarding the price at which the equity shares will be traded after listing.

GENERAL RISKS

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this offering. For taking an investment decision investors must rely on their own examination of the issuer and the offer including the risks involved. The securities have not been recommended or approved by Securities and Exchange Board of India nor does Securities and Exchange Board of India guarantee the accuracy or adequacy of this document. **Specific attention of the Investors is invited to the section titled "Risk Factors" beginning on page 9 of this Prospectus.**

ISSUER'S ABSOLUTE RESPONSIBILITY

The Issuer, having made all reasonable inquiries, accepts responsibility for, and confirms that this Prospectus contains all information with regard to the Issuer and the Issue, which is material in the context of the issue, that the information contained in this Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this document 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 issued through this Prospectus are proposed to be listed on the SME Platform of BSE. In terms of the Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time, we are not required to obtain an in-principal listing approval for the shares being issued in this Issue. However, our company has received an approval letter dated January 16, 2015 from BSE for using its name in this Offer Document for listing of our shares on the SME Platform of BSE. For the purpose of this Issue, the designated Stock Exchange will be the BSE Limited ("BSE").

LEAD MANAGER

REGISTRAR TO THE ISSUE



ARYAMAN FINANCIAL SERVICES LIMITED
60, Khatau Building, Gr. Floor, Alkesh Dinesh Modi Marg,
Fort, Mumbai - 400 001, Maharashtra, India
Tel: +91 - 22 - 22618264; Fax: +91 - 22 - 22630434
Email: ipo@afsl.co.in; or info@afsl.co.in
Investor Grievance Email: feedback@afsl.co.in
Website: www.afsl.co.in
Contact Person: Ms. Nehar Sakaria
SEBI Registration No.: MB / INM000011344

BIGSHARE SERVICES PRIVATE LIMITED
E-2/3, Ansa Industrial Estate, Sakivihar Road,
Sakinaka, Andheri (E), Mumbai - 400 072, Maharashtra, India
Tel: +91 - 22 - 40430200; Fax: +91 - 22 - 28475207
Email: ipo@bigshareonline.com;
Investor Grievance Email: investor@bigshareonline.com;
Website: www.bigshareonline.com
SEBI Registration No.: MB / INR000001385
Contact Person: Mr. Ashok Shetty

ISSUE PROGRAMME

ISSUE OPENS ON: MARCH 10, 2015

ISSUE CLOSURES ON: MARCH 13, 2015

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

General Terms

Term	Description
AGI Infra Limited / AIL / The Company / Company / We / Us / Our / Our Company / The Issuer	Unless the context otherwise indicates or implies refers to AGI Infra Limited a public limited company incorporated under the provisions of the Companies Act, 1956 with its registered office in the state of Punjab.

Company related Terms

Term	Description
Articles / Articles of Association	Unless the context otherwise requires, refers to the Articles of Association of AGI Infra Limited
Auditor of the Company (Statutory Auditor)	M/s. R. S. Kalra and Associates, Chartered Accountants, having their office at 32-R Model Town, Jalandhar City
Audit Committee	The Audit Committee constituted by our Board of Directors on December 10, 2014
Board of Directors / Board	The Board of Directors of AGI Infra Limited, including all duly constituted Committees thereof.
Companies Act	Unless specified otherwise, this would imply to the provisions of the Companies Act, 2013 (to the extent notified) and /or Provisions of Companies Act, 1956 w.r.t. the sections which have not yet been replaced by the Companies Act, 2013 through any official notification.
Companies Act, 1956	The Companies Act, 1956, as amended from time to time
Companies Act, 2013	The Companies Act, 2013 published on August 29, 2013 and applicable to the extent notified by MCA till date.
Depositories Act	The Depositories Act, 1996, as amended from time to time
Director(s)	Director(s) of AGI Infra Limited, unless otherwise specified
Equity Shares	Equity Shares of our Company of Face Value of ₹ 10 each unless otherwise specified in the context thereof
Group Companies	All companies or ventures which would be termed as Group Companies as per the definition given in Schedule VIII of SEBI ICDR Regulations, 2009. For details of Group Companies of the Company, please see the chapter titled “ <i>Our Promoter, Promoter Group and Group Companies</i> ” beginning on page 109 of this Prospectus
HUF	Hindu Undivided Family
IFRS	International Financial Reporting Standards
Indian GAAP	Generally Accepted Accounting Principles in India
Peer Review Auditor (Peer Review Certified)	M/s. R. A. Marwaha & Co., Chartered Accountants
MOA / Memorandum of Association	Memorandum of Association of AGI Infra Limited
Non Residents	A person resident outside India, as defined under FEMA.
NRI / Non Resident Indians	A person resident outside India, as defined under FEMA and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000.
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, Company, partnership, limited liability Company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Promoter / Core Promoter	Mr. Sukhdev Singh and Mrs. Salwinderjit Kaur
Promoter Group	Promoter Group consist of Individuals, HUFs, Companies, Firms, etc. as mentioned in the chapter titled “ <i>Our Promoter, Promoter Group and Group Companies</i> ” beginning on page 109 of this Prospectus.

Term	Description
Registered and Corporate Office	The Registered and Corporate Office of our company which is located at: Jalandhar Heights, 66 FT Road, Village Pholriwal, Near Urban Estate, Phase II, Jalandhar, Punjab - 144 001
RoC	Registrar of Companies, Punjab, Himachal Pradesh and Chandigarh
SEBI	Securities and Exchange Board of India constituted under the SEBI Act, 1992
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 1997 and 2011, as amended from time to time depending on the context of the matter being referred to.
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
Stock Exchange	Unless the context requires otherwise, refers to, the BSE Limited.

Issue related Terms

Term	Description
Allotment	Issue of the Equity Shares pursuant to the Issue to the successful applicants
Allottee	The successful applicant to whom the Equity Shares are being / have been issued.
Applicant	Any prospective investor who makes an application for Equity Shares in terms of this Prospectus
Application Form	The Form in terms of which the applicant shall apply for the Equity Shares of the Company
Application Supported by Blocked Amount/ ASBA	An application, whether physical or electronic, used by ASBA Applicant to make an Application authorizing an SCSB to block the Application Amount in the specified Bank Account maintained with such SCSB. ASBA is mandatory for QIBs (except Anchor Investors) and Non-Institutional Applicants participating in the Issue
ASBA Account	Account maintained by an ASBA Applicant with a SCSB which will be blocked by such SCSB to the extent of the Application Amount of the ASBA Applicant
ASBA Applicant(s)	Prospective investors in this Issue who apply through the ASBA process. Pursuant to SEBI circular no. CIR/CFD/DIL/1/2011 dated April 29, 2011, Non- Retail Investors i.e. QIBs and Non-Institutional Investors participating in this Issue are required to mandatorily use the ASBA facility to submit their Applications.
Banker(s) to the Company	Punjab National Bank, Oriental Bank of Commerce, HDFC Bank
Banker(s) to the Issue/ Escrow Collection Bank(s)	The banks which are Clearing Members and registered with SEBI as Banker to an issue with whom the Escrow Account(s) will be opened and in this case being HDFC Bank, Axis Bank and Punjab National Bank
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Applicants under the Issue and which is described in the chapter titled “ <i>Issue Procedure</i> ” beginning on page 182 of this Prospectus.
Business Day	Monday to Friday (except public holidays)
BSE	BSE Limited
Category III FPI	Investors including endowments, charitable societies, charitable trusts, foundations, corporate bodies, trust, individuals and family offices which are not eligible for registration under Category I and II under the SEBI (Foreign Portfolio Investors) Regulations, 2014.
CAN / Confirmation of Allocation Note	The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which will be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange.
Controlling Branches	Such Branches of the SCSBs which co-ordinate Bids by the ASBA Bidders 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.
Demographic Details	The demographic details of the Applicants such as their Address, PAN, Occupation and Bank Account details.
Depositories	A depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996 i.e. CDSL and NSDL
Depository Participant / DP	A Depository Participant as defined under the Depositories Act, 1996

Term	Description
Designated Branches	Such Branches of the SCSBs which shall collect the Application Forms used by the Applicants applying through the ASBA process and a list of which is available on http://www.sebi.gov.in/pmd/scsb.pdf
Designated Date	The date on which funds are transferred by the Escrow Collection Bank(s) from the Escrow Account or the amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, after the Prospectus is filed with the RoC, following which the Board of Directors shall allot Equity Shares to successful Applicants in the Issue.
Designated Market Maker	Aryaman Capital Markets Limited (formerly known as Aryaman Broking Limited)
Designated Stock Exchange	SME Exchange of BSE Limited
Eligible NRIs	An NRI from such a jurisdiction outside India where it is not unlawful to make an offer or invitation under this Offer and in relation to whom the Prospectus constitutes an invitation to Application on the basis of the terms thereof.
Equity Shares	Equity shares of our Company of ₹ 10 each
Escrow Account	Account opened/to be opened with the Escrow Collection Bank(s) and in whose favour the Applicant (excluding the ASBA Applicant) will issue cheques or drafts in respect of the Application Amount when submitting an Application
Escrow Agreement	Agreement entered / to be entered into amongst the Company, Lead Manager, the Registrar, the Escrow Collection Bank(s) for collection of the Application Amounts and for remitting refunds (if any) of the amounts collected to the Applicants (excluding the ASBA Applicants) on the terms and condition thereof
Escrow Collection Bank(s)	The banks which are clearing members and registered with SEBI as Bankers to the Issue at which bank(s) the Escrow Account of the Company will be opened
Foreign Portfolio Investor / FPIs	Foreign Portfolio Investor as defined under the SEBI (Foreign Portfolio Investors) Regulations, 2014.
Issue / Issue Size / Public Issue	The Public Issue of 27,76,000 Equity Shares of ₹ 10 each at ₹ 54 (including share premium of ₹ 44) per Equity Share aggregating to ₹ 1499.04 lacs by AGI Infra Limited.
Issue Closing date	The date on which the Issue closes for subscription being March 13, 2015
Issue Opening date	The date on which the Issue opens for subscription being March 10, 2015
Issue Price	The price at which the Equity Shares are being issued by our Company under this Prospectus being ₹ 54 (including share premium of ₹ 44).
Issue Proceeds	The proceeds of the Issue. For further information about use of the Issue Proceeds please see the chapter titled “ <i>Objects of the Issue</i> ” beginning on page 50 of this Prospectus
LM / Lead Manager	Lead Manager to the Issue, in this case being Aryaman Financial Services Limited.
Listing Agreement	Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our company and the SME Platform of BSE.
Mutual Fund	A Mutual Fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended
Non-Institutional Applicant	All Applicants, including Eligible QFIs, sub accounts of FIIs registered with SEBI which are foreign corporates or foreign individuals, that are not QIBs or Retail Individual Applicants and who have applied for Equity Shares for an amount of more than ₹ 2,00,000 (but not including NRIs other than Eligible NRIs)
Net Issue	The Issue of 26,34,000 Equity Shares of ₹ 10 each at ₹ 54 (including share premium of ₹ 44) per Equity Share aggregating to ₹ 1422.36 lacs by AGI Infra Limited.
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, Eligible QFIs, FIIs registered with SEBI and FVCIs registered with SEBI
Prospectus	The Prospectus, filed with the RoC containing, inter alia, the Issue opening and closing dates and other information.
Public Issue Account	Account opened with Bankers to the Issue for the purpose of transfer of monies from the Escrow Account on or after the Issue Opening Date
Qualified Foreign Investors / QFIs	Non-resident investors other than SEBI registered FIIs or sub-accounts or SEBI registered FVCIs who meet ‘know your client’ requirements prescribed by SEBI
Qualified Institutional Buyers / QIBs	Public financial institutions as defined in Section 2(72) of the Companies Act, 2013, Foreign Portfolio Investor other than Category III Foreign Portfolio Investor, AIFs, VCFs, FVCIs, Mutual Funds, multilateral and bilateral financial institutions, scheduled commercial banks, state industrial development corporations, insurance companies registered with the IRDA, provident funds and pension funds with a minimum corpus of

Term	Description
	₹ 250 million, insurance funds set up and managed by the army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, Government of India, eligible for Bidding and does not include FVCIs and multilateral and bilateral institutions.
Refund Account	Account opened / to be opened with a SEBI Registered Banker to the Issue from which the refunds of the whole or part of the Application Amount (excluding to the ASBA Applicants), if any, shall be made.
Refund Banker	The bank(s) which is/ are clearing members and registered with the SEBI as Bankers to the Issue, at which the Refund Accounts will be opened, in this case being HDFC Bank.
Refunds through electronic transfer of funds	Refunds through electronic transfer of funds means refunds through ECS, Direct Credit or RTGS or NEFT or the ASBA process, as applicable.
Registrar/ Registrar to the Issue	Registrar to the Issue being Bigshare Services Pvt. Ltd.
Retail Individual Investors	Individual investors (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than ₹ 2,00,000
SEBI (Foreign Portfolio Investor) Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014.
SEBI Regulation / SEBI (ICDR) Regulations / Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 issued by SEBI on August 26, 2009, as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI (PFUTP) Regulations / PFUTP Regulations	SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003.
SEBI SAST / SEBI (SAST) Regulations	SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 or SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as the case may be.
Self Certified Syndicate Bank(s) / SCSBs	A Bank registered with SEBI under the SEBI (Bankers to an Issue) Regulations, 1994 and offers the facility of ASBA, including blocking of bank account. A list of all SCSBs is available at http://www.sebi.gov.in/pmd/scsb.pdf
SME Platform of BSE	The SME Platform of BSE for listing of equity shares offered under Chapter X-B of the SEBI (ICDR) Regulations which was approved by SEBI as an SME Exchange on September 27, 2011.
TRS / Transaction Registration Slip	The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the Applicant, as proof of registration of the Application.
Underwriters	Aryaman Financial Services Limited and Aryaman Capital Markets Limited.
Underwriting Agreement	The Agreement among the Underwriters and our Company dated December 15, 2014
U.S. Securities Act	U.S. Securities Act of 1933, as amended

Technical / Industry related Terms

Term	Description
AEs	Advanced Economies
CPI	Consumer Price Index
EMDEs	Emerging Market and Developing Economies
FEE	Foreign Exchange Earnings
H2	Second half
IGBC	Indian Green Building Council
IT	Information Technology
LEED	Leadership in Energy and Environmental Design
Q2	Quarter 2
Q3	Quarter 3
Q4	Quarter 4
SEZ	Special Economic Zone
Sq. Ft.	Square Feet
USGBC	US Green Building Council

Term	Description
WPI	Wholesale Price Index
Kanal	A Kanal is a unit of area equivalent to 5,445 sq. ft. or 1/8 th of an acre
Marla	A Marla is a unit of area equivalent to 272.25 sq. ft. or 1/160 th of an acre

Conventional Terms / General Terms / Abbreviations

Term	Description
A/c	Account
ACS	Associate Company Secretary
AEs	Advanced Economies
AGM	Annual General Meeting
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India
ASBA	Applications Supported by Blocked Amount
AY	Assessment Year
BSE	BSE Limited (formerly known as The Bombay Stock Exchange Limited)
CAD	Current Account Deficit
CAGR	Compounded Annual Growth Rate
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CIN	Company Identification Number
CIT	Commissioner of Income Tax
DIN	Director Identification Number
DP	Depository Participant
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
EMDEs	Emerging Market and Developing Economies
EPS	Earnings Per Share
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
FIIs	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India
FIPB	Foreign Investment Promotion Board
FY / Fiscal / Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated
GDP	Gross Domestic Product
GoI/Government	Government of India
HUF	Hindu Undivided Family
I.T. Act	Income Tax Act, 1961, as amended from time to time
ICSI	Institute of Company Secretaries Of India
IPO	Initial Public Offering
KM / Km / km	Kilo Meter
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
MoF	Ministry of Finance, Government of India
MOU	Memorandum of Understanding
NA	Not Applicable
NAV	Net Asset Value
NRE Account	Non Resident External Account
NRI	Non Resident Indians
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Bodies
p.a.	per annum

Term	Description
P/E Ratio	Price/Earnings Ratio
PAC	Persons Acting in Concert
PAN	Permanent Account Number
PAT	Profit After Tax
PLR	Prime Lending Rate
PPCB	Punjab Pollution Control Board
RBI	The Reserve Bank of India
ROE	Return on Equity
RONW	Return on Net Worth
Rs. or ₹	Rupees, the official currency of the Republic of India
RTGS	Real Time Gross Settlement
SCRA	Securities Contract (Regulation) Act, 1956, as amended from time to time
SCR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
Sec.	Section
STT	Securities Transaction Tax
TIN	Taxpayers Identification Number
US/United States	United States of America
USD/ US\$/ \$	United States Dollar, the official currency of the Unites States of America
VCF / Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
Working Days	All days other than a Sunday or a public holiday (except during the Issue Period where a working day means all days other than a Saturday, Sunday and any public holiday), on which commercial bank are open for business.

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CERTAIN CONVENTIONS; PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

Certain Conventions

All references to “India” contained in this Prospectus are to the Republic of India. In this Prospectus, our Company has presented numerical information in “lacs” units. One lac represents 1,00,000.

Financial Data

Unless stated otherwise, the financial data in this Prospectus is derived from our audited financial statements as on and for the Fiscal Years ended March 31, 2014, 2013, 2012, 2011 and 2010 and six months period ended September 30, 2014, prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI Regulations and included in this Prospectus. Our Fiscal Year commences on April 1 and ends on March 31 of the following year. In this Prospectus, any discrepancies in any table, graphs or charts between the total and the sums of the amounts listed are due to rounding-off.

There are significant differences between Indian GAAP, U.S. GAAP and IFRS. Accordingly, the degree to which the Indian GAAP financial statements included in this Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices, Indian GAAP, the Companies Act and the SEBI Regulations on the financial disclosures presented in this Prospectus should accordingly be limited. We have not attempted to explain the differences between Indian GAAP, U.S. GAAP and IFRS or quantify their impact on the financial data included herein, and we urge you to consult your own advisors regarding such differences and their impact on our financial data.

Any percentage amounts, as set forth in the section titled “*Risk Factors*”, chapters titled “*Business Overview*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on pages 9, 73 and 138 of this Prospectus, respectively, and elsewhere in this Prospectus, unless otherwise indicated, have been calculated on the basis of our audited financial statements prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI Regulations.

Currency, Units of Presentation and Exchange Rates

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

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

Definitions

For definitions, please see the Chapter titled “*Definitions and Abbreviations*” on page 1 of this Prospectus. In the Section titled “*Main Provisions of the Articles of Association of our Company*” beginning on page 204 of this Prospectus, defined terms have the meaning given to such terms in the Articles of Association.

Industry and Market Data

Unless stated otherwise, the industry and market data and forecasts used throughout this Prospectus has been obtained from industry sources as well as 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 that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

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

FORWARD-LOOKING STATEMENTS

All statements contained in this Prospectus that are not statements of historical fact constitute forward-looking statements. All statements regarding our expected financial condition and results of operations, business, plans and prospects are forward-looking statements. These forward-looking statements include statements with respect to our business strategy, our revenue and profitability, our projects and other matters discussed in this Prospectus regarding matters that are not historical facts. Investors can generally identify forward-looking statements by the use of terminology such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “project”, “may”, “will”, “will continue”, “will pursue”, “contemplate”, “future”, “goal”, “propose”, “will likely result”, “will seek to” or other words or phrases of similar import. All forward looking statements (whether made by us or any third party) are predictions and are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Forward-looking statements reflect our current views with respect to future events and are not a guarantee of future performance. These statements are based on our management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect.

Further the actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the Infrastructure Industry in India and overseas in which we have our businesses and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India and overseas which have an impact on our business activities or investments, the monetary and fiscal policies of India and other jurisdictions in which we operate, inflation, deflation, unanticipated volatility in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes, changes in competition in our industry and incidence of any natural calamities and/or acts of violence. Other 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 and national economies
- ✓ Increasing competition in or other factors affecting the industry segments in which our Company operates
- ✓ Changes in laws and regulations relating to the industries in which we operate;
- ✓ Recession in the real estate market
- ✓ Volatility of Housing Loan interest rates and inflation
- ✓ Our ability to successfully implement our growth strategy and expansion plans, and to successfully launch and implement various projects and business plans;
- ✓ Our ability to meet our capital expenditure requirements and/or increase in capital expenditure;
- ✓ Fluctuations in operating costs and impact on the financial results;
- ✓ Our inability to retain the services of our senior management, key managerial personnel and capable employees;
- ✓ Changes in political and social conditions in India or in countries that we may enter, the monetary policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices
- ✓ Failure to obtain any applicable approvals, licenses, registrations and permits in a timely manner

For further discussions of factors that could cause our actual results to differ, please see the section titled “*Risk Factors*” and the chapters titled “*Business Overview*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on pages 9, 73, and 138 of this Prospectus, respectively.

By their nature, certain 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. Forward-looking statements speak only as of this Prospectus. Our Company, our Directors, the Lead Manager, and their respective affiliates or associates do not have any obligation to, and do not intend 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 the SEBI requirements, our Company and the Lead Manager will ensure that investors in India are informed of material developments until such time as the grant of listing and trading approvals by the Stock Exchange.

SECTION II - RISK FACTORS

An investment in equity involves a high degree of risk. Investors should carefully consider all the information in this Prospectus, including the risks and uncertainties described below, before making an investment in our equity shares. Any of the following risks as well as other risks and uncertainties discussed in this Prospectus could have a material adverse effect on our business, financial condition and results of operations and could cause the trading price of our Equity Shares to decline, which could result in the loss of all or part of your investment. In addition, the risks set out in this Prospectus may not be exhaustive and additional risks and uncertainties, not presently known to us, or which we currently deem immaterial, may arise or become material in the future. 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 risks mentioned herein.

Materiality

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

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

Note: The risk factors are disclosed as envisaged by the management along with the proposals to address the risk if any. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial implication of any of the risks described in this section. In this Prospectus, any discrepancies in any table between total and the sums of the amount listed are due to rounding off. Any percentage amounts, as set forth in "Risk Factors" and elsewhere in this Prospectus unless otherwise indicated, has been calculated on the basis of the amount disclosed in the Financial Statements prepared in accordance with the Indian Accounting Standards.

Internal Risk Factors

1. ***There are certain legal proceedings and claims involving our Company, our Managing Director and Group Entity - Aay Jay Builders and the same are pending at different stages before the Judicial/Statutory authorities. Any rulings by such authorities against our Company, our Managing Director and Group Entity, may have an adverse material impact on their operations.***

Our Company, Managing Director and one of our Group Entities are involved in certain legal proceedings and claims, which are pending before the Judicial / Statutory authorities. A summary of the pending proceedings is set forth below. The amounts claimed in these litigations have been disclosed to the extent ascertainable. Any developments in the proceedings or any rulings by such authorities against our Company and/or our Promoter Director may have an adverse material impact on our goodwill, results of operations and financial condition:

a. Litigations / Proceedings filed against our Company and our Director

Sr. No.	Nature of Matter	No. of Matters	Amount (to the extent quantifiable) (₹ in lacs)
1	Litigation involving Civil Laws	2	1.76

b. Litigations / Proceedings filed by our Company

Sr. No.	Nature of Matter	No. of Matters	Amount (to the extent quantifiable) (₹ in lacs)
1	Litigation involving Statutory Laws	2	N. A.

c. Litigations / Proceedings filed against our Group Entity (M/s Aay Jay Builders)

Sr. No.	Nature of Matter	No. of Matters	Amount (to the extent quantifiable) (₹ in lacs)
1	Litigation involving Civil Laws	1	0.68*

* Amount has been accounted for under Section a(1) above .

For more information regarding litigations, please see the chapter titled “*Outstanding Litigations and Material Developments*” beginning on page 152 of this Prospectus.

2. Our ability to access capital depends on our credit ratings.

The cost and availability of capital, amongst other factors, is also dependent on our credit ratings. The details regarding our credit ratings are as below:

Name of Rating Agency	Total Bank Loan Facilities rated	Long Term Rating	Definition of such Rating by Rating Agency	Period of Validity
CRISIL	₹ 4100.00 lacs	CRISIL BB-/ Stable	Instruments with this rating are considered to have moderate risk of default regarding timely servicing of financial obligations.	Valid upto March 31, 2015

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 new or replacement of financing agreements.

3. There cannot be any assurance as to when we will be able to successfully realize the sale proceeds in respect of the real estate for which construction has been completed as also whether the proceeds would be in line with our expectations / estimates. We may find it difficult or not be able to market our developed / proposed to be developed real estate.

As part of the “Jalandhar Heights Extn.” Project, currently our Company has completed the construction of 9 towers comprising of 297 residential flats, which are ready for sale. As on October 31, 2014, around 294 of these residential flats have already been sold, out of which, possession has been given to buyers for around 174 flats. Although we believe that we will be able to give the remaining possessions shortly in the due course on receipt of the balance payments from buyers, our ability to realize the expected / estimated proceeds from these flats may be affected due to various factors like Housing Loan approvals, disposable income in the hands of the buyers to pay the remaining EMIs, etc.

Further, amongst other factors, we also depend on cash flows estimated to be generated from the advances and sale proceeds of developments that are ready-for-sale, for our current working capital requirement, which could have an adverse effect on the remaining phases of our on-going development due to shortage of finance. We may not be able to realize the expected / estimated proceeds from the sale of the remaining flats since our ability to sell is dependent on various factors outside our control including, but not limited to:

- ✓ Economic changes nationally or in our local markets
- ✓ Volatility of Housing Loan interest rates and inflation
- ✓ Changing customer preference
- ✓ Price escalations of properties
- ✓ Change in Government policies pertaining to the real estate industry

These factors can adversely affect the overall demand for and the valuation of our completed developments, work under construction, planned projects, the value of our land reserves, and, as a result, may materially and adversely affect our financial condition and results of operations.

4. Our operations have been concentrated in the state of Punjab. Our growth strategy to expand into new geographic areas poses risks.

The operations of the AGI Group have been geographically concentrated in the state of Punjab. Our business is therefore significantly dependent on the general economic condition and activity in this state in which we operate, and the central, state and local government policies relating to real estate. We may expand geographically, and may not gain acceptance or be able to take advantage of any expansion opportunities outside our current markets. This may place us at a competitive disadvantage and limit our growth opportunities.

We face additional risks if we undertake projects in other geographic areas in which we do not possess the same level of familiarity with various stakeholders and customers as enjoyed by our competitors. If we undertake projects of different size or style than those being developed by us, we may be affected by various factors, including but not limited to:

- ✓ Adjusting our construction methods to different geographic areas;
- ✓ Obtaining necessary governmental and other approvals in time or at all;
- ✓ Failure to realize expected synergies and cost savings;
- ✓ Attracting potential customers in a market in which we do not have significant experience; and
- ✓ Cost of hiring new employees and absorbing increased infrastructure costs.

We may not be able to successfully manage some or all of the risks of such an expansion, which may have a material adverse effect on our revenues, profits and financial condition. Future diversification in different regions can act as a deterrent because of the unfamiliarity of our brand name with the target customer.

5. We require certain approvals, licenses, registrations and permits for our business, and the failure to obtain or renew them, as and when required, in a timely manner may adversely affect our business and operations.

Our business entails constructing and selling real estate in and around Punjab. We require various regulatory and procedural approvals / permissions / consents from statutory/regulatory authorities at the various stages of development including but not limited to No Objection Certificates (“NOC”) from Local or Municipal Authorities, Environmental Approvals from Ministry of Environment and Forests, etc. Many of these requisite approvals are subject to various conditions and inter-alia require us to obtain additional NOCs / consents from other statutory/regulatory authorities. For example –

- (i) The Environmental Clearance granted to us may further require us to obtain approval of competent authority for structural safety of the buildings due to earthquakes, adequacy of fire-fighting equipments etc., consent to establish, consent for installation of sewage treatment plant and adequacy of disposal system from the Punjab Pollution Control Board, etc.
- (ii) The APR-V License granted to us may further require us to obtain approval from Punjab State Electricity Board for sanction of load, approval from Central Ground Water Board for Rain Harvesting Structure, approval for the demarcation of the colony and plinth level, etc.

Hence, even though we have obtained various approvals from statutory/regulatory authorities and are in the process of making applications to certain statutory/regulatory authorities for the various other approvals, we will be required to obtain approvals from the relevant government authorities and make compliances as stipulated in the abovementioned licenses and as prescribed in the applicable laws. No assurance can be given that we would not have inadvertently delayed or not taken at all any such connected approvals or certificates. Accordingly, statutory/regulatory authorities may allege non-compliance and we cannot assure you that we will not be subjected to any such regulatory action in the future, including penalties, fines and other civil or criminal proceedings.

Apart from the above, we apply for various permits / licenses / approvals / permissions as and when required. There can be made no assurance that the relevant authorities / agencies will grant us such permissions / approvals in the affirmative, if at all and in a timely manner or as expected. Further these permits/approvals etc are subject to conditions and we cannot be sure that we would be able to meet these conditions on an on-going basis, which may lead to cancellation, revocation, suspension of the relevant permits, licenses or approvals, other regulatory action, including penalties, other civil or criminal proceedings.

The key major approvals which our management believes are pending as on date include:

- (i) Renewed consent to operate under Section 25/26 of the Water (Prevention and Control of Pollution) Act, 1974
- (ii) Permission from the Forest Department, Government of India under Forest (Conservation) Act, 1980
- (iii) Completion Certificate and Occupation Certificate under Punjab Apartment and Property Regulation Act, 1995

We believe that we have complied considerably with such laws and regulations, as are applicable to our projects however, statutory/regulatory authorities may allege non-compliance and we cannot assure you that we will not be subjected to any such regulatory action in the future, including penalties, seizure of land and other civil or criminal proceedings. Further, failure to renew, maintain or obtain required permits and approvals as and when required may, apart from the abovementioned consequences, result in the interruption of our operations or delay or prevent the

continuance of our existing/commencement of our future projects and may have a material adverse effect on our business, financial condition and results of operations. For the list of important approvals and sanctions pending at various stages as on the date of this Prospectus, please see “Government and Other Statutory Approvals” beginning on page 158 of this Prospectus.

6. Fluctuations in market conditions between the time we acquire land or obtain development rights and sell developed projects on such land may affect our ability to sell our projects at expected prices, which may adversely affect our revenues and profit margins.

We have already acquired certain land parcels for development of on-going and forthcoming projects. For details, please see “Properties” in the chapter titled “Business Overview” beginning on page 73 of this Prospectus. We may be subject to significant fluctuations in the market value of our land and inventories. We may be adversely affected if market conditions deteriorate and if we have to sell our developed projects during weaker economic periods, since we have purchased land during stronger economic periods. We cannot assure you that prices will increase or that the price of real estate in northern India or India as a whole will not continue to experience declines. These factors can negatively affect the demand for and pricing of our developed and undeveloped projects and, as a result, may negatively affect our revenues and profit margins.

7. Our Company has allotted Equity Shares during the preceding one year from the date of this Prospectus at a price below the Issue Price.

Our Company has allotted the following equity shares during the preceding one year from the date of this Prospectus at a price below the Issue Price:

Date of Allotment	Name of the Allottee	Number of Shares	Face Value (₹)	Issue Price (₹)	Reasons
September 11, 2014	Allotted to all the Shareholders of the Company as on the date of allotment	21,25,920	10	-	Bonus Allotment

8. Our ongoing and planned projects may not be completed by their expected completion dates or at all.

As on the date of this Prospectus, we have one ongoing project “Jalandhar Heights” and one planned project “AGI Business Centre”. For details regarding these projects, please see the chapter titled “Business Overview” beginning on page 73 of this Prospectus. Although we have acquired land and procured preliminary architect plans and completed our management development plans, however, we have not obtained certain regulatory consents or permits for these projects. For details, please see the chapter titled “Government and other Key Approvals” beginning on page 158 of this Prospectus. While we believe that we will be able to obtain the required consents and permits as and when required, there can be no assurance that the relevant authorities will issue any or all requisite consents and permits in the time-frame anticipated by us, or at all. Failure by us to maintain and obtain the requisite consents and permits may result in the interruption of our operations and may cause us to modify, delay or abandon projects, which could adversely affect our business and results of operations.

9. Our Company has availed ₹ 256.30 lacs as unsecured loan which are repayable on demand. Any demand from the lenders for repayment of such unsecured loan may affect our cash flow and financial condition.

Our Company as on January 31, 2015 has availed total sum of ₹ 256.30 lacs as unsecured loan which may be recalled at any time. Sudden recall may disrupt our operations and also may force us to opt for funding at higher interest rates, resulting in higher financial burden. For further details, please see “Annexure XII” in the chapter titled “Financial Statements” beginning on page 116 of this Prospectus. Any demand for the repayment of such unsecured loan, may adversely affect our cash flow and financial condition.

10. Failure to procure contiguous parcels of land may adversely affect our business, results of operations, financial condition and prospects.

In the ordinary course of our business, we seek to enter into arrangements with land owners to procure land parcels to form a contiguous land mass, upon which we undertake construction and development of properties. Development of Group-Housing Projects in particular, involve purchasing several contiguous small parcels of land from various land holders. No assurance can be given that we will be able to acquire all such parcels of land, in particular those strategically located for our project, at all or on terms which are acceptable to us. For example, we have not been able to acquire certain portions of land parcels adjacent to the land acquired for our on-going project “Jalandhar Heights”.

Failure to acquire such land parcels may cause delay or force us to abandon the entire project or modify the project, due to which we may suffer losses to the extent of the costs and expenditure committed or paid in relation to such project.

11. There may be possible conflicts of interest between us and our Promoter or one or more of our Group Entities. If our Promoter or Group Entities act in a manner that is contrary to our interests, our business, financial condition and results of operations could be adversely affected.

Our Promoters are actively involved in the management of both our business and the business operations of one of our Group Entities (M/s Aay Jay Builders), who are in similar lines of our business. Our Promoters' attention to our Group Entities may distract or dilute management attention from our business, which may adversely affect our business, financial condition and results of operations. There is no non-compete agreement in place between us and any Group Entities with respect to real estate businesses. There can be no assurance that our Group Entities will not provide comparable services, expand their presence or acquire interests in competing ventures in the locations in which we operate. For further details, please see the chapters titled "Business Overview" and "Our Promoters, Promoter Group and Group Companies" beginning on pages 73 and 109 respectively and "Annexure XVII - Related Party Transactions" on page 133 of this Prospectus.

12. Our Directors and Promoter Group Entities may have interest in our Company, other than reimbursement of expenses incurred or remuneration.

Our Directors and Promoter Group may be deemed to be interested to the extent of the Equity Shares held by them, or their relatives or our Group Entities, and benefits deriving from their directorship in our Company. Our Promoters are interested in the transactions entered into between our Company and themselves as well as between our Company and our Group Entities. For further details, please see the chapters titled "Business Overview" and "Our Promoters, Promoter Group and Group Companies" beginning on pages 73 and 109 respectively, and "Annexure XVII - Related Party Transactions" on page 133 of this Prospectus.

13. The launch of our new project, if proved to be unsuccessful could impact our growth plans and may adversely impact earnings.

We are embarking on a growth strategy which involves diversification of our current business which focuses on Group Housing Projects. In furtherance of this strategy, we have recently acquired land for construction of a multi-storied business centre "AGI Business Centre" in Jalandhar. For further information, please see the chapter titled "Business Overview" beginning on page 73 of this Prospectus. Such a growth strategy will place significant demands on our management as well as our financial, accounting and operating systems. Further, as we scale-up and diversify our operations, we may not be able to execute our project developments efficiently, which may result in delays, increased costs and affect the quality of our developments, and may adversely affect our reputation. We cannot assure you about our future performance or that our business strategy will be successful. Our failure to manage our growth may have an adverse effect on our business, financial condition and results of operations.

14. We are subject to a penalty clause under the construction agreements entered into with our customers, for any delay in the completion of the project.

The construction agreements that we enter into with certain of our customers require us to complete these constructions on time and may provide for a penalty clause wherein we are liable to pay a penalty to the customers, generally a fixed amount per square foot per month for any delay in the completion of the project. Further, the development agreements entered into with third parties including governmental authorities require us to complete the development or construction of our projects within a specified time. In the event that we are unable to complete any of our projects within the stipulated time, certain amounts paid by us in relation to the project may be forfeited or we may be required to pay an additional amount in order to secure an extension of the stipulated time of completion. We cannot assure you that we will always finish the construction or development of our projects in accordance with the timelines specified in such agreements. Any inability of ours to complete these constructions in a timely manner could adversely affect our business, financial condition and results of operations.

15. Certain lands which are being used as part of the "Jalandhar Heights" project are purchased by the Company but have not yet been registered in the name of the Company and are as on date registered in the name of our Promoter – Mr. Sukhdev Singh.

We have purchased certain land parcels from our Promoter. However, we have not carried out the procedure for transferring the property in the name of our Company because, upon sale of all premises in the project, the ownership

will eventually be transferred to the flat owners who buy the flats. However, we have entered into a MoU with our Promoter for exclusive rights to carry out construction work over this Land and to sell the constructed units to general public. The total value of these lands currently showing on our books but registered in the name of the promoter admeasuring 39 Kanals 11 Marlas (4.94 Acres) is ₹ 175.38 lacs. The liability of company on account of Stamp Duty in respect of the land purchased but not registered in the name of the Company under the said Act may arise in future. For further details regarding these land title deeds, please see “**Business Overview – Properties**” on page 83 of the Prospectus. Further; our registered office is also located on these lands and we may be required to vacate such land in the future due to this technicality.

16. We share our Registered Office and Corporate Office with our Group Entities. Any multiple or overlapping use of the said facilities may create some disruption which may adversely affect our business operations.

Our Registered and Corporate Office is shared with our Group Entities, namely AGI Hospitalities Pvt. Ltd. and M/s Aay Jay Builders. Neither there is any rent sharing agreement between our Company and any of the Group Entities nor there is any demarcation of the premises and facilities installed therein for use by the said Group Entities. Any multiple or overlapping use of the said facilities may create some disruption which may adversely affect of business operation.

17. Our success depends heavily upon our Promoters and Senior Management for their continuing services, strategic guidance and financial support.

Our success depends heavily upon the continuing services of Mr. Sukhdev Singh, who is one of the Promoters of our Company. He currently serves as our Managing Director and his experience and vision has played a key role in obtaining our current market position. Further, we depend significantly on our senior management team for executing the day to day activities. If our Managing Director or any member of the senior management team is unable or unwilling to continue in his / her present position, we may not be able to replace him / her easily or at all, and our business, financial condition, results of operations and prospects may be materially and adversely affected.

18. We conduct due diligence and assessment exercises prior to acquisition of land for undertaking development, but we may not be able to assess or identify certain risks and liabilities

We constantly acquire land or development rights for our projects. We have an internal assessment process on land selection and acquisition which includes a due diligence exercise to assess the title of the land and preparation of feasibility reports to assess its financial viability. Our internal assessment process is based on information that is available or accessible by us. There can be no assurance that such information is accurate, complete or current. Any decision based on inaccurate, incomplete or dated information may result in risks and liabilities associated with such projects. This may adversely affect our business, financial condition and results of operations.

19. Work stoppages and other labour problems could adversely affect our business.

We operate in a labour-intensive industry and hire contract labour in relation to specific projects. If we are unable to negotiate with the workmen or the contractors, it could result in work stoppages or increased operating costs as a result of higher than anticipated wages or benefits. In addition, we may not be able to procure required casual labour for our existing or future projects. These factors could adversely affect our business, financial position, results of operations and cash flows.

20. Our funding requirements and deployment of the issue proceeds are based on management estimates and have not been independently appraised by any bank or financial institution and actual cost may vary compared with the estimated amount.


Our funding requirement and deployment of the proceeds of the issue are based on management estimates and our current business plan. The fund requirements and intended use of proceeds have not been appraised by bank or financial institution and are based on our estimates. In view of the highly competitive nature of the industry in which we operate, we may have to revise our management estimates from time to time and, consequently, our funding requirements may also change as a result of various factors which may not be within the control of our management. This may entail rescheduling, revising or cancelling the planned expenditure and fund requirement and increasing or decreasing the working capital limits maintained from time to time at the discretion of our board. In addition, schedule of implementation as described herein are based on management’s current expectations and are subject to change due to various factors some of which may not be in our control. The deployment of the funds towards the objects of the issue is entirely at the discretion of the Board of Directors and is not subject to monitoring by external independent agency. However, the deployment of funds is subject to monitoring by our Audit Committee.

21. We have experienced negative cash flows in previous years / periods. Any operating losses or negative cash flows in the future could adversely affect our results of operations and financial condition.

We have experienced negative cash flows, in the past. Our net cash from / used in operating activities amounted to ₹ (542.86) lacs in fiscal 2012. Our net cash from / used in investing activities amounted to ₹ (19.23) lacs for the six months period ended September 30, 2014, ₹ (293.99) lacs in fiscal 2014, ₹ (176.73) lacs in fiscal 2013, ₹ (200.21) lacs in fiscal 2012 and ₹ (40.45) lacs in fiscal 2011. Our net cash from / used in financing activities amounted to ₹ (151.50) lacs for the six months period ended September 30, 2014, ₹ (114.96) lacs in fiscal 2014 and ₹ (231.64) lacs in fiscal 2010.

If the negative cash flow trend persists in future, our Company may not be able to generate sufficient amounts of cash flow to finance our Company's working capital, make new capital expenditure, pay dividends, repay loans, make new investments or fund other liquidity needs which could have a material adverse effect on our business and results of operations.

22. Our Company label/logo has not been registered under the Trademarks Act, 1999. Consequently we may not be able to effectively protect our intellectual property.

We had filed applications for registration of our Company logo “” under two different classes, viz. class 36 and class 37, under the provisions of the Trademarks Act, 1999. The same have not yet been registered. There is no assurance that the application will be approved by the Trade Mark Registry. In addition, our application for the registration of the trade mark may be opposed by third parties and we may have to incur significant cost and spend time in litigations in relation to these oppositions. In the event we are not able to obtain the trademark registration of our Company, we may not be able to avail the legal protection and legal remedies (in case of infringement) available as a proprietor of registered trademarks. Non-registration may adversely affect our Company's ability to protect its trademark against infringements which may materially and adversely affect our goodwill and business. If our Company fails to successfully protect or enforce its intellectual property rights, it may be required to change its logo. Any such change could require our Company to incur additional costs and may impact its brand recognition in the market and amongst buyers and potential buyers. For details on the trademark applications, kindly please see the chapter titled “Government and other Statutory Approvals” beginning on page 158 of this Prospectus.

23. Our business operations are subject to high working capital operations. Our inability to maintain sufficient cash flows, credit facilities and other sources of funding, in a timely manner, or at all, to meet requirement of working capital or pay our debts, could adversely affect our operations and growth prospects.

Our business demands substantial funds towards working capital requirements. Significant amounts of working capital are required to finance the purchase of materials and the processing of the same before payments are received from customers. In case there are insufficient cash flows to meet our working capital requirement or we are unable to arrange the same from other sources or there are delays in disbursement of arranged funds, or we are unable to procure funds on favorable terms, it may result into our inability to finance our working capital needs on a timely basis which may have an adverse affect on our operations, profitability and growth prospects.

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

Our business operations are subject to operating risks, such as breakdown or failure of equipments used at the project sites, weather conditions, interruption in power supply due to breakdown of power generators, shortage of consumables, performance below expected levels of output or efficiency, natural disasters, obsolescence, labour disputes, industrial accidents, our inability to respond to technological advancements and emerging realty industry standards and practices along with the need to comply with the directives of relevant government authorities. The occurrence of these risks, if any, could significantly affect our operating results, and the slowdown / shutdown of business operations may have a material adverse affect on our business operations and financial conditions.

25. We have not made any provisions for the decrease in the value of our investments.

The book value of our investment in land and property as at September 30, 2014 was ₹ 44.61 lacs as per the Restated Financial Statements. We have not made any provision for this decrease in the value of investments, which could result into mismatch between realizable value and book value of these investments. Further, if provision is made in future on

account of permanent decrease in value of these investments, our profits would reduce to the extent of such provision. This may have an adverse impact on our results of operations and financial conditions.

26. We have delayed payment of instalment on one of our Team Loan from PNB and the same may result in default if the delay persists.

Our Company had availed a Term Loan from PNB amounting to ₹ 1600.00 lacs which according to its repayment schedule should have been paid by January 2015. However, one of the objects of this Issue is repayment of the said outstanding loan amounting to ₹ 399.37 lacs which we intend to pay by March 2015. In this regard, we have obtained oral confirmation from PNB to extend the payment due date as per our implementation schedule. Our ability to pay the said loan depends on the success of the IPO, failing which we may be declared as defaulters / NPA by the Bank.

27. Our Company has in the past entered into related party transactions and may continue to do so in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our Company's financial condition and results of operations.

Our Company has entered into certain related party transactions with its Promoters / Promoter Group / Directors / Group Companies. While we believe that all such transactions have been conducted on an arms-length basis and contain commercial terms, there can be no assurance that our Company could not have achieved more favorable terms had such transactions not be entered into with related parties. Furthermore, it is likely that our Company will enter into related party transactions in the future. For further details on the Related Party Transactions of our Company, please see "Annexure XVII - Related Party Transactions" on page 133 of this Prospectus.

28. We are subject to restrictive covenants under our credit facility that could limit our flexibility in managing the business.

As on September 30, 2014, as per the restated financial statements, our outstanding indebtedness totaled to ₹ 3317.04 lacs. Some of the financing agreements we have entered into, contain restrictive covenants. These restrictive covenants require us to seek the prior permission of these banks / financial institutions for various activities, including, amongst others, raising of fresh capital or any term loans, undertaking new projects / expansion / diversification, effect any changes in the capital structure of the Company, etc. There can be no assurance that we will be able to comply with these financial or other covenants or that we will be able to obtain the consents necessary to take the actions we believe are necessary to operate and grow our business. As on January 31, 2015, our outstanding indebtedness totalled to ₹ 3448.01 lacs. For details of these restrictive covenants, please see the chapter titled "Financial Indebtedness" beginning on page 149 of this Prospectus.

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

The insurance cover taken by us may not be adequate enough for covering the entire future unforeseen liabilities that might occur in the normal course of business. Further, there can be no assurance that any claim under the insurance policies maintained by us will be honored fully, in part or on time by the insurers. To the extent that we suffer loss or damage that is not covered by insurance or which exceeds our insurance coverage, our business operations and cash flows may be affected. For details on Insurance cover, please see "Insurance" the chapter titled "Business Overview" beginning on page 73 of this Prospectus.

30. We may not be successful in identifying suitable land for our projects, which may impede our growth.

Integral to our business strategy is our ability to undertake new projects. We may not be successful in identifying suitable land for our projects that meet our acquisition criteria or in consummating acquisitions on satisfactory terms. Our failure to identify or consummate acquisitions or to build or develop saleable properties, or meet customer demand in a timely manner could result in damage to or loss of customer relationships. In addition, it could reduce the number of projects we undertake and slow our growth, which could adversely affect our results.

31. Any failure in our IT systems could adversely impact our business.

Any delay in implementation or disruption of the functioning of our IT systems could disrupt our ability to track, record and analyse the work in progress, cause loss of data and disruption to our operations including, an inability to assess the progress of the projects, process financial information or manage creditors / debtors or engage in normal business activities. This could have a material effect on our business.

32. We may be subject to monetary or other penalty for any non-compliance with Companies Act, Accounting Standards or any other Act or Regulation applicable to us during our earlier years.

We were incorporated as a Private Limited Company in 2005 and were converted to a Public Limited Company only in the year 2012. Even after conversion we continue till date to be a Promoter driven closely held Company. There may have been certain unintentional non-compliances or errors under the Companies Act or Accounting Standards or any other Act applicable to us which if proved against us in future may result in a penalty, monetary or otherwise.

33. Our Promoters will continue to exercise significant control over our business.

Prior to the consummation of this Issue, our Promoters, Promoter Group and relatives held 99.60% of our equity share capital. Post the completion of this Issue, our Promoters, Promoters Group and relatives shall continue to hold collectively 72.54% of our equity share capital. As a result, our Promoters will continue to exercise significant control over our business and all matters requiring shareholder approval, including timing and distribution of dividends, election of officers and directors, our business strategy and policies, approval of significant corporate transactions such as mergers and business combinations and sale of assets. This control could impede a merger, consolidation, takeover or other business combination involving us, or discourage a potential acquirer from making a tender offer or otherwise attempting to obtain control even if such transaction may be beneficial to our other shareholders.

34. Some of our Related Party Transactions may have required Central Government approval, which if proved may attract penalty.

Certain transactions in the past with Related Parties may have required Central Government approval. Though we do not believe any transaction to be of such nature, there may be instances where such transactions are proven otherwise. If in future any liability arises due to this, the company may need to go for compounding which may affect our financial results.”

External Risk Factors

35. The new Companies Act, 2013 is recently being implemented and any developments in the near future may be material with respect to the disclosures to be made in this Prospectus as well as other rules and formalities for completing the Issue.

A majority of the provisions and rules under the Companies Act, 2013 have recently been notified and have come into effect from the date of their respective notifications, resulting in the corresponding provisions of the companies Act, 1956 ceasing to have effect. The new companies Act, 2013 has brought into effect significant changes to the Indian company law framework, such as in the provisions related to issue of capital, disclosures in prospectus, corporate governance norms, audit matters, related party transactions, introduction of a provision allowing the initiation of class action suits in India against companies by shareholders or deposits a restriction on investment by an Indian company through more than two layers of subsidiary investment companies (subject to certain permitted exceptions), prohibition on loans to directors and insider trading and restriction on directors and insider trading and restriction on directors and insider trading and restrictions on directors and key managerial personnel from engaging in forward dealing. To ensure compliance with the requirement of the Companies Act, 2013, we may need to allocate additional resources, which may increase our regulatory compliance cost and divert management attention.

The Companies Act, 2013 introduced certain additional requirements which do not have corresponding equivalents under the companies Act, 1956. Accordingly, we may face challenges in interpreting and complying with such provisions due to limited jurisprudence on them. In the event, our interpretation of such provisions of the Companies Act, 2013 differs from, or contradicts with, any judicial pronouncement or clarifications issued by the Government in the future, we may face regulatory actions or we may be required to undertake remedial step. We may face difficulties in complying with any such overlapping requirements. Further, we cannot currently determine the impact of provisions of the Companies Act, 2013 which are yet to come in force. Any increase in our compliance requirements or in our compliance costs may have adverse effects on our business and results of operations.

36. A decrease in economic growth in India could cause our business to suffer.

We derive majority of our revenue from our operations in India and consequently, our performance and the quality and growth of our business are dependent on the health of the economy of India. However, the Indian economy may be

adversely affected by factors such as adverse changes in liberalization policies, social disturbances, terrorist attacks and other acts of violence or war, natural calamities or interest rates changes, which may also affect the microfinance industry. Any such factor may contribute to a decrease in economic growth in India which could adversely impact our business and financial performance.

37. Any downgrading of India's debt rating by a domestic or international rating agency could adversely affect our Company's business.

Any adverse revisions to India's credit ratings for domestic and international debt by domestic or international rating agencies may adversely affect our Company's ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing is available. This could harm our Company's business and financial performance, ability to obtain financing for capital expenditures and the price of our Company's Equity Shares.

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

The Government of India has traditionally exercised and continues to exercise a significant 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. Since 1991, successive governments have pursued policies of economic liberalization and financial sector reforms. However, there can be no assurance that such policies will be continued in the future. A significant change in India's economic liberalization and deregulation policies could disrupt business and economic conditions in India generally and adversely affect our business, financial condition and results of operations.

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

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

40. Significant differences exist between Indian GAAP and other accounting principles, such as U. S. GAAP and IFRS, which may be material to investors' assessments of our financial condition.

Our financial statements, including the financial statements provided in this Prospectus are prepared in accordance with Indian GAAP. We have not attempted to quantify the impact of U.S. GAAP or IFRS on the financial data included in this Prospectus, nor do we provide a reconciliation of our financial statements to those of U.S. GAAP or IFRS. Each of U.S. GAAP and IFRS differs in significant respects from Indian GAAP. Accordingly, the degree to which the Indian GAAP financial statements included in this Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Prospectus should accordingly be limited.

41. Government regulation of foreign ownership of Indian securities may have an adverse effect on the price of the Equity Shares.

Foreign ownership of Indian securities is subject to Government regulation. In accordance with foreign exchange regulations currently in effect in India, under certain circumstances the RBI must approve the sale of the Equity Shares from a non-resident of India to a resident of India or vice-versa if the sale does not meet the requirements of the RBI Circular dated October 4, 2004, as amended by the RBI Circular dated May 4, 2010. The RBI must approve the conversion of the Rupee proceeds from any such sale into foreign currency and repatriation of that foreign currency from India unless the sale is made on a stock exchange in India through a stock broker at the market price.

As provided in the foreign exchange controls currently in effect in India, the RBI has provided the price at which the Equity Shares are transferred based on a specified formula, and a higher (or lower, as applicable) price per share may not be permitted. There are also restrictions on sales between two non-residents if the acquirer is impacted by the prior joint venture or technical collaboration. The approval from the RBI or any other government agency may not be obtained on terms favorable to a non-resident investor in a timely manner or at all. Because of possible delays in

obtaining requisite approvals, investors in the Equity Shares may be prevented from realizing gains during periods of price increase or limiting losses during periods of price decline.

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

Our business and financial performance could be adversely affected by unfavorable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations applicable to us and our business, including those relating to consumer protection, Internet and privacy. For details of the material laws currently applicable to us, please see the chapter titled “*Key Industry Regulations and Policies*” beginning on page 86 of this Prospectus.

There can be no assurance that the Government may not implement new regulations and policies which will require us to obtain approvals and licenses from the Government and other regulatory bodies or impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the implementation of the new regulations may have a material adverse effect on our business, financial condition and results of operations. In addition, we may have to incur capital expenditures to comply with the requirements of any new regulations, which may also materially harm our cash flows and in turn affect our results of operations.

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

Under current Indian tax laws and regulations, 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 capital gains tax in India if Securities Transaction Tax (STT) has been paid on the transaction. STT will be levied on and collected by a domestic stock exchange on which the equity shares are sold. Any gain realized on the sale of equity shares held for more than 12 months to an Indian resident, which are sold other than on a recognized stock exchange and on which no STT has been paid, will be subject to long term capital gains tax in India. 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. In addition, changes in the terms of tax treaties or in their interpretation, as a result of renegotiations or otherwise, may affect the tax treatment of capital gains arising from a sale of Equity Shares.

44. There is no guarantee that the Equity Shares issued pursuant to the Issue will be listed on the SME Platform of BSE in a timely manner, or at all.

In accordance with Indian law and practice, permission for listing and trading of the Equity Shares issued pursuant to the Issue will not be granted until after the Equity Shares have been issued and allotted. Approval for listing and trading will require all relevant documents authorizing the issuing of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on the SME Platform of BSE. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares.

45. The price of our Company’s Equity Shares may be volatile, and investors may be unable to resell their Equity Shares at or above the Issue Price, or at all.

The price of the Equity Shares may fluctuate after this Issue as a result of several factors, including, among other things, volatility in the Indian securities markets, the results of our operations and performance, the performance of our competitors, developments in the Indian retail and consumption-led sectors, changing perceptions in the market about participation in these sectors, adverse media reports on us or the Indian consumption-led sectors, changes in the estimates of our performance or recommendations by financial analysts, significant developments in India’s economic liberalization and deregulation policies and significant developments in India’s fiscal regulations.

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

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

volume of the Equity Shares. The BSE may not inform us of the percentage limit of the circuit breaker in effect from time to time and may change it without our knowledge. This circuit breaker will limit the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance can be given regarding your ability to sell your Equity Shares or the price at which you may be able to sell your Equity Shares at any particular time.

47. We cannot guarantee the accuracy or completeness of facts and other statistics with respect to India, the Indian economy and the real estate sector contained in this Prospectus.

While facts and other statistics in this Prospectus relating to India, the Indian economy and the real estate sector has been based on various government publications and reports from government agencies that we believe are reliable, we cannot guarantee the quality or reliability of such materials. While we have taken reasonable care in the reproduction of such information, industry facts and other statistics have not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore we make no representation as to their accuracy or completeness. These facts and other statistics include the facts and statistics included in the chapter titled 'Industry Overview' beginning on page 66 of this Prospectus. Due to possibly flawed or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

PROMINENT NOTES

1) Key Issue Particulars:

Pre Issue Net worth (Based on audited accounts as on September 30, 2014)	₹ 1,225.09 lacs*
Issue Size	27,76,000 Equity Shares of ₹ 10 each for cash at a price of ₹ 54 per share (including share premium of ₹ 44 per share) aggregating ₹ 1499.04 lacs
Cost Per Share to the Promoters	Mr. Sukhdev Singh: ₹ 5.36 per equity share Ms. Salwinderjit Kaur: ₹ 1.02 per equity share
Net Asset Value per share or Book Value (Based on Audited Accounts as on September 30, 2014) (Face Value of ₹ 10 per share)	₹ 16.46 *

*Source: Annexure XXI - Statement of Accounting Ratios, as restated

- 2) Our Company, its Promoters / Directors, Company's Associates or Group companies have not been prohibited from accessing the Capital Market under any order or direction passed by SEBI. The Promoters, their relatives, Company, Group Companies and Associate Companies are not declared as wilful defaulters by RBI / Government authorities and there are no violations of securities laws committed in the past or pending against them.
- 3) Investors are advised to refer to the paragraph titled "Basis for Issue Price" beginning on page 56 of this Prospectus.
- 4) The Lead Manager and our Company shall update this Prospectus and keep the investors / public informed of any material changes till listing of the Equity Shares offered in terms of this Prospectus and commencement of trading.
- 5) Investors are free to contact the Lead Manager for any clarification, complaint or information pertaining to the Issue. The Lead Manager and our Company shall make all information available to the public and investors at large and no selective or additional information would be made available for a section of the investors in any manner whatsoever.
- 6) In the event of over-subscription, allotment shall be made as set out in paragraph titled "Basis of Allotment" beginning on page 198 of this Prospectus and shall be made in consultation with the Designated Stock Exchange i.e. BSE. The Registrar to the Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner as set out therein.

- 7) Except as disclosed in the chapters titled “*Our Promoter, Promoter Group and Group Companies*” and “*Related Party Transactions*” beginning on pages 109 and 115, of this Prospectus, respectively, none of our Group Companies have business interests or other interests or any other transaction with / in our Company.
- 8) No loans and advances have been made to any person(s) / companies in which Directors are interested except as stated in the Financial Statements. For details, please see the section titled “*Financial Information*” beginning on page 116 of this Prospectus.
- 9) The details of transaction by our Company with Group Companies during the last year are disclosed under “*Annexure XVII - Related Party Transactions*” on page 133 of this Prospectus.
- 10) Our Company was incorporated as G. I. Builders Pvt. Ltd. on May 27, 2005 under the Companies Act, 1956, with the Registrar of Companies, Punjab, Himachal Pradesh and Chandigarh, bearing Registration Number – 028466 and CIN U45200PB2005PTC28466. The status of our Company was changed to a public limited company and the name of our Company was changed from “G. I. Builders Private Limited” to “AGI Infra Limited” by a special resolution passed on February 16, 2011. A fresh Certificate of Incorporation consequent to the change of name was granted to our Company on February 22, 2011, by the Registrar of Companies, Punjab, Himachal Pradesh and Chandigarh bearing CIN U45200PB2005PTC28466. Further, a fresh Certificate of Incorporation dated June 27, 2012, was issued by the Registrar of Companies, Punjab and Chandigarh, consequent to the change of name from “G. I. Builders Private Limited” to “AGI Infra Limited” on conversion into a public limited company, bearing CIN U45200PB2005PLC028466. For further details, please see the chapter titled “*History and certain Corporate Matters*” beginning on page 95 of this Prospectus.



SECTION III – INTRODUCTION

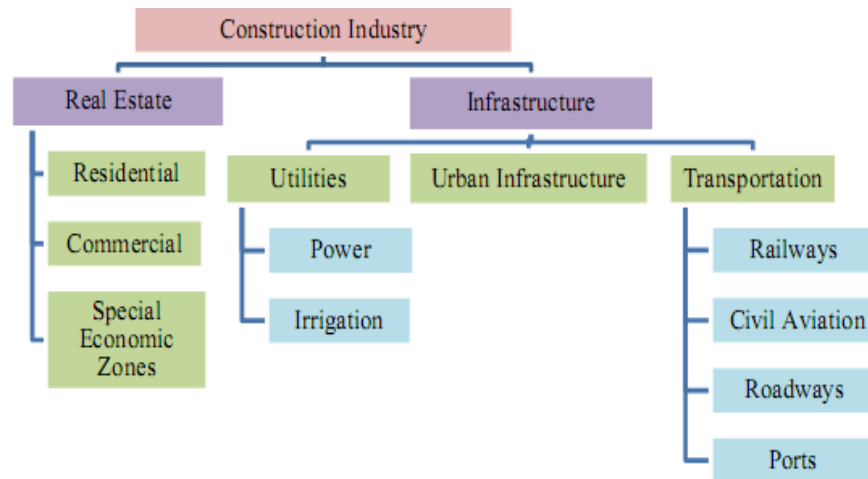
SUMMARY OF INDUSTRY OVERVIEW

Overview of the Construction Sector in India

The Construction Industry is the second largest industry in India accounting for 11 per cent of India's GDP. The Indian Construction Industry employs 35 million people and its total market size is estimated at US\$ 126 billion.

(Source: Report published by Deloitte – January 2014)

The Construction Sector in India can be broadly classified into 2 sub-segments as illustrated below:



Source: IMaCS analysis

Real Estate Sector in India

The real estate sector is a critical sector of our economy. It is the second-largest employment-generating sector after agriculture. Not only does it generate a high level of direct employment, but it also stimulates the demand in over 250 ancillary industries such as cement, steel, paint, brick, building materials, consumer durables, etc.

Recent years have seen the Indian real estate sector grow, especially the commercial real estate segment. According to a study by Knight Frank, Mumbai is the best option in India for commercial real estate investment, with returns of 12-19 per cent likely in the next five years, followed by Bengaluru and Delhi-National Capital Region (NCR), with returns of 12 per cent and 8-11 per cent respectively. Sharp growth in organised retailing is likely to drive demand in the commercial real estate sector. The investments in commercial Construction are expected to grow faster than investments in housing mainly due to the spurt in office space construction driven by IT/ITES industry.

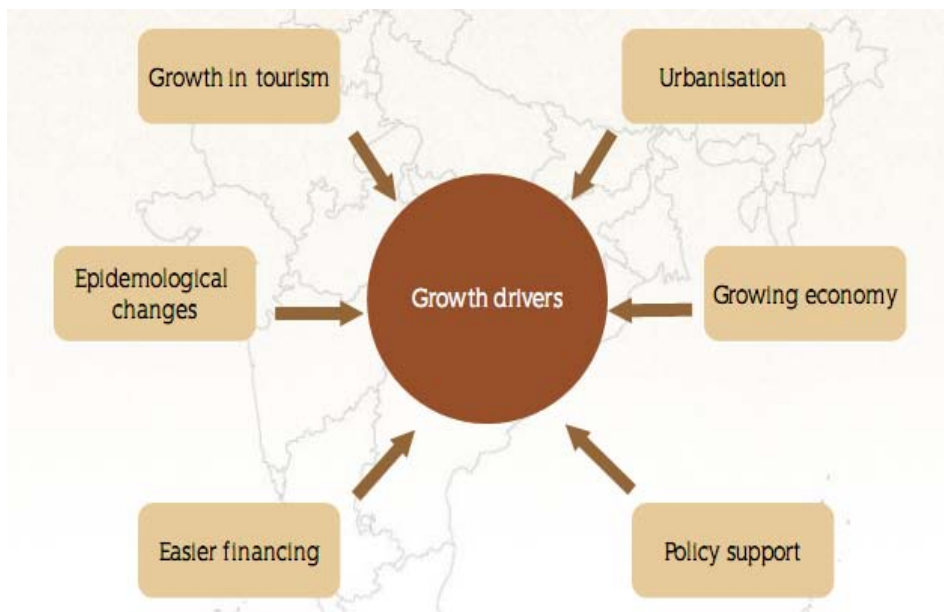
In the residential segment, the number of new launches in the first quarter of 2014 has increased by 43 per cent at 55,000 units across eight major cities. Bengaluru recorded the largest number of units launched, an increase of 22 per cent at 16,838 units, followed by Mumbai and Chennai with new launches at 10,698 units and 7,436 units with a growth rate of 93 per cent and 191 per cent respectively, during the first quarter. The middle-class segment's rising purchasing power and propensity to consume is expected to drive and support a robust growth rate of the economy in the coming years. The middle class along with robust macro-economic scenario and changing demographic profiles has a major role to play in the growth and emergence of the Construction industry in India.

In 2012–13, the SEZ sector contributed 29% of India's total exports of approximately US\$ crore) of the total exports of approximately US\$65 billion (INR4 lakh crores). Over the next five years, growth in investments in Indian Industries will be driven by strong capacity additions, led by strong growth in demand and high existing operating rates. Special Economic Zones (SEZs) are expected to be at the forefront of this growth.

With the government allowing 100 percent foreign direct investment (FDI) in this sector, the number of foreign firms owning real estate projects in India has also increased. The construction development sector, including townships, housing, built-up infrastructure and construction-development projects garnered total FDI worth US\$ 23,587.25 million in the period April 2000-June 2014.

(Source: IBEF – August 2014)

Growth Drivers



Investments

Some of the major investments in the real estate sector in the recent past are as follows:

- ✓ Piramal Fund Management has launched the Indiareit Apartment Fund which seeks to buy residential apartments in the Tier I market, and has kept aside a corpus of ₹ 350 crore (US\$ 57.86 million) for the same.
- ✓ US-based PE company Blackstone plans to step up its presence in the residential segment and has lined up about ₹ 1,000 crore (US\$ 165.32 million) to invest in residential projects across Indian metros. Its first investment in the residential sector was in the Chennai project of Bengaluru-based Ozone Group.
- ✓ Panchshil Realty and Blackstone have bought a majority stake in Express Towers, for around ₹ 870 crore (US\$ 143.83 million).
- ✓ Mr. Donald Trump plans to extend his company, Trump Organization's global footprint into India and invest in two realty deals. Both the deals involve ultra-premium luxury projects, which will be owned, developed and promoted by local developers.
- ✓ Mahindra Group has entered affordable housing through its property development arm Mahindra Lifespaces (MLDL). MLDL plans to launch two housing projects in Boisar near Mumbai and Avadi in Chennai with the newly created business vertical Happinest.
- ✓ Canada-based Brookfield Property has entered into an agreement to acquire Candor Investments, a subsidiary of Unitech Corporate Park (UCP), for about ₹ 2,000 crore (US\$ 330.66 million).

(Source: IBEF – August 2014)

Challenges

The key challenges that the Indian Real Estate Industry is facing today are –

- ✓ Lack of suitable developable land
- ✓ Strict and prolonged regulatory process leading to delays
- ✓ Land related issues
- ✓ Shortage of manpower and technology
- ✓ Inadequate Funding Channels

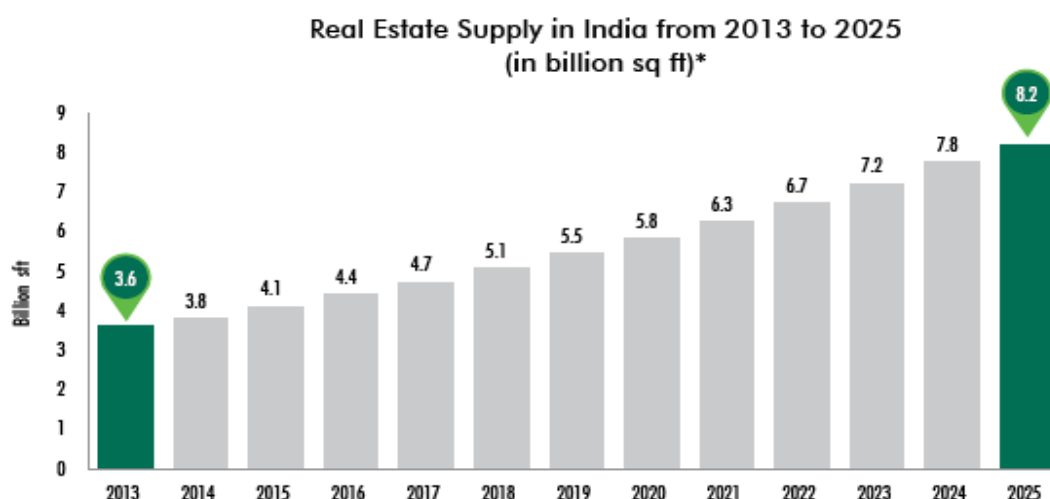
Government Initiatives

- ✓ The Government of India has made an allocation of ₹ 7,060 crore (US\$ 1.16 billion) for the development of 100 smart cities, a reduction in the size of projects eligible for FDI from 50,000 sq m to 20,000 sq m, and having the minimum investment limit for FDI to US\$ 5 million.
- ✓ A committee on Streamlining Approval Procedure for Real Estate Projects (SAPREP) was constituted by the Ministry of Housing & Urban Poverty Alleviation (MHUPA) to streamline the process of seeking clearances for real estate projects.
- ✓ The governments of different states have also taken various measures to facilitate the growth of this sector. For instance, the Punjab government has proposed to exempt residents having houses with an area of up to 125 square yards from paying the levy and delink tax payment from collector rates. It has also proposed to keep vacant plots out of the ambit of property tax which will be implemented during 2014-15.
- ✓ The Indian Green Building Council (IGBC) has joined hands with the US Green Building Council (USGBC) to strengthen their association for the next 10 years to focus on areas of knowledge exchange and work on the green building movement in India. The USGBC also plans to expand its support for LEED in India.

(Source: IBEF – August 2014)

Road Ahead

Increasing urbanisation, demand for new housing, expanding spread of organised real estate and introduction of new construction technologies are some of the factors that are likely to be a pivot for the growth of real estate construction activity in the country. The annual real estate supply in India is expected to increase from about 3.6 billion sq ft in 2013 to about 8.2 billion sq ft in 2025.



Source: CBRE Research, CREDAI

*covers organised office, retail, residential, unorganised residential (urban) only

For further details regarding our Industry and key risks pertaining to our Industry, please see the chapter and the section titled “Industry Overview” and “Risk Factors” beginning on pages 66 and 9 respectively, of this Prospectus.



SUMMARY OF OUR BUSINESS

About the AGI Group

The AGI Group is a reputed Punjab based group having its presence in the construction industry for more than 14 years. The AGI Group has delivered a number of high-rise buildings in Punjab which includes Residential flats, Hotels, Educational blocks and Auditorium for Universities, Hospitals, Hostels for Medical colleges, Commercial Complex, Police Stations, Schools, Shopping Malls, Auto showroom etc. Our residential portfolio currently covers projects catering to customers across all income groups. We believe that we have established a successful track record in the real estate industry in Punjab by developing versatile projects through our focus on innovative architecture, strong project execution and quality construction.

The AGI Group comprises of three Companies / Entities as illustrated below –



About our Company

We are an integrated construction and real estate development company, focussed primarily on construction and development of commercial / residential projects, in and around Punjab. Our Company was incorporated in the year 2005 as G. I. Builders Private Limited, jointly promoted by Mr. Sukhdev Singh and Mrs. Salwinderjit Kaur, with the vision of providing “premium housing at fair prices”. The name of our Company was changed to AGI Infra Limited in the year 2011.

We have successfully completed a Group Housing Project - “G. I. Apartments” comprising of 78 flats at the Phagwara District, Kapurthala in 2009. In 2011, we launched our flagship Group Housing Project – “Jalandhar Heights”. As part of Jalandhar Heights Extn. Project, we have, as of September 30, 2014, constructed about 6 lacs sq. ft. of Saleable Area, out of which about 3.40 lacs Sq. Ft. saleable area has been delivered, and have further begun construction work for 4.19 lac sq. ft. which we propose to deliver within the next few quarters. Further, we propose to develop an additional 9.72 lac sq. ft. as part of this project once we complete the above. For further details on these projects, please see “*Objects of the Issue*” on page 50 of this Prospectus.

We have an in-house Architectural and Designing Team which co-ordinates the entire process of delivering a project from its conceptualization to completion. While conceptualizing a project, we rely on a research-based approach for layout planning, FSI utilisation, unit size, fittings and interiors, and determining sales and marketing strategies. Depending on the level of competition, regulatory practices and consumer preferences, we alter our development mix and product design to ensure that our products cater to customers across all income groups. We also regularly interact with our customers to receive direct feedback on the quality of our products. We have obtained ISO 9001:2008 Certification for Construction and Development of Residential and Commercial Complexes.

Our Revenues have grown from ₹ 485.55 lacs in fiscal 2010 to ₹ 3,046.21 lacs in fiscal 2014, representing a CAGR of 58.26%. Our earnings before interest, tax, depreciation and amortization have increased from ₹ 122.22 lacs in fiscal 2010 to ₹ 842.45 lacs in fiscal 2014, representing a CAGR of 62.03%. Our profit after tax has significantly increased from ₹ 88.92 lacs in fiscal 2010 to ₹ 274.01 lacs in fiscal 2014, representing a CAGR of 32.49%. For further details pertaining to our financial performance, please see “*Financial Information*” beginning on page 116 of this Prospectus.

Our Strengths

✓ *An established Brand name and execution track record*

Having been in the construction industry for more than 14 years, the AGI Group has delivered a wide variety of construction and infrastructure projects in Punjab. The AGI Group has an accredited name and reputation for quality in the construction industry. It has delivered over 12 projects till date. This past execution track record would assist not

only in development and construction efficiency, but also, in the most important process of generating adequate customer advances. For example, having already delivered nine towers (namely A, B, C, D, E, F, G, H and I) comprising of 297 flats on a timely basis, we have already received an aggregate amount of around ₹ 2253.26 lacs from customers for our next phase of delivery (namely Towers, J, K, L, M & N) aggregating to 215 flats. Hence, we believe that having an already established brand name and execution track record provides us with significant competitive advantages.

✓ ***Experienced Promoters and efficient Management Team***

Our Company is managed by a team of professionals led by Mr. Sukhdev Singh who has been associated with the construction industry for more than 14 years. Our Promoter and our Key Managerial Personnel have the requisite educational qualifications and experience to manage the current scale of business as well as the expansion plans for the future. For further details on our Promoter-Directors and our Key Managerial Personnel, please see “*Our Management*” on page 98 of this Prospectus.

Further, we have the key competencies and in-house resources to deliver a project from its conceptualization stage to completion stage. Our present management and architectural teams facilitate efficient operations and ensure consistent quality across all of our projects. Our architectural team designs all our in-house residential projects. Our project management team is involved in gathering relevant market data, assessing the potential of a location after evaluating its demographic trends and identifying relevant government schemes and incentives. Our marketing and sales team is in charge of operations, marketing and sales, business development and strategic planning and has good experience in the industry. We have developed relationships with third-party contractors and suppliers through working on multiple projects, and have experience in working with regulatory authorities. We believe that the familiarity and knowledge we have, of the market and regulatory environment in Punjab, assists us in various aspects of our business such as:

- Identifying developable parcels of land
- Obtaining government and other regulatory approvals
- Anticipating demand on local level
- Creating adequate awareness on a cost effective basis.

Our existing relationships give us leverage to anticipate project requirements and to develop new types of structures.

✓ ***Owned fleet of capital equipment***

Our Company owns a majority of construction equipment and other important machineries, tools and tackles. We have also developed good relations with local equipment contractors and other engineering players in the industry from whom we lease certain key tools and equipments that we don't own. We believe that our pool of owned capital equipments enhance our capability to execute projects with higher operational and financial efficiency. For further details on the capital equipments owned by us, please see “*Plant and Machinery*” on page 77 of this Prospectus.

✓ ***Success of Jalandhar Heights and ability to expand***

Our flagship Project – “Jalandhar Heights” has become a brand in Jalandhar and commands a good reputation. After receiving an excellent response from customers for the partial completion of the project (i.e. 9 towers comprising of 297 flats), we strategically acquired a total of over 17 acres of land parcels available in this area in order to expand and ride the wave of this project. We believe that the remaining phases of our project, which includes 16 more towers comprising of 812 flats, shall become more easily saleable and enable us to achieve higher prices which will improve our margins going forward.

✓ ***Cordial relationship between Management and Labour***

We enjoy cordial relationships with our employees and there has been no union of employees. Further, there have been no strikes, lock-outs or any labour protest in our organisation since incorporation.

Our Strategies / Future plans

✓ ***Focus on large scale residential complexes including Group Housing Projects***

As compared to other players in the Industry, we don't believe in launching multiple projects at one time. We focus on construction of quality projects one at a time. We believe in constructing Group Housing Projects in order to derive

multiple benefits. For example, the successful launch and partial completion of our flagship project “Jalandhar Heights” has established customer confidence to the extent that we have already received an aggregate amount of around ₹ 2253.26 lacs from customers for our next phase of delivery i.e. 5 towers comprising of 215 flats. Further, construction of large scale residential complexes, allow us to benefit from economies of scale and is one of the contributing factors to the greater credibility that we enjoy with sellers of land as well as buyers of properties. Thus, we are able to ride the wave of a particular project. We believe that the expansion project of “Jalandhar Heights” will enable us to achieve premium prices for the remaining phases that are under construction, thereby improving our margins going forward.

✓ ***Continue as Maintenance Agencies after completion of project***

As compared to most of the builders, whose roles end upon completing a project and handing-over the possession of flats to buyers, we intend to continue as maintenance agencies for the complex in order to derive the twin benefit of maintaining a certain standard of living in the society and also generate revenues from the provision of utilities and facility management services. All other infrastructure apart from residential flats, like laundry facility, fire-fighting system, gas-station, club house, restaurant etc. shall be provided by us, which will enable us to maintain the overall standard of living of the locality and also bring in steady income. Further, our presence as maintenance agencies in the society will give us the leverage to be an integral part in any decision-making processes pertaining to the society in the future, such as FSIs, re-development of the buildings, etc.

✓ ***Maintain low level of Debt and ensure longer term sustainability***

We believe that it is important to reduce overall indebtedness of our company in order to improve our performance. We have already repaid a Term Loan of ₹ 350 lacs that we had incurred from Oriental Bank of Commerce in 2010. Currently we have a total debt of ₹ 2861.71 lacs as on September 30, 2014 as per the restated financial statements. Out of this, ₹ 399.37 lacs pertain to term Loan taken from PNB which we have decided to repay from this IPO. For further details, please see “*Repayment of Loans*” in the chapter titled “*Objects of the Issue*” beginning on page 50 of this Prospectus. We therefore intend to tap the equity markets in order to remain low debt and help us manage our cash flows more efficiently in the future.

✓ ***Diversify and add sustainable and feasible projects to our Project Pipeline***

In addition to Group Housing Projects, we intend to undertake projects in the commercial space as well. Currently, we are heavily concentrating on the expansion of our flagship project “Jalandhar Heights”. In furtherance of this strategy, we have recently acquired land parcels situated at Garha Road in Jalandhar, aggregating to around 81 Marlas, 139 sq. ft. for construction of a multi-storied business centre “AGI Business Centre”. We believe that expanding the scale of our operations will provide attractive opportunities to grow our business and revenues and reduce our dependence on our current Group Housing Projects.

For further details regarding our business operations and key risks pertaining to the same, please see the chapter and section titled “*Business Overview*” and “*Risk Factors*” beginning on pages 73 and 9 of this Prospectus respectively.



SUMMARY OF OUR FINANCIALS

ANNEXURE I: STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED

(₹ in lacs)

Particulars	September 30, 2014	As on March 31,				
		2014	2013	2012	2011	2010
I. EQUITY AND LIABILITIES						
(1) Shareholder's Funds						
(a) Share Capital	744.07	531.48	531.48	531.48	47.30	47.30
(b) Reserves and Surplus	481.02	532.85	258.84	74.52	331.59	286.42
Total Shareholder's Funds (A)	1,225.09	1,064.33	790.32	606.00	378.89	333.72
(2) Share application money pending allotment (B)	-	-	-	-	8.38	-
(3) Non-Current Liabilities						
(a) Long-term borrowings	2,861.71	1,631.86	1,392.55	824.13	5.05	8.03
(b) Deferred tax liabilities (Net)	6.85	6.69	3.48	2.10	0.85	-
(c) Other Long term liabilities	-	-	-	-	-	-
(d) Long term provisions	-	-	-	-	-	-
Total Non-Current Liabilities (C)	2,868.56	1,638.55	1,396.03	826.23	5.90	8.03
(4) Current Liabilities						
(a) Short-term borrowings	-	-	-	-	-	-
(b) Trade payables	497.15	471.10	227.33	87.91	141.68	20.47
(c) Other current liabilities	6,634.31	7,603.23	5,215.05	1,214.32	18.09	227.63
(d) Short-term provisions	69.77	128.16	81.75	-	-	0.56
Total Current Liabilities (D)	7,201.23	8,202.49	5,524.13	1,302.23	159.77	248.66
Total (A+B+C+D)	11,294.88	10,905.38	7,710.48	2,734.46	552.94	590.41
II. ASSETS						
(1) Non-current assets						
(a) Fixed assets						
(i) Tangible assets	548.98	568.64	343.27	202.99	64.41	28.01
(ii) Intangible assets	-	-	-	-	-	-
(iii) Capital work-in-progress	-	-	-	-	-	-
(iv) Intangible assets under development	-	-	-	-	-	-
(b) Non-current investments	44.61	44.61	44.61	44.61	-	-
(c) Deferred tax assets (net)	-	-	-	-	-	0.10
(d) Long term loans and advances	-	-	-	-	-	-
(e) Other non-current assets	-	-	21.40	121.75	108.49	87.50
Total Non-Current Assets (A)	593.59	613.25	409.28	369.36	172.90	115.61
(2) Current assets						
(a) Current investments	-	-	-	-	-	-
(b) Inventories	9,796.73	9,587.60	6,734.81	2,074.48	212.14	328.53
(c) Trade receivables	267.17	85.16	126.55	95.02	50.38	96.91
(d) Cash and cash equivalents	313.73	214.71	317.87	145.83	116.95	49.37
(e) Short-term loans and advances	225.00	225.00	-	-	-	-
(f) Other current assets	98.66	179.66	121.97	49.77	0.57	0.00
Total Current Assets (B)	10,701.29	10,292.12	7,301.20	2,365.11	380.04	474.81
Total (A+B)	11,294.88	10,905.38	7,710.48	2,734.46	552.94	590.41

ANNEXURE II: STATEMENT OF PROFIT AND LOSS, AS RESTATED
(₹ in lacs)

Particulars	September 30, 2014	For the year ended March 31,				
		2014	2013	2012	2011	2010
Income						
Revenue from Operations	2,412.53	3,027.97	46.11	26.00	282.66	483.72
Other Income	14.35	18.23	23.66	12.47	1.73	1.83
Total Income	2,426.88	3,046.21	69.77	38.47	284.39	485.55
Expenditure						
Purchases	1,563.03	3,814.69	3,100.24	1,451.50	84.66	97.42
Change in Inventories	(208.71)	(2,852.79)	(4,660.33)	(1,862.34)	106.39	218.47
Employee benefit expense	398.53	789.90	612.40	186.99	10.45	30.94
Financial costs	198.52	354.27	246.86	88.75	3.95	27.23
Depreciation and amortization expense	41.66	76.12	44.60	21.55	4.90	5.60
Other expenses	200.75	451.95	456.70	147.33	25.53	16.51
Total Expenses	2,193.78	2,634.15	(199.54)	33.78	235.87	396.16
Profit before exceptional and extraordinary items and tax	233.10	412.06	269.30	4.69	48.52	89.39
Add: Exceptional Items	-	-	-	-	-	-
Profit before extraordinary items and tax	233.10	412.06	269.30	4.69	48.52	89.39
Less: Extraordinary Items	-	-	-	-	-	-
Profit before tax	233.10	412.06	269.30	4.69	48.52	89.39
Tax expense:						
Current tax	72.18	134.84	83.60	1.71	2.60	0.56
Deferred tax	0.16	3.21	1.39	1.25	0.95	(0.10)
	72.34	138.05	84.99	2.96	3.55	0.46
Profit/(Loss) from the period from continuing operations	160.76	274.01	184.31	1.73	45.18	88.92
Profit/(Loss) from discontinuing operations	-	-	-	-	-	-
Tax expense of discounting operations	-	-	-	-	-	-
Profit/(Loss) from Discontinuing operations	-	-	-	-	-	-
Profit/(Loss) for the period	160.76	274.01	184.31	1.73	45.18	88.92

ANNEXURE III: STATEMENT OF CASH FLOWS, AS RESTATED
(₹ in lacs)

Particulars	September 30, 2014	For the year ended March 31,				
		2014	2013	2012	2011	2010
CASH FLOW FROM OPERATING ACTIVITIES						
Net Profit Before Tax as Restated	233.10	412.06	269.30	4.69	48.52	89.39
Adjustment for :						
Depreciation	41.66	76.12	44.60	21.55	4.90	5.60
Extra Ordinary Items	-	-	-	-	-	-
Interest / Dividend Income	(2.77)	(7.51)	(8.14)	(4.53)	(0.85)	(1.78)
(Profit) / Loss on sale on Fixed Assets	-	-	-	-	-	-
Financial Costs	198.52	354.27	246.86	88.75	3.95	27.23
Operating Profit before Working Capital Changes	470.51	834.95	552.62	110.46	56.53	120.43
Adjustment for :-						
(Increase) / Decrease in Inventories	(209.13)	(2,852.79)	(4,660.33)	(1,686.96)	116.39	218.47
(Increase) / Decrease in Trade Receivables	(182.01)	41.39	(31.53)	(44.64)	46.53	72.74
Increase / (Decrease) in Trade Payables	26.05	243.77	139.42	(53.77)	121.20	(15.50)
Increase / (Decrease) in Short Term Provisions	0.00	46.41	81.75	0.00	(0.56)	0.31
Increase / (Decrease) in Other current liabilities	155.51	2,388.19	4,000.72	1,196.23	(209.54)	(57.79)
(Increase) / Decrease in Other Non Current Assets	0.00	21.40	100.35	(13.26)	(20.99)	(87.50)
(Increase) / Decrease in short term loans & Advances	0.00	(225.00)	0.00	0.00	0.00	0.00
(Increase) / Decrease in other Current Assets	81.00	(57.69)	(72.20)	(49.20)	(0.57)	1.52
Cash Generated from Operations	341.93	440.61	110.81	(541.15)	109.00	252.68
Direct Taxes Paid	(72.18)	(134.84)	(83.60)	(1.71)	(2.40)	(0.56)
Net cash from / (used in) operating activities (A)	269.75	305.77	27.21	(542.86)	106.60	252.12
						.
CASH FLOW FROM INVESTING ACTIVITIES						
Purchase of Fixed Assets (Incl. CWIP)	(22.01)	(301.50)	(184.87)	(160.13)	(41.30)	(0.43)
Sale of Fixed Assets	-	-	-	-	-	-
Profit / (Loss) on sale of Fixed Assets	-	-	-	-	-	-
Other non Current Investments	-	-	-	(44.61)	-	-
Purchase / Sale of Investments	-	-	-	-	-	-
Interest / Dividend Income	2.77	7.51	8.14	4.53	0.85	1.78
Net cash from / (used in) Investing activities (B)	(19.23)	(293.99)	(176.73)	(200.21)	(40.45)	1.35
						.
CASH FLOW FROM FINANCING ACTIVITIES						
Proceeds From issue of share capital (including Premium)	-	-	-	50.00	-	-
Share Application Money	-	-	-	(8.38)	8.38	-
Increase / (Decrease) in Long Term Borrowing	47.02	239.31	568.42	819.08	(2.98)	(204.41)
Increase / Decrease in Long Term Loans & Advances	-	-	-	-	-	-

Particulars	September 30, 2014	For the year ended March 31,				
		2014	2013	2012	2011	2010
Increase/(Decrease) in Short Term borrowing	-	-	-	-	-	-
Financial Costs	(198.52)	(354.27)	(246.86)	(88.75)	(3.95)	(27.23)
Net cash from/(used in) financing activities (C)	(151.50)	(114.96)	321.56	771.95	1.45	(231.64)
						.
Net (Decrease)/Increase in cash and Cash Equivalents (A+B+C)	99.02	(103.16)	172.03	28.88	67.58	21.83
Cash and cash equivalents at beginnings of year	214.71	317.87	145.83	116.95	49.37	27.54
Cash and cash equivalents at end of year	313.73	214.71	317.87	145.83	116.95	49.37

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THE ISSUE

PRESENT ISSUE IN TERMS OF THIS PROSPECTUS

Equity Shares Offered: Present Issue of Equity Shares by our Company	27,76,000 Equity Shares of ₹ 10 each for cash at a price of ₹ 54 per share (including share premium of ₹ 44 per share) aggregating ₹ 1499.04 lacs
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Of which:

Issue Reserved for the Market Makers	1,42,000 Equity Shares of ₹ 10 each for cash at a price of ₹ 54 per share (including share premium of ₹ 44 per share) aggregating ₹ 76.68 lacs
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Net Issue to the Public	26,34,000 Equity Shares of ₹10 each for cash at a price of ₹ 54 per share (including share premium of ₹ 44 per share) aggregating ₹ 1422.36 lacs
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Equity Shares outstanding prior to the Issue	74,40,720 Equity Shares
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Equity Shares outstanding after the Issue	1,02,16,720 Equity Shares
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Objects of the Issue	Please see the chapter titled “ <i>Objects of the Issue</i> ” beginning on page 50 of this Prospectus
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This issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time. For further details, please see the section titled “*Issue Related Information*” beginning on page 176 of this Prospectus.



GENERAL INFORMATION

Our Company was incorporated as G. I. Builders Pvt. Ltd. on May 27, 2005 under the Companies Act, 1956, with the Registrar of Companies, Punjab, Himachal Pradesh and Chandigarh, bearing Registration Number – 028466 and CIN U45200PB2005PTC28466. The status of our Company was changed to a public limited company and the name of our Company was changed from “G. I. Builders Private Limited” to “AGI Infra Limited” by a special resolution passed on February 16, 2011. A fresh Certificate of Incorporation consequent to the change of name was granted to our Company on February 22, 2011, by the Registrar of Companies, Punjab, Himachal Pradesh and Chandigarh bearing CIN U45200PB2005PTC28466. Further, a fresh Certificate of Incorporation dated June 27, 2012, was issued by the Registrar of Companies, Punjab and Chandigarh, consequent to the change of name from “G. I. Builders Private Limited” to “AGI Infra Limited” on conversion into a public limited company, bearing CIN U45200PB2005PLC028466. For further details, please see the chapter titled “*History and certain Corporate Matters*” beginning on page 95 of this Prospectus.

Brief Company and Issue Information

Registered Office	Jalandhar Heights, 66 FT Road, Village Pholriwal, Near Urban Estate, Phase II, Jalandhar, Punjab - 144 001 Tel No.: +91 - 181 - 2681986 Tele-Fax No.: +91 - 181 - 2681886 Email: info@agiinfra.com Website: www.agiinfra.com
Date of Incorporation	May 27, 2005
Company Registration No.	028466
Company Identification No.	U45200PB2005PLC028466
Address of Registrar of Companies	Corporate Bhawan, Plot No. 4 B, Sector 27 B, Madhya Marg, Chandigarh – 160019 Tel No.: 0172-2639415; 0172 - 2639416 Fax No.: 0172-2639416
Issue Programme	Issue Opens on : March 10, 2015 Issue Closes on : March 13, 2015
Designated Stock Exchange	SME Platform of BSE Limited
Company Secretary & Compliance Officer	Neelu Kapoor Jalandhar Heights, 66 FT Road, Village Pholriwal, Near Urban Estate, Phase II, Jalandhar, Punjab - 144 001 Tel No.: +91 - 181 - 2681986 Tele-Fax No.: +91 - 181 - 2681886 Email: agicsneelu@gmail.com

Board of Directors of our Company

The following table sets forth the Board of Directors of our Company:

Name	Designation	Director's Identification No.
Anuj Bansal	Chairman and Non-Executive Director	01278966
Sukhdev Singh	Managing Director	01202727
Salwinderjit Kaur	Whole-Time Director	00798804
Atul Mehta	Non-Executive Independent Director	00225620
Manjit Singh	Non-Executive Independent Director	07037656

For further details pertaining to the educational qualification and experience of our Directors, please see the chapter titled “*Our Management*” beginning on page 98 of this Prospectus.

Note: Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre or post-Issue related problems, such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary account and refund orders. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to the SCSBs, giving full details such as name, address of applicant, application number, number of Equity Shares

applied for, amount paid on application and designated branch or the collection centre of the SCSB where the ASBA Application Form was submitted by the ASBA Applicants.

Details of Key Intermediaries pertaining to this Issue and our Company

Lead Manager of the Issue

Aryaman Financial Services Limited

60, Khatau Building, Ground Floor,
Alkesh Dinesh Modi Marg, Opp. P.J. Tower,
Fort, Mumbai – 400 001
Tel. No.: +91 – 22 – 2261 8264
Fax No.: +91 – 22 – 2263 0434
Website: www.afsl.co.in
Email: ipo@afsl.co.in; info@afsl.co.in
Investor Grievance Email: feedback@afsl.co.in
Contact Person: Nehar Sakaria
SEBI Registration No.: INM000011344
CIN: L74899DL1994PLC059009

Registrar to the Issue

Bigshare Services Private Limited

E-2/3, Ansa Industrial Estate, Sakivihar Road,
Sakinaka, Andheri (E), Mumbai - 400 072,
Maharashtra, India
Tel: +91 – 22 – 40430200;
Fax: +91 – 22 – 28475207
Email: ipo@bigshareonline.com;
Website: www.bigshareonline.com
SEBI Registration No.: MB / INR000001385
Contact Person: Mr. Ashok Shetty
CIN: U99999MH1994PTC076534

Legal Advisor to the Issue

M/s Kanga & Company (Advocates & Solicitors)

Readymoney Mansion,
43, Veer Nariman Road,
Mumbai- 400 001
Tel No.: +91 – 22 – 66230000, +91 – 22 – 66332288
Fax No.: +91 – 22 – 66339656 / 57
Contact Person: Mr. Chetan Thakkar
Email: chetan.thakkar@kangacompany.com
Website: www.kangacompany.com

Statutory Auditors of our Company

R. S. Kalra and Associates (Chartered Accountants)

32-R Model Town,
Jalandhar
Tel No.: +91 – 181 – 4613232
Contact Person: Ravinder Singh Kalra
Email: ca.rskalra@yahoo.com

Peer Review Auditors**R. A. Marwaha and Co. (Chartered Accountants)**

464-L, Model Town,
Jalandhar
Tel No.: +91 – 9855288844 / +91 - 9646002426
Contact Person: Ashwani Kumar Randeva
Email: akrandeva@rediffmail.com

Bankers to our Company**Oriental Bank of Commerce**

U. H. 198, Nirmal Complex,
G. T. Road, Jalandhar
Tel No.: +91 – 181 - 2680058
Contact Person: Sonia Makkar
Email: bm1706@obc.co.in
Website: www.obcindia.co.in

HDFC Bank Ltd.

5th floor, First Mall,
Mall Road, Ludhiana
Tel No.: +91 – 161 – 3067417
Contact Person: Jatinder Sharma
Email: jatinder.sharma@hdfcbank.com
Website: www.hdfcbank.com

Punjab National Bank

Prime Tower,
G. T. Road,
Jalandhar
Tel No.: +91 – 181 - 5074914
Contact Person: Dutt Pal Nagpal
Email: bo6609@pnb.co.in
Website: www.pnb.co.in

Bankers to the Issue / Escrow Collection Banks

Axis Bank Ltd. Ground Floor, Jeevan Prakash Building,
Sir P M Road, Fort,
Mumbai 400 001
Tel No.: 022-40867373 / 7371 / 7464
Fax No.: 022-40867327
Contact Person: Linford D'Abreo
Email: linford.d'abreo@axisbank.com
Website: www.axisbank.com
SEBI Registration No.: INBI00000017

HDFC Bank Ltd.

FIG – OPS Department,
Lodha I, Think Techno Campus,
O-3 Level, Next to Kanjurmarg Railway Station,
Kanjurmarg (East), Mumbai – 400 042
Tel No.: 022–30752928
Fax No.: 022–2579 9801
Email: uday.dixit@hdfcbank.com
Website: www.hdfcbank.com
Contact Person: Mr. Uday Dixit
SEBI Registration No.: INBI00000063

Punjab National Bank

Capital Market Services Branch
PNB Pragati Tower, Plot No. C-9
G Block, Bandra Kurla Complex,
Bandra (E), Mumbai 400 051
Tel No.: 022-26530196 / 97
Fax No.: 022-26530198
Contact Person: T. K. Ghai
Email: bo4776@pnb.co.in
Website: www.pnbindia.co.in
SEBI Registration No.: INBI00000084

Refund Banker to the Issue**HDFC Bank Ltd.**

FIG – OPS Department,
Lodha I, Think Techno Campus,
O-3 Level, Next to Kanjurmarg Railway Station,
Kanjurmarg (East), Mumbai – 400 042
Tel No.: 022-30752928
Fax No.: 022-2579 9801
Email: uday.dixit@hdfcbank.com
Website: www.hdfcbank.com
Contact Person: Mr. Uday Dixit
SEBI Registration No.: INBI00000063

Self Certified Syndicate Banks

The list of Banks that have been notified by SEBI to act as SCSBs for the ASBA process are provided on <http://www.sebi.gov.in>. For details on designated branches of SCSBs collecting the ASBA Application Forms, please see the above mentioned SEBI link.

Brokers to the Issue

All members of the BSE Limited would be eligible to act as Brokers to the Issue.

Market Maker**Aryaman Capital Markets Ltd.**

60, Khatau Building, Gr. Floor,
Alkesh Dinesh Modi Marg,
Opp. P.J. Tower (BSE Bldg.),
Fort, Mumbai – 400 001
Tel. No.: +91 – 22 – 2261 8635
Fax No.: +91 – 22 – 2263 0434
Email: aryacapm@gmail.com
Contact person: Ms. Vinaya Panchal
SEBI Registration No.: INB011465938
Market Maker Registration No.: SMEMM0651421122012

Statement of Inter-se Allocation of Responsibilities

Aryaman Financial Services Limited is the Sole Lead Manager to this issue, and hence is responsible for all the issue management related activities.

Monitoring Agency

As per Regulation 16(1) of the SEBI (ICDR) Regulations, 2009 the requirement of Monitoring Agency is not mandatory if the issue size is below ₹ 50000 lacs. Since the Issue size is below ₹ 50000 lacs, our Company has not appointed a monitoring agency for this issue. However, as per the Clause 52 of the SME Listing Agreement to be

entered into with BSE upon listing of the equity shares and the corporate governance requirements, the audit committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

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.

Trustees

This being an Issue of Equity Shares, the appointment of trustees is not required.

Details of the Appraising Authority

The objects of the Issue and deployment of funds are not appraised by any independent agency/ bank/ financial institution.

Credit Rating

This being an Issue of Equity Shares, no credit rating is required.

Expert Opinion

Except the reports of the Peer Review Auditor and Statutory Auditor of our Company on the Restated Financial Statements and on the Statement of Tax Benefits respectively, included in this Prospectus, our Company has not obtained any other expert opinion.

Consents

Consents in writing of the Directors, the Statutory Auditor, Peer Review Auditor and Experts to act in their respective capacities, have been obtained and have been filed along with a copy of the Prospectus with the RoC, as required under Section 32 of the Companies Act, 2013. Such consents have not been withdrawn up to the date of filing the Prospectus with the RoC / SEBI / Stock Exchange.

Underwriting

This Issue is 100% Underwritten. The Underwriting agreement is dated December 15, 2014. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions specified therein. The Underwriters have indicated their intention to underwrite the following number of specified securities being offered through this Issue:

Details of the Underwriter	No. of Shares Underwritten	Amount Underwritten (₹ in lacs)	% of the Total Issue Size Underwritten
Aryaman Financial Services Ltd. 60, Khatau Building, Gr. Floor, Alkesh Dinesh Modi Marg, Opp. P.J. Tower (BSE Bldg.), Fort, Mumbai – 400 001 Tel. No.: +91 – 22 – 2261 8264 Fax No.: +91 – 22 – 2263 0434 Email: ipo@afsl.co.in	26,34,000	1422.36	94.88%
Aryaman Capital Markets Ltd. 60, Khatau Building, Gr. Floor, Alkesh Dinesh Modi Marg, Opp. P.J. Tower (BSE Bldg.), Fort, Mumbai – 400 001 Tel. No.: +91 – 22 – 2261 8264 Fax No.: +91 – 22 – 2263 0434 Email: aryacapm@gmail.com	1,42,000	76.68	5.12%
Total	27,76,000	1499.04	100.00%

As per Regulation 106 P(2) of SEBI (ICDR) Regulations, 2009, the LM has agreed to underwrite to a minimum extent of 15% of the Issue out of its own account.

In the opinion of the Board of Directors (based on certificate given by the Underwriters), the resources of the above mentioned Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The above – mentioned Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as broker with the Stock Exchange.

Details of the Market Making Arrangement for this Issue

Our Company and the Lead Manager have entered into an agreement dated December 12, 2014 with Aryaman Capital Markets Ltd., a Market Maker registered with the SME Platform of BSE in order to fulfil the obligations of Market Making.

The Market Maker shall fulfill the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, and its amendments from time to time and the circulars issued by the BSE and SEBI regarding this matter from time to time.

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

1. The Market Maker 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 shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.
2. The minimum depth of the quote shall be ₹ 1,00,000. However, the investors with holdings of value less than ₹ 1,00,000 shall be allowed to offer their holding to the Market Maker in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
3. The Inventory Management and Buying/Selling Quotations and its mechanism shall be as per the relevant circulars issued by SEBI and BSE SME Platform from time to time.
4. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by him.
5. There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
6. 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.
7. The Market Maker may also be present in the opening call auction, but there is no obligation on him to do so.
8. 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 or 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.
9. The Market Maker shall have the right to terminate said arrangement by giving a three months notice or on mutually acceptable terms to the Lead Manager, who shall then be responsible to appoint a replacement Market Maker.

In case of termination of the above mentioned Market Making Agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 106V of the SEBI (ICDR) Regulations, 2009. Further the Company and the Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or

as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particular point of time.

The Market Making Agreement is available for inspection at our Registered Office from 11.00 a.m. to 5.00 p.m. on working days.

10. **Risk containment measures and monitoring for Market Maker:** BSE SME Exchange 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 can impose any other margins as deemed necessary from time-to-time.
11. **Punitive Action in case of default by Market Maker:** BSE SME Exchange 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.

12. **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 ₹ 25000 lacs, the applicable price bands for the first day shall be:
- 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.
 - 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.
 - 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 BSE SME Exchange/ Platform:

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

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



CAPITAL STRUCTURE

The share capital of the Company as on the date of this Prospectus is set forth below:

(₹ in lacs, except share data)

Sr. No.	Particulars	Aggregate Value at Nominal Value	Aggregate Value at Issue Price
A	Authorised Share Capital		
	1,20,00,000 Equity Shares of face value of ₹ 10 each	1200.00	-
B	Issued, Subscribed and Paid-up Share Capital before the Issue		
	74,40,720 Equity Shares of face value of ₹ 10 each	744.07	-
C	Present Issue in terms of this Prospectus*		
	Issue of 27,76,000 Equity Shares of ₹ 10 each at a price of ₹ 54 per equity Share (including share premium of ₹ 44 per share)	277.60	1499.04
	<i>Which comprises:</i>		
	1,42,000 Equity Shares of ₹ 10 each at a price of ₹ 54 per Equity Share (including share premium of ₹ 44 per share) reserved as Market Maker Portion	14.20	76.68
	Net Issue to Public of 26,34,000 Equity Shares of ₹ 10 each at a price of ₹ 54 (including share premium of ₹ 44 per share) per Equity Share to the Public	263.40	1422.36
	<i>Of which:</i>		
	13,18,000 Equity Shares of ₹ 10 each at a price of ₹ 54 per Equity Share (including share premium of ₹ 44 per share) will be available for allocation for Investors of up to ₹ 2.00 lacs	131.80	711.72
	13,16,000 Equity Shares of ₹ 10 each at a price of ₹ 54 per Equity Share (including share premium of ₹ 44 per share) will be available for allocation for Investors of above ₹ 2.00 lacs	131.60	710.64
D	Equity Share Capital after the Issue		
	1,02,16,720 Equity Shares of ₹ 10 each	1021.67	
E	Securities Premium Account		
	Before the Issue	25.00	
	After the Issue	1221.44	

* The present Issue has been authorized pursuant to a resolution of our Board dated October 01, 2014 and by Special Resolution passed under Section 62(1C) of the Companies Act, 2013 at an Extra-Ordinary General Meeting of our shareholders held with a shorter notice on October 07, 2014.

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

Classes of Shares

As on date, the Company has only one class of share capital i.e. Equity Shares of ₹ 10 each.

Changes in Authorized Share Capital

- (i) The initial authorised share capital of ₹ 25,00,000 divided into 25,000 Equity Shares of ₹ 100 each was increased to ₹ 50,00,000 divided into 50,000 Equity Shares of ₹ 100 each pursuant to a resolution of our shareholders dated March 28, 2007.
- (ii) The authorised share capital of ₹ 50,00,000 divided into 50,000 Equity Shares of ₹ 100 each was increased to ₹ 6,00,00,000 divided into 6,00,000 Equity Shares of ₹ 100 each pursuant to a resolution of our shareholders dated March 18, 2011.

- (iii) The authorised share capital of ₹ 6,00,00,000 divided into 6,00,000 Equity Shares of ₹ 100 each was increased to ₹ 10,00,00,000 divided into 7,00,000 Equity Shares of ₹ 100 each and 3,00,000 Preference Shares of ₹ 100 each pursuant to a resolution of our shareholders dated August 31, 2013.
- (iv) The authorised share capital of ₹ 10,00,00,000 divided into 7,00,000 Equity Shares of ₹ 100 each and 3,00,000 Preference Shares of ₹ 100 each was converted and sub-divided to ₹ 10,00,00,000 divided into 1,00,00,000 Equity Shares of ₹ 10 each pursuant to a resolution of our shareholders dated September 11, 2014.
- (v) The authorised share capital of ₹ 10,00,00,000 divided into 1,00,00,000 Equity Shares of ₹ 10 each was increased to ₹ 12,00,00,000 divided into 1,20,00,000 Equity Shares of ₹ 10 each pursuant to a resolution of our shareholders dated September 11, 2014.

Notes to the Capital Structure

1. Share Capital History of our Company:

a) Equity Share Capital

Our Company has made allotments of Equity Shares from time to time. The following is the Equity Share Capital Build-up of our Company:

Date of Allotment of Equity Shares	No. of Equity Shares	Face Value (₹)	Issue Price (₹)	Nature / Reason of Allotment	Nature of Consideration	Cumulative No. of Equity Shares	Cumulative Paid Up Share Capital (₹)	Cumulative Share Premium (₹)	
On Incorporation	25,000	100	100	Subscription to MoA	Cash	25,000	25,00,000	Nil	
March 29, 2007	12,500	100	100	Further Allotment	Cash	37,500	37,50,000	Nil	
June 30, 2007	9,800	100	500	Further Allotment	Cash	47,300	47,30,000	39,20,000	
April 02, 2011	2,83,800	100	0	Bonus Allotment ⁽¹⁾	Other than Cash	3,31,100	3,31,10,000	Nil	
June 01, 2011	1,75,380	100	100	Further Allotment	Other than Cash (Acquired property assets)	5,06,480	5,06,48,000	Nil	
March 26, 2012	25,000	100	200	Further Allotment	Cash	5,31,480	5,31,48,000	25,00,000	
September 11, 2014	Sub Division of the Face Value of the Equity Shares from ₹ 100 to ₹ 10 each						53,14,800	5,31,48,000	25,00,000
September 11, 2014	21,25,920	10	0	Bonus Allotment ⁽²⁾	Other than Cash	74,40,720	7,44,07,200	25,00,000	

⁽¹⁾ Bonus Equity Shares have been issued in the ratio of 6:1 to each shareholder, by capitalization of Share Premium and Profit & Loss Account. M/s R. S. Kalra and Associates, Chartered Accountants, vide certificate dated February 24, 2015, have confirmed that all the applicable provisions of the Companies Act, 1956 and the rules made thereunder, pertaining to the issue of bonus shares have been complied with.

⁽²⁾ Bonus Equity Shares have been issued in the ratio of 2:5 to each shareholder, by capitalization of Profit & Loss Account. M/s R. S. Kalra and Associates, Chartered Accountants, vide certificate dated February 24, 2015, have confirmed that all the applicable provisions of the Companies Act, 2013 and the rules made thereunder, pertaining to the issue of bonus shares have been complied with.

b) Shares allotted for consideration other than cash

The following shares were allotted for consideration other than cash:

Date of Allotment of Equity Shares	Number of Equity Shares Allotted	Face Value (₹)	Issue Price (₹)	Reasons	Benefits accrued to the Company
April 02, 2011	2,83,800	100	0	Bonus Issue in the ratio 6:1	Expansion of capital
June 01, 2011	1,75,380	100	100	Shareholder offered property to the Company instead of cash	Property acquired by the Company from the shareholder
September 11, 2014	21,25,920	10	0	Bonus Issue in the ratio 2:5	Expansion of capital

Except for what has been stated above, our Company has not issued any Equity Share for consideration other than cash.

- c) No shares have been allotted in terms of any scheme approved under sections 391-394 of the Companies Act, 1956.
- d) No bonus shares have been issued out of Revaluation Reserves.
- e) Except as stated below, no shares have been issued at a price lower than the Issue Price within the last one year from the date of this Draft Prospectus:

Date of Allotment	Name of the Allottee	Number of Shares	Face Value (₹)	Issue Price (₹)	Reasons
September 11, 2014	Allotted to all the Shareholders of the Company as on the date of allotment	21,25,920	10	-	Bonus Allotment

f) Shareholding of our Promoters

Set forth below are the details of the build-up of shareholding of our Promoters:

Date of Allotment of Equity Shares / Transfer	Nature of Transaction	Consideration	No. of Shares	Face Value (₹)	Issue Price (₹)	Cumulative no. of Equity shares	% of Pre-Issue Paid Up Capital	% of Post-Issue Paid Up Capital	
Mr. Sukhdev Singh									
May 27, 2005	Subscription to MOA	Cash	12,500	100	100	12,500	1.68%	1.22%	
July 01, 2005	Transfer	Cash	(12,500)	100	100	0	0.00%	0.00%	
March 29, 2007	Further Allotment	Cash	12,500	100	100	12,500	1.68%	1.22%	
April 02, 2011	Bonus Allotment	Other than Cash	75,000	100	0	87,500	11.76%	8.56%	
June 01, 2011	Further Allotment	Other than Cash	1,75,380	100	100	2,62,880	35.33%	25.73%	
March 01, 2013	Transfer	Cash	25,000	100	112	2,87,880	38.69%	28.17%	
September 11, 2014	Sub Division of the Face Value of the Equity Shares from ₹ 100 to ₹ 10 each						28,78,800	38.69%	28.17
September 11, 2014	Bonus Allotment	Other than Cash	11,51,520	10	0	40,30,320	54.17%	39.44%	
Ms. Salwinderjit Kaur									
July 01, 2005	Transfer	Cash	12,500	100	100	12,500	1.68%	1.22%	
April 02, 2011	Bonus Allotment	Other than Cash	75,000	100	0	87,500	11.76%	8.56%	
September 11, 2014	Sub Division of the Face Value of the Equity Shares from ₹ 100 to ₹ 10 each						8,75,000	11.76%	8.56%
September 11, 2014	Bonus Allotment	Other than Cash	3,50,000	10	0	12,25,000	16.46%	11.99%	

Notes:

- None of the shares belonging to our Promoters have been pledged till date.

- *The entire Promoters' shares shall be subject to lock-in from the date of listing of the equity shares issued through this Prospectus for periods as per applicable Regulations of the SEBI (ICDR) Regulations. For details please see Note no. 2 of "Capital Structure" on page 43 of this Prospectus.*
 - *Our Promoters have confirmed to the Company and the LM that the Equity Shares held by our Promoters have been financed from their personal funds or its internal accruals, as the case may be, and no loans or financial assistance from any bank or financial institution has been availed by them for this purpose.*
- g) None of the members of the Promoter Group, Directors and their immediate relatives have entered into any transactions in the Equity shares of our Company within the last six months from the date of this Prospectus, except as disclosed above in Note 1(f).
- h) None of the members of the Promoter Group, Directors and their immediate relatives have financed the purchase by any other person of Equity shares of our Company other than in the normal course of business of the financing entity within the period of six months immediately preceding the date of this Prospectus.

2. Promoters' Contribution and other Lock-In details:

a) Details of Promoters' Contribution locked-in for 3 years

Pursuant to the Regulation 32(1) and 36(a) of the SEBI (ICDR) Regulations, an aggregate of 20% of the Post-Issue Equity Share Capital held by our Promoters shall be considered as promoters' contribution ("**Promoters' Contribution**") and locked-in for a period of three years 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.

The details of the Promoter's Equity Shares proposed to be locked-in for a period of three years are as follows:

Name of Promoter	No. of Shares locked in	As a % of Post Issue Share Capital
Sukhdev Singh	20,73,995	20.30%
Total	20,73,995	20.30%

For details on the date of Allotment of the above Equity Shares, the nature of Allotment, face value and the price at which they were acquired by Mr. Sukhdev Singh, please see Note 1(f) under "Notes to Capital Structure" beginning on page 41 of this Prospectus.

We confirm that the minimum Promoter contribution of 20% as shown above which is subject to lock-in for three years does not consist of:

- Equity Shares acquired during the preceding three years for consideration other than cash and out of revaluation of assets or capitalization of intangible assets or bonus shares out of revaluation reserves or reserves without accrual of cash resources.
- Equity Shares acquired, except the bonus shares issued, by the Promoters during the preceding one year, at a price lower than the price at which Equity Shares are being offered to public in the Issue.
- Private placement made by solicitation of subscription from unrelated persons either directly or through any intermediary.
- The Equity Shares held by the Promoters and offered for minimum 20% Promoters' Contribution are not subject to any pledge.
- Equity Shares for which specific written consent has not been obtained from the shareholders for inclusion of their subscription in the minimum Promoters' Contribution subject to lock-in.
- Equity shares issued to our Promoters on conversion of Partnership Firms into Limited Companies.

The minimum Promoters' Contribution has been brought to the extent of not less than the specified minimum lot and from the persons defined as Promoters under the SEBI (ICDR) Regulations, 2009. The Promoters' Contribution constituting 20% of the post-Issue capital shall be locked-in for a period of three years from the date of Allotment of the Equity Shares in the Issue.

All Equity Shares, which are to be locked-in, are eligible for computation of Promoters' Contribution, in accordance with the SEBI (ICDR) Regulations, 2009. Accordingly we confirm that the Equity Shares proposed to be included as part of the Promoters' Contribution:

- have not been subject to pledge or any other form of encumbrance; or
- have not been acquired, during preceding three years, for consideration other than cash and revaluation of assets or capitalization of intangible assets is not involved in such transaction;
- is not resulting from a bonus issue by utilization of revaluation reserves or unrealized profits of the Issuer or from bonus issue against Equity Shares which are ineligible for minimum Promoters' Contribution;
- have not been acquired by the Promoters during the period of one year immediately preceding the date of this Prospectus at a price lower than the Issue Price.

The Equity Shares held by our Promoters may be transferred to and among the Promoter Group or to new promoters or persons in control of our Company, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as applicable.

We further confirm that our Promoters' Contribution of 20% of the Post Issue Equity does not include any contribution from Alternative Investment Funds.

b) Details of Shares locked-in for one year:

- Pursuant to Regulation 37 of the SEBI (ICDR) Regulations, in addition to the Promoters' Contribution to be locked-in for a period of 3 years, as specified above, the entire Pre-Issue issue Equity Share capital will be locked in for a period of one (1) year from the date of Allotment in this Issue.
- Pursuant to Regulation 39 of the SEBI Regulations, the Equity Shares held by our Promoters can be pledged only with banks or financial institutions as collateral security for loans granted by such banks or financial institutions for the purpose of financing one or more of the objects of the issue and the pledge of shares is one of the terms of sanction of such loan. However, as on date of this Prospectus, none of the Equity Shares held by our Promoters have been pledged to any person, including banks and financial institutions.
- Pursuant to Regulation 40 of the SEBI (ICDR) Regulations, Equity Shares held by our Promoters, which are locked in as per Regulation 36 of the SEBI (ICDR) Regulations, may be transferred to and amongst our Promoters/Promoter Group or to a new promoter or persons in control of our Company subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011 as applicable.
- Pursuant to Regulation 40 of the SEBI (ICDR) Regulations, Equity Shares held by shareholders other than our Promoters, which are locked-in as per Regulation 37 of the SEBI (ICDR) Regulations, may be transferred to any other person holding shares, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011 as applicable.

2. Pre-Issue and Post Issue Shareholding of our Promoters and Promoters' Group

Set forth is the shareholding of our Promoters and Promoter Group before and after the proposed issue:

Sr. No.	Name of Shareholder	Pre-Issue		Post-Issue	
		No. of Equity Shares	As a % of Issued Equity	No. of Equity Shares	As a % of Issued Equity
A	Promoters				
1	Sukhdev Singh	40,30,320	54.17%	40,30,320	39.45%
2	Salwinderjit Kaur	12,25,000	16.46%	12,25,000	11.99%
	Total (A)	52,55,320	70.63%	52,55,320	51.44%

Sr. No.	Name of Shareholder	Pre-Issue		Post-Issue	
		No. of Equity Shares	As a % of Issued Equity	No. of Equity Shares	As a % of Issued Equity
B	Promoter Group and relatives				
1	Ranjit Singh	18,13,000	24.37%	18,13,000	17.75%
2	Bikramjit Singh	3,43,000	4.61%	3,43,000	3.36%
	Total (B)	21,56,000	28.98%	21,85,400	21.11%
Grand Total (A+B)		74,11,320	99.61%	74,11,320	72.55%

3. The top ten shareholders of our Company and their Shareholding is as set forth below:

a. The top ten Shareholders of our Company as on the date of this Prospectus are:

Sr. No.	Particulars	No. of Shares	% of Shares to Pre – Issue Share Capital
1	Sukhdev Singh	40,30,320	54.17%
2	Salwinderjit Kaur	12,25,000	16.46%
3	Ranjit Singh	18,13,000	24.37%
4	Bikramjit Singh	3,43,000	4.61%
5	Anuj Bansal	9,800	0.13%
6	Shivani Bansal	9,800	0.13%
7	Jagmohan Kumar	9,800	0.13%
8	-	-	-
9	-	-	-
10	-	-	-
Total		74,40,720	100.00%

b. The top ten Shareholders of our Company ten days prior to date of this Prospectus are:

Sr. No.	Particulars	No. of Shares	% of Shares to Pre – Issue Share Capital
1	Sukhdev Singh	40,30,320	54.17%
2	Salwinderjit Kaur	12,25,000	16.46%
3	Ranjit Singh	18,13,000	24.37%
4	Bikramjit Singh	3,43,000	4.61%
5	Anuj Bansal	9,800	0.13%
6	Shivani Bansal	9,800	0.13%
7	Jagmohan Kumar	9,800	0.13%
8	-	-	-
9	-	-	-
10	-	-	-
Total		74,40,720	100.00%

c. The top ten Shareholders of our Company two years prior to date of this Prospectus are:

Sr. No.	Particulars	No. of Shares	% of Shares Pre-Issue Share Capital
1	Sukhdev Singh	2,62,880	49.46%
2	Ranjit Singh	1,29,500	24.37%

Sr. No.	Particulars	No. of Shares	% of Shares Pre-Issue Share Capital
3	Salwinderjit Kaur	87,500	16.46%
4	Bikramjit Singh	24,500	4.61%
5	Anupam Buildmart Pvt. Ltd.	12,500	2.35%
6	Bell Indus Fibercom Pvt. Ltd.	12,500	2.35%
7	Anuj Bansal	700	0.13%
8	Jagmohan Kumar	700	0.13%
9	Shivani Bansal	700	0.13%
10	-	-	-
Total		5,31,480	100.00%

4. Neither the Company, nor its Promoters, Directors or the Lead Manager have entered into any buyback and/or standby arrangements for purchase of Equity Shares of the Company from any person.
5. None of our Directors or Key Managerial Personnel holds Equity Shares in the Company, except as stated in the chapter titled “*Our Management*” beginning on page 98 of this Prospectus.
6. There have been no purchase or sell of Equity Shares by the Promoters, Promoter Group and the Directors during a period of six months preceding the date on which the Prospectus is filed with the Designated Stock Exchange.
7. Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed under “*Basis of Allotment*” in the chapter titled “*Issue Procedure*” beginning on page 182 of this Prospectus.
8. An investor cannot make an application for more than the number of Equity Shares offered in this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.
9. An over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. 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 the Promoters and subject to lock- in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in. – Not Applicable.

In case of over-subscription in all categories the allocation in the issue shall be as per the requirements of Regulation 43 (4) of SEBI (ICDR) Regulations, 2009 and its amendments from time to time.
10. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be effected in accordance with applicable laws, rules, regulations and guidelines
11. No payment, direct, indirect in the nature of discount, commission, and allowance, or otherwise shall be made either by us or by our Promoters to the persons who receive allotments, if any, in this Issue.
12. As on date of this Prospectus, the entire issued share capital of our Company is fully paid-up. The Equity Shares offered through this Public Issue will be fully paid up.
13. As on date of this Prospectus, there are no outstanding financial instruments or any other rights that would entitle the existing Promoters or shareholders or any other person any option to receive Equity Shares after the Issue.
14. There shall be only one denomination of Equity Shares of our Company unless otherwise permitted by law. Our Company shall comply with disclosure and accounting norms as may be specified by SEBI from time to time.

15. Since the entire application money is being called on application, all successful applications, shall be issued fully paid up shares only. Also, as on the date of this Prospectus the entire pre-issue share capital of the Company has been made fully paid up.
16. Except as disclosed in the Prospectus, our Company presently does not have any intention or proposal to alter its capital structure for a period of six months commencing from the date of opening of this Issue, by way of split / consolidation of the denomination of Equity Shares or further issue of Equity Shares or securities convertible into Equity Shares, whether on a preferential basis or issue of bonuses or rights or further public issue of specified securities or Qualified Institutional Placement.
17. We have not issued any Equity Shares out of revaluation reserves. We have not issued any Equity Shares for consideration other than cash except as stated in this Prospectus.
18. As on date of this Prospectus, there are no outstanding ESOP's, warrants, options or rights to convert debentures, loans or other instruments convertible into the Equity Shares, nor has the company ever allotted any equity shares pursuant to conversion of ESOP's till date.
19. Our Company shall ensure that transactions in the Equity Shares by our Promoters and our Promoter Group between the date of this Prospectus and the Issue Closing Date shall be reported to the Stock Exchange within twenty-four hours of such transaction.
20. The Lead Manager and its associates do not directly or indirectly hold any shares of the Company.
21. Our Company has seven (7) shareholders, as on the date of this Prospectus.
22. Our Company has not revalued its assets since incorporation.
23. Our Company has not made any public issue or rights issue since its incorporation.

24. Shareholding Pattern of the Company

The following is the shareholding pattern of the Company as on the date of this Prospectus:

Category code	Category of Shareholder	No. of Shareholders	Total no. of Shares	Total no. of Shares held in Demat Form	Total shareholding as a % of total no. of shares		Shares pledged or otherwise encumbered	
					As a % of (A+B)	As a % of (A+B+C)	No. of shares	As a % of total no. of shares
(A)	Shareholding of Promoter and Promoter Group							
(1)	Indian						-	-
(a)	Individuals/ Hindu Undivided Family	2	52,55,320	-	70.63%	70.63%	-	-
(b)	Central Government/ State Government(s)	-	-	-	-	-	-	-
(c)	Bodies Corporate	-	-	-	-	-	-	-
(d)	Financial Institutions/ Banks	-	-	-	-	-	-	-
(e)	Any Other (specify)	-	-	-	-	-	-	-
	Sub Total (A)(1)	2	52,55,320	-	70.63%	70.63%	-	-
(2)	Foreign							
(a)	Individuals (Non-Resident Individuals/ Foreign Individuals)	2	21,56,000	-	28.97%	28.97%	-	-
(b)	Bodies Corporate	-	-	-	-	-	-	-
(c)	Institutions	-	-	-	-	-	-	-

Category code	Category of Shareholder	No. of Shareholders	Total no. of Shares	Total no. of Shares held in Demat Form	Total shareholding as a % of total no. of shares		Shares pledged or otherwise encumbered	
					As a % of (A+B)	As a % of (A+B+C)	No. of shares	As a % of total no. of shares
(d)	Qualified Foreign Investor	-	-	-	-	-	-	-
(e)	Any Other (specify)	-	-	-	-	-	-	-
	Sub Total (A)(2)	2	21,56,000	-	28.97%	28.97%	-	-
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	4	74,11,320	-	99.60%	99.60%	-	-
(B)	Public Shareholding							
(1)	Institutions						-	-
(a)	Mutual Funds/ UTI	-	-	-	-	-	-	-
(b)	Financial Institutions/ Banks	-	-	-	-	-	-	-
(c)	Central Government/ State Government(s)	-	-	-	-	-	-	-
(d)	Venture Capital Funds	-	-	-	-	-	-	-
(e)	Insurance Companies	-	-	-	-	-	-	-
(f)	Foreign Institutional Investors	-	-	-	-	-	-	-
(g)	Foreign Venture Capital Investors	-	-	-	-	-	-	-
(h)	Qualified Foreign Investor	-	-	-	-	-	-	-
(i)	Any Other (specify)	-	-	-	-	-	-	-
	Sub-Total (B)(1)	-	-	-	-	-	-	-
(2)	Non-Institutions							
(a)	Bodies Corporate	-	-	-	-	-	-	-
(b)	Individuals							
	(i) Individual shareholders holding nominal share capital upto ₹ 1 Lac	3	29,400	-	0.40%	0.40%	-	-
	(ii) Individual shareholders holding nominal share capital in excess of ₹ 1 Lac	-	-	-	-	-	-	-
(c)	Qualified Foreign Investor	-	-	-	-	-	-	-
(d)	Any Other (specify) – Non-Resident Entities	-	-	-	-	-	-	-
	Sub-Total (B)(2)	3	29,400	-	0.40%	0.40%	-	-
	Total Public Shareholding (B) = (B)(1)+(B)(2)	3	29,400	-	0.40%	0.40%	-	-
	Total (A+B)	7	74,40,720	-	100.00%	100.00%	-	-
(C)	Shares held by Custodians and against which Depository receipts have been issued							
(1)	Promoter and Promoter Group	-	-	-	-	-	-	-
(2)	Public	-	-	-	-	-	-	-
	Grand Total (A+B+C)	7	74,40,720	-	100.00%	100.00%	-	-

Statement showing holding of securities (including shares, warrants, convertible securities) of persons belonging to the category “Promoters and Promoter Group”

Sr. No	Name of the Shareholder	Details of Shares held		Encumbered Shares		Details of Warrants / Convertible Securities		Total Shares	
		No. of shares held	As a % of (A+B+C)	No. of shares	As a % of (A+B+C)	No. of Warrants / Convertible Securities	As a % of (A+B+C)	No. of shares	As a % of (A+B+C)
1	Sukhdev Singh	40,30,320	54.17%	-	-	-	-	40,30,320	54.17%
2	Salwinderjit Kaur	12,25,000	16.46%	-	-	-	-	12,25,000	16.46%
3	Ranjit Singh	18,13,000	24.37%	-	-	-	-	18,13,000	24.37%
4	Bikramjit Singh	3,43,000	4.61%	-	-	-	-	3,43,000	4.61%
	Total	74,11,320	99.61%	-	-	-	-	74,11,320	99.61%

Statement showing details of locked-in shares

Sr. No.	Name of the Shareholder	Number of Locked-in shares	Locked-in Shares as a % of (A+B+C)
1	Nil	Nil	Nil
	Total	Nil	Nil

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SECTION IV – PARTICULARS OF THE ISSUE

OBJECTS OF THE ISSUE

We intend to use the proceeds of the Issue for the following purposes:

1. To part finance the construction of 215 Residential Flats in our on-going Group Housing Project – “Jalandhar Heights” in Punjab
2. Repayment of Loans
3. To meet Issue Expenses

(Collectively referred to hereinafter as the “Objects”)

The other Objects of the Issue also include creating a public trading market for the Equity Shares of our Company by listing them on the SME Platform of BSE. We believe that the listing of our Equity Shares will enhance our visibility and brand name and enable us to avail of future growth opportunities.

The main object clause of Memorandum of Association of our Company enables us to undertake the existing activities and the activities for which the funds are being raised by us through the present Issue. Further, we confirm that the activities which we have been carrying out till date are in accordance with the object clause of our Memorandum of Association.

Fund Requirements and Means of Finance

(₹ in lacs)

Sr. No.	Particulars	Total Fund requirement	Amount to be funded from Issue Proceeds	Amount to be funded from “Other Sources”
1	Project for construction of 215 Residential Flats in our on-going Group Housing Project – “Jalandhar Heights” in Punjab (i.e. Towers J, K, L, M & N)	6234.00	1046.61	5187.39 ⁽¹⁾
2	Repayment of Loans	399.37	399.37	-
3	Issue Expenses	53.06	53.06	-
Total		6686.43	1499.04	5187.39

⁽¹⁾Out of the above mentioned fund requirement of ₹ 5187.39 lacs, we have firm arrangement for more than 75% as explained below:

Particulars	Amount of Firm Arrangements	% of total amount to be funded from “Other Sources”
Project specific Term Loan from Punjab National Bank, Jalandhar ⁽¹⁾	2100.00	40.48%
Advances received from customers ⁽²⁾	2253.26	43.44%
Total	4353.26	83.92%

⁽¹⁾ Based on Term Loan Agreement dated November 15, 2013 from Punjab National Bank

⁽²⁾ Based on certificate dated February 03, 2015 issued by M/s. R. S. Kalra and Associates, Chartered Accountants.

The funds requirement and deployment thereof is based on our internal management estimates and has not been appraised by any bank, financial institution or the Lead Manager to the Issue.

In view of the competitive and dynamic nature of the industry in which we operate, we may have to revise our business plan from time to time and consequently our fund requirement and deployment of funds may also change. This may, at the discretion of our management and subject to compliance with applicable laws and regulations, also result in rescheduling the proposed utilization of Issue Proceeds as disclosed above. In case of any shortfall, our Company intends to bridge the gap from internal accruals / unsecured loans from Promoters. In the event any surplus is left out of the Issue Proceeds after meeting all the aforesaid objectives, such surplus proceedings be used for general corporate purposes including for meeting future growth opportunities.

Details of the Fund Requirements

1) Project for construction of 215 Residential Flats in our on-going Group Housing Project – “Jalandhar Heights” in Punjab (i.e. Towers J, K, L, M & N)

Our flagship project - “Jalandhar Heights” is a Group-Housing Project being developed over land parcels situated at 66’ Road, Village Pholriwal, Near Urban Estate in Jalandhar. For details regarding the various features and specifications of this project, please see “Jalandhar Heights” in “Business Overview” on page 73 of this Prospectus.

“Jalandhar Heights Extn.” includes a approved plan to build a total of 25 towers, comprising of 1109 flats in various tranches over 17 acres of land, of which our company has acquired APRs for approximately 11 acres. Further, the project includes construction and operation of various other value added services around the complex such as Club House, Laundry, Gas-Supply Services etc. We have already delivered nine towers (namely A, B, C, D, E, F, G, H and I) aggregating to 297 flats, which are ready for possession. As on January 31, 2015, around 64% of these flats have been given possession to buyers. This phase of the project has been developed at an aggregate expense of ₹ 10000.00 lacs, which was funded by a combination of Bank Debt and Owned Funds. The project term loans have begun repayment and out of an initial amount of ₹ 1600 lacs, only ₹ 399.37 lacs remaining payable as on February 03, 2015.

We now intend to complete construction of 5 more towers, comprising of 215 flats. We estimate to spend an aggregate of ₹ 6234.00 lacs towards this project. The details of this construction plan are as follows:

Tower No. as per Approved Map	Tower No. given by our Company	Sanctions by JDA		Flat Specification	Saleable Area per Flat (Sq. ft.)	Total Saleable Area (Sq. Ft.)
		Floors	Flats			
Block – VI	J	11	41	4BHK	2,440	1,00,040
Block – XVII	K	11	42	3BHK	1,880	78,960
Block – XVI	L	12	45	3BHK	1,880	84,600
Block – XV	M	12	45	3BHK	1,880	84,600
Block – XIV	N	11	42	3BHK	1,880	78,960
Total		57	215	-	-	4,27,160

The break-up of the estimated cost of this project is summarized below –

Particulars	Amount (₹ in lacs)	Remarks
Land	252.23	Already acquired. Details of the same are disclosed below.
Building and Utilities	5214.52	Based on Estimate vide letter dated April 30, 2013 issued by M/s. Chandehok & Co. (Chartered Engineers) and reviewed by our in-house Project Management Team
Licenses, Approvals, Permits, etc.	100.00	Based on internal management estimates
Bank Interest during construction period	341.00	Based on internal management estimates
Administrative Expenses during construction Period	326.25	Based on internal management estimates
TOTAL	6234.00	

The details of the land acquired for this project by us is disclosed below:

Sr. No.	Title Deed No.*	Dated	Amount (₹ in lacs)
1	9848	02.01.12	7.20
2	8385	21.11.11	1.48
3	10317	17.01.12	2.19
4	9823	30.12.11	19.09
5	8583	28.11.11	1.43

Sr. No.	Title Deed No.*	Dated	Amount (₹ in lacs)
6	13241	27.03.12	10.23
7	4267	14.08.12	0.47
8	901	25.04.11	13.71
9	1209	03.05.11	1.86
10	621	18.04.11	4.21
11	40	04.04.11	8.74
12	3218	09.07.12	3.60
13	2800	26.06.12	2.90
14	2047	01.06.12	16.37
15	4342	26.08.13	32.05
16	15664	27.02.13	126.70
Total			252.23

For further details such as name of sellers, land areas and other particulars w.r.t these lands, please see "Business Overview" beginning on page 73 of this Prospectus.

The means of finance for the above mentioned Project is as set forth below –

Sr. No.	Particulars	Amount (₹ in lacs)
1	Term Loans	2100.00
2	Advances received from customers and Internal Accruals	3087.39*
3	Issue Proceeds	1046.61
Total		6234.00

* Out of ₹ 3087.39 lacs, ₹ 2253.26 lacs has already been received from customers.

The estimated implementation schedule for the above mentioned project is as follows:

S. No.	Details	Proposed schedule
1	Excavation of Land	May 2013
2	Basement footings and beams	September 2013
3	Completion of Civil Work	June 2015
4	Start of wood work, Flooring, Electrification, Sanitary fittings etc.	July 2015
5	Fitting of Lifts, Land-scaping, Painting and other remaining works	July 2015
6	Tentative date of completion of Project	December 2015

Note: The management confirms that the Issue Proceeds shall be utilised within FY 2015-16 itself.

FUNDS DEPLOYED

The details of funds deployed on this project as on February 03, 2015 as certified vide certificate dated February 03, 2015 issued by M/s. R. S. Kalra and Associates, Chartered Accountants is as follows:

Particulars	Fund Deployed (₹ in lacs)
Land	252.23
Building & Utilities	3846.72
Approvals etc.	69.95
Bank Interest during construction period	194.52
Administrative Expenses during construction Period	226.06
TOTAL	4589.48

Based on the above table, we can infer that around 73% of the Project has been completed as on date.

The sources of the funds for the above mentioned deployment as certified vide certificate dated February 03, 2015, issued by M/s. R. S. Kalra and Associates, Chartered Accountants is as follows:

Sr. No.	Particulars	Amount (₹ in lacs)
1	Term Loans	1756.22
2	Advances from Customers	2253.26
3	Funds deployed from internal accruals & unsecured loans	580.00*
Total		4589.48

*Pending the receipt of IPO Proceeds, certain amounts have been deployed for this project from unsecured loans and internal accruals. Upon receipt of the IPO Proceeds, these amounts shall be recouped / repaid.

The details of unsecured loans taken for this project which will be repaid from the IPO Proceeds are as entailed below:

Sr. No.	Name of Lender	Amount of Loan outstanding as on February 03, 2015*	Amount of Loan to be repaid from Issue proceeds
INDIVIDUALS			
1	Darshan Singh	50.17	50.17
2	Rajwinder Kaur	50.17	50.17
3	Vijay Nayyar	15.87	15.87
Sub-Total (A)		116.21	116.21
INTER-CORPORATE DEPOSITS			
4	Acumen CompuSoft Private Limited	26.99	26.99
5	Core Capital Services Limited	31.21	31.21
6	Nicky Printing Press Private Limited	38.35	38.35
7	Satkartar Finlease Private Limited	43.54	43.54
Sub-Total (B)		140.09	140.09
Grand Total		256.30	256.30

*Source: Certificate dated February 03, 2015 issued by M/s. R. S. Kalra and Associates, Chartered Accountants.

The entire amount of ₹ 256.30 lacs shall be repaid within FY 2014-15 itself.

M/s. R. S. Kalra and Associates, Chartered Accountants, have further certified that these loans were utilised towards construction of our on-going Project i.e. construction of 5 towers (i.e. Towers J, K, L, M & N), as part of the "Jalandhar Heights Extn." Project.

2) Repayment of Loans

In December 2011, we had obtained a Term Loan aggregating to ₹ 1600 lacs from Punjab National Bank, for the purpose of construction of towers, as part of our Group Housing Project - "Jalandhar Heights".

M/s. R. S. Kalra and Associates, Chartered Accountants, have vide letter dated February 03, 2015, certified that our Company has utilised the above mentioned Term Loan towards construction of six towers comprising of 154 flats, namely, Towers A, B, C, D, E and F, as part of the "Jalandhar Heights Extn." Project. Further, they have also certified that, as on February 03, 2015, ₹ 399.37 lacs of the Term Loan remains outstanding.

Hence, we propose to utilize an amount aggregating to ₹ 399.37 lacs from the Issue proceeds in order to repay the Term Loan within FY 2014-15 itself, in order to manage our cash flows more efficiently in the future.

Further, we had also incurred certain indebtedness in form of unsecured loans from certain Individuals and Corporates (Inter Corporate Deposits) for construction of our on-going Group Housing Project, which have been detailed above on page 53 of this Prospectus.

3) To meet Issue Expenses

The estimated issue related expenses include, among others, underwriting and selling commissions, printing and distribution expenses, legal fees, advertisement expenses, registrar's fees, depository fees and listing Fees. The total expenses for this Issue are estimated to be approximately ₹ 53.06 lacs, which is 3.54% of the Issue size.

All the Issue related expenses shall be met out of the proceeds of the Issue and the break-up of the same is as follows:

Sr. No.	Particulars	Amount (₹ in lacs)
1	Issue Management fees including fees and reimbursements of Market Making fees, selling commissions, brokerages, and payment to other intermediaries such as Legal Advisors, Registrars and other out of pocket expenses.	37.30
2	Printing & Stationery, Distribution, Postage, etc	3.00
3	Advertisement & Marketing Expenses	3.00
4	Regulatory & other expenses	9.76
Total		53.06

M/s. R. S. Kalra and Associates, Chartered Accountants have vide their certificate dated January 03, 2015 confirmed that an aggregate amount of ₹ 11 lacs has been utilised till January 03, 2015 towards Issue Expenses and that the same was funded from internal accruals. The management confirms that the remainder of the Issue related expenses shall be deployed in FY 2014-15 itself.

Appraisal

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

Monitoring Utilization of Funds

The management of the Company will monitor the utilization of funds raised through this public issue. Pursuant to Clause 52 of the SME Listing Agreement, our Company shall on half-yearly basis disclose to the Audit Committee the Applications of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in this Prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full. The statement will be certified by the Statutory Auditors of our Company.

Interim Use of Proceeds

Our management, in accordance with the policies established by the Board, will have flexibility in deploying the proceeds received from the Issue. Pending utilization of the proceeds of the Issue for the purposes described above, we may invest the funds in highly liquid interest bearing instruments including money market mutual funds, deposits with banks and other investment grade interest bearing securities as may be approved by the Board. Such investments would be in accordance with the investment policies approved by our Board from time to time and at the prevailing commercial rates at the time of investment. No part of the Issue proceeds will be paid to our Promoters, Directors, key management personnel or Promoter Group Company/entity. Further, we confirm that no part of the issue proceeds shall be used to purchase or trade in the equity shares of our company.



BASIC TERMS OF ISSUE

Terms of the Issue

The Equity Shares, now being offered, are subject to the terms and conditions of this Prospectus, the Application form, the Memorandum and Articles of Association of our Company, the guidelines for listing of securities issued by the Government of India and SEBI (ICDR) Regulations, 2009, the Depositories Act, BSE, RBI, RoC and / or other authorities as in force on the date of the Issue and to the extent applicable.

In addition, the Equity Shares shall also be subject to such other conditions as may be incorporated in the Share Certificates, as per the SEBI (ICDR) Regulations, 2009 notifications and other regulations for the issue of capital and listing of securities laid down from time to time by the Government of India and/or other authorities and other documents that may be executed in respect of the Equity Shares.

Authority for the Issue:

The present issue has been authorized pursuant to a resolution of our Board dated October 01, 2014 and by Special Resolution passed under Section 62(1C) of the Companies Act, 2013 at an Extra-Ordinary General Meeting of our shareholders held with a shorter notice on October 07, 2014.

Other Details

Face Value	The Equity Shares having a face value of ₹ 10 each are being offered in terms of this Prospectus. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.
Issue Price	The Equity Shares pursuant to this Prospectus are being offered at a price of ₹ 54 (including share premium of ₹ 44) each.
Market Lot and Trading Lot	The Market lot and Trading lot for the Equity Share is 2,000 (Two Thousand) and in multiples of 2,000 thereafter; subject to a minimum allotment of 2,000 Equity Shares to the successful applicants.
Terms of Payment	Applications should be for a minimum of 2,000 equity shares and 2,000 equity shares thereafter. The entire price of the equity shares of ₹ 54 per share (₹ 10 face value + ₹ 44 premium) is payable on application. In case of allotment of lesser number of equity shares than the number applied, the excess amount paid on application shall be refunded by us to the applicants.
Ranking of the Equity Shares	The Equity Shares shall be subject to the Memorandum and Articles of Association of the Company and shall rank <i>pari-passu</i> in all respects including dividends with the existing Equity Shares of the Company. The allottees will be entitled to dividend, voting rights or any other corporate benefits, if any, declared by us after the date of Allotment.

Minimum Subscription

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten.

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 40 of the Companies Act, 2013.



BASIS FOR ISSUE PRICE

The Issue Price has been determined by our Company in consultation with the Lead Manager on the basis of the key business strengths. The face value of the Equity Shares is ₹ 10 and Issue Price is ₹ 54 per Equity Share (including share premium of ₹ 44 per share) and is 5.4 times of the face value. Investors should read the following basis with the sections titled “Risk Factors” and “Financial Information” and the chapter titled “Business Overview” beginning on pages 9, 116 and 73 respectively, of this Prospectus to get a more informed view before making any investment decisions. The trading price of the Equity Shares of our Company could decline due to these risk factors and you may lose all or part of your investments.

Qualitative Factors

We believe that the following strengths help differentiate us from our competitors and enable us to compete successfully in our industry:

- ✓ An established Brand name and execution track record
- ✓ Experienced Promoters and efficient Management Team
- ✓ Owned fleet of capital equipment
- ✓ Success of Jalandhar Heights and ability to expand
- ✓ Cordial relationship between Management and Labour

For further details regarding some of the qualitative factors, which form the basis for computing the Issue Price, please see “Business Overview – Our Strengths” on page 73 of this Prospectus.

Quantitative Factors

Information presented in this chapter is derived from our restated financial statements prepared in accordance with Indian GAAP.

1) Earnings per Share (EPS)

Year ended	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
March 31, 2014	3.68	3.68	3
March 31, 2013	2.76	2.76	2
March 31, 2012	0.04	0.04	1
Weighted Average	2.77	2.77	

Basic and Diluted EPS for the six months period ended September 30, 2014 was ₹ 2.16.

Notes:

- a. Basic EPS has been calculated as per the following formula:
(Net profit/ (loss) as restated, attributable to Equity Shareholders)/ (Weighted average number of Equity Shares outstanding during the year/period)
- b. Diluted EPS has been calculated as per the following formula:
(Net profit/ (loss) as restated, attributable to Equity Shareholders) / (Diluted weighted average number of Equity Shares outstanding during the year/period)
- c. Earnings per share calculations are in accordance with Accounting Standard 20 “Earnings per Share” prescribed by the Companies (Accounting Standard) Rules, 2006
- d. The face value of each Equity Share is ₹ 10.

2) Price Earnings Ratio (P/E) in relation to the Issue price of ₹ 54 per share of ₹ 10 each (including share premium of ₹ 44 per share)

Particulars	P/E Ratios
P/E ratio based on basic and diluted EPS for Fiscal 2014 at the Issue Price	14.67
P/E ratio based on Weighted Average EPS for Fiscal 2014 at the Issue Price	19.49
Industry P/E*	
Highest – Ashiana Housing	142.70
Lowest – Zandu Realty	1.80

Industry P/E	23.00
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*Source: Capital Market, Nov 24 – December 07, 2014; Segment: Construction

3) Return on Networth (RoNW)

Year ended March 31	RoNW (%)	Weight
2014	25.74%	3
2013	23.32%	2
2012	0.29%	1
Weighted Average	20.69%	

RoNW for the six months period ended September 30, 2014 was 13.12%.

Note: Return on Net worth has been calculated as per the following formula:

Net profit/loss after tax, as restated / Net worth excluding preference share capital and revaluation reserve

4) Minimum Return on Net Worth after Issue needed to maintain the Pre-Issue Basic and Diluted EPS for the year ended March 31, 2014 (based on Restated Financials) at the Issue Price of ₹ 54 (including share premium of ₹ 44 per share) is 13.61%.

5) Net Asset Value (NAV)

Particulars	NAV (in ₹)
NAV as at September 30, 2014	16.46
NAV as at March 31, 2014	20.03
Issue Price	54.00
NAV after the Issue	26.66

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

Net worth excluding preference share capital and revaluation reserve / Weighted average number of Equity shares outstanding during the year/ period.

6) Comparison with Industry peers

Particulars	F.Y. 2013-2014					Source
	Face Value (₹)	Basic EPS (₹)	P/E Ratio	RONW (%)	NAV (₹)	
Arihant Superstructures Ltd.	10	0.68	47.65 ⁽¹⁾	4.25%	15.97	Respective Company's Annual Reports
Bhanderi Infracon Ltd.	10	2.39	50.21 ⁽²⁾	5.04%	43.47	
Marathon Next Gen Ltd.	10	19.25	6.42 ⁽¹⁾	7.06%	272.52	
Samruddhi Realty Ltd.	10	4.17	9.59 ⁽¹⁾	24.59%	15.57	
Sunstar Realty Development Ltd.	10	0.32	573.28 ⁽¹⁾	1.51%	18.63	
AGI Infra Ltd.	10	3.68	14.67	25.74%	20.03	Restated Financials

⁽¹⁾ Closing price of the stock as on March 31, 2014 or the preceding day when the stock was traded has been taken for calculation purpose.

⁽²⁾ Closing price of the stock as on August 08, 2014 has been taken for calculation purpose since the stock was listed on that day.

7) The Company in consultation with the Lead Manager believes that the issue price of ₹ 54 per share (including share premium of ₹ 44 per share) for the Public Issue is justified in view of the above parameters. The investors may also want to peruse the Risk Factors and Financials of the company including important profitability and return ratios, as set out in the Financial Statements included in this Prospectus to have more informed view about the investment proposition. The Face Value of the Equity Shares is ₹ 10 per share and the Issue Price is 5.4 times of the face value i.e. ₹ 54 per share (including share premium of ₹ 44 per share).

STATEMENT OF POSSIBLE TAX BENEFITS

To,
The Board of Directors,
AGI INFRA LIMITED
Jalandhar Heights,
66 Ft. Road, Village Pholriwal,
Near Urban Estate, Phase-II,
Jalandhar-144001

Dear Sir,

Initial Public Offer of Equity Shares

Tax Benefits

We refer to the proposed Initial Public Offer of AGI INFRA LIMITED (“the Company”) and give below the current position of tax benefits available to the Company and to its shareholders as per the provisions of the Income –Tax Act, 1961, Wealth- Tax Act, 1957 and the Gift Tax Act, 1958 for inclusion in Offer document for the proposed initial public issue.

The Benefits discussed in the statement are not exclusive. The current position of tax benefits available to the Company and to its Shareholders is provided for general information only. In view of the individual nature of tax benefits, each investor is advised to consult its own tax consultant with respect to the specific tax implications arising out of its participation in the issue.

Unless otherwise specified, sections referred to below are section of the Income Tax Act, 1961 (the “Act”). All the provisions set out below are subject to conditions specified in the respective section for the applicable period.

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

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

The contents of the enclosed annexure are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

No assurance is given that the revenue authorities/ Courts will concur with the view expressed herein. Our views are based on existing provisions of law and its implementation, which are subject to change from time to time. We do not assume any responsibility to updates the views consequent to such changes. We shall not be liable to the Company for any claims, liabilities or expenses relating to this assignment extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We are not liable to any other person in respect of this statement.

This certificate is provided solely for the purpose of assisting the addressee Company in discharging its responsibility under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.

FOR R.S KALRA & ASSOCIATES
CHARTERED ACCOUNTANTS

R.S KALRA (F.C.A)
MEM NO. 086488
FRN: 007744N
JALANDHAR

SPECIAL SPECIFIC TAX BENEFITS OF THE COMPANY

There are no special specific tax benefits available to the Company.

I. GENERAL TAX BENEFITS TO THE COMPANY (Under Income Tax Act)

1. In accordance with section 10(34), dividend income (referred to in section 115-O) will be exempt from tax.
2. In accordance with section 32(1), the Company can claim depreciation on specified tangible assets (being Building, Plant and Machinery, Furniture, Computer and vehicles) and intangible assets (being Knowhow, Copyrights, Patents, Trademarks, Licenses, Franchise or any other business or commercial rights of similar nature acquired on and after 1st April, 1998) owned by it and used for the purpose of its business. In case of any new plant and machinery (other than ships and aircraft) that will be acquired and installed by the Company engaged in the business of manufacturing or production of any article or things, the Company will be entitled to further sum equal to twenty per cent of the actual cost of such machinery or plant in the year of acquisition and installment subject to conditions in section 32(1) (ia) of the Act.
3. In case of loss under the head “Profit and Gains from Business or Profession”, it can be set-off with incomes of all heads except salary head and the excess loss after set-off can be carried forward for set-off with the business income of the next eight Assessment Years. The Following expenditure can be carried forwarded for unlimited life of the business of the Company
 - a) Unabsorbed depreciation
 - b) Unabsorbed capital expenditure on scientific research
 - c) Unabsorbed expenditure on Family planning expenses.
4. If the Company invest in the equity shares of another Company or in the unit of an equity oriented fund, as per the provisions of Section 10(38), any income arising from the transfer of long term capital assets being an equity share in the Company is not includible in the total income if the transaction is chargeable to securities transaction tax. However, when the Company is liable to tax on book profits under section 115JB of the Act, the said income is required to be included in book profits and taken into account in computing the book profit tax payable under section 115JB.
5. Income received in respect of the units of mutual fund specified under clause 10(23D) or income received in respect of units from administrators of the specified undertaking or income received in respect of units from the specified Company is exempted from tax in the hands of the Company, under section 10(35) of I.T. Act.
6. In accordance with section 112, the tax on capital gains or transfer of listed shares, where the transaction is not chargeable to securities transaction tax, held as long term capital assets will be the lower of:
 - 20 percent (plus applicable surcharge and “Education Cess”) of the capital gains as computed after indexation of the cost; or
 - 10 percent (plus applicable surcharge and “Education Cess”) of the capital gains as computed without indexation of the cost.
7. In accordance with Section 111A capital gains arising from the transfer of short term asset being an equity shares of the Company and such transaction is chargeable to securities transaction tax, the tax payable on the total income shall be aggregate of (i) the amount of income tax calculated on such terms capital gains at the rate of 15 percent (plus applicable surcharge and “Education Cess”) and (ii) the amount of income tax payable on balance amount of the total income as if such balance amount were the total income.
8. In accordance with section 35 D, the Company is eligible for deduction in respect of specified preliminary expenditure incurred by the Company in connection with the present issue such as underwriting commission, brokerage, and other expenses or extension of its undertaking or in connection with setting up a new unit for an amount equal to 1/5th of such expenses for each of the five successive previous years beginning with the previous year in which the extension of the undertaking is completed or the new unit commences production or operation, subject to conditions and limits specified in that section.
9. In accordance with section 35DDA, the company is eligible for deduction in respect of payments made to its employees in connection with their voluntary retirement for an amount equal to 1/5th of the amount so paid for that

previous year, and the balance in four equal installments for each of the succeeding previous years subject to conditions specified in that section.

10. In accordance with section 35, the Company is eligible for-

- Deduction in respect of any expenditure (not being in the nature of capital expenditure) on scientific research related to the business subject to conditions specified in that section.
- As per section 35(2AA) a deduction of 200% shall be allowed as a deduction of the sum paid by the Company, to a National Laboratory or a University or an Indian Institute of Technology or a specified person as specified in this section with a specific direction that the sum shall be used for scientific research undertaken under a programme approved in this behalf by the specified authority subject to condition specified in that section.

11. In accordance with section 80-IA, the Company can claim, subject to fulfillment of certain conditions, deduction of an amount equal to hundred percent of the profits and gains derived from the business of development of infrastructure facilities including construction of roads, bridges, rail systems, highways, irrigation projects, ports etc, for Ten consecutive assessment years out of fifteen years beginning from the year in which company develops and begins to operate such facility.

12. The amount of tax paid under section 115JB by the Company for any assessment year beginning on or after April 1, 2006 will be available as credit for ten years succeeding the assessment year in which MAT credit becomes allowable in accordance with the provision of section 115JAA of the ACT.

13. As per the provision of section 80G of the Act, the deduction will be available in the respect of donations to various charitable institutions and funds covered under that section, subject to fulfillment of the conditions specified therein.

14. Under section 36(1) (xv) of the Act, the Securities Transaction Tax paid by the Company in respect of the transactions, the income whereof is chargeable as Business Income will be allowable as deduction against such income.

II. SECTION 115-O

- Tax on distributed profits of domestic companies.
- Any amount declared, distributed or paid by the Company by way of dividend shall be charged to additional income tax at the rate of 15% plus applicable surcharge and education cess.

III. TAX RATE

- The tax rate is 30%
- The surcharge on income tax is @ 5% if taxable income exceeds ₹ 1 Crore but upto ₹ 10 Crore, or @ 10% if the taxable income exceeds 10 crore, Education Cess is @ 3% on income tax (including surcharge)

SPECIAL TAX BENEFITS TO THE SHARE HOLDERS OF THE COMPANY

Nil

GENERAL TAX BENEFITS TO THE SHAREHOLDERS OF THE COMPANY

I. Under the Income Tax Act

A. Resident

- 1) In accordance with section 10(34), dividend income declared, distributed or paid by the company (referred to in section 115-O) on or April 1, 2003 will be exempt from tax in the hands of the shareholders.
- 2) Share of the company held as capital asset for a period of more than twelve months preceding the date of transfer will be treated as a long term capital asset.
- 3) In accordance with section 10(38), any income arising from the transfer of a long term capital asset being an equity share in a company is not includible in the total income if the transaction is chargeable to securities transaction tax.

- 4) As per provision of section 71, if there is a loss under the head “Capital Gain” , it cannot be set-off with inter heads of income tax. Section 74 provides that the short term capital loss can be set-off against short-term capital gain as well as long term capital gain. But long term capital loss cannot be set-off against short term capital gain.
- 5) In accordance with section 112, the tax on capital gains on transfer of listed shares, where the transaction is not chargeable to securities transaction tax, held as long term capital assets will be the lower of:
 - (a) 20 percent (plus applicable surcharge and “Education Cess”) of the capital gains as computed after indexation of the cost; or
 - (b) 10 percent (plus applicable surcharge and “Education Cess”) of the capital gains as computed without indexation.
- 6) In accordance with section 111a capital gains arising from the transfer of a short term asset being an equity share in a company and such transaction is chargeable to securities transaction tax, the tax payable on the total income shall be the aggregate of (i) the amount of income tax calculated on such short term capital gain at the rate of 15 percent (plus application surcharge and “Education Cess”) and (ii) the amount of income tax payable on the balance amount of the total income as if such balance amount were the total income.
- 7) In accordance with section 54EC , long term capital gains arising on transfer of the company on which securities transaction tax is not payable , shall be exempt from tax if the gains are invested within six months from the date of transfer in the purchase of a long term specified asset. The long term specified asset notified for the purpose of investment means notified bonds of Rural Electrification Corporation Ltd. (REC) and National Highway Authority of India (NHAI). Notification issued by Government of India specifies that no such bonds will be issued to a person exceeding ₹ 50 Lacs. If only a part of the capital gain is so invested, the exemption would be limited to the amount of the capital gain so invested.

If the specified asset is transferred or converted into money at any time within a period of three years from the date acquisition, the amount of capital gains on which tax was not charged earlier shall be deemed to be income chargeable under the head “capital Gains” of the year in which the specified asset is transferred

- 8) In accordance with section 54F, long-term capital gains arising on the transfer of the shares of the company held by an individual or Hindu Undivided Family on which securities transaction tax is not payable , shall be exempt from capital gains tax if the net consideration is utilized , within a period of one year before , or two years after the date of transfer , in the purchase of a new residential house, or for construction of a residential house within three years

Such benefit will not be available if the individual or Hindu Undivided Family:

- Owns more than one residential house, other than the new residential house, on the date of transfer of the shares; or
- Purchases another residential house within a period of one year from the date of transfer of the shares; or
- Constructs another residential house within a period of three years after the date of transfer of the shares ; and
- The income from which residential house, other than the one residential house owned on the date of transfer of the original asset, is chargeable under the head “Income from house property”.

If only a part of the net consideration is so invested, So much of the capital gains as bears to the whole of the capital gain the same proportion as the cost of the new residential house bears to the net consideration shall be exempt.

If the new residential house is transferred within a period of three years from the date of purchase or construction, the amount of capital gains on which tax was not charged earlier, the residential house is transferred.

- 9) Under section 36(1)(xv) of the act. The securities Transaction Tax paid by the company in respect of the transactions, the income whereof is chargeable as business Income, will be allowable as deduction against such income.

B. Non –Residents

- a. In accordance with section 10(34), dividend income declared, distributed or paid by the company (referred to in 115 – o) will be exempt from tax.

- b. In accordance with section 10 (38), any income arising from the transfer of a long term capital asset being an equity share in a company is not includible in the total income, if the transaction is chargeable to securities transaction tax.
- c. In accordance with section 48, capital gains arising out of transfer of a capital asset being in the company, and such transaction is not chargeable to securities transaction tax, shall be computed by converting the cost of acquisition, expenditure in connection with such transfer and the full value of the consideration received or accruing as a result of the transfer into the same foreign currency as was initially utilized in the purchase of the shares and the capital gains computed in such foreign currency shall be reconverted into Indian currency, such that the aforesaid manner of computation of capital gains shall be applicable in respect of capital gains accruing/arising from every reinvestment their after and sale of shares or debentures of an Indian Company including the company.
- d. In accordance with section 112, the tax on capital gains on transfer of listed shares, where the transaction is not chargeable to securities transaction tax, held as long term capital assets will be at the rate of 20% (plus applicable surcharge and “Education cess”).
- e. In accordance with section 111a capital gains arising from the transfer of a short term asset being an equity share in a company and such transaction is chargeable to securities transaction tax, the tax payable on the total income shall be aggregate of (i) the amount of income – tax calculated on such short term capital gains at the rate of 15 percent (plus applicable surcharge and “Education cess”) and (ii) the amount of income – tax payable on the balance amount of the total income as if such balance amount were the total income.
- f. In accordance with section 54EC , long term capital gains arising on transfer of the shares of the company on which securities transaction tax is not payable, shall be exempt from tax if the gains are invested within six months from the date of transfer in the purchase of a long- term specified asset. The long- term specified asset notified for the purpose of investment is notified bonds of Rural Electrification corporation Ltd (REC) and Nation Highways Authority of India (NHAI). Notification issued by Government of India specifies that no such bonds will be issued to a person exceeding ₹ 50 lacs.

If only a part of the capital gain is so invested, the exemption would be limited to the amount of the capital gain so invested.

If the specified asset is transferred or converted into money at any time with in a period of three years from the date of acquisition, the amount of capital gains on which tax was not charged earlier shall be deemed to be income chargeable under the head “Capital Gains” of the year in which the specified asset is transferred.

- g. In accordance with section 54F, long- term capital gains arising on the transfer of the shares of the company held by an individual or Hindu Undivided Family on which securities transaction tax is not payable, shall be exempt from capital gains tax if the net consideration is utilized, with in a period of one year before, or two year after the date of transfer, in the purchase of a new residential house, or for construction of a residential house within three years. Such benefits will not available if the individual or Hindu Undivided Family –
- Owns more than one residential house, other the new residential house, on the date of transfer of the shares; or
 - Purchases another residential house with in period of one year after the date of transfer of the shares; or
 - Constructs another residential house with in a period of three years after the date of transfer of the shares; and
 - The income from such residential house, other than the one residential house owned on the date of transfer of the original asset, is chargeable under the head “Income from house property”.

If only a part of the net consideration is so invested, so much of the capital gains as bears to the whole of the capital gain the same proportion as the cost of the new residential house bears to the net consideration shall be exempt.

If the new residential house is transferred house with in period of three years from the date of purchase or construction, the amount of capital gains on which tax was not charged earlier, shall be deemed to be income chargeable under the head “Capital Gains” of the year in which the residential house is transferred .

- h. As provisions of section 71 read with section 74 of the Act, short-term capital loss arising during a year is allowed to be set – off against short-term as well as long – term capital gains. Balance loss, if any, shall be carried forward and set –off against any capital gains arising during subsequent eight assessment years.

- i. As per provisions of section 71 read with section 74 of the act, long-term capital loss arising during a year is allowed to be set – off against long-term capital gains. Balance loss, if any, shall be carried forward and set –off against long-term capital gains arising during subsequent eight assessment years.
- j. Under section 36 (1) (xv) of the act, the amount of securities transaction tax paid by an assess in respect of taxable securities transactions offered to tax as “profits and gains of business or profession “shall be allowable as a deduction against such business income.
- k. Under the provisions of section 195 of the Income Tax act , any income (not being an income chargeable under the head ‘Salaries’), payable to non – residents, is subject to withholding tax as per the prescribed rate in force , subject to the tax treaty. Accordingly income tax may have to be deducted at source in the case of a non resident at the rate under the domestic tax laws or under the tax treaty , whichever is beneficial to the assess unless a lower withholding tax certificate is obtained from the tax authorities .
- l. The tax rates and consequent taxation mentioned above will be further subject to any benefits available under the Tax Treaty, if any, between India and the country in which the non – resident has fiscal domicile. As per the provisions of section 90(2) of the act, the provisions of the act would prevail over the provisions of the Tax Treaty to the extent they are more beneficial to the non-resident.

C. Non – Resident Indians

Further, a Non- Resident Indian has the option to be governed by the provisions of chapter xii-A of the Income – tax Act, According to which:

- 1) In accordance with section 115E, Where income includes income from investment or income from long-term capital gains or transfer of assets other than specified asset of the company, Investment Income shall be taxable at the rate of 20% (plus applicable surcharge and “Education Cess”) and income by way of long term capital gains in respect of assets other than a specified asset, shall be chargeable at 10% plus applicable surcharge and “Education Cess”)
- 2) In accordance with section 115F, subject to the conditions and to the extent specified therein, long – term capital gains arising from transfer of shares of the company acquired out of convertible foreign exchange, and on which securities transaction tax is not payable, shall be exempt from capital gains tax if the net consideration is invested within six months of the date of transfer in any specified asset or any saving certificates referred to in clause 4B of section 10 of income tax act, 1961, subject to the conditions specified in that section
- 3) In accordance with section 115G, it is not necessary for a Non – Resident Indian to file a return of income under section 139(1), if his total income consists only of investment income earned on shares of the company acquired out of convertible foreign exchange or/and income by way of long-term capital gains earned on transfer of shares of the company acquired out of convertible foreign exchange, and the tax has been deducted at source from such income under the provisions of chapter xvii – B of the Income Tax Act.
- 4) In accordance with section 115-I, where a Non Resident Indian opts not to be governed by the provisions of chapter XII-A for any assessment year, his total income for that assessment year (including income arising from investment in the company) will be computed and tax will be charged according to other provisions of the Income Tax act.

D. Foreign Institutional Investors (FIIs)

1. In accordance with section 10(34) , dividend income declared ,distributed or paid by the Company (referred to in section 115-O) on or after April 1,2003 will be exempt from tax in the hands of Foreign Institutional Investor (FIIs).
2. As per section 10(38) of the Act ,long term capital gains arising from the transfer of a long term capital asset being an equity share in a Company or a unit of an equity oriented fund , where such transaction is chargeable to securities transaction tax will be exempt.
3. As per provisions of section 115AD of the Act ,income (other than income by way of dividends referred to Section 115 –O) received in respect of securities (other units referred to section 115 AB) is taxable at the rate of 20% (plus applicable surcharge and education cess)

4. As per provisions of section 115AD of the Act read with section 111 A of the Act ,short term capital gains arising from the sale of Equity shares of the company transacted through a recognized stock exchange in India ,where such transaction is chargeable to securities transaction tax, will be taxable at the rate of 15% (plus applicable surcharge and education cess)
5. As per section 115 AD of the Act, FIIs will be taxed on the capital gains that are not exempt under the provisions of section 10(38) of the Act at the following rates :

Nature of Income	Rate of Tax (%)
(a) Long term Capital Gains	10
(b) Short term capital gains (other than referred to in section 111A) *(plus applicable surcharge and education cess)	30

6. In case of long term capital gains (in cases not covered under section 10(38) of the Act), the tax is levied on the capital gains computed without considering the cost indexation and without considering foreign exchange fluctuation.
7. The tax rates and consequent taxation mentioned above will be further subject to any benefits available under the Tax Treaty, if any between India and the country in which the FII has fiscal domicile. As per the provisions of section 90(2) of the Act, the provisions of the Act would prevail over the provisions of the Tax Treaty to the extent they are more beneficial to the FII.
8. Under section 54 EC of the Act and subject to the conditions and to the extent specified therein ,long term capital gains (other than those exempt under section 10(38) of the Act) arising on the transfer of shares of the company would be exempt from tax if such capital gains in invested within six months after the date of such transfer in the bonds (long term specified assets) issued by:
 - I. National Highway Authority of India constituted under section 3 of the National Highway Authority of India Act,1988;
 - II. Rural Electrification Corporation Limited, the company formed and registered under the Companies Act, 1956.

If only part of the capital gains is on reinvested, the exemption available shall be in the same proportion as the cost of long term specified assets bears to the whole of the capital gains. The cost of the long term specified assets, which has been considered under this section for calculating capital gains, shall not be allowed as a deduction from the income tax under section 80C of the Act.

E. Mutual Funds

In accordance with section 10(23D), any income of

- i. A mutual fund registered under the Securities and Exchange Board of India Act 1992 or regulations made there under;
- ii. Such other Mutual fund set up by a public sector bank or a public financial institutions or authorized by the Reserve Bank of India subject to such conditions as the Central government may, by notification in the Official Gazette, specify in this behalf will be exempt for income tax.

F. Venture Capital Companies / Funds

As per the provisions of section 10(23FB) of the Act, any income of Venture Capital Companies / Funds (set up to raise funds for investment in a venture capital undertaking registered and notified in this behalf) registered with the Securities and Exchange Board of India , would be exempt from income tax , subject to the conditions specified therein . However , the exemption is restricted to the Venture Capital Company and Venture Capital fund set up to raise funds for investment in Venture Capital Undertaking , which is engaged in the business as specified under section 10(23FB) (c). However, the income distributed by the Venture Capital Companies / Funds to its investors would be taxable in the hands of the recipients.

II. Under the Wealth Tax and Gift tax Acts

1. “Asset” as defined under – section 2 (ea) of the Wealth –tax Act, 1957 does not include shares in companies and hence, these are not liable to wealth tax.
2. Gift tax is not leviable in respect of any gifts made on or after October 1, 1998 .Therefore, any gift of shares will not be attracted gift tax.

We hereby give our consent to include our above referred opinion regarding the tax benefits available to the Company and to its shareholders in the offer document which the Company intends to submit to the Securities and Exchange Board of India, Mumbai.

**FOR R.S. KALRA & ASSOCIATES
CHARTERED ACCOUNTANTS**

**R.S KALRA (F.C.A)
MEM NO. 086488
FRN: 007744N
JALANDHAR**

Date: December 12, 2014

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SECTION V: ABOUT OUR COMPANY

INDUSTRY OVERVIEW

The information in this chapter has been extracted from the websites of and publicly available documents from various sources. The data may have been re-classified by us for the purpose of presentation. Neither we nor any other person connected with this Issue has independently verified the information provided in this chapter. Industry sources and publications, referred to in this chapter, generally state that the information contained therein has been obtained from sources generally believed to be reliable but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured, and, accordingly, investment decisions should not be based on such information.

Global Economic Overview

Global growth is likely to be in the vicinity of 3½ per cent in 2014, about ½ a percentage point higher than in 2013. The expansion in global output is expected to be led by advanced economies (AEs), especially the US. However, downside risks to growth trajectory arise from ongoing tapering of quantitative easing (QE) in the US, continuing deflation concerns and weak balance sheets in the euro area and inflationary pressures in the emerging market and developing economies (EMDEs). Weakening growth and financial fragilities in China that have arisen from rapid credit in recent years pose a large risk to global trade and growth.

Growth also picked up in the EMDEs during H2 of 2013, but the momentum looks weaker than in the AEs and it faces new risks. Improved EMDE growth emanated largely from external demand on the back of currency depreciation in these countries. Going forward, drag on its sustainability may emerge from tightening monetary and financial conditions that can intensify further in case of a faster-than- anticipated withdrawal of monetary accommodation by the AEs.

Global inflation remains benign with activity levels staying below potential in the AEs as well as in some large EMDEs and a softer bias for global commodity prices continuing into 2014. However, inflation in many EMDEs remains high, though actions in tightening monetary policy and slack in output are expected to help generate some disinflationary momentum. The divergent trends in inflation between AEs and EMDEs pose an added risk to global growth.

After the unexpected May 2013 tapering indication by the US Fed, global financial markets have weathered the initial dose of actual tapering of the quantitative easing quite well. However, the global interest rate cycle has just begun to turn. Moreover, a large part of the withdrawal of monetary accommodation by AEs remains to play out. Consequently, capital flows to EMDEs could remain volatile, even if they do not retrench. Also, with corporate leverage rising in many EMDEs, capital flow volatility could translate into liquidity shocks impacting asset prices.

(Source: Macroeconomic and Monetary Developments 2014-15, issued by RBI on April 01, 2014)

Indian Economy Overview

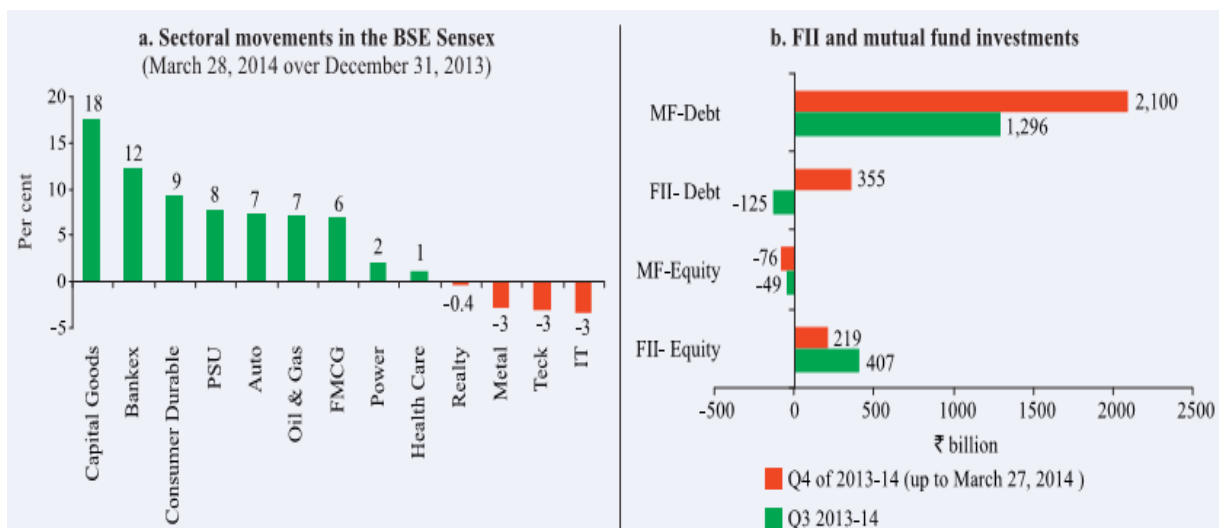
While the global environment remains challenging, policy action in India has rebuilt buffers to cushion it against possible spillovers. These buffers effectively bulwarked the Indian economy against the two recent occasions of spillovers to EMDEs — (i) when the US Fed started the withdrawal of its large scale asset purchase programme and (ii) which followed escalation of the Ukraine crisis. On both these occasions, Indian markets were less volatile than most of its emerging market peers. With the narrowing of the twin deficits – both current account and fiscal – as well as the replenishment of foreign exchange reserves, adjustment of the rupee exchange rate, and more importantly, setting in motion disinflationary impulses, the risks of near-term macro instability have diminished.

The Index of Industrial Production (IIP) showed no increase during April-January 2013-14, compared with 1.0 per cent growth in the corresponding period of the previous year. The Agriculture sector witnessed record production. As per the second advance estimates, the production of rice, wheat, pulses, oilseeds and cotton during 2013-14 have been estimated to be the highest ever. However, the possible effects of El Nino on the monsoon also add an additional element of uncertainty for future harvests. The developments in lead indicators of the services sector activity signal improvement in most segments except cement production and in commercial vehicle sales. The reduction in excise duty on passenger vehicles and two wheelers in the interim budget for 2014-15 is expected to provide some boost to this sector. As per the labour bureau survey, employment generation in eight key sectors that was moderating since January 2012 showed some improvement in July-September 2013 vis-a-vis the previous quarter. Some of the private data sources of employment in the organised sector have also registered uptick in hiring since Q2 of 2013-14. The IT-BPO sector contributed to this improvement along with other sectors such as textiles, telecom, pharmaceuticals as well as

travel/tourism. Corporate investment intentions improved in Q3 of 2013-14 compared to that in the previous quarter as 179 new large projects with an envisaged cost of ₹791 billion received financial assistance during the quarter, compared with 116 projects with an envisaged cost of ₹ 321 billion in Q2.

CPI inflation declined to 8.1 per cent in February 2014 (a 25-month low) from 11.2 per cent in November 2013, mainly due to declining vegetable prices during this three-month period (Chart III.1). Apart from vegetables, CPI inflation in 'cereals and products' posted a significant decline at 9.9 per cent in February 2014 from 12 per cent in November 2013. Food and beverages group, which has an overall weight of 47.6 per cent in CPI Combined, had contributed significantly to overall CPI inflation during April 2012 to December 2013. Inflation in this segment stayed in double digits during this period before declining markedly from 14.7 per cent in November 2013 to 8.6 per cent in February 2014 mainly due to 34.2 per cent fall in the vegetable price index and 3.1 per cent decline in the price of sugar. The y-o-y inflation also eased marginally for transport and communication and housing sub-groups during February 2014, though the index increased on a month-over-month basis. Inflation as per the Wholesale Price Index (WPI) also recorded a significant fall to 4.7 per cent in February 2014 from 7.5 per cent in November 2013.

Driven by expectations of a stable electoral outcome and a multitude of positives, including lower freight numbers, lower inflation, an enthusiastic response to the telecom auction, incentives to certain sectors in the interim budget and a lower reported CAD, equity markets witnessed a modest rally with the BSE Sensex and NSE recording increases of about 6 per cent each during Q4 of 2013-14. Large equity inflows into India in recent weeks provided a boost to the rally. The chart below illustrates the revival of FII inflows sector-wise in Q4 of 2013-14 –



(Source: Macroeconomic and Monetary Developments 2014-15, issued by RBI on April 01, 2014)

External sector risks have been decidedly lowered, allowing monetary policy to focus on its core job of lowering inflation and supporting growth subject to disinflation. CAD in 2013 -14 is expected to be around 2 per cent of GDP. With revival of capital flows and lower CAD, concerns about the financing of latter have eased during H2 of 2013-14.

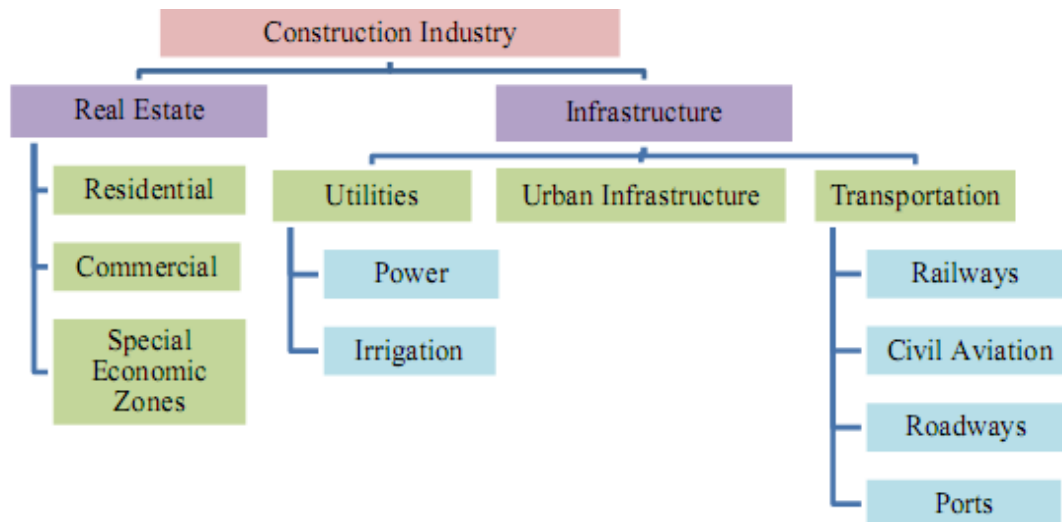
The outlook for the Indian economy has improved over the past two months with cautiously positive business sentiments, improved consumer confidence, expectations of a modest recovery in growth and decline in inflation expectations. A moderate recovery is likely to set in 2014-15 broadly in line with the Reserve Bank's indicated projections in January 2014.

(Source: Macroeconomic and Monetary Developments 2014-15, issued by RBI on April 01, 2014)

Overview of the Construction Sector in India

The Construction Sector in India can be broadly classified into 2 sub-segments:

- 1) Real estate (Residential, Commercial/Corporate, Industrial and Special Economic Zones (SEZs))
- 2) Infrastructure (Transportation, Urban development, Utilities)



Source: IMaCS analysis

The construction industry is the second largest industry in India accounting for 11 per cent of India's GDP. The Indian Construction Industry employs 35 million people and its total market size is estimated at US\$ 126 billion. (Source: Report published by Deloitte – January 2014)

Real Estate Sector in India

The real estate sector is a critical sector of our economy. It is the second-largest employment-generating sector after agriculture. Not only does it generate a high level of direct employment, but it also stimulates the demand in over 250 ancillary industries such as cement, steel, paint, brick, building materials, consumer durables, etc.

Market Size

Recent years have seen the Indian real estate sector grow, especially the commercial real estate segment. According to a study by Knight Frank, Mumbai is the best option in India for commercial real estate investment, with returns of 12-19 per cent likely in the next five years, followed by Bengaluru and Delhi-National Capital Region (NCR), with returns of 12 per cent and 8-11 per cent respectively. Sharp growth in organised retailing is likely to drive demand in the commercial real estate sector. The investments in commercial Construction are expected to grow faster than investments in housing mainly due to the spurt in office space construction driven by IT/ITES industry.

The residential segment of real estate has also seen tremendous growth in recent years owing to the continuous growth in population, migration towards urban areas, ample job opportunities in service sectors, growing income levels, rise in nuclear families and easy availability of finance. In the residential segment, the number of new launches in the first quarter of 2014 has increased by 43 per cent at 55,000 units across eight major cities. Bengaluru recorded the largest number of units launched, an increase of 22 per cent at 16,838 units, followed by Mumbai and Chennai with new launches at 10,698 units and 7,436 units with a growth rate of 93 per cent and 191 per cent respectively, during the first quarter. The middle-class segment's rising purchasing power and propensity to consume is expected to drive and support a robust growth rate of the economy in the coming years. The middle class along with robust macro-economic scenario and changing demographic profiles has a major role to play in the growth and emergence of the Construction industry in India.

In 2012–13, the SEZ sector contributed 29% of India's total exports of approximately US\$ crore) of the total exports of approximately US\$65 billion (INR4 lakh crores). Over the next five years, growth in investments in Indian Industries will be driven by strong capacity additions, led by strong growth in demand and high existing operating rates. Special Economic Zones (SEZs) are expected to be at the forefront of this growth.

With the government allowing 100 percent foreign direct investment (FDI) in this sector, the number of foreign firms owning real estate projects in India has also increased. The construction development sector, including townships, housing, built-up infrastructure and construction-development projects garnered total FDI worth US\$ 23,587.25 million in the period April 2000-June 2014.

(Source: IBEF – August 2014)

Growth Drivers



✓ *Economy Growth –*

- Indian economy is expected to be the fastest growing economy for the next few decades.
- The growth could be primarily driven by infrastructure investments and the rising manufacturing and service sector.
- Within the service sector, the growing IT and banking sectors are expected to significantly add the demand for Commercial Real Estate.

✓ *Policy Support and easier financing –*

- Government has raised the housing loan limit to USD 52,080 for priority sector lending.
- Allocation of USD833 million for Rural Housing Fund in FY13 budget.
- A Mortgage Risk Guarantee fund has been created under the Rajiv Awas Yojana to enhance creditworthiness of economically weaker sections.
- FDI up to 100 per cent is allowed with government permission for developing townships and settlements.
- FDI of up to 100 per cent is allowed in the hotel and tourism sector through the automatic route.

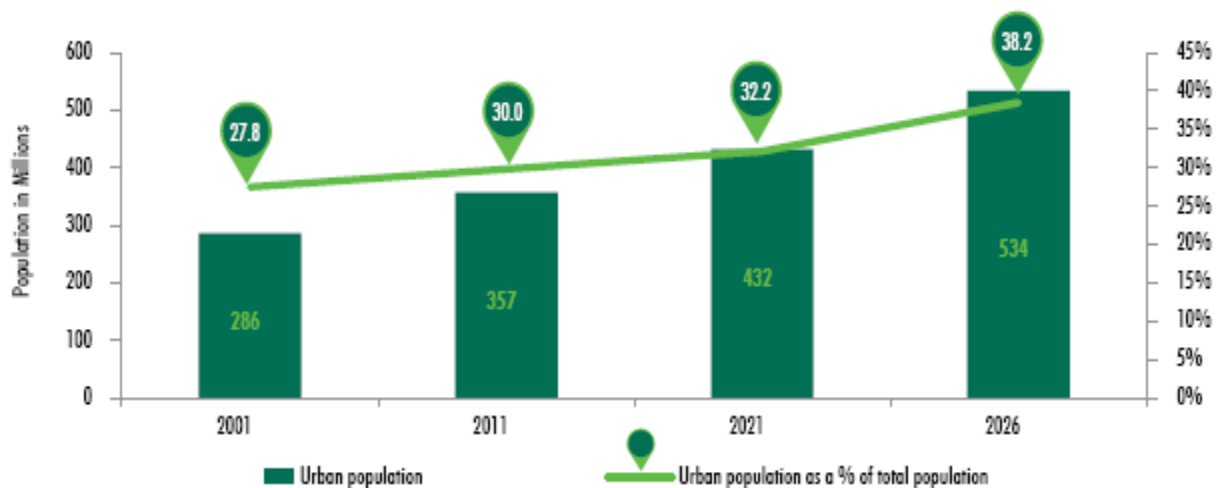
✓ *Growth in tourism –*

- The rising number of foreign tourists arriving in India has been boosting the Hospitality sector.
- The growing inflow from tourists is expected to provide a fillip to the Hospitality sector.

✓ *Urbanisation –*

- About ten million people are moving to Indian cities every year.
- Urban areas are expected to contribute 70-75 per cent to nations GDP by Fiscal 2025.
- About two million houses are required to be developed each year, typically in the affordable segment.

Urbanization to Fuel Housing Demand in Leading Cities



Source: Population Projections for India, 2001-26, Registrar General of India

✓ *Rising income levels –*

- The per-capita income in urban India is expected to triple from USD 2800 in Fiscal 2012 to USD 8300 in Fiscal 2028.
- The rising income supports the growth of retail and residential real estate.

✓ *Younger and smaller families*

- The average household size is expected to decrease from 4.8 currently to just above 4.4.
- The fall in household size is expected to add about demand for 10 million new housing units,
- About 35 per cent of India's population is between 15-35 age bracket which is expected to drive the demand for housing over the next fifteen years.

Investments

With the rise in demand for office as well as residential space, the Indian real estate sector has witnessed high growth in recent times. Some of the major investments in the real estate sector in the recent past are as follows:

- ✓ Piramal Fund Management has launched the Indiareit Apartment Fund which seeks to buy residential apartments in the Tier I market, and has kept aside a corpus of ₹ 350 crore (US\$ 57.86 million) for the same.
- ✓ US-based PE company Blackstone plans to step up its presence in the residential segment and has lined up about ₹ 1,000 crore (US\$ 165.32 million) to invest in residential projects across Indian metros. Its first investment in the residential sector was in the Chennai project of Bengaluru-based Ozone Group.
- ✓ Panchshil Realty and Blackstone have bought a majority stake in Express Towers, for around ₹ 870 crore (US\$ 143.83 million).
- ✓ Mr. Donald Trump plans to extend his company, Trump Organization's global footprint into India and invest in two realty deals. Both the deals involve ultra-premium luxury projects, which will be owned, developed and promoted by local developers.
- ✓ Mahindra Group has entered affordable housing through its property development arm Mahindra Lifespaces (MLDL). MLDL plans to launch two housing projects in Boisar near Mumbai and Avadi in Chennai with the newly created business vertical Happinest.
- ✓ Canada-based Brookfield Property has entered into an agreement to acquire Candor Investments, a subsidiary of Unitech Corporate Park (UCP), for about ₹ 2,000 crore (US\$ 330.66 million).

(Source: IBEF – August 2014)

Challenges

The key challenges that the Indian Real Estate Industry is facing today are –

✓ *Lack of suitable developable land*

Suitable developable land with basic infrastructure has become scarce in Indian cities. This has resulted in significant surge in land prices in the urban areas. However, to address the issue of unavailability of urban land and promote growth of housing stock, several State Governments have introduced land pooling policy.

✓ *Strict and prolonged regulatory process leading to delays*

The process of obtaining construction permit has become difficult over the last several years and is among the major reasons contributing to the delays in real estate development. According to the report of the Committee on SAPREP set up by the Ministry of Housing and Urban Poverty Alleviation, a developer has to follow atleast 34 regulatory processes for obtaining construction permits and it takes an average of 227 days. According to industry associations, the delay in obtaining approvals and adhering to regulatory processes can raise the project cost by 40 per cent of the sales value.

✓ *Land related issues*

Lack of clear land titles and title insurance in India often makes it difficult for developers to acquire suitable land parcels. Absence of clear land titles sometimes result in long-drawn and expensive litigation for developers. Further, there is no single land policy in India and each state has its own policy which adds to the complexity. The property taxes, stamp duty, registration charges, FAR/FSR vary across states in India.

The Indian Government has taken the initiative of digitizing land record to address the issue of land titles. The full digitisation is expected to be completed by 2018. Further, the Government has enacted a new land acquisition policy in Fiscal 2013 termed as Land Acquisition Resettlement and Rehabilitation Act 2013 (LARR) in its bid to improve transparency and fairness in land transactions.

✓ *Shortage of manpower and technology*

Despite being the second largest employer in the country, the construction sector as a whole faces manpower shortage. Further, the sector is heavily dependent on manual labour, faces longer time lines for construction completions, which results in supply getting deferred. Hence, technologically faster and alternative methods of construction need to be adopted on a large scale, giving rise to training and skill development of manpower.

✓ *Inadequate Funding Channels*

Arranging the initial funding can be a great challenge affecting the housing supply to a large extent. The RBI has set threshold for the total maximum exposure to real estate, including individual housing loans and lending to developers for construction finance, for banks at 15 per cent, which is quite low and is curtailing the growth of the sector. Absence of long term funding from banks is forcing developers to look at alternative sources of funds, most of which do not offer affordable interest rates and hence, the supply is being stifled. In the case of individual buyers, the persistently high inflation rates have made them suffer in multiple ways affecting their buying ability. Besides having lesser disposable incomes and savings, they are faced with increasing housing prices, further compounded by the high interest rates on mortgages.

To improve the funding situation in India, the government is planning to relax the FDI norms in the real estate sector in addition to allowing FDI in farm lands. The reforms are expected to be cleared shortly and are expected to significantly ease funding crunch in India. The government has also allowed external commercial borrowing for development of affordable housing stock in the country.

Further, the government is in the process of allowing Real Estate Investment Trusts (REITs) in India. Development of a healthy REIT market could help open up new funding avenues in the real estate sector.

(Source: Report titled “Indian Real Estate – Opening doors” published by KPMG)

Government Initiatives

The Government of India has announced a host of measures to spur the real estate sector -

- ✓ It includes an allocation of ₹ 7,060 crore (US\$ 1.16 billion) for the development of 100 smart cities, a reduction in the size of projects eligible for FDI from 50,000 sq m to 20,000 sq m, and having the minimum investment limit for FDI to US\$ 5 million.
- ✓ A committee on Streamlining Approval Procedure for Real Estate Projects (SAPREP) was constituted by the Ministry of Housing & Urban Poverty Alleviation (MHUPA) to streamline the process of seeking clearances for real estate projects.
- ✓ The governments of different states have also taken various measures to facilitate the growth of this sector. For instance, the Punjab government has proposed to exempt residents having houses with an area of up to 125 square yards from paying the levy and delink tax payment from collector rates. It has also proposed to keep vacant plots out of the ambit of property tax which will be implemented during 2014-15.
- ✓ The Indian Green Building Council (IGBC) has joined hands with the US Green Building Council (USGBC) to strengthen their association for the next 10 years to focus on areas of knowledge exchange and work on the green building movement in India. The USGBC also plans to expand its support for LEED in India.

(Source: IBEF – August 2014)

Road Ahead

Increasing urbanisation, demand for new housing, expanding spread of organised real estate and introduction of new construction technologies are some of the factors that are likely to be a pivot for the growth of real estate construction activity in the country. The annual real estate supply in India is expected to increase from about 3.6 billion sq ft in 2013 to about 8.2 billion sq ft in 2025. Majority of this space is expected to be concentrated in the residential sector, with an underlying thought that a sustained focus would be provided by the government not only towards bridging the existing housing shortage in the country, but also towards developing new housing in the expanding urban limits of our cities (especially the tier II and tier III cities).



Source: CBRE Research, CREDAI

*covers organised office, retail, residential, unorganised residential (urban) only



BUSINESS OVERVIEW

This chapter should be read in conjunction with, and is qualified in its entirety by, the more detailed information about our Company and its financial statements, including the notes thereto, in the sections titled ‘Risk Factors’ and ‘Financial Information’ and the chapter titled ‘Management Discussion and Analysis of Financial Condition and Results of Operations’ beginning on pages 9, 116 and 138 respectively, of this Prospectus.

Unless the context otherwise requires, in relation to business operations, in this chapter of this Prospectus, all references to “we”, “us”, “our” and “our Company” are to AGI Infra Limited, unless stated otherwise.

ABOUT THE AGI GROUP

The AGI Group is a reputed Punjab based group having its presence in the construction industry for more than 14 years. The AGI Group has delivered a number of high-rise buildings in Punjab which includes Residential flats, Hotels, Educational blocks and Auditorium for Universities, Hospitals, Hostels for Medical colleges, Commercial Complex, Police Stations, Schools, Shopping Malls, Auto showroom etc. Our residential portfolio currently covers projects catering to customers across all income groups. We believe that we have established a successful track record in the real estate industry in Punjab by developing versatile projects through our focus on innovative architecture, strong project execution and quality construction.

The AGI Group comprises of three Companies / Entities as illustrated below –



M/s. Aay Jay Builders is a proprietary firm of our Promoter (Mr. Sukhdev Singh) and has a long standing track record of delivering quality infrastructure and construction projects in and around Punjab. Some of the construction projects executed in the last three years are mentioned below –

- 1) Lovely University: Seven educational Blocks having covered area of approximately 10,00,000 sq. ft.
- 2) Punjab Agriculture University: A state of Art Auditorium in Ludhiana, having seating capacity of 1500 persons.
- 3) Saffron Group: A commercial building in Jalandhar, having covered area of 1,25,000 sq. ft.
- 4) Santoor International Public School: A school building in Madhpur, Pathankot, having covered area of 1,00,000 sq. ft.
- 5) M/s MBD Printographics: A Paper Mill in Gagret, Himachal Pradesh
- 6) BBC Heart Care Hospital: A Multispecialty Hospital in Jalandhar, having a capacity of 300 beds.

Another two major constructions that are under progress are –

- 1) Basera Housing Project (a Joint Venture of Central and State Government): A residential project at Rajpura, Patiala, having 144 flats
- 2) Seven Storey building for Hostel at Punjab Medical Institute of Sciences in Jalandhar.

AGI Hospitalities Pvt. Ltd., incorporated in the year 2012, is the Hotels Arm of the group. This company is currently running a Deluxe Hotel, namely, “AGI Inn”, comprising of 16 rooms in Jalandhar. After soft-launching the project in May 2014, the hotel has become fully operational since August 01, 2014. Further, this company is in talks with the “Holiday Inn” Group for setting up another hotel in Jalandhar on Joint Venture basis.

ABOUT OUR COMPANY

We are an integrated construction and real estate development company, focussed primarily on construction and development of commercial / residential projects, in and around Punjab. Our Company was incorporated in the year 2005 as G. I. Builders Private Limited, jointly promoted by Mr. Sukhdev Singh and Mrs. Salwinderjit Kaur, with the vision of providing “premium housing at fair prices”. The name of our Company was changed to AGI Infra Limited in the year 2011.

We have successfully completed a Group Housing Project - “G. I. Apartments” comprising of 78 flats at the Phagwara District, Kapurthala in 2009. In 2011, we launched our flagship Group Housing Project – “Jalandhar Heights”. As part of Jalandhar Heights Extn. Project, we have, as of September 30, 2014, constructed about 6 lacs sq. ft. of Saleable Area, out of which about 3.40 lacs Sq. Ft. saleable area has been delivered, and have further begun construction work for 4.19 lac sq. ft. which we propose to deliver within the next few quarters. Further, we propose to develop an additional 9.72 lac sq. ft. as part of this project once we complete the above. For further details on these projects, please see “*Objects of the Issue*” on page 50 of this Prospectus.

We have an in-house Architectural and Designing Team which co-ordinates the entire process of delivering a project from its conceptualization to completion. While conceptualizing a project, we rely on a research-based approach for layout planning, FSI utilisation, unit size, fittings and interiors, and determining sales and marketing strategies. Depending on the level of competition, regulatory practices and consumer preferences, we alter our development mix and product design to ensure that our products cater to customers across all income groups. We also regularly interact with our customers to receive direct feedback on the quality of our products. We have obtained ISO 9001:2008 Certification for Construction and Development of Residential and Commercial Complexes.

Our Revenues have grown from ₹ 485.55 lacs in fiscal 2010 to ₹ 3,046.21 lacs in fiscal 2014, representing a CAGR of 58.26%. Our earnings before interest, tax, depreciation and amortization have increased from ₹ 122.22 lacs in fiscal 2010 to ₹ 842.45 lacs in fiscal 2014, representing a CAGR of 62.03%. Our profit after tax has significantly increased from ₹ 88.92 lacs in fiscal 2010 to ₹ 274.01 lacs in fiscal 2014, representing a CAGR of 32.49%. For further details pertaining to our financial performance, please see “*Financial Information*” beginning on page 116 of this Prospectus.

Our Strengths

Today’s dynamic markets and technologies have called into question the sustainability of a competitive advantage. We believe that the following competitive advantages of our Company would ensure our survival and help us attain a prominent position in the market:

✓ ***An established Brand name and execution track record***

Having been in the construction industry for more than 14 years, the AGI Group has delivered a wide variety of construction and infrastructure projects in Punjab. The AGI Group has an accredited name and reputation for quality in the construction industry. It has delivered over 12 projects till date. This past execution track record would assist not only in development and construction efficiency, but also, in the most important process of generating adequate customer advances. For example, having already delivered nine towers (namely A, B, C, D, E, F, G, H and I) comprising of 297 flats on a timely basis, we have already received an aggregate amount of around ₹ 2253.26 lacs from customers for our next phase of delivery (namely Towers, J, K, L, M & N) aggregating to 215 flats. Hence, we believe that having an already established brand name and execution track record provides us with significant competitive advantages.

✓ ***Experienced Promoters and efficient Management Team***

Our Company is managed by a team of professionals led by Mr. Sukhdev Singh who has been associated with the construction industry for more than 14 years. Our Promoter and our Key Managerial Personnel have the requisite educational qualifications and experience to manage the current scale of business as well as the expansion plans for the future. For further details on our Promoter-Directors and our Key Managerial Personnel, please see “*Our Management*” on page 98 of this Prospectus.

Further, we have the key competencies and in-house resources to deliver a project from its conceptualization stage to completion stage. Our present management and architectural teams facilitate efficient operations and ensure consistent quality across all of our projects. Our architectural team designs all our in-house residential projects. Our project management team is involved in gathering relevant market data, assessing the potential of a location after evaluating its demographic trends and identifying relevant government schemes and incentives. Our marketing and sales team is in charge of operations, marketing and sales, business development and strategic planning and has good experience in the industry. We have developed relationships with third-party contractors and suppliers through working on multiple projects, and have experience in working with regulatory authorities. We believe that the familiarity and knowledge we have, of the market and regulatory environment in Punjab, assists us in various aspects of our business such as:

- Identifying developable parcels of land

- Obtaining government and other regulatory approvals
- Anticipating demand on local level
- Creating adequate awareness on a cost effective basis.

Our existing relationships give us leverage to anticipate project requirements and to develop new types of structures.

✓ ***Owned fleet of capital equipment***

Our Company owns a majority of construction equipment and other important machineries, tools and tackles. We have also developed good relations with local equipment contractors and other engineering players in the industry from whom we lease certain key tools and equipments that we don't own. We believe that our pool of owned capital equipments enhance our capability to execute projects with higher operational and financial efficiency. For further details on the capital equipments owned by us, please see "Plant and Machinery" on page 77 of this Prospectus.

✓ ***Success of Jalandhar Heights and ability to expand***

Our flagship Project – "Jalandhar Heights" has become a brand in Jalandhar and commands a good reputation. After receiving an excellent response from customers for the partial completion of the project (i.e. 9 towers comprising of 297 flats), we strategically acquired a total of over 17 acres of land parcels available in this area in order to expand and ride the wave of this project. We believe that the remaining phases of our project, which includes 16 more towers comprising of 812 flats, shall become more easily saleable and enable us to achieve higher prices which will improve our margins going forward.

✓ ***Cordial relationship between Management and Labour***

We enjoy cordial relationships with our employees and there has been no union of employees. Further, there have been no strikes, lock-outs or any labour protest in our organisation since incorporation.

Our Strategies / Future Plans

The key elements of our business strategy include the following:

✓ ***Focus on large scale residential complexes including Group Housing Projects***

As compared to other players in the Industry, we don't believe in launching multiple projects at one time. We focus on construction of quality projects one at a time. We believe in constructing Group Housing Projects in order to derive multiple benefits. For example, the successful launch and partial completion of our flagship project "Jalandhar Heights" has established customer confidence to the extent that we have already received an aggregate amount of around ₹ 2253.26 lacs from customers for our next phase of delivery i.e. 5 towers comprising of 215 flats. Further, construction of large scale residential complexes, allow us to benefit from economies of scale and is one of the contributing factors to the greater credibility that we enjoy with sellers of land as well as buyers of properties. Thus, we are able to ride the wave of a particular project. We believe that the expansion project of "Jalandhar Heights" will enable us to achieve premium prices for the remaining phases that are under construction, thereby improving our margins going forward.

✓ ***Continue as Maintenance Agencies after completion of project***

As compared to most of the builders, whose roles end upon completing a project and handing-over the possession of flats to buyers, we intend to continue as maintenance agencies for the complex in order to derive the twin benefit of maintaining a certain standard of living in the society and also generate revenues from the provision of utilities and facility management services. All other infrastructure apart from residential flats, like laundry facility, fire-fighting system, gas-station, club house, restaurant etc. shall be provided by us, which will enable us to maintain the overall standard of living of the locality and also bring in steady income. Further, our presence as maintenance agencies in the society will give us the leverage to be an integral part in any decision-making processes pertaining to the society in the future, such as FSIs, re-development of the buildings, etc.

✓ ***Maintain low level of Debt and ensure longer term sustainability***

We believe that it is important to reduce overall indebtedness of our company in order to improve our performance. We have already repaid a Term Loan of ₹ 350 lacs that we had incurred from Oriental Bank of Commerce in 2010. Currently we have a total debt of ₹ 2861.71 lacs as on September 30, 2014 as per the restated financial statements. Out

of this, ₹ 399.37 pertain to term Loan taken from PNB which we have decided to repay from this IPO. For further details, please see “*Repayment of Loans*” in the chapter titled “*Objects of the Issue*” beginning on page 50 of this Prospectus. We therefore intend to tap the equity markets in order to remain low debt and help us manage our cash flows more efficiently in the future.

✓ ***Diversify and add sustainable and feasible projects to our Project Pipeline***

In addition to Group Housing Projects, we intend to undertake projects in the commercial space as well. Currently, we are heavily concentrating on the expansion of our flagship project “Jalandhar Heights”. In furtherance of this strategy, we have recently acquired land parcels situated at Garha Road in Jalandhar, aggregating to around 81 Marlas, 139 sq. ft. for construction of a multi-storied business centre “AGI Business Centre”. We believe that expanding the scale of our operations will provide attractive opportunities to grow our business and revenues and reduce our dependence on our current Group Housing Projects.

DETAILS OF OUR BUSINESS OPERATIONS

Location

Our Office is situated at “Jalandhar Heights”, 66ft Road, Village Pholriwal, Near Urban Estate, Phase-II, Jalandhar, Punjab – 144001.

Business Model

The process of real estate development can be divided into distinct stages of activity. These stages are summarized below:



i. Land Acquisition

One of the key factors in land acquisition is the ability to assess the development potential of a location after evaluating the demographic, economic and regulatory factors, along with third-party reports and customer feedback. We rely on the experience and ability of our senior management to identify and evaluate potential locations. We also have a dedicated team of professionals who are continuously seeking to acquire developable land in desirable locations on which to construct projects.

This team closely works with the various property consultants, advisory bodies, local architects and consultants who provide information regarding the availability of land, development restrictions, planned developments and market trends specific to the location. The processes involved in the legal feasibility survey like the examination of copies of the relevant title deeds, the examination of corroborative documents including tax and revenue related documentation, etc. is done through independent lawyers.

Based on this information, a preliminary feasibility proposal is made. Once the title clearance is obtained, based on the feasibility figures, we acquire the land on various terms including but not limited to outright, development rights etc.

ii. Project Execution

We have an integrated in-house project management and execution process team, which focuses on effective supervision of development activities to ensure efficient and timely project execution. The project planning and execution process commences with obtaining the requisite regulatory approvals, environmental clearances and location specific approvals. After a detailed review of the site parameters, we formalize an architectural brief based of the

project concept which is subsequently finalised with selected architects and other external consultants. We closely monitor the development process, construction quality, actual and estimated project costs and construction schedules. We endeavor to maintain high health and safety standards in all our real estate developments.

iii. Sales and Marketing

We maintain a database consisting of our existing customers, referrals and leads that we have generated through various advertising and awareness campaigns. Our direct sales efforts are a combination of telephonic marketing, tours of our model homes, our sales displays at domestic property exhibitions and digital marketing, all of which is handled jointly by the head office and our business representatives. Indirect Marketing through various medias like Print, Web, Out-Door, Electronic Media, etc. are also handled by our internal Marketing and Sales Team.

The sales are done at our Head Office (which is also the Registered Office). Enquiries from customers are also handled and processed at our Head Office.

iv. Project Completion

Our client service team provides comprehensive assistance beginning from the booking process through to the project's completion. The buyers are kept informed during the various stages of construction and the buyers receive advance notice in anticipation of final possession. We register the sale documents and transfer title to the customer upon the completion of the project and the receipt of the building completion certificate from the appropriate authorities. We ensure the entire consideration is paid to us prior to the transfer of title or before possession is handed over, whichever is earlier.

After handing over of the Property, we encourage continuous feedback from our buyers and have a team in place that collates all issues pertaining to customer needs to ensure appropriate action on our part and to ensure customer satisfaction.

Plant and Machinery

The details of existing Plant and Machinery owned by us and used for construction and development of sites are given below –

Machine Name	Machine Make / Country Imported	No. of Machines
Boom Placer, Cap. 90 Cum Per Hour with Chasis	Swing Stitter / AMW / India	1
Automatic Concrete Batching Plant	Bhai Pumpcrete P. Ltd. / India	1
Transfer Mixers with Chasis	Swing Stitter and AMW / India	3
Trucks and Tippers	Tatas / India	2
Truck and Tippers	Ashok Leyland / AMW / India	2
Roof Top Cranes	Dhiman Industries / India	4
JCB	JCB	2
Hydra	Action Construction Co. / India	1
Tower Crane	Action Construction Co. / India	1
Dumpers and Loaders	Locally Made / India	4
Flyash Brick Making Plant	Gubbi Enterprises / India	1
Hollow Blocks Making Plant	Jayem Mfr. Co., Noida / India	1
Soil Compactors	Locally Made / India	2
Water Tankers	Locally Made / India	4
Tractors	Mohindra Aruju / India	2
Tractors	Sonalika / India	3
Dg Sets-5	Kirloskar / Cummins / India	5
Welding Sets	Locally Made / India	20
Land Survey Station	Locally Acquired / India	1
Steel Shuttering	Uttam Scaffolding / India	300000 sq. ft.
Automatic Concrete Batching Plant	Universal Construction Machinery & Equip Ltd. / Putzmeiser India Ltd. / India	1

Our Operations

We provide / propose to provide construction services for the sectors broadly classified below:

- 1) **Residential:** In the residential sector, we would construct residential buildings including “Group Housing” Projects as well as standalone towers;
- 2) **Commercial:** In the commercial sector, our services consist of the construction of structures such as Commercial offices and Shops; and

Residential Projects

We design projects based on the target group demographics, socio-economic factors and market trends. The composition of the development is determined accordingly.

We aim to create architectural variety within our projects by offering numerous models, floor plans, and exterior styles in an effort to enhance home values by creating diversified neighbourhood looks within our projects. Generally, we select the exterior and interior finishes of our residential units. We endeavour to sell a substantial number of the residential units prior to the completion of construction of a project.

Brief details of our completed and on-going projects are highlighted below -

i. “G. I. Apartments”

We launched our first residential project in the year 2007 – “G. I. Apartments”. The Project is located at Village Poi, opposite Urban Estate, Phagwara District, Jalandhar. The Project covers an area spread over 1.2 acre land, with 3 towers comprising of 78 flats. It consists of 2 and 3 BHK apartments having covered area of 1270 sq. ft., and 1510 sq. ft. respectively. The Project was delivered in a scheduled time of 18 months and the entire construction including marketing and sales activities was handled by our company independently.

ii. “Jalandhar Heights”

We launched our flagship project “Jalandhar Heights” (also known as “Jalandhar Heights Extn.”) in the year 2011. Initially we had acquired land aggregating to 7.43 Acres and 297 flats were proposed to be constructed on this land. After receiving an excellent response from customers, we acquired additional land available in that area. As of September 30, 2014, over 17 acres of land or 7,83,880 sq. ft of the total project area has been sanctioned for the development of this Project. It shall consist of:

- ✓ 4 BHK apartments having covered area of 2050 sq. ft, 2440 sq. ft, 2600 sq. ft
- ✓ 3 BHK apartments having covered area of 1880 sq. ft and,
- ✓ Pent-houses having covered area of 5200 sq. ft. with a garden and a swimming pool facility are also available.

Through various phases of construction, we propose to build in all, 25 towers comprising of 1109 residential units (as sanctioned as per our approved plan layout by JDA) with around 70% open space and two level car parking (basement and ground floor) for each tower. We have already delivered nine towers (namely A, B, C, D, E, F, G, H and I) aggregating to 297 flats, which are ready for possession. As on January 31, 2015, around 64% of these flats have been given possession to buyers and the remaining will be given possession shortly in the due course.

The next round of construction activity, (namely towers J, K, L, M and N) began in September 2013. This phase consists of 215 residential flats aggregating to 4.27 lac sq. ft. of saleable area. For details regarding the estimated costing, current as well as future implementation schedule of this project, please see the chapter titled “*Objects of the Issue*” on page 50 of this Prospectus.

The following are actual site photographs which provide an insight into the work completed at this Project:



(Main Entrance to "Jalandhar Heights Extn.")



(Main Gate of the Complex)



(Towers A, B, C, D, E, F, G, H and I)

The following are actual site photographs which provide an insight into the work being carried out at this Project:



(Club House)



(Swimming Pool)



(Laundry Room)



(Gas-Station)



(Pump Room)

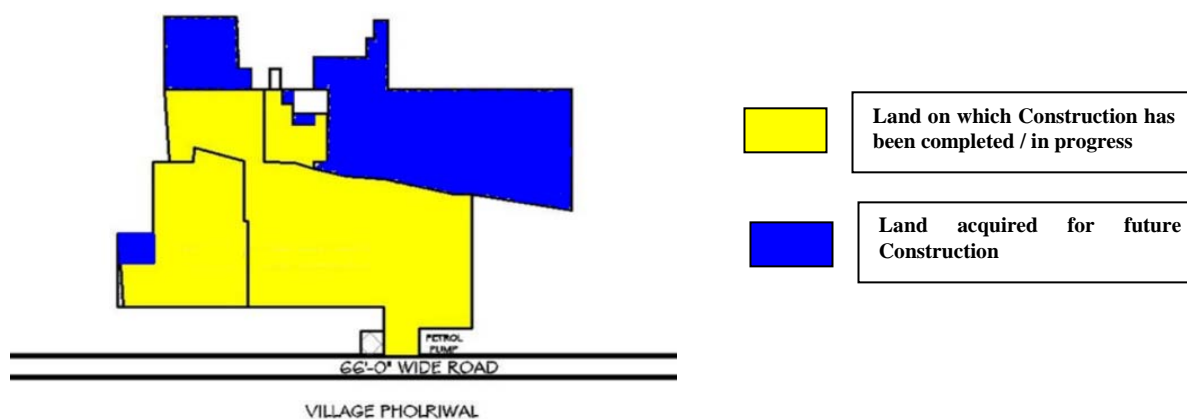


(Parking Lot)



(Towers under construction i.e. J, K, L, M and N)

The following illustration provides an insight into the other adjacent land parcels owned by us, on which we may further expand and develop the other phases depending on demand levels:



Other features of the Project

- ✓ Boundary Walled Township
- ✓ Rain Water Harvesting
- ✓ Landscaped Gardens with Children Play Area
- ✓ Laundry
- ✓ 24x7 Power Backup
- ✓ Jogging track
- ✓ Club House with Swimming pool, Badminton Court, Squash Court,
- ✓ Convenient Shopping Facility
- ✓ Fire Fighting Arrangements
- ✓ Power Back-up for Essential Services

- ✓ Earthquake Resistant RCC Structure
- ✓ Intercom Facility within the Complex including Security Gate
- ✓ Two Hi-Speed Lifts in every Tower
- ✓ CCTV for Basement and Entrance Lobby Ground floor, Two Tier 24 x 7 Security

Commercial Projects

We have not completed any projects in the commercial space. However, we have commenced with the program to develop a Commercial Office Building – **AGI Business Centre (a Multi-Storied Business Centre)**. This project will be developed over land parcel at Garha Road, Near Bus Stand in Jalandhar. The project has a total Developable Area of 48,541 sq. ft. with total estimated cost of ₹ 2320 lacs. We have already purchased the land parcel for the development of this project.

We intend to construct a five-storied building with 13 shops / offices on the Ground floor, 69 offices on 5 floors and a Food Court spread over 4855 sq. ft. area on the 5th floor. We also intend to construct a double basement parking space and a grand reception lobby in the business centre.

Other features of the Project

- ✓ Air-Conditioned Atrium
- ✓ 24 X 7 Security
- ✓ Power back-up on Demand
- ✓ Earthquake Resistant Design
- ✓ Fire Fighting Arrangement
- ✓ Two Hi-speed lifts having capacity of 19 passengers each

Construction for this project has already begun and is expected to be launched in June 2015.

Safety, Health and Environment

We are committed to complying with applicable health, safety and environmental regulations and other requirements in our operations. To help ensure effective implementation of our safety policies and practices, at the beginning of each project we identify potential material hazards, evaluate all material risks and institute, implement and monitor appropriate risk mitigation measures. We endeavor to minimize accidents at our project sites. Our Company equips labourers with safety equipment and material that covers them from the risk of potential health hazards. Project heads are principally responsible for ensuring that safety standards are met at project sites.

Human Resources

Our business model requires a mix of skilled, semi-skilled and un-skilled labour. Our Company currently has 107 employees on its payroll for the operation of its existing facilities.

Category	No. of Employees
Executive Directors	2
Senior Managerial Team / KMP	7
Managers / Officers / Executives	43
Semi-skilled and Unskilled Staff	55
Total	107

For the development of some of our projects, we also engage third party consultant engineers, architects and interior designers. In addition to our employees, we also engage the services of unskilled labour on daily wages which include tradesmen, car drivers and other skilled, semi-skilled and unskilled workers.

Information Technology

We use information technology systems to enhance our performance and efficiency. We are in the process of implementing enterprise resource planning software across the various business functions in our Company to integrate systems among our departments, including engineering and accounting. This system will allow us to streamline our processes while enhancing our monitoring and control functions.

Quality Certification

Issuing Body	Date of Certificate	Date of Expiry	Certificate	Description
UK Certification and Inspection Ltd.	July 25, 2014	July 24, 2017	ISO 9001:2008	We hold Certificate No. QM – 4248 approving that our Quality Management System was found to be in accordance with the requirements of ISO 9001:2008 for the following scope of activities: Construction and Development of Residential and Commercial Complexes

We follow the systems and processes laid down as standard operating procedures, work instructions and quality checklists with the aim of continually improving the quality of project execution.

Collaborations

We have not entered into any technical or other collaboration till date.

Export Possibility and Obligations

Our Company does not have any export obligation.

Capacity and Capacity utilisation

Our business is project specific and not of the nature of a manufacturing concern with specified installed capacity. Hence, capacity and capacity utilization is not applicable to us.

Competition


The real estate development sector is still largely fragmented in India. We face competition from various regional and national domestic real estate developers. Competitors having superior resources (financial, research, execution and marketing) than us pose competition to us. Our key competitor in Jalandhar is the PPR Group.

We also face competition from various small unorganized operators in the residential segment. However, we expect that our commitment to quality, past record of timely execution and transparency will provide us with an edge over our competitors.

Insurance

Our operations are subject to hazards inherent to construction industry, such as accidents at work sites. We are also subject to force majeure events such as fires, earthquakes, floods, acts of terrorism and explosions, including hazards that may cause injury and loss of life, severe damage to and the destruction of property, equipment and environment. We obtain standard fire and special perils insurance policies to cover construction risks. We have also obtained vehicle insurance for certain vehicles forming part of our fixed assets.

Intellectual Property

Our Company has filed an application before the Trade Marks Registry for registration of its logo -  under Class 36 and Class 37. The application is currently pending for approval. For further information, please see the chapter titled “Government and Other Statutory Approvals” beginning on page 158 of this Prospectus.

Properties

Our Registered and Corporate Office is situated at “Jalandhar Heights”, 66ft Road, Village Pholriwal, Near Urban Estate, Phase-II, Jalandhar, Punjab – 144001..

Being a real estate development and construction company, we own / occupy various land parcels and properties wherein we are executing / propose to execute real estate projects. Brief details of such land parcels / properties are set forth below:

i. At 66' Road, Near Urban Estate, Jalandhar

Sr. No	Area of Land			Registered Owner	Name of Seller	Title Deed No.	Dated	Village
	(Kanal)	(Marlas)	(Sq. ft.)					
1	6	0	-	Sukhdev Singh [^]	Surjit Singh	637	16.04.07	Pholriwal
2	3	4	-	Sukhdev Singh [^]	Kulwinder Singh, Surinder Singh, Nachattar Kaur & Joginder Kaur	11613	04.03.08	Pholriwal
3	2	18	-	Sukhdev Singh [^]	Mohinder Kaur, Raminder Kaur, Inderjit Singh	10619	20.03.09	Pholriwal
4	7	6	-	Sukhdev Singh [^]	Karnail Singh	2235	30.05.08	Alipur
5	3	2	-	Sukhdev Singh [^]	Gurinder Singh	185	06.04.09	Pholriwal
6	4	0	-	Sukhdev Singh [^]	Ajit Singh	3159	01.07.10	Pholriwal
7	2	3	-	Sukhdev Singh [^]	Karamjit Singh	5884	11.10.10	Pholriwal
8	8	0	-	Sukhdev Singh [^]	Ajit Singh	9041	20.01.11	Pholriwal
9	2	18	-	Sukhdev Singh [^]	Mohinder Kaur, Raminder Kaur, Inderjit Singh	9731	15.02.11	Pholriwal
10	8	0	-	AGI Infra Ltd.	Surjit Singh & Ajit Singh	841	21.04.11	Pholriwal
11	12	5	-	AGI Infra Ltd.	Surjit Singh & Ajit Singh	6011	23.09.11	Pholriwal
12	0	21	-	AGI Infra Ltd.	Amrik Singh & Darshan Kaur	9848	02.01.12	Pholriwal
13	0	1	18	AGI Infra Ltd.	Mahinder Singh	8385	21.11.11	Pholriwal
14	0	1	18	AGI Infra Ltd.	Kulwamt Kaur & Narinder Singh	10317	17.01.12	Pholriwal
15	2	15	-	AGI Infra Ltd.	Satnam Singh	9823	30.12.11	Pholriwal
16	0	2	254	AGI Infra Ltd.	Balbir Singh & Kulbir Singh	8583	28.11.11	Pholriwal
17	0	12	136	AGI Infra Ltd.	Ranbir Singh & Rajbir Singh	13241	27.03.12	Pholriwal
18	0	0	73	AGI Infra Ltd.	Hardip Kaur Shergill	4267	14.08.12	Pholriwal
19	0	22	226	AGI Infra Ltd.	Ashok Kumar, Ajaib singh, Ajit Kumar, Chandar Bhan, Chunni Lal & Lachman Singh	901	25.04.11	Alipur
20	0	3	12	AGI Infra Ltd.	Ravinder Singh	1209	03.05.11	Alipur
21	0	7	0	AGI Infra Ltd.	Darshan Singh	621	18.04.11	Alipur
22	0	20	0	AGI Infra Ltd.	Harpreet Singh	40	04.04.11	Alipur
23	0	4	257	AGI Infra Ltd.	Ranbir Singh	3218	09.07.12	Alipur
24	0	4	0	AGI Infra Ltd.	Amandeep s/o Inderjit Singh	2800	26.06.12	Alipur
25	1	2	136	AGI Infra Ltd.	Gurbax Singh	2047	01.06.12	Alipur
26	15	11	0	AGI Infra Ltd.	Avtar Singh, Jagtar Singh & Jaspal Singh	15664	27.02.13	Pholriwal
27	2	12	0	AGI Infra Ltd.	Sukhdev Singh [#]	4342	26.08.13	Pholriwal
28	1	5	160	AGI Infra Ltd.	Sukhdev Singh [#]	4342	26.08.13	Alipur
29	0	9	0	AGI Infra Ltd.	Avtar Singh, Jagtar Singh & Jaspal Singh	4056	05.08.13	Pholriwal
30	1	10	0	AGI Infra Ltd.	Jot Prakash Singh	3484	01.07.13	Pholriwal
31	0	12	136	AGI Infra Ltd.	Sukhwant Singh & Bakhtawar Singh	8929	07.03.14	Pholriwal
32	4	15	0	AGI Infra Ltd.	Jashandeep Singh & Kanwaljit Kaur	5394	15.10.13	Alipur
33	0	4	257	AGI Infra Ltd.	Pritam Kaur	13752	03.01.13	Alipur
34	0	6	104	AGI Infra Ltd.	Gurnam Singh Gosal	12816	26.12.12	Alipur

Sr. No	Area of Land			Registered Owner	Name of Seller	Title Deed No.	Dated	Village
	(Kanal)	(Marlas)	(Sq. ft.)					
35	3	19	0	AGI Infra Ltd.	Gurinder Singh	2601	31.05.13	Alipur
36	4	0	0	AGI Infra Ltd.	Gurinder Singh	13899	07.01.13	Alipur
37	8	0	0	AGI Infra Ltd.	S. Gurinder Singh	7950	23.01.14	Alipur
38	8	0	0	AGI Infra Ltd.	S. Gurinder Singh	9548	25.03.14	Alipur
39	4	0	0	AGI Infra Ltd.	S. Gurinder Singh	106	04.04.14	Alipur
40	2	11	0	AGI Infra Ltd.	S. Gurinder Singh	106	04.04.14	Alipur
41	0	7	57	AGI Infra Ltd.	Harjit Kaur	8662	19.02.14	Alipur
42	3	6	0	AGI Infra Ltd.	Harleen Kaur	1006	09.05.14	Alipur
43	4	9	0	AGI Infra Ltd.	Mandeep Kaur, Sarabjit Kaur, Harash Kohli & Tripta Sehgal	1030	09.05.14	Pholriwal
44	8	15	136	AGI Infra Ltd.	S. Gurinder Singh	N.A.	29.05.13*	Alipur
45	8	16	0	AGI Infra Ltd.	Gopal Singh, Inderjit Singh, Sukhvent Singh, Survender Kaur and Sukhdev Singh	5870	09.12.14	Pholriwal
46	1	10	0	AGI Infra Ltd.	Trilok Singh and Sukjender Kaur	5730	04.12.14	Alipur
47	9	2	271	AGI Infra Ltd.	Sukhvender Singh and Manpreet Singh	3703	02.09.14	Pholriwal
48	7	11	0	AGI Infra Ltd.	Satnam Singh and Gurvender Singh	791	29.04.14	Pholriwal

*Date of Agreement for sale

#The said plots were originally purchased from certain third parties and the agreement was executed between the original sellers and Mr. Sukhdev Singh. However, the purchase consideration for the same was paid by the Company. The said plots were transferred by Mr. Sukhdev Singh (Promoter) to the Company at no consideration. Hence, this transaction does not form part of the Related Party Transactions

^Vide agreement dated June 01, 2011, our Company purchased these properties from our Promoter, Mr. Sukhdev Singh at the market value of ₹ 175.38 lacs and in lieu of consideration for the land, Mr. Sukhdev Singh was allotted 1,75,380 equity shares of ₹ 100 each at par. However, the change in registration is not yet completed.

ii. At Urban Estate, Phase-I, Jalandhar

Sr. No	Area of Land			Registered Owner	Name of Seller	Title Deed No.	Dated
	(Kanal)	(Marlas)	(Sq. ft.)				
1	0	0	990	GI Builders (P) Ltd.	Jorawar Singh S/o Sh. Sadhu Ram	1947	26.05.11

iii. At Garha Road, near Bus Stand in Jalandhar

Sr. No	Area of Land		Registered Owner	Name of Seller	Title Deed No.	Dated
	(Marlas)	(Sq. ft.)				
1	30	62	AGI Infra Limited	Gurdeep Singh & others	1607	18.05.2012
2	15	145	AGI Infra Limited	Gurdeep Singh & others	1625	18.05.2012
3	13	0	AGI Infra Limited	Sandhna Kaushal & Ajay Kaushal	1915	16.05.2013
4	3	0	AGI Infra Limited	Narinder Kaur	3902	22.07.2013
5	1	103.50	AGI Infra Limited	Harinder Singh	3901	22.07.2013
6	3	0	AGI Infra Limited	Dilbagh Singh	4341	26.08.2013
7	3	0	AGI Infra Limited	Narinder Kaur	4340	26.08.2013
8	3	0	AGI Infra Limited	Rajiv Kumar	4491	03.09.2013
9	3	0	AGI Infra Limited	Narinder Kaur	4598	09.09.2013
10	3	0	AGI Infra Limited	Rajiv Kumar	4597	09.09.2013
11	3	36	AGI Infra Limited	Rajiv Kumar & Narinder Kaur	4719	13.09.2013

KEY INDUSTRY REGULATIONS AND POLICIES

The following description is a summary of the relevant regulations and policies as prescribed by the Government of India and other regulatory bodies that are applicable to our business. The information detailed in this chapter has been obtained from various legislations, including rules and regulations promulgated by the regulatory bodies that are available in the public domain. The regulations and policies set out below may not be exhaustive, and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional advice. The Company may be required to obtain licenses and approvals depending upon the prevailing laws and regulations as applicable. For details of such approvals, please see “Government and other Statutory Approvals”.

LABOUR RELATED LEGISLATIONS

The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996

The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 (“**Building and Other Construction Workers Act**”) has been enacted to regulate the employment and conditions of service of building and other construction workers and to provide for their safety, health and welfare measure and for other matter connected therewith or incidental thereto. The Building and Other Construction Workers Act applies to every establishment which employs, or had employed on any day of the preceding 12 (twelve) months, 10 (ten) or more building workers in any building or other construction work. For this purpose, the building workers employed in different relays in a day either by the employer or the contractor shall be taken into account in computing the number of building workers employed in the establishment.

Further, it inter-alia provides for the establishment of State Advisory Committees for administration of the act, expert committees, registration of establishments, registration of building workers as beneficiaries and cessation of the same, provision of identity cards to them, constitution of State Welfare Boards and a Building and Other Construction Workers' Welfare Fund, regulating the hours of work, wages for overtime work, prohibition of employment of certain persons for instance, those who are deaf or having defective vision in such construction work involving risk of accident to such person or to any other person, provision of facilities such as drinking water, latrines and urinals, temporary accommodation, crèches, etc., safety and health measures, responsibility of the employer for payment of wages and compensation, constitution of safety committees in certain cases.

However, the Building and Other Construction Workers Act does not apply in respect of any individual employing workers for the building or construction in respect of his own residence, where the total cost does not exceed ₹ 10,00,000 (Rupees Ten Lacs Only). The provisions of the Building and Other Construction Workers Act also do not apply in respect of any building or other construction work to which the provisions of the Factories Act, 1948 and the Mines Act, 1952 apply.

Building and Other Construction Workers' Welfare Cess Act, 1996

Building and Other Construction Workers' Welfare Cess Act, 1996 has been enacted to provide for the levy and collection of a cess on the cost of construction incurred by employers with a view to augmenting the resources of the Building and Other Construction Workers' Welfare Boards constituted under the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996.

The following are the rules which are applicable to us:

- ✓ ***Building and Other Construction Workers' Welfare Cess Rules, 1998***

Employees Provident Fund and Miscellaneous Provisions Act, 1952

Under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (“**EPF Act**”), compulsory provident fund, family pension fund and deposit linked insurance are payable to employees in factories and other establishments. The act inter-alia provides that an establishment employing more than 20 (twenty) persons, either directly or indirectly, in any capacity whatsoever, is either required to constitute its own provident fund or subscribe to the statutory employee's provident fund. The employer of such establishment is required to make a monthly contribution to the provident fund equivalent to the amount of the employee's contribution to the provident fund. There is also a

requirement to maintain prescribed records and registers and filing of forms with the concerned authorities. The EPF Act also prescribes penalties for avoiding payments required to be made under the abovementioned schemes.

Employee's Compensation Act, 1923

The Employees' Compensation Act, 1923 has been enacted with the object to provide compensation to workmen by employers for injuries caused by accident(s) arising out of and in the course of employment, and for occupational diseases resulting in death or disablement. In case the employer fails to pay the compensation under the provisions of the act within 1 (one) month from the date it falls due, the employer may be directed to pay the compensation along with the interest.

Payment of Gratuity Act, 1972

The Payment of Gratuity Act, 1972 provides for payment of gratuity to employees employed in factories, shops and other establishments who have put in a continuous service of 5 (five) years, in the event of their superannuation, retirement, resignation, death or disablement due to accidents or diseases. The rule of 'five year continuous service' is however relaxed in case of death or disablement of an employee. Gratuity is calculated at the rate of 15 (fifteen) days' wages for every completed year of service with the employer. Presently, an employer is obliged for a maximum gratuity payout of ₹ 10,00,000 for an employee.

The following are the rules which are applicable to us:

- ✓ *Payment of Gratuity Punjab Rules, 1973*

The Minimum Wages Act, 1948

The Minimum Wages Act, 1948 ("MWA Act") was enacted to establish minimum wages for certain categories of employees. Under this Act, the Central and the State Governments stipulate the scheduled industries and establishments and fix minimum wages.

The following are the rules which are applicable to us:

- ✓ *The Punjab Minimum Wages Rules, 1950*

Payment of Bonus Act, 1965

Pursuant to the Payment of Bonus Act, 1965, as amended, an employee in a factory or in any establishment where 20 (twenty) or more persons are employed on any day during an accounting year, who has worked for at least 30 (thirty) working days in a year, is eligible to be paid a bonus. Contravention of the provisions of the Payment of Bonus Act, 1965 by a company is punishable with imprisonment upto six months or a fine up to ₹ 1,000 or both.

The Maternity Benefit Act, 1961

The purpose of the Maternity Benefit Act, 1961 is to regulate the employment of pregnant women in certain establishments for certain periods and to ensure that they get paid leave for a specified period before and after childbirth, or miscarriage or medical termination of pregnancy. It inter alia provides for payment of maternity benefits, medical bonus and prohibits the dismissal of and reduction of wages paid to pregnant women.

The following are the rules which are applicable to us:

- ✓ *Punjab Maternity Benefit Rules, 1967*

The Payment of Wages Act, 1936

The Payment of Wages Act, 1936 ("PWA") is applicable to the payment of wages to persons in factories and other establishments. PWA ensures that wages that are payable to the employee are disbursed by the employer within the prescribed time limit and no deductions other than those prescribed by the law are made by the employer.

Equal Remuneration Act, 1976

Equal Remuneration Act, 1976 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 Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“**SHWW Act**”) provides for the protection of women at work place and prevention of sexual harassment at work place. The SHWW Act also provides for a redressal mechanism to manage complaints in this regard. Sexual harassment includes one or more of the following acts or behavior namely, physical contact and advances or a demand or request for sexual favors or making sexually coloured remarks, showing pornography or any other unwelcome physical, verbal or non-verbal conduct of sexual nature. The SHWW Act makes it mandatory for every employer of a workplace to constitute an Internal Complaints Committee which shall always be presided upon by a woman. It also provides for the manner and time period within which a complaint shall be made to the Internal Complaints Committee i.e. a written complaint is to be made within a period of 3 (three) months from the date of the last incident. If the establishment has less than 10 (ten) employees, then the complaints from employees of such establishments as also complaints made against the employer himself shall be received by the Local Complaints Committee. The penalty for non-compliance with any provision of the SHWW Act shall be punishable with a fine extending to ₹ 50,000.

TAX / COMPANY RELATED LEGISLATIONS

The Central Sales Tax Act, 1956

The Central Sales tax (“**CST**”) is levied on the sale of moveable goods within India in the course of inter-state trade or commerce and is governed by the provisions of the Central Sales Tax Act, 1956. If the goods move between States pursuant to a sale arrangement, then the taxability of such sale is determined by the Central Sales Tax Act, 1956. On the other hand, the taxability of a sale of movable goods within the jurisdiction of the State is determined as per the local sales tax/Value Added Tax legislation in place within such State.

Value Added Tax

Value Added tax (“**VAT**”) is a system of multi-point levies 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 the Sales Tax Officer of the respective State.

The following are the acts and rules and regulations thereunder, as are applicable to us:

- ✓ *Punjab Value Added Tax Act, 2005*
- ✓ *Punjab Value Added Tax Rules, 2005*

Income-tax Act, 1961

The Income-tax Act, 1961 (“**IT Act**”) is applicable to every Company, whether domestic or foreign whose income is taxable under the provisions of the IT Act or Rules made there under depending upon its “Residential Status” and “Type of Income” involved. The IT Act provides for the taxation of persons resident in India on global income and persons not resident in India on income received, accruing or arising in India or deemed to have been received, accrued or arising in India. Every Company assessable to income tax under the IT Act is required to comply with the provisions thereof, including those relating to Tax Deduction at Source, Advance Tax, Minimum Alternative Tax and like. Every such Company is also required to file its returns by September 30 of each assessment year.

Service Tax

Chapter V of the Finance Act, 1994 as amended, provides for the levy of a service tax in respect of ‘taxable services’, 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 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 quarterly return in Form ST 3 by the 25th of the month immediately following the half year to which the return relates. Every assessee is required to file the quarterly return electronically.

The Registration Act, 1908

The Registration Act, 1908 (“**Registration Act**”) was passed to consolidate the enactments relating to the registration of documents. The main purpose for which the Registration Act was designed was to ensure information about all deals concerning land so that correct land records could be maintained. The Registration Act is used for proper recording of transactions relating to other immovable property also. The Registration Act provides for registration of other documents also, which can give these documents more authenticity. Registering authorities have been provided in all the districts for this purpose.

The Indian Stamp Act, 1899

Stamp duty in relation to certain specified categories of instruments as specified under Entry 91 of the list, is governed by the provisions of the Stamp Act which is enacted by the Central Government. All other instruments are required to be stamped, as per the rates prescribed by the respective State Governments. Stamp duty is required to be paid on all the documents that are registered and as stated above the percentage of stamp duty payable varies from one state to another. Certain states in India have enacted their own legislation in relation to stamp duty while the other states have adopted and amended the Stamp Act, as per the rates applicable in the state. On such instruments stamp duty is payable at the rates specified in Schedule I of the Stamp Act.

Instruments chargeable to duty under the Stamp Act which are not duly stamped are incapable of being admitted in court as evidence of the transaction contained therein. The Stamp Act also provides for impounding of instruments which are not sufficiently stamped or not stamped at all. Unstamped and deficiently stamped instruments can be impounded by the authority and validated by payment of penalty. The amount of penalty payable on such instruments may vary from state to state.

The following stamp duty legislations are applicable to us:

✓ *Punjab Stamp Rules, 1934*

The Indian Contract Act, 1872

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

The Specific Relief Act, 1963

The Specific Relief Act, 1963 (“**Specific Relief Act**”) applies both to movable property and immovable property and is also complimentary to the provisions of the Contract Act. The Specific Relief Act applies in cases where the Court can order specific performance of a contract. Specific relief can be granted only for purpose of enforcing individual civil rights and not for the mere purpose of enforcing a civil law. ‘Specific performance’ means Court will order the party to perform his part of agreement, instead of imposing on him any monetary liability to pay damages to other party.

The Competition Act, 2002

The Competition Act 2002 (“**Competition Act**”) aims to prevent anti-competitive practices that cause or are likely to cause an appreciable adverse effect on competition in the relevant market in India. The Competition Act regulates anti-competitive agreements, abuse of dominant position and combinations. The Competition Commission of India (“**Competition Commission**”) which became operational from May 20, 2009 has been established under the Competition Act to deal with inquiries relating to anti-competitive agreements and abuse of dominant position and regulate combinations.

The Competition Act also provides that the Competition Commission has the jurisdiction to inquire into and pass orders in relation to an anti-competitive agreement, abuse of dominant position or a combination, which even though entered into, arising or taking place outside India or signed between one or more non-Indian parties, but causes an appreciable adverse effect in the relevant market in India.

The Companies Act, 1956

The Companies Act, 1956 deals with laws relating to companies and certain other associations. It was enacted by the parliament in 1956. The Act primarily regulates the formation, financing, functioning and winding up of companies. The Companies Act, 1956 prescribes regulatory mechanism regarding all relevant aspects, including organizational, financial and managerial aspects of companies. It deals with issue, allotment and transfer of securities and various aspects relating to company management. It provides for standard of disclosure in public issues of capital, particularly in the fields of company management and projects, information about other listed companies under the same management, and management perception of risk factors. In the functioning of the corporate sector, although freedom of companies is important, protection of the investors and shareholders, on whose funds they flourish, is equally important. The Companies Act, 1956 plays the balancing role between these two competing factors, namely, management autonomy and investor protection.

The Companies Act, 2013

The Companies Act, 2013, has been introduced to replace the existing Companies Act, 1956 in a phased manner. The Ministry of Corporate Affairs has vide its notification dated September 12, 2013 has notified 98 Sections of the Companies Act, 2013 and the same are applicable from the date of the aforesaid notification. A further 183 Sections have been notified on March 26, 2014 and have become applicable from April 1, 2014. The Ministry of Corporate Affairs, has also issued rules complementary to the Companies Act, 2013 establishing the procedure to be followed by companies in order to comply with the substantive provisions of the Companies Act, 2013.

LAND / CONSTRUCTION RELATED LEGISLATIONS

Punjab Apartment and Property Regulation Act, 1995

Punjab Apartment and Property Regulation Act, 1995 was enacted in order to ensure planned urban development of the state with better regulation. The Act provides for establishment of new colonies, granting licenses for the same and for regulation of construction. It also inter-alia provides for the promoter's responsibility to obtain registration certificate, completion certificate, occupation certificate, execute deed of conveyance and maintain accounts.

The following are the rules thereunder, which are applicable to us:

- ✓ *Punjab Apartment and Property Regulation Rules, 1995*

The Punjab Regional Town Planning and Development Act, 1995

The Punjab Regional Town Planning and Development Act, 1995 (“**Town Planning Act**”) was enacted to make provisions for better planning and regulating the development and use of land in Planning areas delineated for that purpose. The Town Planning Act also inter-alia provides for obtaining approvals/permission for change of use of land or building, for carrying out any development in respect of any land, sub-division of plots, laying out a private street, erection / re-erection of a building involving structural alteration or additions, for laying out of any means of access to a road.

The following are the rules thereunder, which are applicable to us:

- ✓ *Punjab Regional and Town Planning and Development (General) Rules, 1995*
- ✓ *Punjab Urban Planning and Development Authority (Building) Rules, 1996*

Punjab Urban Planning and Development Authority (Building) Rules, 1996

The Punjab Urban Planning and Development Authority (Building) Rules, 1996 (“**Building Rules**”) have been made pursuant to the Punjab Regional Town Planning and Development Act, 1995. The Building Rules inter-alia prohibits erection or re-erection of any building without prior sanction of the competent authority, except where the relevant site admeasures 250 square metres and the building has not more than 3 (three) storeys. Further, except in cases where the

standard design has been supplied by the Competent Authority, the architectural design of every building shall be prepared and signed by a registered architect and every building operation shall be supervised by a registered architect or a registered engineer. On completion of building works, a notice of completion along with completion certificate is required to be submitted through the architect, to the Competent Authority. It also provides for issue of the occupation certificate. The Building Rules also confers on the Competent Authority, certain powers, inter-alia including the power to sanction or refuse erection or re-erection. In addition, the Building Rules inter-alia contains provisions for planning and architectural control, material and structural control, water supply, drainage and sewerage, electrical installations, registration of architects, engineers, plumbers.

The Punjab Apartment Ownership Act, 1995

The Punjab Apartment Ownership Act, 1995 (“**Apartment Act**”) has been enacted to provide for the ownership of an individual apartment in a building together with undivided interest in the common areas and facilities appurtenant to such apartment to make such apartment and interest heritable and transferable, to enforce obligations on promoters and apartment owners, and to provide for matters connected therewith or incidental thereto. It applies to every apartment in any building constructed or converted into apartments by a promoter, before or after the commencement of the Apartment Act, whether on free hold or lease hold land.

The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013

The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 has repealed the Land Acquisition Act, 1894 and aims at establishing a participative, informed and transparent process for land acquisition for industrialization, development of essential infrastructural facilities and urbanization. While aiming to cause least disturbance to land owners and other affected families, it contains provisions aimed at ensuing just and fair compensation to the affected and resettlement of such affected persons.

Transfer of Property Act, 1882

The Transfer of Property Act, 1882 (“T.P. Act”) does not apply to the State of Punjab. However, Sections 54, 107, 123 have been extended to the entire State of Punjab from April 1, 1955 vide the Punjab Gazette Notification, Part I, dated April 1, 1955 and the Patiala and East Punjab States Union (PEPSU) Area from May 15, 1957. Section 59 was extended to the entire State of Punjab with effect from June 10, 1968 by the Punjab Gazette Notification, in 1968, Part III, Extraordinary.

The transfer of property, including immovable property, between living persons, as opposed to the transfer property by operation of law, is governed by the T.P. Act. Section 54 deals with sale, being the transfer of ownership in exchange for a price paid or promised or part-paid and part-promised. Section 59 deals with mortgage by assurance. Whereas, Section 107 deals with the manner in which immovable property may be leased. Section 123 provides how a transfer of property for the purposes of a gift shall be effected.

Indian Easements Act, 1882

An easement is a right which the owner or occupier of land possesses for the beneficial enjoyment of that land and which permits him to do or to prevent something from being done, in or upon, other land not his own. Under the Indian Easements Act, 1882, a license is defined as a right to use property without any interest in favour of the licensee. The period and incident may be revoked and grounds for the same may be provided in the licence agreement entered in between the licensee and the licensor.

National Building Code of India, 2005

The National Building Code of India (NBC), a comprehensive building Code, is a national instrument providing guidelines for regulating the building construction activities across the country. It serves as a Model Code for adoption by all agencies involved in building construction works, including the Public Works Departments, other government construction departments, local bodies or private companies in the field of construction. The Code mainly contains administrative regulations, development control rules and general building requirements; fire safety requirements; stipulations regarding materials, structural design and construction (including safety); and building and plumbing services.

ENVIRONMENT RELATED LEGISLATIONS

The Environment (Protection) Act, 1986

The Environment (Protection) Act, 1986 (“EPA”) is an "umbrella" legislation designed to provide a framework for co-ordination of the activities of various central and state authorities established under various laws. The potential scope of the Act is broad, with "environment" defined to include water, air and land and the interrelationships which exist among water, air and land, and human beings and other living creatures, plants, micro-organisms and property. The EPA empowers the Central Government to take measures to protect and improve the environment such as by laying down standards for emission or discharge of pollutants, providing for restrictions regarding areas where industries may operate and so on. Central Government may make rules for regulating environmental pollution.

Water (Prevention and Control of Pollution) Act, 1974

Water (Prevention and Control of Pollution) Act, 1974 (“Water Act”) provides for the constitution of a Central Pollution Control Board and State Pollution Control Boards. The Water Act debars any person from establishing any industry, operation or process or any treatment and disposal system, which is likely to discharge trade effluent into a stream, well or sewer without taking prior consent of the State and Central Boards.

Air (Prevention and Control of Pollution) Act, 1981

The Air (Prevention and Control of Pollution) Act, 1981 (“Air Act”) mandates that no person can, without the previous consent of the State Board, establish or operate any industrial plant in an air pollution control area. The Central and State Boards constituted under the Water Act are also to perform functions as per the Air Act for the prevention and control of air pollution.

INTELLECTUAL PROPERTY

The Trademarks Act, 1999

Under the Trademarks Act, 1999, a trademark is a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others used in relation to goods and services to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark. A ‘mark’ may consist of a device, brand, heading, label, ticket, name signature, word, letter, numeral, shape of goods, packaging or combination of colours or any combination thereof. Section 18 of the Trademarks Act requires that any person claiming to be the proprietor of a trade mark used or proposed to be used by him, must apply for registration in writing to the registrar of trademarks. The trademark, once applied for and which is accepted by the Registrar of Trademarks (“the Registrar”), is to be advertised in the trademarks journal by the Registrar. Oppositions, if any, are invited and, after satisfactory adjudications of the same, a certificate of registration is issued by the Registrar. The right to use the mark can be exercised either by the registered proprietor or a registered user. The present term of registration of a trademark is 10 years, which may be renewed for similar periods on payment of a prescribed renewal fee.

The Copyright Act, 1957 ("Copyright Act")

The Copyright Act, grants protection to the authors of literary, artistic, dramatic, musical, photographic, cinematographic or sound recording works from unauthorized uses. Various rights including ownership and economic rights are conferred on the author. These include the right to reproduce the work in any form, issue copies to the public, perform it, and offer for sale and hire. The penalty for general infringement of copyright is imprisonment of maximum three years and a fine of up to ₹ 2,00,000.

FOREIGN INVESTMENT

Regulations regarding Foreign Investment

Foreign investment in Construction Development, which inter-alia includes development of townships and construction of residential premises, is governed by the provisions of the FEMA read with the applicable regulations. The Department of Industrial Policy and Promotion (“DIPP”), Ministry of Commerce and Industry has issued ‘Consolidated FDI Policy’ (the “FDI Circular”) which consolidates the policy framework on Foreign Direct Investment (“FDI”), with effect from April 17, 2014. The FDI Circular consolidates and subsumes all the press notes, press releases, and clarifications on FDI issued by DIPP till April 17, 2014. Foreign investment is permitted (except in

the prohibited sectors) in Indian companies either through the automatic route or the approval route, depending upon the sector in which foreign investment is sought to be made. Under the approval route, prior approval of the Government of India through Foreign Investment Promotion Board (“FIPB”) is required. FDI for the items or activities that cannot be brought in under the automatic route may be brought in through the approval route. Where FDI is allowed on an automatic basis without the approval of the FIPB, the RBI would continue to be the primary agency for the purposes of monitoring and regulating Foreign Investment. In cases where FIPB approval is obtained, the issue price shall be fixed as per the RBI guidelines and a declaration in the prescribed form, detailing the foreign investment, must be filed with the RBI once the foreign investment is made in the Indian company. The RBI, in exercise of its power under the FEMA, has also notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000 to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India.

The Consolidated FDI Policy dated April 17, 2014 issued by the DIPP as revised by Press Note 10 (2014 Series) dated December 03, 2014 (“**Press Note**”), permits investment up to 100% Foreign Direct Investment in the Company (“**Investee Company**”) under the automatic route subject to the following conditions:

1. Minimum area to be developed under each project would be as under:
 - (i) In case of development of serviced plots, no minimum land area requirement.
 - (ii) In case of construction-development projects, a minimum floor area of 20,000 square metres.
2. Investee Company will be required to bring minimum FDI of US\$ 5 million within six months of commencement of the project. The commencement of the project will be the date of approval of the building plan / lay out plan by the relevant statutory authority. Subsequent tranches of FDI can be brought till the period of ten years from the commencement of the project or before the completion of project, whichever expires earlier.
3. (i) The investor will be permitted to exit on completion of the project or after development of trunk infrastructure i.e. roads, water supply, street lighting, drainage and sewerage.

(ii) The Government may, in view of the facts and circumstances of a case, permit repatriation of FDI or transfer of stake by one non-resident investor to another non-resident investor, before the completion of project. These proposals will be considered by FIPB on case to case basis inter alia with specific reference to point 8 below.
4. The project shall conform to the norms and standards, including land use requirements and provision of community amenities and common facilities, as laid down in the applicable building control regulations, bye-laws, rules and other regulations of the State Government / Municipal / Local Body concerned.
5. The Indian Investee Company will be permitted to sell only developed plots. For the purposes of this policy “developed plots” will mean plots where trunk infrastructure i.e. roads, water supply, street lighting, drainage and sewerage have been made available.
6. The Indian Investee Company shall be responsible for obtaining all necessary approvals, including those of the building/layout plans, developing internal and peripheral areas and other infrastructure facilities, payment of development, external development and other charges and complying with all other requirements as prescribed under applicable rules/bye-laws/regulations of the State Government/Municipal/Local Body concerned.
7. The State Government / Municipal / Local Body concerned, which approves the building/development plans, shall monitor compliance of the above conditions by the developer
8. It has also been clarified that FDI is not permitted in any entity which is engaged or proposes to engage in real estate business, construction of farm houses and trading in transferable development rights. For this purpose, the definition of ‘Real Estate’ is as given in FEMA Notification No.1/2000-RB dated May 03, 2000 read with RBI Master Circular i.e. dealing in land and immovable property with a view to earn profit or earning income therefrom and does not include development of townships, construction of residential/commercial premises, roads or bridges, educational institutes, recreational facilities, city and regional level infrastructure. 100% FDI under automatic route is permitted projects for operation and management of townships, malls/shopping complexes and business centres.
9. The conditions mentioned in points 1 to 3 above, shall inter-alia not apply to investments by NRIs.

10. The conditions mentioned in points 1 to 3 above, shall also not apply to investee/joint venture companies which commit at least 30% of the total project cost for low cost affordable housing.
11. A project using a minimum of 40% of the FAR/FSI for dwelling unit of floor area of not more than 140 square metres will be considered as affordable housing project, for the purposes of FDI policy in the Construction Development sector. Out of the total FAR/FSI reserved for affordable housing, a minimum of one-fourth shall be used for houses of floor area of not more than 60 square metres.
12. The Investee Company, being the recipient of FDI, shall also be required to procure a certificate from an architect empanelled by any Authority, authorized to sanction building plan to the effect that the minimum floor area (as defined by the applicable law) requirement has been fulfilled.

It has also been clarified in the Press Note that 100% FDI under the automatic route is permitted in completed projects, for operation and management of inter-alia, townships.

RBI has also issued Master Circular on Foreign Investment in India dated July 01, 2014 which is valid till June 30, 2015. In terms of the Master Circular, an Indian company may issue fresh shares to person resident outside India (who are 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. As mentioned above, 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.



HISTORY AND CERTAIN CORPORATE MATTERS

Our Company was incorporated as G. I. Builders Pvt. Ltd. on May 27, 2005 under the Companies Act, 1956, with the Registrar of Companies, Punjab, Himachal Pradesh and Chandigarh bearing Registration Number – 028466 and CIN U45200PB2005PTC28466. The status of our Company was changed to a public limited company and the name of our Company was changed from “G. I. Builders Private Limited” to “AGI Infra Limited” by a special resolution passed on February 16, 2011. A fresh Certificate of Incorporation consequent to the change of name was granted to our Company on February 22, 2011, by the Registrar of Companies, Punjab, Himachal Pradesh and Chandigarh bearing CIN U45200PB2005PTC28466. Further, a fresh Certificate of Incorporation dated June 27, 2012 was issued by the Registrar of Companies, Punjab and Chandigarh, consequent upon conversion into a public limited company, bearing CIN U45200PB2005PLC028466.

Our Registered Office is situated at Jalandhar Heights, 66 FT Road, Village Pholriwal, Near Urban Estate, Phase II, Jalandhar, Punjab - 144 001, India and our Corporate Identity Number is U45200PB2005PLC028466.

We are an integrated construction and real estate development company, focussed primarily on construction and development of commercial / residential projects, in and around Punjab. Our Company was incorporated in the year 2005 as G. I. Builders Private Limited, jointly promoted by Mr. Sukhdev Singh and Mrs. Salwinderjit Kaur, with the vision of providing “premium housing at fair prices”. The name of our Company was changed to AGI Infra Limited in the year 2011.

We provide / propose to provide construction services for the sectors broadly classified below:

- 1) **Residential:** In the residential sector, we would construct residential buildings including “Group Housing” Projects as well as standalone towers;
- 2) **Commercial:** In the commercial sector, our services consist of the construction of structures such as Commercial offices and Shops; and

For further details regarding our business operations and industry, please see the chapters titled “*Business Overview*” and “*Industry Overview*” beginning on pages 73 and 66 of this Prospectus, respectively.

Our Company has seven (7) shareholders, as on the date of this Prospectus.

Major events in the history of Our Company:

YEAR	MAJOR EVENT
2005	Incorporation of our Company as G. I. Builders Pvt. Ltd.
2009	Completed our first Group Housing Project “G. I. Apartments” comprising of 78 residential flats in Phagwada
2011	Commenced construction of 9 towers, comprising of 297 residential flats (as part of the “Jalandhar Heights Extn. Project”)
2011	Conversion of our Company into a Public Limited Company and change of name from G. I. Builders Pvt. Ltd. to AGI Infra Ltd. by a special resolution passed on February 16, 2011
2011	Issue of Bonus Shares
2013	Commenced construction for our proposed project of 5 towers, comprising of 215 residential flats (as part of the “Jalandhar Heights Extn. Project”)
2014	Completed the construction of 297 residential flats, which commenced in 2011
2014	Issue of Bonus Shares
2014	Obtained ISO 9001:2008 Certification for Construction and Development of Residential and Commercial Complexes

For details on the changes in our Registered Office Address, please see “*Changes in Registered Office of our Company*” on page 95 of this Prospectus.

Main Objects

The main object of our Company is as follows:

1. To carry on the business of General Construction (including Alterations, Additions, Repair and Maintenance) of all types of Buildings, carried out on own account basis or on a fee or contract basis in India and or abroad.
2. To carry on the business of or to act as Builders, Developers and Promoters of infrastructure.
3. To carry on the business of Real Estate in Commercial, Residential, Industrial or Agricultural properties.
4. To carry on the business of or to act as Colonizers and to develop colonies, cities, villas, with or without providing of additional amenities like Road, Educational, Healthcare, Games Centers, Swimming Pool, Golf Course of facilities incidental thereto.
5. To carry on the business of Construction, Development and Building of Residential Accommodations like Flats, Villas, Farm Houses, Golf Courses, Recreational Clubs and Entertainment Clubs.

Changes in Registered Office of our Company

Date of change of Registered Office	Address
November 01, 2006	Change of Registered Office from 1186, Urban Estate, Phase II, Jalandhar - 144001 to SCF 15, 1st floor, Urban Estate, Phase-I, Jalandhar, Punjab-144 001
February 22, 2012	Change of Registered Office from SCF 15, 1st floor, Urban Estate, Phase-I, Jalandhar, Punjab-144 001 to Jalandhar Heights, 66 FT Road, Village Pholriwal, Near Urban Estate, Phase II, Jalandhar, Punjab - 144 001, India

The changes in our registered office were to ensure greater operational efficiency.

Amendments to the Memorandum of Association

Dates on which some of the main clauses of the Memorandum of Association of our Company have been changed citing the details of amendment as under:

Date of Resolution	Nature of Amendment
March 28, 2007	The initial Authorised Share Capital was increased from ₹ 25,00,000 to ₹ 50,00,000
February 16, 2011	Conversion of Private Limited Company to Public Limited Company and change of name from G. I. Builders Pvt. Ltd. to AGI Infra Ltd.
March 18, 2011	The Authorised Share Capital was increased from ₹ 50,00,000 to ₹ 6,00,00,000
August 31, 2013	The Authorised Share Capital was increased from ₹ 6,00,00,000 to ₹ 10,00,00,000
September 11, 2014	The Authorised Share Capital was increased from ₹ 10,00,00,000 to ₹ 12,00,00,000

Subsidiaries

As on the date of this Prospectus, there are no subsidiaries of our Company.

Holding Company

As on the date of this Prospectus, our Company does not have any holding company within the meaning of Companies Act, 1956.

Joint Ventures

As on the date of this Prospectus, there are no joint ventures of our Company.

Shareholders' Agreement

There are no Shareholders' Agreements existing as on the date of this Prospectus.

Acquisition of business / undertakings

We have not acquired any business / undertakings since incorporation.

Financial Partners

We do not have any financial partners as on the date of this Prospectus.

Strategic Partners

We do not have any strategic partners as on the date of this Prospectus.

Other Agreements

Except the contracts / agreements entered in the ordinary course of the business carried on or intended to be carried on by our Company, we have not entered into any other agreement/contract as on the date of this Prospectus.

Injunctions or restraining orders

There are no injunctions / restraining orders that have been passed against the company.



OUR MANAGEMENT

Board of Directors:

Our Company has five (5) Directors consisting of two (2) Executive Directors and three (3) Non-Executive Directors. The following table sets forth the details of our Board of Directors as on the date of this Prospectus:

Sr. No.	Name, Current Designation, Address, Occupation, Term and DIN	Nationality	Age	Other Directorships
1	<p>Anuj Bansal <i>Chairman and Non-Executive Director</i></p> <p>Address: 464-A, J. P. Nagar, Jalandhar - 144001, Punjab</p> <p>Date of appointment as Non-Executive Director: February 16, 2011</p> <p>Date of appointment as Chairman: January 05, 2015</p> <p>Term: 5 years w.e.f October 01, 2014 to September 30, 2019</p> <p>Occupation: Professional</p> <p>DIN: 01278966</p>	Indian	37 years	Nil
2	<p>Sukhdev Singh <i>Managing Director</i></p> <p>Address: 1186, Urban Estate, Phase-II, Jalandhar - 144001, Punjab</p> <p>Date of appointment as Director: May 27, 2005</p> <p>Date of re-appointment as Managing Director: April 01, 2012</p> <p>Term: 3 years w.e.f April 01, 2012 to March 31, 2015</p> <p>Occupation: Business</p> <p>DIN: 01202727</p>	Indian	54 years	<ul style="list-style-type: none"> • AGI Hospitalities Pvt. Ltd. • Agile Mechanical & Electrical Services Engineers Ltd.* • Arcobaleno Consulting Engineers India Ltd.*
3	<p>Salwinderjit Kaur <i>Whole-Time Director</i></p> <p>Address: 1186, Urban Estate, Phase-II, Jalandhar - 144001, Punjab</p> <p>Date of appointment as Director: May 28, 2005</p> <p>Date of re-appointment as Whole-Time Director: April 01, 2012</p> <p>Term: 3 years w.e.f April 01, 2012 to March 31, 2015</p> <p>Occupation: Business</p> <p>DIN: 00798804</p>	Indian	55 years	<ul style="list-style-type: none"> • AGI Hospitalities Pvt. Ltd.
4	<p>Atul Mehta <i>Non-Executive Independent Director</i></p> <p>Address: 2, Cool Road, Jalandhar City -144 001</p>	Indian	45 years	Nil

Sr. No.	Name, Current Designation, Address, Occupation, Term and DIN	Nationality	Age	Other Directorships
	<p>Date of appointment as Additional Director: December 08, 2014</p> <p>Term: Valid upto next General Meeting</p> <p>Occupation: Professional</p> <p>DIN: 00225620</p>			
5	<p>Manjit Singh <i>Non-Executive Independent Director</i></p> <p>Address: House no. 1296, Sector 37-B, Chandigarh - 160036</p> <p>Date of appointment as Additional Director: December 08, 2014</p> <p>Term: Valid upto next General Meeting</p> <p>Occupation: Professional</p> <p>DIN: 07037656</p>	Indian	64 years	Nil

* For further details, please refer to “Companies with which the Promoter has disassociated in the last three years” on page 110 of this Prospectus.

For further details on their qualification, experience etc., please see their respective biographies under the heading “Brief Biographies” below.

Other Notes:

- None of the Directors on our Board are related to each other, except for Mr. Sukhdev Singh, being the husband of Mrs. Salwinderjit Kaur.
- There are no arrangements or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the Directors were selected as a Director.
- There are no service contracts entered into by the Directors with our Company providing for benefits upon termination of employment.
- None of the Directors is or was a director of any listed company during the last five years preceding the date of this Prospectus, whose shares have been or were suspended from being traded on the BSE or the NSE, during the term of their directorship in such company.
- None of the Directors is or was a director of any listed company which has been or was delisted from any recognised stock exchange in India during the term of their directorship in such company.

Brief Biographies of our Directors

▪ Sukhdev Singh

Mr. Sukhdev Singh, aged 54 years is one of the Promoters of our Company. He holds a Bachelor’s degree in Commerce as well as a Master’s degree in Commerce. He has also cleared the intermediate level of the Institute of Cost & Works Accountants in India. Mr. Singh began his professional career at the age of 21 as a Senior Assistant in the Punjab Financial Corporation, Chandigarh. After gaining experience, he resigned from this service in the year 2000 and started his own construction business under the name “Aay Jay Builders”. He is our Company’s founder Director. He has an in depth knowledge and acumen of the Construction Industry. He was also nominated for “Best Emerging Enterprise” by JMA (Jalandhar Management Association) in 2014. He is actively involved in all aspects of the business

including - handling the overall business affairs of our Company including business development, devising business marketing strategies, operations and sales.

▪ **Salwinderjit Kaur**

Mrs. Salwinderjit Kaur, aged 55 years is also a Promoter of our Company. She holds a Bachelor's degree in Arts from Punjab University. She has a professional experience of 8 years in the field of interior decoration and green development. Mrs. Kaur is our Company's founder Director. She is engaged in the interior designing work of the residential flats that we develop.

▪ **Anuj Bansal**

Mr. Anuj Bansal, aged 37 years, was appointed as the Non-Executive Director of our Company with effect from February 16, 2011. He holds a Bachelor's degree in Commerce from Guru Nanak Dev University in Jalandhar. He is also a Fellow Member of the Institute of Company Secretaries of India. Mr. Bansal has a professional experience of around 13 years in the Secretarial field, as a Practicing Company Secretary.

▪ **Atul Mehta**

Mr. Atul Mehta, aged 45 years, was appointed as a Director of our Company with effect from December 08, 2014. He holds a Bachelor's degree in Commerce from DAV College in Jalandhar, a Post Graduate Diploma in Marketing Management from GND University in Amritsar. In 1989, he began his professional career at IA Switchgear as a Marketing Executive and resigned from the Company as a Marketing Manager after having worked for ten years. In 2001, Mr. Mehta started his own business venture of export trading in Handicrafts and Knitted Garments and also ran and managed his own restaurant in Ludhiana from 2004-2008. Currently he has been running his own business of Real Estate Consultancy since 2008.

▪ **Manjit Singh**

Mr. Manjit Singh, aged 64 years, was appointed as a Director of our Company with effect from December 08, 2014. He holds a Master's degree in Regional Planning from IIT, Kharagpur. He started his professional career in 1977 as an Assistant Town Planner for the Government of Haryana. For about 30 years, he worked on different positions in Gazetted capacity in the Department of Town and Country Planning, Punjab. At present he is actively engaged in providing assistance and Real Estate Consultancy services in Punjab.

Borrowing Powers of our Board of Directors

Our Company at its Extra-Ordinary General Meeting held on September 11, 2014 passed a resolution authorizing Board of Directors pursuant to the provisions of section 180 (1) (c) of the Companies Act, 2013 for borrowing from time to time any sum or sums of money from any person(s) or bodies corporate (including holding Company) or any other entity, whether incorporated or not, on such terms and conditions as the Board of Directors may deem fit for the purpose of the Company's business. The monies so borrowed together with the monies already borrowed by our Company (apart from temporary loans obtained from the banks in the ordinary course of business) may exceed the aggregate of the paid up share capital of our Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount of such borrowings together with the amount already borrowed and outstanding shall not, at any time, exceed ₹ 100 crores (Rupees Hundred Crores).

Remuneration of Directors

▪ **Sukhdev Singh, Managing Director**

The compensation package payable to him as resolved in the shareholders meeting held on June 29, 2013 is stated hereunder:

Salary, allowances and Perquisites: ₹ 3,00,000 per month (inclusive of all benefits)

Bonus: Nil

Commission: Subject to overall limit laid down in Section 197 of the Companies Act, 2013, such percentage of the net profit of the company as may be decided by the Board of Directors for each financial year.

▪ **Salwinderjit Kaur, Whole-Time Director**

The compensation package payable to her as resolved in the shareholders meeting held on June 29, 2013, is stated hereunder:

Salary, allowances and Perquisites: ₹ 2,00,000 per month (inclusive of all benefits)

Bonus: Nil

Commission: Subject to overall limit laid down in Section 197 of the Companies Act, 2013, such percentage of the net profit of the company as may be decided by the Board of Directors for each financial year.

▪ **Compensation of Non-Executive Directors**

The Board of Directors have accorded their approval for payment of sitting fee, in their meeting held on December 15, 2014, whereby the Non-Executive Independent Directors of our Company would be entitled to a sitting fee of ₹ 1500, for attending every meeting of Board or its committee thereof.

Remuneration paid to Non-Executive Directors in Fiscal 2014: Nil

Shareholding of Directors

The following table sets forth the shareholding of our Directors as on the date of this Prospectus:

Name of Directors	No. of Equity Shares held	% of Pre-Issue Paid Up Capital
Sukhdev Singh	40,30,320	54.17%
Salwinderjit Kaur	12,25,000	16.46%
Anuj Bansal	9,800	0.13%
Atul Mehta	0	0.00%
Manjit Singh	0	0.00%
TOTAL	52,65,120	70.76%

Interest of the Directors

All of our Directors may be deemed to be interested to the extent of fees 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 our Articles of Association, and to the extent of remuneration paid to them for services rendered as an officer or employee of our Company.

Our Directors may also be regarded as interested in the Equity Shares, if any, held by them or allotted to the companies in which they are interested as Directors, Members, and Promoters, pursuant to this Issue. All of our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.

Except as stated in this chapter titled “*Our Management*” and the chapter titled “*Related Party Transactions*” beginning on pages 98 and 115 of this Prospectus respectively, our Directors do not have any other interest in our business.

Except as stated in this chapter titled “*Related Party Transactions*” on page 115 of this Prospectus, our Directors have no interest in any property acquired by our Company within two years of the date of this Prospectus. Our Company has not taken any property on lease from our Promoters within two years of the date of this Prospectus.

Changes in the Board of Directors in the last three years

Following are the changes in our Board of Directors in the last three years:

Sr. No.	Name of Director	Date of Change	Reason for change
1	Salwinderjit Kaur	April 01, 2012	Change in designation
2	Atul Mehta	December 08, 2014	Appointment
3	Manjit Singh	December 08, 2014	Appointment
4	Anuj Bansal	January 05, 2015	Change in designation

Corporate Governance

The provisions of the SME Equity listing agreement, to be entered into by our Company with the Stock Exchange, will be applicable to our Company immediately upon the listing of our Equity Shares with the Stock Exchange. We have complied in accordance with Clause 52 (as applicable) of the SME Equity listing agreement, particularly in relation to appointment of Independent Directors to our Board and constitution of an Audit committee, a Stakeholder's Relationship Committee and a Nomination and Remuneration Committee.

Our Company undertakes to take all necessary steps to continue to comply with all the requirements of Clause 52 of the SME Equity listing agreement. In addition, our Company intends to adopt a code of conduct for prevention of insider trading.

We have constituted the following committees of our Board of Directors for compliance with corporate governance requirements:

1. Audit Committee
2. Stakeholder's Relationship Committee
3. Nomination and Remuneration Committee

1. Audit Committee

The Audit Committee of our Board was reconstituted by our Directors by a board resolution dated December 10, 2014 pursuant to section 177 of the Companies Act, 2013. The Audit Committee comprises of:

Name of the Member	Nature of Directorship	Designation in Committee
Atul Mehta	Non-Executive Independent Director	Chairman
Sukhdev Singh	Managing Director	Member
Manjit Singh	Non-Executive Independent Director	Member

The scope of Audit Committee shall include but shall not be restricted to the following:

- a) Oversight of the Issuer's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- b) 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.
- c) Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- d) 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 terms 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.
- e) Reviewing, with the management, the half yearly financial statements before submission to the board for approval
- f) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- g) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- h) Approval or any subsequent modification of transactions of the company with related parties;
- i) Scrutiny of inter-corporate loans and investments;
- j) Valuation of undertakings or assets of the company, wherever it is necessary;
- k) Evaluation of internal financial controls and risk management systems;
- l) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- m) 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.
- n) Discussion with internal auditors any significant findings and follow up there on.
- o) 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.
- p) 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.
- q) 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.
- r) To review the functioning of the Whistle Blower mechanism.
- s) 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.
- t) 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.

Explanation (ii): If the Issuer has set up an audit committee pursuant to provision of the Companies Act, the said audit committee shall have such additional functions / features as is contained in this clause.

The Audit Committee enjoys following powers:

- a) To investigate any activity within its terms of reference
- b) To seek information from any employee
- c) To obtain outside legal or other professional advice
- d) To secure attendance of outsiders with relevant expertise if it considers necessary

- e) The audit committee may invite such of the executives, as it considers appropriate (and particularly the head of the finance function) to be present at the meetings of the committee, but on occasions it may also meet without the presence of any executives of the Issuer. The finance director, head of internal audit and a representative of the statutory auditor may be present as invitees for the meetings of the audit committee.

The Audit Committee shall mandatorily review the following information:

- a) Management discussion and analysis of financial condition and results of operations;
- b) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- c) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- d) Internal audit reports relating to internal control weaknesses; and
- e) The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

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 committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit.

The Company Secretary of the Company acts as the Secretary to the Committee.

Meeting of Audit Committee

The audit committee shall meet at least four times in a year and not more than four months shall elapse between two meetings. The quorum shall be either two members or one third of the members of the audit committee whichever is greater, but there shall be a minimum of two independent members present. Since the formation of the committee, no Audit Committee meetings have taken place.

2. Stakeholders Relationship Committee

The Stakeholders Relationship Committee of our Board were reconstituted by our Directors pursuant to section 178 (5) of the Companies Act, 2013 by a board resolution dated December 10, 2014. The Stakeholders Relationship Committee comprises of:

Name of the Member	Nature of Directorship	Designation in Committee
Manjit Singh	Non-Executive Independent Director	Chairman
Sukhdev Singh	Managing Director	Member
Atul Mehta	Non-Executive Independent Director	Member

This committee will address all grievances of Shareholders/Investors and its terms of reference include the following:

- a) Allotment and listing of our shares in future
- b) Redressing of shareholders and investor complaints such as non-receipt of declared dividend, annual report, transfer of Equity Shares and issue of duplicate/split/consolidated share certificates;
- c) Monitoring transfers, transmissions, dematerialization, re-materialization, splitting and consolidation of Equity Shares and other securities issued by our Company, including review of cases for refusal of transfer/ transmission of shares and debentures;
- d) Reference to statutory and regulatory authorities regarding investor grievances;
- e) To otherwise ensure proper and timely attendance and redressal of investor queries and grievances;
- f) And to do all such acts, things or deeds as may be necessary or incidental to the exercise of the above powers.

The Company Secretary of our Company acts as the Secretary to the Committee.

Quorum and Meetings

The quorum necessary for a meeting of the Stakeholders Relationship Committee shall be two members or one third of the members, whichever is greater. Since the formation of the committee, no Stakeholders Relationship Committee meetings have taken place.

3. Nomination and Remuneration Committee

The Nomination and Remuneration Committee of our Board was reconstituted by our Directors pursuant to section 178 of the Companies Act, 2013 by a board resolution dated January 05, 2015.

The Nomination and Remuneration Committee currently comprises of:

Name of the Member	Nature of Directorship	Designation in Committee
Atul Mehta	Non-Executive Independent Director	Chairman
Anuj Bansal	Chairman and Non-Executive Director	Member
Manjit Singh	Non-Executive Independent Director	Member

The scope of Nomination and Remuneration Committee shall include but shall not be restricted to the following:

- a) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- b) Formulation of criteria for evaluation of Independent Directors and the Board;
- c) Devising a policy on Board diversity
- d) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report

Quorum and Meetings

The quorum necessary for a meeting of the Nomination and Remuneration Committee shall be two members or one third of the members, whichever is greater. The Committee is required to meet at least once a year.

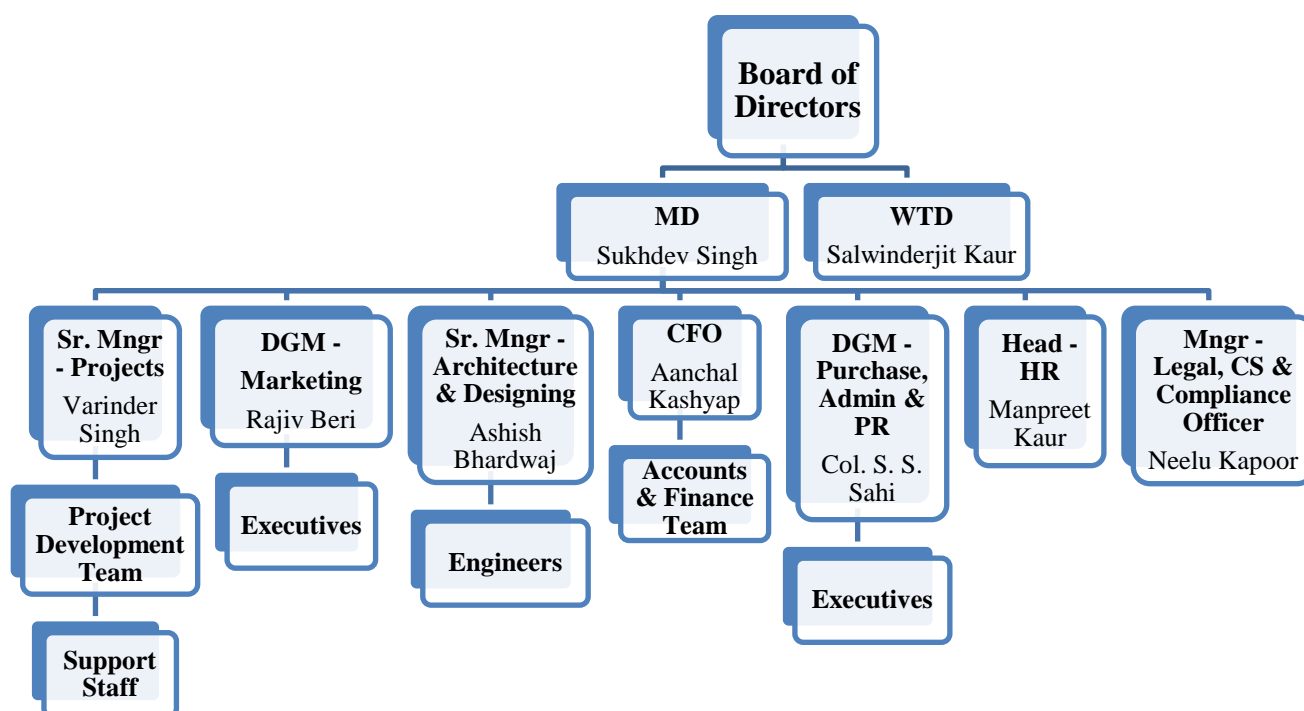
The Company Secretary of our Company acts as the Secretary to the Committee.

Policy on Disclosures & Internal procedure for prevention of Insider Trading

The provisions of Regulation 12 (1) of the SEBI (Prohibition of Insider Trading) Regulations, 1992 will be applicable to our Company immediately upon the listing of its Equity Shares on the Stock Exchange. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 1992 on listing of our Equity Shares on stock exchange. Further, Board of Directors have approved and adopted the policy on insider trading in view of the proposed public issue.

Ms. Neelu Kapoor is 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.

Management Organisation Structure



Terms & Abbreviations

CFO	-	Chief Finance Officer
MD	-	Managing Director
CS	-	Company Secretary
DGM	-	Deputy General Manager
GM	-	General Manager
HR	-	Human Resources
PR	-	Public Relations
Sr. Mngr.	-	Senior Manager
WTD	-	Whole-Time Director

Key Managerial Personnel

The details of our key managerial personnel are as below –

Name of Employee	Designation & Functional Area	Date of Joining	Current C.T.C p.a. (₹ in lacs)	Qualification	Name of Previous Employer(s)	Total years of Experience
Varinder Singh	Senior Manager – Projects	June 03, 2005	6.00	Undergraduate	M/s Aay Jay Builders	18 years
Rajiv Beri	General Manager – Marketing and Sales	August 01, 2012	4.02	Bachelor of Commerce	Self-employed at “Home Shopping Paradise”	15 years
Ashish Bhardwaj	Senior Manager – Architecture & Designing	September 05, 2013	3.00	Bachelor of Architecture	<ul style="list-style-type: none"> • RSMS Architects Pvt. Ltd. • Monarch India 	9 years

Name of Employee	Designation & Functional Area	Date of Joining	Current C.T.C p.a. (₹ in lacs)	Qualification	Name of Previous Employer(s)	Total years of Experience
					<ul style="list-style-type: none"> • B. M. Sharma & Associates • Aakaar • Aggarwal Designers 	
Anchal Kashyap	Chief Finance Officer	March 22, 2014	3.00	<ul style="list-style-type: none"> • Bachelor of Commerce • Associate Member of ICAI 	• R. S. Kalra & Associates	3 years 6 months (3 years articleship training)
Saranjit Singh Sahi	Deputy General Manager – Purchase, Admin & PR	March 12, 2012	2.40	<ul style="list-style-type: none"> • Post- Graduate Diploma in Human Resources Development • B.Sc 	• MBD Group	30 years
Manpreet Kaur	Head – Human Resources	September 02, 2013	1.15	<ul style="list-style-type: none"> • Bachelor of Commerce • MBA in Human Resource Management 	Nil	1 year 2 months
Neelu Kapoor	Company Secretary & Compliance Officer	October 06, 2014	3.00	<ul style="list-style-type: none"> • Bachelor of Commerce • Associate Member of ICSI • Post Graduate Programme in Management with specialization in finance 	• Sino Credit and Leasing Limited	1 year 9 months

Other Notes –

The aforementioned KMP are on the payrolls of our Company as permanent employees.

Also, they are not related parties as per the Accounting Standard 18.

Relationship amongst the Key Managerial Personnel

None of the aforementioned KMP are related to each other.

Also, none of them have been selected pursuant to any arrangement / understanding with major shareholders / customers / suppliers.

Shareholding of Key Managerial Personnel

None of the KMP in our Company holds any shares of our Company as on the date of this Prospectus.

Interest of Key Managerial Personnel

The Key Managerial Personnel of our Company do not have any interest in our Company, other than to the extent of remuneration of benefits to which they are entitled as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business. Further, if any Equity Shares are allotted to our Key

Managerial Personnel prior to / in terms of this Issue, they will be deemed to be interested to the extent of their shareholding and / or dividends paid or payable on the same.

Bonus or Profit Sharing Plan for the Key Managerial Personnel during the last three years

Our Company does not have fixed bonus / profit sharing plan for any of the employees or key managerial personnel.

Loans taken by Key Management Personnel

None of our Key Managerial Personnel have taken any loan from our Company.

Employee Share Purchase and Employee Stock Option Scheme

Presently, we do not have ESOP / ESPS scheme for employees.

Payment or Benefit to our Officers

Except for the payment of salaries and yearly bonus, if any, we do not provide any other benefits to our employees.

Changes in the Key Managerial Personnel in the three years preceding the date of filing this Prospectus

Name	Current Designation	Date of Joining	Date of Leaving
Rajiv Beri	General Manager – Marketing and Sales	August 01, 2012	N.A.
Ashish Bhardwaj	Senior Manager – Architecture & Designing	September 05, 2013	N.A.
Anchal Kashyap	Chief Finance Officer	March 22, 2014	N.A.
Saranjit Singh Sahi	Deputy General Manager –Purchase, Admin & PR	March 12, 2012	N.A.
Neelu Kapoor	Company Secretary & Compliance Officer	October 06, 2014	N.A.
Manpreet Kaur	Head – Human Resources	September 02, 2013	N.A.
Raj Kumar	Senior Manager (Construction)	June 01, 2013	September 06, 2014
R. K. Joshi	Senior Manager (Construction)	June 07, 2010	April 06, 2014
Navin Jha	Deputy Project Manager	July 01, 2012	June 11, 2014



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OUR PROMOTER, PROMOTER GROUP AND GROUP COMPANIES

OUR PROMOTERS

Mr. Sukhdev Singh and Mrs. Salwinderjit Kaur are the Promoters of our Company.

The details of our Promoters are provided below:

	Mr. Sukhdev Singh
	PAN: AFRPS3124B
	Passport No.: H4035101
	Driver's License No.: PB-0820090218998
	Voter's ID No.: YUN0271361
	Bank A/c No.: 17062191000641
	Name of Bank & Branch: Oriental Bank of Commerce, Pholriwal (Jalandhar)
	Mrs. Salwinderjit Kaur
	PAN: AHCPK4619A
	Passport No.: H4033793
	Driver's License No.: PB-0820070116476
	Voter's ID No.: YUN0271379
	Bank A/c No.: 2572101003835
	Name of Bank & Branch: Canara Bank, Jalandhar

For additional details on the age, background, personal address, educational qualifications, experience, positions / posts and Directorships held in the past, please see the chapter titled "Our Management" beginning on page 98 of this Prospectus.

For details of the build-up of our Promoters' shareholding in our Company, please see "Capital Structure –Notes to Capital Structure" on page 43 of this Prospectus.

Other Understandings and Confirmations

We confirm that the PAN, the Bank Account Number and the Passport Number of the Promoters shall be submitted to the Stock Exchange where the securities of our Company are proposed to be listed, at the time of filing of the Draft Prospectus with the Stock Exchange.

Our Promoters, the members of our Group Companies and relatives of our Promoters (as per the Companies Act, 1956) have confirmed that they have not been identified as wilful defaulters by the RBI or any other governmental authority.

No violations of securities laws have been committed by our Promoters or members of our Promoter Group or any Group Companies in the past or are currently pending against them. None of (i) our Promoters, Promoter Group or Group Companies or persons in control of or on the boards of bodies corporate forming part of our Group Companies (ii) the Companies with which our Promoters are or were associated as a Promoter, Director or person in control, are debarred or prohibited from accessing the capital markets or restrained from buying, selling, or dealing in securities under any order or directions passed for any reasons by the SEBI or any other authority or refused listing of any of the securities issued by any such entity by any stock exchange in India or abroad.

Common Pursuits

One of our Group Entities (M/s Aay Jay Builders) is currently engaged in business similar to ours. Our Company has not adopted any measures for mitigating such conflict situations. For further details on the related party transactions, to the extent of which our Company is involved, please see the chapter titled "Related Party Transactions" beginning on page 115 of this Prospectus.

Interest of Promoters in the Promotion of our Company

Our Company is promoted by Mr. Sukhdev Singh and Mrs. Salwinderjit Kaur in order to carry on its present business. Our Promoters are interested in our Company as mentioned above in this chapter, under the heading “*Common Pursuits of our Promoters*” and to the extent of their shareholding and directorship in our Company and the dividend declared, if any, by our Company.

Interest of Promoters in the Property of our Company

Our Promoters have confirmed that except as mentioned in the chapter titled “*Related Party Transactions*” on page 115 of this Prospectus, they do not have any interest in any property acquired by our Company within two years preceding the date of this Prospectus or proposed to be acquired by our Company as on the date of this Prospectus.

Further, other than as mentioned in the chapter titled “*Business Overview*” and “*Related Party Transactions*” on pages 73 and 115 of this Prospectus, our Promoters do not have any interest in any transactions in the acquisition of land, construction of any building or supply of any machinery.

Payment of Amounts or Benefits to our Promoters or Promoter Group during the last two years

Except as stated in “*Annexure XVII - Related Party Transactions*” on page 133 of this Prospectus, no amount or benefit has been paid by our Company to our Promoters or the members of our Promoter Group in the last two years preceding the date of this Prospectus.

Interest of Promoters in our Company other than as Promoters

Other than as Promoters, our Promoters are interested in our Company to the extent of their shareholding and directorship in our Company and the dividend declared, if any, by our Company.

Further, except as mentioned in this chapter and the chapters titled “*Business Overview*”, “*History and Certain Corporate Matters*”, “*Financial Indebtedness*” and “*Annexure XVII - Related Party Transactions*” on pages 73, 95, 149 and 133, respectively, of this Prospectus, our Promoters do not have any interest in our Company other than as promoters.

Other Confirmations

Except as stated elsewhere in this Prospectus, our Company has not entered into any contract, agreements or arrangements during the preceding two years from the date of this Prospectus in which our Promoters 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 other than in the normal course of business.

Further, except as disclosed in this, our Promoters do not have any interest in any venture that is involved in any activities similar to those conducted by us.

Companies with which the Promoter has disassociated in the last three years

Our Promoter Mr. Sukhdev Singh was appointed as Director in Agile Mechanical & Electrical Services Engineers Ltd. and Arcobaleno Consulting Engineers India Ltd. Subsequently, Mr. Sukhdev Singh sold his shares in these companies, however, the companies have applied for striking off their names from the RoC and hence the process of resigning from the company could not be taken on record. Mr Sukhdev Singh has confirmed that currently he does not have any material interest or control in these companies.

Outstanding Litigation

There is no outstanding litigation against our Promoters except as disclosed in the section titled “*Risk Factors*” and chapter titled “*Outstanding Litigation and Material Developments*” beginning on pages 152 and 9 of this Prospectus.

OUR PROMOTER GROUP AND GROUP COMPANIES

Apart from our Promoters, as per Regulation 2(1)(zb) of the SEBI (ICDR) Regulation, 2009, the following individuals and entities shall form part of our Promoter Group:

1. Natural Persons who are Part of the Promoter Group

Name of the Promoter	Name of the Relative	Relationship with the Promoter
Sukhdev Singh	Inder Singh	Father
	Ajit Kaur	Mother
	Salwinderjit Kaur	Wife
	Mukhtiar Singh	Brother
	Sukhwinder Kaur	Sister
	Abhijit Singh	Son
	Sohan Singh	Wife's Father
	Basant Kaur	Wife's Mother
	Nirmaljit Singh Thind	Wife's Brother
	Sarabjeet Kaur	Wife's Sister
Salwinderjit Kaur	Sohan Singh	Father
	Basant Kaur	Mother
	Sukhdev Singh	Husband
	Nirmaljit Singh Thind	Brother
	Sarabjeet Kaur	Sister
	Abhijit Singh	Son

2. Other Relatives / Individuals or PACs whose shareholding shall be considered as part of the Promoter Group:

- Ranjit Singh
- Bikramjit Singh

3. Corporate Entities or Firms forming part of the Promoter Group

As per Regulation 2(1)(zb)(iv) of the SEBI (ICDR) Regulations, 2009, the following entities / companies shall form part of our Promoter Group:

Sr. No.	Name of Promoter Group Entity / Company
1	AGI Hospitalities Private Limited
2	Aay Jay Builders

GROUP COMPANIES / ENTITIES

Following companies / entities have been promoted by our Promoters and hence form part of our “Group Companies / Entities”:

- 1) AGI Hospitalities Private Limited
- 2) M/s Aay Jay Builders

Unless otherwise stated, none of the entities forming part of the Promoter Group had remained defunct during the five years preceding the date of this Prospectus or is a sick company under the meaning of SICA and none of them are under winding up. Further, all the Group Companies are unlisted companies and they have not made any Public Issue of securities (including rights) in the preceding three years. The information provided in this chapter is as on the date of this Prospectus.

Brief details of our Group Entities:

1. AGI Hospitalities Private Limited (herein after known as “AGIHPL”)

Corporate Information

AGI Hospitalities Private Limited was incorporated under the Companies Act, 1956 on July 24, 2012 in the state of Punjab. The main object of AGIHPL is to carry on the business of running, owning, franchise in, franchise out all types of Hotels, Motels, Resorts, Marriage Palaces, Clubs, Restaurants, Pubs, Bars, Discos, Rest Houses, Entertainment Complexes, Food Court / Food Franchisees, Recreational clubs, etc.

Its registered office is situated at Ladowali Road, Opposite Circle Education Office, Jalandhar, Punjab – 144001.

Board of Directors

- Mr. Sukhdev Singh
- Mrs. Salwinderjit Kaur

Shareholding Pattern

The shareholding of our Promoters in AGIHPL as on date of this Prospectus is as follows:

Sr. No.	Name of Shareholder	No. of Equity Shares Held	% of Total Equity Holding
1	Sukhdev Singh	6,23,500	64.38%
2	Salwinderjit Kaur	1,15,000	11.87%
3	Others	2,30,000	23.75%
	Total	9,68,500	100.00%

Financial Performance

The summary of audited financials of AGIHPL is as follows:

(₹ in lacs, unless stated otherwise)

Sr. No.	Particulars	As at March 31		
		2014	2013	2012*
1	Equity Capital	96.85	31.00	N.A.
2	Reserves (excluding revaluation reserve) and Surplus	0.00	0.00	N.A.
3	Income including other income	0.00	0.00	N.A.
4	Profit/ (Loss) after tax	0.00	0.00	N.A.
5	Earnings per share (face value of ₹10 each) (in ₹)	N.A.	N.A.	N.A.
6	Net asset value (in ₹)	10.00	10.00	N.A.

*The Company was incorporated in July 2012 and hence the Annual Report for the financial year 2011-12 is not available.

Proprietary Firm:

2. M/s. Aay Jay Builders

M/s. Aay Jay Builders is a sole proprietorship firm formed by Mr. Sukhdev Singh with VAT registration date as December 07, 2007. It was formed to run the business of construction and infrastructure development. The firm has a capital of ₹ 56.95 lacs as on March 31, 2014.

Nature and Extent of Interest of Group Companies

a) In the promotion of the Company

None of the Group Companies have any interest in the promotion of the Company, except to the extent of their shareholding in the Company, if any. For details regarding the shareholding of our Group Companies in our company, please see the chapter titled “*Capital Structure*” beginning on page 40 of this Prospectus.

b) In the properties acquired or proposed to be acquired by the Company in the past two years

Our Company has not acquired any property from the Group Companies in the past two years nor does it propose to acquire any properties from its Group Companies.

c) In transactions for acquisition of land, construction of building and supply of machinery

None of the Group Companies have any interest in any transactions for acquisition of land, construction of building and supply of machinery by our Company.

Related Business Transactions within the Group Companies and Significance on the Financial Performance of the Company

For details, please see the chapter titled “*Annexure XVII - Related Party Transactions*” on page 133 of this Prospectus.

Business Interest of Group Companies in the Company

Except as disclosed above, and in the chapters titled “*Business Overview*” and “*Related Party Transactions*” beginning on pages 73 and 115 respectively of this Prospectus, none of the Group Companies have any business interest in our Company.

Sale / Purchase between Group Companies

For details, please see the chapter titled “*Annexure XVII - Related Party Transactions*” on page 133 of this Prospectus.



DIVIDEND POLICY

Under the Companies Act, 2013, our Company can pay dividends upon a recommendation by our Board of Directors and approval by a majority of the shareholders at the General Meeting. The shareholders of our Company have the right to decrease, not to increase the amount of dividend recommended by the Board of Directors. The dividends may be paid out of profits of our Company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous fiscal years or out of both. The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends.

There are no dividends declared by our Company since incorporation.

Our Company does not have any formal dividend policy for the Equity Shares. The declaration and payment of dividend will be recommended by our Board of Directors and approved by the shareholders of our Company at their discretion and will depend on a number of factors, including the results of operations, earnings, capital requirements and surplus, general financial conditions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.



RELATED PARTY TRANSACTIONS

For details of the related party transactions, please see “*Annexure XVII - Related Party Transactions*” under the section titled “*Financial Information*” beginning on page 116 of this Prospectus.



SECTION VI - FINANCIAL INFORMATION

FINANCIAL STATEMENTS

REPORT OF THE INDEPENDENT AUDITORS ON FINANCIAL STATEMENTS

**The Board of Directors,
AGI Infra Limited**
66 Ft, Road, Village Pholriwal,
Near Urban Estate
Phase-II, Jalandhar

Dear Sirs,

Re: Proposed Public Issue of Equity Shares of AGI Infra Ltd. (AIL)

We have examined the Financial Information of **AGI INFRA LIMITED** [hereinafter referred to as 'the Company'] contained in the statements annexed to this report, which have been approved by the Board of Directors, proposed to be included in the Draft Prospectus / Prospectus in connection with the proposed Initial Public Offer of Equity Shares of the Company under the Fixed Price Method.

In terms of the requirement of:

- a. Sub-clauses (i) and (iii) of clause (b) of sub-section (1) of section 26 of the Companies Act, 2013 (the "Act") read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules ('the Rules'), 2014;
- b. The Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009, issued by SEBI on August 26, 2009, in pursuance of Section 11 A (1) (a) of Securities and Exchange Board of India Act (SEBI), 1992, 'SEBI (ICDR) Regulations';

Financial Information as per audited financial Statements:

- a. We have examined the accompanied 'Statement of Restated Profits and Losses' (**Annexure – II**) for the period ended 30th September, 2014 and for the years ended on 31st March 2010, 2011, 2012, 2013 and 2014 and the 'Statement of Restated Assets and Liabilities' (**Annexure – I**) as on those dates, forming Part of the 'Financial Information' dealt with by this Report, detailed below. Both read together with the Significant Accounting Policies and Notes to Accounts (**Annexure – IV & V**) thereon, which are the responsibility of the Company's management. The information have been extracted from the financial statements for the financial year ended 31st March 2010, 2011, 2012, 2013 and 2014 and the six months period ended September 30, 2014 audited by M/s R.S. Kalra & Associates, Chartered Accountants being the Statutory auditors of the Company, and is re-audited by us for the period ended 30th September 2014 and for the financial year ended 31st March 2014, approved by the Board of Directors and adopted by the Members in those respective financial years. We did not carry out any validation tests or review procedures of financial statements for aforesaid financial year audited by M/s R.S. Kalra & Associates, Chartered Accountants and upon which we have placed our reliance while reporting.
- b. Based on the above (a) and also as per the reliance made on the reports submitted by the statutory auditor of the company for the respective years, we report as under:-
 - (i) The statement of Assets and Liabilities, and the Profits and Losses Account of the Company as at the end of the period ended 30th September 2014 and at the end of each of the five financial years ended on 31st March 2010, 2011, 2012, 2013 and 2014, reflect the assets and liabilities and profits and losses extracted from the Balance Sheets and Profit and Loss Accounts for the period ended 30th September 2014 and for the financial years ended 31st March 2010, 2011, 2012, 2013 and 2014 audited by M/s R.S. Kalra & Associates, Chartered Accountants being the Statutory auditors of the Company, and is re-audited by us for the period ended 30th September 2014 and for the financial year ended 31st March 2014, after making such adjustments, regrouping and disclosures as were, in our opinion, appropriate and required to be made in accordance with Clause (b) of paragraph 6.10.2.7 of "the SEBI (ICDR) Regulations."
 - (ii) In our opinion, read with the respective Significant Accounting Policies and subject to/read together with the notes thereon and after making such adjustments, regroupings and disclosures as were, in our opinion,

appropriate and required, the financial information referred to above and the other Financial Information herein below, have been prepared in accordance with Sub-clauses (i) and (iii) of clause (b) of sub-section (1) of section 26 of the Companies Act, 2013 (the “Act”) read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules (‘the Rules’), 2014 and the SEBI (ICDR) Regulations.

Other Financial Information:

We have also examined the following other financial information relating to the Company proposed to be included in the Draft Prospectus / Prospectus, extracted from the period ended 30th September 2014 and from each of the financial years ended 31st March 2010, 2011, 2012, 2013 and 2014 audited by M/s R.S. Kalra & Associates, Chartered Accountants being the Statutory auditors of the Company, and is re-audited by us for the period ended 30th September 2014 and for the financial year ended 31st March 2014, and annexed to this report:

- i) Statement of the Cash Flow of the Company (Annexure – III)
- ii) Statement of Fixed Assets (Annexure – VI)
- iii) Statement of Non Current Investments (Annexure – VII)
- iv) Statement of Other Non-Current Assets (Annexure VIII)
- v) Statement of Trade Receivables (Annexure –IX)
- vi) Statement of Short Term Loans & Advances (Annexure – X)
- vii) Statement of Other Current Assets (Annexure – XI)
- viii) Statement of Long Term Borrowings(Annexure – XII)
- ix) Statement of Other Current Liabilities (Annexure – XIII)
- x) Statement of Short Term Provisions (Annexure – XIV)
- xi) Statement of Revenue from Operations (Annexure – XV)
- xii) Statement of Other Income (Annexure – XVI)
- xiii) Schedule of Related Party Transactions (Annexure – XVII)
- xiv) Capitalization Statement (Annexure – XVIII)
- xv) Schedule of Contingent Liability (Annexure – XIX)
- xvi) Schedule of Dividend Paid (Annexure – XX)
- xvii) Summary of Accounting Ratios (Annexure – XXI)
- xviii) Statement of Tax Shelter (Annexure – XXII)

This report should not in any way be construed to be a re-issuance or re-dating of any of the previous audit reports issued by the other firm of Chartered Accountants, nor should it be construed to be a new opinion on any of the financial statements referred to herein.

Our this report, is being provided solely for the use of AGI Infra Limited, for the purpose of its inclusion in the said Draft Prospectus / Prospectus in connection with the proposed Initial Public Offer of the Equity Shares of the Company.

**For M/s. R. A. Marwaha & Co.,
Chartered Accountants**

Partner / Proprietor

CA. Ashwani Kumar Randeva
Membership No: 086221
(Firm Registration No.: 006393N)

Place: Jalandhar (Punjab)
Date: December 12, 2014

Annexure I - STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED
(₹ in lacs)

Particulars	September 30, 2014	As on March 31,				
		2014	2013	2012	2011	2010
I. EQUITY AND LIABILITIES						
(1) Shareholder's Funds						
(a) Share Capital	744.07	531.48	531.48	531.48	47.30	47.30
(b) Reserves and Surplus	481.02	532.85	258.84	74.52	331.59	286.42
Total Shareholder's Funds (A)	1,225.09	1,064.33	790.32	606.00	378.89	333.72
(2) Share application money pending allotment (B)	-	-	-	-	8.38	-
(3) Non-Current Liabilities						
(a) Long-term borrowings	2,861.71	1,631.86	1,392.55	824.13	5.05	8.03
(b) Deferred tax liabilities (Net)	6.85	6.69	3.48	2.10	0.85	-
(c) Other Long term liabilities	-	-	-	-	-	-
(d) Long term provisions	-	-	-	-	-	-
Total Non-Current Liabilities (C)	2,868.56	1,638.55	1,396.03	826.23	5.90	8.03
(4) Current Liabilities						
(a) Short-term borrowings	-	-	-	-	-	-
(b) Trade payables	497.15	471.10	227.33	87.91	141.68	20.47
(c) Other current liabilities	6,634.31	7,603.23	5,215.05	1,214.32	18.09	227.63
(d) Short-term provisions	69.77	128.16	81.75	-	-	0.56
Total Current Liabilities (D)	7,201.23	8,202.49	5,524.13	1,302.23	159.77	248.66
Total (A+B+C+D)	11,294.88	10,905.38	7,710.48	2,734.46	552.94	590.41
II. ASSETS						
(1) Non-current assets						
<i>(a) Fixed assets</i>						
(i) Tangible assets	548.98	568.64	343.27	202.99	64.41	28.01
(ii) Intangible assets	-	-	-	-	-	-
(iii) Capital work-in-progress	-	-	-	-	-	-
(iv) Intangible assets under development	-	-	-	-	-	-
(b) Non-current investments	44.61	44.61	44.61	44.61	-	-
(c) Deferred tax assets (net)	-	-	-	-	-	0.10
(d) Long term loans and advances	-	-	-	-	-	-
(e) Other non-current assets	-	-	21.40	121.75	108.49	87.50
Total Non-Current Assets (A)	593.59	613.25	409.28	369.36	172.90	115.61
(2) Current assets						
(a) Current investments	-	-	-	-	-	-
(b) Inventories	9,796.73	9,587.60	6,734.81	2,074.48	212.14	328.53
(c) Trade receivables	267.17	85.16	126.55	95.02	50.38	96.91
(d) Cash and cash equivalents	313.73	214.71	317.87	145.83	116.95	49.37
(e) Short-term loans and advances	225.00	225.00	-	-	-	-
(f) Other current assets	98.66	179.66	121.97	49.77	0.57	0.00
Total Current Assets (B)	10,701.29	10,292.12	7,301.20	2,365.11	380.04	474.81
Total (A+B)	11,294.88	10,905.38	7,710.48	2,734.46	552.94	590.41

Annexure II - STATEMENT OF PROFIT AND LOSS ACCOUNT, AS RESTATED
(₹ in lacs)

Particulars	September 30, 2014	For the year ended March 31,				
		2014	2013	2012	2011	2010
Income						
Revenue from Operations	2,412.53	3,027.97	46.11	26.00	282.66	483.72
Other Income	14.35	18.23	23.66	12.47	1.73	1.83
Total Income	2,426.88	3,046.21	69.77	38.47	284.39	485.55
Expenditure						
Purchases	1,563.03	3,814.69	3,100.24	1,451.50	84.66	97.42
Change in Inventories	(208.71)	(2,852.79)	(4,660.33)	(1,862.34)	106.39	218.47
Employee benefit expense	398.53	789.90	612.40	186.99	10.45	30.94
Financial costs	198.52	354.27	246.86	88.75	3.95	27.23
Depreciation and amortization expense	41.66	76.12	44.60	21.55	4.90	5.60
Other expenses	200.75	451.95	456.70	147.33	25.53	16.51
Total Expenses	2,193.78	2,634.15	(199.54)	33.78	235.87	396.16
Profit before exceptional and extraordinary items and tax	233.10	412.06	269.30	4.69	48.52	89.39
Add: Exceptional Items	-	-	-	-	-	-
Profit before extraordinary items and tax	233.10	412.06	269.30	4.69	48.52	89.39
Less: Extraordinary Items	-	-	-	-	-	-
Profit before tax	233.10	412.06	269.30	4.69	48.52	89.39
Tax expense:						
Current tax	72.18	134.84	83.60	1.71	2.60	0.56
Deferred tax	0.16	3.21	1.39	1.25	0.95	(0.10)
	72.34	138.05	84.99	2.96	3.55	0.46
Profit/(Loss) from the period from continuing operations	160.76	274.01	184.31	1.73	45.18	88.92
Profit/(Loss) from discontinuing operations	-	-	-	-	-	-
Tax expense of discounting operations	-	-	-	-	-	-
Profit/(Loss) from Discontinuing operations	-	-	-	-	-	-
Profit/(Loss) for the period	160.76	274.01	184.31	1.73	45.18	88.92

Annexure III - CASH FLOW STATEMENT, AS RESTATED
(₹ in lacs)

Particulars	September 30, 2014	For the year ended March 31,				
		2014	2013	2012	2011	2010
CASH FLOW FROM OPERATING ACTIVITIES						
Net Profit Before Tax as Restated	233.10	412.06	269.30	4.69	48.52	89.39
Adjustment for :						
Depreciation	41.66	76.12	44.60	21.55	4.90	5.60
Extra Ordinary Items	-	-	-	-	-	-
Interest / Dividend Income	(2.77)	(7.51)	(8.14)	(4.53)	(0.85)	(1.78)
(Profit) / Loss on sale on Fixed Assets	-	-	-	-	-	-
Financial Costs	198.52	354.27	246.86	88.75	3.95	27.23
Operating Profit before Working Capital Changes	470.51	834.95	552.62	110.46	56.53	120.43
Adjustment for :-						
(Increase) / Decrease in Inventories	(209.13)	(2,852.79)	(4,660.33)	(1,686.96)	116.39	218.47
(Increase) / Decrease in Trade Receivables	(182.01)	41.39	(31.53)	(44.64)	46.53	72.74
Increase / (Decrease) in Trade Payables	26.05	243.77	139.42	(53.77)	121.20	(15.50)
Increase / (Decrease) in Short Term Provisions	0.00	46.41	81.75	0.00	(0.56)	0.31
Increase / (Decrease) in Other current liabilities	155.51	2,388.19	4,000.72	1,196.23	(209.54)	(57.79)
(Increase) / Decrease in Other Non Current Assets	0.00	21.40	100.35	(13.26)	(20.99)	(87.50)
(Increase) / Decrease in short term loans & Advances	0.00	(225.00)	0.00	0.00	0.00	0.00
(Increase) / Decrease in other Current Assets	81.00	(57.69)	(72.20)	(49.20)	(0.57)	1.52
Cash Generated from Operations	341.93	440.61	110.81	(541.15)	109.00	252.68
Direct Taxes Paid	(72.18)	(134.84)	(83.60)	(1.71)	(2.40)	(0.56)
Net cash from / (used in) operating activities (A)	269.75	305.77	27.21	(542.86)	106.60	252.12
						.
CASH FLOW FROM INVESTING ACTIVITIES						
Purchase of Fixed Assets (Incl. CWIP)	(22.01)	(301.50)	(184.87)	(160.13)	(41.30)	(0.43)
Sale of Fixed Assets	-	-	-	-	-	-
Profit / (Loss) on sale of Fixed Assets	-	-	-	-	-	-
Other non Current Investments	-	-	-	(44.61)	-	-
Purchase / Sale of Investments	-	-	-	-	-	-
Interest / Dividend Income	2.77	7.51	8.14	4.53	0.85	1.78
Net cash from / (used in) Investing activities (B)	(19.23)	(293.99)	(176.73)	(200.21)	(40.45)	1.35
						.
CASH FLOW FROM FINANCING ACTIVITIES						
Proceeds From issue of share capital (including Premium)	-	-	-	50.00	-	-
Share Application Money	-	-	-	(8.38)	8.38	-
Increase / (Decrease) in Long Term Borrowing	47.02	239.31	568.42	819.08	(2.98)	(204.41)
Increase / Decrease in Long Term Loans & Advances	-	-	-	-	-	-

Particulars	September 30, 2014	For the year ended March 31,				
		2014	2013	2012	2011	2010
Increase/(Decrease) in Short Term borrowing	-	-	-	-	-	-
Financial Costs	(198.52)	(354.27)	(246.86)	(88.75)	(3.95)	(27.23)
Net cash from/(used in) financing activities (C)	(151.50)	(114.96)	321.56	771.95	1.45	(231.64)
Net (Decrease)/Increase in cash and Cash Equivalents (A+B+C)	99.02	(103.16)	172.03	28.88	67.58	21.83
Cash and cash equivalents at beginnings of year	214.71	317.87	145.83	116.95	49.37	27.54
Cash and cash equivalents at end of year	313.73	214.71	317.87	145.83	116.95	49.37

Annexure IV - SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Preparation of Financial Statements

- Financial statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 2013.
- The Company follows the mercantile system of accounting on a going concern basis.
- Presentation and disclosure in financial statements

During the year ended March 31, 2012 the revised Schedule VI notified under the companies act 1956, had become applicable to the company, for preparation and presentation of its financial statements. The adoption of revised schedule VI does not impact recognition and measurement principles followed by the company for preparation of financial statements. However, it has significant impact on presentation and disclosure made in financial statements. The company has also reclassified the previous year figures in accordance with the requirement applicable in current year.

B. Use of Estimates

The presentation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosure relating to contingent assets and liabilities as at the date of financial statements are reported amounts of incomes and expenses during the period. Actual results could differ from those estimates.

C. Fixed Assets, including Intangible Assets and Capital Work in Progress

- Fixed assets are stated at cost of acquisition or construction (net of Cenvat Credits). All cost relating to the acquisition and installation of fixed assets are capitalized and include borrowing costs directly attributable to construction or acquisition of fixed assets, up to the date of asset is put to use and adjustment arising out of exchange rate variation relating to liabilities attributable to those fixed assets. They are stated at historical cost less depreciation.
- Capital Work-In-Progress comprises of the cost of fixed assets that are not yet ready for their intended use at the reporting date.

D. Depreciation and Amortization

Depreciation on items listed in Schedule XIV of the Companies Act, 1956 is charged according to the W.D.V. Method at rates specified in the said Schedule. Depreciation on Assets acquired/purchased during the year is provided on pro-rata basis according to the period each asset was put to use during the year.

E. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

- a) Revenue from job work is recognized on the basis of % completed service contract.
- b) Sales are accounted for on dispatch of goods to the customers and are exclusive of the Excise, sales return rebate & discount, rate difference but inclusive of the sales tax, if any.
- c) Dividend income and insurance claim has been accounted on cash basis.
- d) Commission income, profit on sale of Assets, Investment, Export incentives, Int. on FDR are accounted on accrual basis.

F. Inventories

- a) Inventories of Raw materials are valued at cost, determined on FIFO basis. Cost of Raw Materials Stocks is determined so as to exclude from cost, taxes and duties, which are subsequently Recoverable from taxing authorities.
- b) Stock of Work-in-progress valued at estimated cost.

G. Foreign Currency Transactions

Sometimes the payments are received from the NRI customers in foreign exchange and the amount received after conversion is credited to their accounts. Question of exchange difference does not arise.

H. Investment

Investments are classified into long-term investments and short-term 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. Long Term Investments & Short Term Investments are carried at cost. No provisions for diminution has been made as in the opinion of the management the diminution are temporary in nature.

I. Impairment of Assets

The carrying amount of assets is reviewed at each Balance Sheet date to determine if there is any indication of impairment thereof based on external/ internal factors. An impairment loss in accordance with Accounting Standard-28 "Impairment of Assets " is recognized wherever the carrying amount of an assets exceeds its recoverable amount, which represent the greater of the net selling price of assets and their value in use. An impairment loss recognized in prior accounting period is reversed if there has been a change in estimate of recoverable amount.

J. Retirement and other Employee Benefits

- a) Gratuity –

Liabilities in respect of Gratuity will be assessed actuarially and provided as and when the same becomes applicable. No employee has completed 5 years in the Company as on date of this Prospectus.

- b) Provident Fund and Leave Encashment –

A liability in respect of Provident Fund & Leave Encashment is provided in the accounts on accrual basis for the period.

K. Segment Reporting

- a) The segments have been identified in line with the AS-17, taking into account the organization structure as well as the differential risks and returns of these segments. Business segments have been considered as primary segments.

- b) Inter segment revenue have been accounted for based on the transaction price agreed between segments which is primarily market led.
- c) Geographical segment is not considered as exports are insignificant.

L. Borrowing cost

Borrowing Cost directly attributable to the acquisition or construction of qualifying assets is capitalized. Other borrowing cost is recognized as expenses in the period in which they are incurred.

M. Taxation

- a) Current tax is determined as the amount of tax payable in respect of taxable income for the year.
- b) Deferred tax is recognized, on timing differences, being the Difference between taxable incomes and accounting income that originates in one period and is capable of reversal in one or more subsequent periods.
- c) Minimum Alternate Tax (MAT) Credit is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during specified period. The year in which the MAT credit becomes eligible, it is to be recognized as an asset. In accordance with recommendation contained in the guidance note issued by ICAI, said asset is created by way of credit/reversal of provisions to Profit and Loss A/c and shown as MAT Credit Entitlements in Loans and Advances. The company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that company will pay normal Income Tax during the specified period.

N. Provisions, Contingent Liabilities and Contingent Assets:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

O. Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by weighted average number of equity shares outstanding during the period.

P. There are no Auditor's Qualifications in the Financial Statements of the Company.

Annexure V - NOTES TO ACCOUNTS

1. Managerial Remuneration

(₹ in lacs)

Particulars	For the Year Ended March 31				
	2014	2013	2012	2011	2010
<i>Whole Time Directors Remuneration</i>					
S. Sukhdev Singh	36.00	6.00	1.80	1.80	1.80
Smt. Salwinderjit Kaur	24.00	6.00	0.96	0.96	0.96
<i>Non Whole Time Directors Remuneration</i>	-	-	-	-	-
Sitting Fees	-	-	-	-	-

2. Deferred Tax

Deferred Tax Liability is calculated on the Timing Difference between W. D. V. of Fixed Assets as per Companies Act and as per Income Tax Act & Disallowable Gratuity. Deferred Tax Asset is recognized for business losses as per

Income Tax Act & Disallowable Gratuity to the extent that there is virtual certainty that sufficient future taxable income will be taxable against which Deferred Tax Assets can be realized.

(₹ in lacs)

Particulars	For the Year Ended March 31					
	30.09.14	2014	2013	2012	2011	2010
Opening Balance of Deferred Tax Assets	(6.69)	(3.48)	(2.09)	(0.85)	0.10	-
Diff. In Depreciation between accounting books and tax return for the year end	(0.53)	(10.39)	(4.48)	(4.03)	(3.07)	0.32
Provision for gratuity disallowable u/s. 43B of the Income Tax Act, 1961	-	-	-	-	-	-
Tax Rate	30.90%	30.90%	30.90%	30.90%	30.90%	30.90%
Closing Bal. of Deferred Tax (Liability) / Asset	(6.85)	(6.69)	(3.48)	(2.09)	(0.85)	0.10

3. Remuneration to Statutory Auditors:

(₹ in lacs)

Particulars	For the year ended March 31				
	2014	2013	2012	2011	2010
Audit Fees	0.75	0.28	0.25	0.25	0.20
Taxation Matters	0.25	-	-	-	-
ROC Matters	-	-	-	-	-
Total	1.00	0.28	0.25	0.25	0.20

4. The Company has not received any intimation from suppliers regarding their status under micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure, if any, in relation to amount unpaid as at the year-end as required under the said Act have not been furnished.

5. In the opinion of Board of Directors, the value of realization of current assets, loans and advances in the ordinary course of business will not be less than the amount at which these are stated in the balance sheet.

6. The management has confirmed that adequate provisions have been made for all the known and determined liabilities and the same is not in excess of the amounts reasonably required.

7. Accounting for taxes on income

Provision for current tax is made based on the tax payable under the current provisions of the tax laws applicable in the jurisdiction where the income is assessable.

8. Contingent Liability

Contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprises, or is a possible obligation that arises from past events but is not recognised because either it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or a reliable estimate of the amount of the obligation cannot be made.

9. Earnings Per share

Basic & Diluted Earnings per Share is calculated on Weighted Average number of Equity shares during the year.

10. Previous year figures have been re-grouped and reclassified wherever necessary to confirm to the current year classification.

ADJUSTMENTS MADE TO RESTATED FINANCIAL STATEMENTS DUE TO REPRESENTATION UNDER NEW FORMAT OF SCHEDULE VI OF THE COMPANIES ACT, 1956

Reconciliation of Current Assets and Loans & Advances

(₹ in lacs)

Particulars	September 30, 2014	For the Year Ended March 31				
		2014	2013	2012	2011	2010
As per Balance Sheet						
Cash & Bank Balances					116.95	49.37
Inventories					212.14	328.53
Trade Receivables					50.38	96.91
Other Current Assets					109.06	-
Advance for purchase of property					-	47.50
Total	N.A	N.A	N.A	N.A	488.53	522.31
Restated as follows						
Cash and Cash Equivalents					116.95	49.37
Inventories					212.14	328.53
Trade Receivables					50.38	96.91
Short Term Loans and Advances					-	47.50
Other Current Assets					0.57	-
Total					380.04	522.31
Difference in Current Assets and Loans & Liabilities					(108.49)⁽¹⁾	-

⁽¹⁾ F.Y 2010-2011: An Amount of ₹ 95.00 Lacs and ₹ 13.49 lacs pertaining to Advance for purchase of property and MAT Credit respectively was classified as a Non-Current Asset as per the requirements of new schedule of companies act.

Reconciliation of Current Liabilities & Provisions

(₹ in lacs)

Particulars	September 30, 2014	For the Year Ended March 31				
		2014	2013	2012	2011	2010
As per Balance Sheet						
Sundry Creditors for Goods					141.68	20.47
Sundry Creditors for Expenses					-	-
Short Term Provisions					10.00	-
Provision for Income Tax					-	0.56
Other Current Liabilities					8.09	181.38
Total	N.A	N.A	N.A	N.A	159.77	202.42
Restated as follows						
Trade Payables					141.68	20.47
Short Term Provisions					-	0.56
Other Current Liabilities					18.09 ⁽²⁾	181.38
Total					159.77	202.42
Difference in Current Liabilities & Provisions					-	-

⁽²⁾ In FY 2010-11, an amount pertaining to liability of ₹ 10 lacs was reclassified from "Short Term Provisions" to "Other Current Liabilities".

Reconciliation of Expenses

(₹ in lacs)

Particulars	September 30, 2014	For the Year Ended March 31				
		2014	2013	2012	2011	2010
As per Profit & Loss A/c						
Purchases					8.38	-
Change of Land Use (Land Purchase)					69.33	-
Lift A/c					-	12.95
Materials Consumed					6.94	84.47
Labour Charges					2.23	21.41
Salary A/c.					5.43	6.74
Salary to Director					2.76	2.76
Staff Welfare					0.03	0.03
Other Administration Expenses					22.53	16.51
Interest / Finance Cost					3.95	27.23
Depreciation					7.95	5.15
Total	N.A	N.A	N.A	N.A	129.53	177.24
Restated as follows						
Purchases					84.65	97.42
Employee Benefit Expenses					10.45	30.94
Finance Cost					3.95	27.23
Depreciation					4.90	5.60
Other Administrative Expenses					22.53	16.51
Total					126.48	177.70
Difference in PAT					3.05	(0.45)

OTHER ADJUSTMENTS MADE IN RESTATED FINANCIAL STATEMENTS / REGROUPING NOTES

Regrouping Notes for Balance Sheet

- In FY 2012-13, an amount pertaining to Income Tax Provisions has been separately shown as "Short Term Provisions" which was earlier grouped along with "Other Current Liabilities".
- The Company has changed the method of depreciation from the rates provided on WDV as per Income Tax Act to WDV method at the rates prescribed under Schedule XIV of the Companies Act 1956. The method of providing depreciation is changed with retrospective, i.e. from the first year of the Company's operation till date. Hence the amount of Net Block, Deferred Tax Liability / Asset and corresponding Balance of Profit and Loss Account for the Financial Year ended March 31, 2010, 2011, 2012, 2013 and 2014 as well as period ended September 30, 2014 have been adjusted in the Restated Financials.
- In FY 2010-11 an amount pertaining to Share Application Money pending Allotment of ₹ 8.38 lacs has been classified under the head of Reserves & Surplus. The same was reclassified separately on the face of Balance Sheet in the Restated Financials.

Regrouping Notes for Profit and Loss Account

- The Company has changed the method of depreciation from the rates provided on WDV as per Income Tax Act to WDV method at the rates prescribed under Schedule XIV of the Companies Act 1956. The method of providing depreciation is changed with retrospective i.e. from the first year of the Company's operation till date. The above change in Accounting Policy has the following effect:

a) Change in Depreciation:

(₹ in lacs)

Particulars	September 30, 2014	For the Year Ended March 31				
		2014	2013	2012	2011	2010
Depreciation as per Audited Financials	41.66	79.47	43.74	24.95	7.95	5.15

Particulars	September 30, 2014	For the Year Ended March 31				
		2014	2013	2012	2011	2010
Depreciation in Restated Financials (due to change in policy)	41.66	76.12	44.60	21.55	4.90	5.60
Difference in Depreciation	-	3.35	(0.85)	3.40	3.05	(0.45)

b) Change in Deferred Tax

(₹ in lacs)

Particulars	September 30, 2014	For the Year Ended March 31				
		2014	2013	2012	2011	2010
Deferred Tax as per Audited Financials	0.16	2.06	3.29	-	-	-
Deferred Tax in Restated Financials (due to change in policy)	0.16	3.21	1.39	1.25	0.95	(0.10)
Difference in Deferred Tax	-	(1.15)	1.90	(1.25)	(0.95)	0.10

c) Change in Net Profit

(₹ in lacs)

Particulars	September 30, 2014	For the Year Ended March 31				
		2014	2013	2012	2011	2010
Net Profit as per Audited Financials	163.57	271.81	187.60	(0.42)	43.08	89.27
Difference in Depreciation	-	3.35	(0.85)	3.40	3.05	(0.45)
Depreciation of earlier years written back	(4.15)	-	(4.34)	-	-	-
Difference in Deferred Tax	-	(1.15)	1.90	(1.25)	(0.95)	0.10
Deferred Tax of earlier years written back	1.34	-	-	-	-	-
Net Profit as per Restated Financials	160.76	274.01	184.31	1.73	45.18	88.92

2. Deferred tax on timing differences between taxable income and accounting income is accounted for, using the tax rates and tax laws enacted as on year ended March 31, 2010, 2011, 2012, 2013 and 2014.

Annexure VI - STATEMENT OF FIXED ASSETS, AS RESTATED

(₹ in lacs)

Particular	September 30, 2014	For the year ended on March 31				
		2014	2013	2012	2011	2010
TANGIBLE ASSETS						
Car	9.65	9.65	9.65	9.65	9.65	9.65
Add : Addition	11.93	-	-	-	-	-
Less : Deduction	-	-	-	-	-	-
Less: Accumulated Depreciation	9.40	8.42	7.99	7.41	6.63	5.58
Net Block	12.18	1.23	1.66	2.24	3.02	4.07
CC TV Camera	1.96	1.96	1.00	-	-	-
Add : Addition	-	-	0.96	1.00	-	-
Less : Deduction	-	-	-	-	-	-
Less: Accumulated Depreciation	0.60	0.50	0.26	0.05	-	-
Net Block	1.36	1.46	1.69	0.95	-	-
Motor Cycle	0.65	0.65	0.65	0.65	0.65	0.65
Add : Addition	1.68	-	-	-	-	-

Particular	September 30, 2014	For the year ended on March 31				
		2014	2013	2012	2011	2010
Less : Deduction	-	-	-	-	-	-
Less: Accumulated Depreciation	0.72	0.61	0.59	0.58	0.55	0.52
Net Block	1.60	0.04	0.05	0.07	0.09	0.12
Plant & Machinery	178.31	68.16	58.08	5.70	5.70	5.70
Add : Addition	-	110.15	10.08	52.38	-	-
Less : Deduction	-	-	-	-	-	-
Less: Accumulated Depreciation	41.37	31.13	13.71	6.06	2.52	2.00
Net Block	136.94	147.18	54.45	52.01	3.18	3.70
Mercedes Benz	40.40	40.40	40.40	40.40	-	-
Add : Addition	-	-	-	-	40.40	-
Less : Deduction	-	-	-	-	-	-
Less: Accumulated Depreciation	25.08	23.94	18.20	10.48	0.03	-
Net Block	15.31	16.46	22.20	29.92	40.37	-
Misc pump	11.63	8.40	1.12	-	-	-
Add : Addition	-	3.23	7.29	1.12	-	-
Less : Deduction	-	-	-	-	-	-
Less: Accumulated Depreciation	2.66	1.99	0.84	0.04	-	-
Net Block	8.97	9.64	7.56	1.07	-	-
Furniture & Fixture	12.15	4.29	1.04	0.29	0.29	0.29
Add : Addition	0.67	7.86	3.26	0.74	-	-
Less : Deduction	-	-	-	-	-	-
Less: Accumulated Depreciation	2.79	1.81	0.61	0.22	0.11	0.08
Net Block	10.02	10.34	3.68	0.81	0.18	0.22
Computer	4.45	3.45	2.49	2.06	1.16	0.89
Add : Addition	0.79	1.00	0.96	0.43	0.90	0.27
Less : Deduction	-	-	-	-	-	-
Less: Accumulated Depreciation	3.53	3.22	2.79	1.67	1.22	0.77
Net Block	1.72	1.23	0.66	0.82	0.84	0.38
Steel shuttering	304.57	213.14	103.43	28.98	28.98	28.98
Add : Addition	-	91.44	109.71	74.45	-	-
Less : Deduction	-	-	-	-	-	-
Less: Accumulated Depreciation	80.85	64.13	31.87	16.66	13.18	10.62
Net Block	223.72	240.44	181.27	86.77	15.80	18.35
Office Equipment	2.48	2.48	2.48	1.40	1.40	1.40
Add : Addition	-	-	-	1.07	-	-
Less : Deduction	-	-	-	-	-	-
Less: Accumulated Depreciation	1.34	1.25	1.05	0.82	0.64	0.51
Net Block	1.14	1.23	1.42	1.65	0.77	0.89
Printer	0.86	0.73	0.73	0.31	0.31	0.15
Add : Addition	-	0.13	-	0.41	-	0.17
Less : Deduction	-	-	-	-	-	-
Less: Accumulated Depreciation	0.63	0.57	0.44	0.26	0.15	0.05
Net Block	0.23	0.28	0.28	0.47	0.16	0.27

Particular	September 30, 2014	For the year ended on March 31				
		2014	2013	2012	2011	2010
Generator Set	25.53	13.17	7.07	-	-	-
Add : Addition	6.90	12.36	6.10	7.07	-	-
Less : Deduction	-	-	-	-	-	-
Less: Accumulated Depreciation	5.67	4.00	2.33	0.90	-	-
Net Block	26.76	21.53	10.85	6.17	-	-
Hydra	11.40	11.40	11.40	-	-	-
Add : Addition	-	-	-	11.40	-	-
Less : Deduction	-	-	-	-	-	-
Less: Accumulated Depreciation	3.63	3.05	1.70	0.13	-	-
Net Block	7.77	8.35	9.70	11.27	-	-
Truck	72.54	10.05	10.05	-	-	-
Add : Addition	-	62.49	-	10.05	-	-
Less : Deduction	-	-	-	-	-	-
Less: Accumulated Depreciation	14.25	9.89	2.50	1.28	-	-
Net Block	58.29	62.65	7.55	8.77	-	-
Air Conditioner	18.70	14.39	-	-	-	-
Add : Addition	-	4.31	14.39	-	-	-
Less : Deduction	-	-	-	-	-	-
Less: Accumulated Depreciation	4.60	3.55	1.80	-	-	-
Net Block	14.09	15.15	12.59	-	-	-
Telephone	0.33	0.33	-	-	-	-
Add : Addition	-	-	0.33	-	-	-
Less : Deduction	-	-	-	-	-	-
Less: Accumulated Depreciation	0.09	0.08	0.03	-	-	-
Net Block	0.24	0.25	0.30	-	-	-
Cooler	0.12	0.12	-	-	-	-
Add : Addition	-	-	0.12	-	-	-
Less : Deduction	-	-	-	-	-	-
Less: Accumulated Depreciation	0.04	0.03	0.01	-	-	-
Net Block	0.09	0.09	0.11	-	-	-
Electric Control Panels	0.70	0.70	0.00	-	-	-
Add : Addition	-	-	0.70	-	-	-
Less : Deduction	-	-	-	-	-	-
Less: Accumulated Depreciation	0.20	0.17	0.08	-	-	-
Net Block	0.50	0.53	0.62	-	-	-
Fire Fighting Equipment	0.70	0.70	-	-	-	-
Add : Addition	0.03	-	0.70	-	-	-
Less : Deduction	-	-	-	-	-	-
Less: Accumulated Depreciation	0.21	0.17	0.09	-	-	-
Net Block	0.52	0.53	0.61	-	-	-

Particular	September 30, 2014	For the year ended on March 31				
		2014	2013	2012	2011	2010
Mobile Set	1.00	0.49	-	-	-	-
Add : Addition	-	0.51	0.49	-	-	-
Less : Deduction	-	-	-	-	-	-
Less: Accumulated Depreciation	0.16	0.09	0.03	-	-	-
Net Block	0.84	0.91	0.46	-	-	-
Pickup Van	5.29	5.29	-	-	-	-
Add : Addition	-	-	5.29	-	-	-
Less : Deduction	-	-	-	-	-	-
Less: Accumulated Depreciation	2.18	1.72	1.14	-	-	-
Net Block	3.11	3.57	4.15	-	-	-
Tower Crane	22.00	22.00	-	-	-	-
Add : Addition	-	-	22.00	-	-	-
Less : Deduction	-	-	-	-	-	-
Less: Accumulated Depreciation	6.62	5.48	2.81	-	-	-
Net Block	15.38	16.52	19.19	-	-	-
UPS System	1.94	1.94	-	-	-	-
Add : Addition	-	-	1.94	-	-	-
Less : Deduction	-	-	-	-	-	-
Less: Accumulated Depreciation	0.75	0.46	0.22	-	-	-
Net Block	1.19	1.48	1.72	-	-	-
Water Cooler/Purifier	0.82	0.56	-	-	-	-
Add : Addition	-	0.27	0.56	-	-	-
Less : Deduction	-	-	-	-	-	-
Less: Accumulated Depreciation	0.18	0.13	0.06	-	-	-
Net Block	0.64	0.69	0.49	-	-	-
STORAGE CONTAINER	7.76	-	-	-	-	-
Add : Addition	-	7.76	-	-	-	-
Less : Deduction	-	-	-	-	-	-
Less: Accumulated Depreciation	1.38	0.91	-	-	-	-
Net Block	6.38	6.85	-	-	-	-
GROSS BLOCK	757.95	735.94	434.45	249.58	89.45	48.14
DEPRECIATION	208.96	167.30	91.18	46.58	25.03	20.14
NET BLOCK	548.98	568.64	343.27	202.99	64.41	28.01

Annexure VII - STATEMENT OF NON CURRENT INVESTMENTS, AS RESTATED
(₹ in lacs)

Particular	September 30, 2014	For the year ended on March 31				
		2014	2013	2012	2011	2010
NON - CURRENT INVESTMENTS						
Investment in Land and Property (Title Deed No. 1947)	44.61	44.61	44.61	44.61	-	-
Total	44.61	44.61	44.61	44.61	-	-

Annexure VIII - STATEMENT OF NON CURRENT ASSETS, AS RESTATED
(₹ in lacs)

Particular	September 30, 2014	For the year ended on March 31				
		2014	2013	2012	2011	2010
NON - CURRENT ASSETS						
Advance for Property Purchase	-	-	-	100.00	95.00	87.50
MAT Credit	-	-	21.40	21.75	13.49	-
Total	-	-	21.40	121.75	108.49	87.50

Annexure IX - STATEMENT OF TRADE RECEIVABLES, AS RESTATED
(₹ in lacs)

Particulars	September 30, 2014	For the year ended March 31				
		2014	2013	2012	2011	2010
Debtors outstanding exceeding six months:						
Considered Good						
Receivable from Promoter / Promoter Group Co.	-	-	-	-	-	-
Others	61.27	1.98	77.61	93.04	40.67	53.98
Sub - Total (A)	61.27	1.98	77.61	93.04	40.67	53.98
Debtors outstanding not exceeding six months:						
Considered Good						
Receivable from Promoter / Promoter Group Co.	-	-	-	-	-	-
Others	205.90	83.18	48.94	1.98	9.71	42.93
Sub - Total (B)	205.90	83.18	48.94	1.98	9.71	42.93
Total (A+B)	267.17	85.16	126.55	95.02	50.38	96.91

Annexure X - STATEMENT OF SHORT TERM LOANS AND ADVANCES, AS RESTATED
(₹ in lacs)

Particular	September 30, 2014	For the year ended on March 31				
		2014	2013	2012	2011	2010
Short Term Loans and Advances						
Advance given to Promoter and Promoter Group	-	-	-	-	-	-
Advance against purchase of land	225.00	225.00	-	-	-	-
TOTAL	225.00	225.00	-	-	-	-

Annexure XI - STATEMENT OF OTHER CURRENT ASSETS, AS RESTATED
(₹ in lacs)

Particular	September 30, 2014	For the year ended on March 31				
		2014	2013	2012	2011	2010
Advance Income Tax	65.00	132.00	70.00	-	-	-
Prepaid Statutory Dues	21.10	38.04	19.63	41.86	0.08	-
Prepaid Expenses	0.40	2.41	5.93	2.74	0.48	-
Other Current Assets	12.16	7.21	26.40	5.17	-	-
Total	98.66	179.66	121.97	49.77	0.57	-

Annexure XII - STATEMENT OF LONG TERM BORROWINGS, AS RESTATED
(₹ in lacs)

Particulars	September 30, 2014	For the Year Ended March 31				
		2014	2013	2012	2011	2010
Term Loans						
- From Banks & Financial Institutions (Secured)	2420.91	1,179.07	1,177.98	700.31	-	0.00
Total (A)	2420.91	1,179.07	1,177.98	700.31	-	-
Other Loans & Advances (Unsecured)						
- From Directors & Related Parties	36.00	-	4.81	4.81	5.05	8.03
- From Body Corporates and Others	404.79	452.79	209.76	119.01	-	-
Total (B)	440.79	452.79	214.57	123.82	5.05	8.03
Total (A+B)	2,861.71	1,631.86	1,392.55	824.13	5.05	8.03
Current Portion of Long Term borrowings included under other current liabilities	455.34	1,182.82	696.30	11.79	-	46.25

Note: For details of the Terms of Sanction, Maturity and other details of Secured Loans please refer chapter titled "Financial Indebtedness" on page 149 of this Prospectus.

Annexure XIII - STATEMENT OF OTHER CURRENT LIABILITIES, AS RESTATED
(₹ in lacs)

Particular	September 30, 2014	For the year ended on March 31				
		2014	2013	2012	2011	2010
Current Maturities of Borrowings	455.34	1,182.82	696.30	11.79	-	46.25
Advances received from Customers (including advances against expression of interest)	6,096.31	6,299.97	4,490.38	1,156.84	-	155.15
Other Liabilities	-	40.11	9.10	10.00	-	15.23
Expenses Payable	49.06	35.36	12.05	22.02	18.01	10.89
Statutory Dues Payable	33.60	44.97	7.21	13.67	0.08	0.11
Total	6,634.31	7,603.23	5,215.05	1,214.32	18.09	227.63

Annexure XIV - STATEMENT OF SHORT TERM PROVISIONS, AS RESTATED
(₹ in lacs)

Particular	September 30, 2014	For the year ended on March 31				
		2014	2013	2012	2011	2010
Provision for Tax	69.77	128.16	81.75	-	-	0.56
Total	69.77	128.16	81.75	-	-	0.56

Annexure XV - STATEMENT OF REVENUE FROM OPERATIONS, AS RESTATED
(₹ in lacs)

Particular	September 30, 2014	For the year ended on March 31				
		2014	2013	2012	2011	2010
Sales (Real Estate and Construction Business)	2,412.53	3,027.97	46.11	26.00	282.66	483.72
Sales of Traded Goods	-	-	-	-	-	-
Total Revenue from Operations (Net)	2,412.53	3,027.97	46.11	26.00	282.66	483.72

Annexure XVI - STATEMENT OF OTHER INCOME, AS RESTATED

(₹ in lacs)

Particulars	September 30, 2014	For the year ended March 31				
		2014	2013	2012	2011*	2010
Other Income Details						
Interest Received	2.77	7.51	8.14	4.53	0.85	1.78
Rebate & Discount	0.45	1.16	0.02	0.20	-	-
Annual Maintenance Charges Received	1.66	5.83	7.79	7.49	0.89	-
Misc Income	0.50	3.73	7.41	-	-	0.05
Rent Received	-	-	0.30	-	-	-
Service Charges	0.06	-	-	-	-	-
Profit on Sale of land	8.90	-	-	-	-	-
Balance written back / recovered	-	-	-	0.25	-	-
Total	14.35	18.23	23.66	12.47	1.73	1.83
As a % of Net Profit Before Tax	6.16%	4.42%	8.78%	265.92%	3.36%	2.02%

* The Other Income in 2011 primarily pertains to Interest Income and Income from AMC of the buildings and these two are recurring in nature.

Annexure XVII - STATEMENT OF RELATED PARTY TRANSACTIONS, AS RESTATED

Details of related parties and description of relationship							
Particulars	Nature of Relationship	Six months ended September 30, 2014	Financial years ended				
			2014	2013	2012	2011	2010
<u>Names of related parties with whom transactions have taken place and their relationship</u>							
Key Managerial Personnel	Director	Sukhdev Singh	Sukhdev Singh	Sukhdev Singh	Sukhdev Singh	Sukhdev Singh	Sukhdev Singh
	Director	Salwinderjit Kaur	Salwinderjit Kaur	Salwinderjit Kaur	Salwinderjit Kaur	Salwinderjit Kaur	Salwinderjit Kaur
	Director	Anuj Bansal	Anuj Bansal	Anuj Bansal	Anuj Bansal	Anuj Bansal	-
Relatives of Key Managerial Personnel	Nephew of Sukhdev Singh	Varinder Singh	Varinder Singh	Varinder Singh	Varinder Singh	Varinder Singh	Varinder Singh
Relatives of Key Managerial Personnel	Nephew of Smt. Salwinderjit	Jaspreet Singh	Jaspreet Singh -	Jaspreet Singh	Jaspreet Singh	-	-
Associates / Enterprises over which directors and / or their relatives has significant influence	Firm wherein director is Proprietor	Aay Jay Builders	Aay Jay Builders	Aay Jay Builders	Aay Jay Builders	Aay Jay Builders	Aay Jay Builders
	Company in which relative is Director	AGI Hospitalities Pvt. Ltd.	AGI Hospitalities Pvt. Ltd.	AGI Hospitalities Pvt. Ltd.	-	-	-

Enterprise having substantial voting rights	Holding Company	-	-	-	-	-	-
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Transactions pertaining to Key Managerial Personnel
(₹ in lacs)

Nature of Transaction	Six months ended September 30, 2014	Financial years ended				
		2014	2013	2012	2011	2010
Remuneration	30.00	60.00	12.00	2.76	2.76	2.76

Transactions pertaining to Associates / enterprises over which directors and / or their relatives has significant influence
(₹ in lacs)

Nature of Transaction	Six months ended September 30, 2014	Financial years ended				
		2014	2013	2012	2011	2010
Goods Purchased / Job Work	84.75	-	-	-	-	-
Purchase of Fixed Assets (Generator Set)	-	-	-	8.05	-	-
Purchase of Fixed Assets (Machinery)	-	-	-	26.16	-	-
Purchase of Fixed Assets (Truck / Tractor)	-	-	-	11.43	-	-
Purchase of Inventory (Land)	-	-	-	175.38	-	-
Equity Shares allotted against Land	-	-	-	175.38	-	-
Equity Shares Allotted (Bonus)	-	-	-	150.00	-	-
Sale of Goods	-	35.44	5.34	-	-	-
Net Amt. Received (Current Account)*	-	114.98	22.92	-	28.57	-
Net Amt. Paid (Current Account)*	277.72	-	-	27.00	-	64.47
Outstanding Balances at end of period						
Trade Payables	(92.88)	99.60	28.89**	1.56	28.57	-

* Includes credit notes and debit notes for "on behalf / on party" banking transactions.

** Includes debit balance of ₹ 4.41 lacs of AGI Hospitalities Pvt. Ltd. cleared in May 2013.

Annexure XVIII - STATEMENT OF CAPITALIZATION
(₹ in lacs)

Particular	Pre Issue (as at September 30, 2014)	Post Issue
Debt		
Long Term Debt	3317.04	2917.67*
Short Term Debt	-	-
Total Debts (A)	3317.04	2917.67
Equity (Shareholder's funds)		
Equity share capital	744.07	1021.67
Reserve and Surplus	481.02	1702.46
Total Equity(B)	1225.09	2724.13

Long Term Debt / Equity Shareholder's funds	2.70:1	1.07:1
Total Debts / Equity Shareholder's funds	2.70:1	1.07:1

Note: The above has been computed on the basis of Restated Summary Statements of the Company.

* Estimated after considering re-payment of loan as per "Objects of the Issue" on page 50 of this Prospectus.

Annexure XIX - STATEMENT OF CONTINGENT LIABILITIES, AS RESTATED

(₹ in lacs)

Particular	September 30, 2014	For the year ended on March 31				
		2014	2013	2012	2011	2010
Contingent Liabilities	NIL	NIL	NIL	NIL	NIL	NIL
Total	NIL	NIL	NIL	NIL	NIL	NIL

Annexure XX - STATEMENT OF DIVIDEND DECLARED, AS RESTATED

(₹ in lacs)

Particular	September 30, 2014	For the year ended on March 31				
		2014	2013	2012	2011	2010
Dividend Declared	-	-	-	-	-	-

Annexure XXI - STATEMENT OF ACCOUNTING RATIOS, AS RESTATED

(₹ in lacs)

Particular	September 30, 2014	For the year ended on March 31,				
		2014	2013	2012	2011	2010
Restated PAT as per P & L Account	160.76	274.01	184.31	1.73	45.18	88.92
Actual Number of Equity Shares outstanding at the end of the year	7,440,720	5,314,800	5,314,800	5,314,800	473,000	473,000
Equivalent Weighted Average number of Equity Shares at the end of the year	7,440,720	7,440,720	6,687,238	4,635,400	4,635,400	4,635,400
Net Worth ⁽²⁾	1,225.09	1,064.33	790.32	606.00	378.89	333.72
Earnings Per Share:						
Basic & Diluted ⁽³⁾	2.16 ⁽¹⁾	3.68	2.76	0.04	0.97	1.92
Return on Net Worth (%)	13.12%	25.74%	23.32%	0.29%	11.92%	26.65%
Net Asset Value Per Share (₹) - based on actual no. of equity shares at the end of the year	16.46	20.03	14.87	11.40	80.10	70.55
Nominal Value per Equity share (₹) ⁽⁴⁾	10.00	10.00	10.00	10.00	10.00	10.00

⁽¹⁾ Not annualised

⁽²⁾ There is no revaluation reserve in last five years of the Company. Net Worth is Equity Share Capital + Reserves and Surplus – Preliminary expenses not written off.

⁽³⁾ As there is no dilutive capital in the company, Basic and Diluted EPS are same.

⁽⁴⁾ The face value of the equity shares for FY 2014 to FY 2010 was ₹ 100 per share, however, since in the last period the face value has been spilt to ₹ 10 per share; for comparison purposes the face value has been assumed at ₹ 10 for all of the above years.

Notes to Accounting Ratios:

- The above statement should be read with the Significant accounting policies and notes to accounts appearing in Annexure IV & V respectively.
- Formulas used for calculating above ratios are as under:
 - Basic EPS is being calculated by using the formula: Net Profit after excluding Extra-ordinary items / Weighted Average No. of outstanding shares.

- ii. Basic EPS (Including bonus Effect) is being calculated by using the formula: Net Profit after excluding Extraordinary items / Weighted Average No. of outstanding shares including bonus effect.
- iii. Net Asset Value is being calculated by using the formula: (Equity Share Capital + Reserves and Surplus – Preliminary Expenses not written off)/Number of Equity Shares at year end.
- iv. Return on Net worth is being calculated by using the formula: Profit After Tax/(Equity Share Capital +Reserves and Surplus – Preliminary Expenses not written off).
- v. Net Tangible Assets comprises Net Fixed Assets and Net Working Capital.

Annexure XXII - STATEMENT OF TAX SHELTER

(₹ in lacs)

Particular	September 30, 2014	For the year ended on March 31,				
		2014	2013	2012	2011	2010
Normal Corporate tax rates (%)	30.90%	30.90%	30.90%	30.90%	30.90%	30.90%
Minimum alternative tax rates	19.06%	19.06%	19.06%	19.06%	19.06%	15.45%
Profit before tax as per Restated P/L	233.10	412.06	269.30	4.69	48.52	89.39
Applicable Corporate tax Rate	30.90%	30.90%	30.90%	30.90%	30.90%	30.90%
Notional tax as per tax rate on profits (A)	50.42	127.33	83.21	1.45	15.92	29.36
Tax Adjustment						
Permanent Difference						
Donation & Other Expenses	-	-	-	0.64	0.02	0.12
Income Tax, FBT & Provision for Income Tax	-	-	-	-	-	-
U/s. 40(a) (ia)	-	-	-	-	-	-
Provision for Gratuity	-	-	-	-	-	-
Profit on Sale of Fixed Assets	-	-	-	-	-	-
Loss on Sale of Fixed Assets	-	-	-	-	-	-
Total Permanent Difference (B)	-	-	-	0.64	0.02	0.12
Timing Difference						
Depreciation	0.53	10.39	4.48	3.40	3.05	(0.44)
Exp. Disallowed u/s. 43B	-	-	-	-	-	-
Un Paid Professional Tax	-	-	-	-	-	-
Un Paid Bonus	-	-	-	-	-	-
U/s. 36(1) (VA) & 43B	-	-	-	-	-	-
Total Timing Difference (C)	0.53	10.39	4.48	3.40	3.05	(0.44)
Business Losses not set off in past years (D)	-	-	-	-	-	-
Total Adjustment (E) = (B+C+D)	0.53	10.39	4.48	4.04	3.07	(0.33)
Tax Expenses / (Saving) thereon (F) = (E)* Tax rate	0.16	3.21	1.39	1.25	0.95	(0.10)
Tax payable as per normal provisions (other than 115JB) of the Act (G)	50.58	130.54	84.60	2.70	16.87	29.26
MAT tax rate (H)	19.06%	19.06%	19.06%	19.06%	19.06%	15.45%
Tax under MAT (I)	31.10	78.54	51.33	0.89	9.55	14.68
Tax payable for the year maximum of (G) or (I)	50.58	130.54	84.60	2.70	16.87	29.26
Deferred Tax Liability /(Asset)	0.16	3.21	1.39	1.25	0.95	(0.10)

Notes: The aforesaid Statement of tax Shelters has been prepared as per the 'Restated Profit and Loss Account'

CHANGES IN ACCOUNTING POLICIES IN THE LAST THREE YEARS

The Company has changed the method of depreciation from the rates provided on WDV as per Income Tax Act to WDV method at the rates prescribed under Schedule XIV of the Companies Act 1956. The method of providing

depreciation is changed with retrospective i.e. from the first year of the Company's operation till date. The details regarding the effect of the same have been explained in the Notes to Accounts forming part of Annexure V of this report.

CHANGE IN ACCOUNTING PERIOD

There has been no change in the accounting period of the Company.

SALE OR PURCHASE BETWEEN OUR COMPANY AND GROUP COMPANIES

There have been no transactions of sale or purchase during the FY 2013 – 2014 between our Company and the Group Companies exceeding 10% of our total sale or purchases.

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MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion and analysis of financial condition and results of operations together with our financial statements included in this Prospectus. The following discussion relates to our Company and is based on our restated financial statements. Our financial statements have been prepared in accordance with Indian GAAP, the accounting standards and other applicable provisions of the Companies Act.

Note: Statement in the Management Discussion and Analysis Report describing our objectives, outlook, estimates, expectations or prediction may be "Forward looking statement" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to our operations include, among others, economic conditions affecting demand/supply and price conditions in domestic and overseas market in which we operate, changes in Government Regulations, Tax Laws and other Statutes and incidental factors.

Business Overview

We are an integrated construction and real estate development company, focussed primarily on construction and development of commercial / residential projects, in and around Punjab. Our Company was incorporated in the year 2005 as G. I. Builders Private Limited, jointly promoted by Mr. Sukhdev Singh and Mrs. Salwinderjit Kaur, with the vision of providing "premium housing at fair prices". The name of our Company was changed to AGI Infra Limited in the year 2011.

We have successfully completed a Group Housing Project - "G. I. Apartments" comprising of 78 flats at the Phagwara District, Kapurthala in 2009. In 2011, we launched our flagship Group Housing Project – "Jalandhar Heights". As part of Jalandhar Heights Extn. Project, we have, as of September 30, 2014, constructed about 6 lacs sq. ft. of Saleable Area, out of which about 3.40 lacs Sq. Ft. saleable area has been delivered, and have further begun construction work for 4.19 lac sq. ft. which we propose to deliver within the next few quarters. Further, we propose to develop an additional 9.72 lac sq. ft. as part of this project once we complete the above. For further details on these projects, please see "Objects of the Issue" on page 50 of this Prospectus.

We have an in-house Architectural and Designing Team which co-ordinates the entire process of delivering a project from its conceptualization to completion. While conceptualizing a project, we rely on a research-based approach for layout planning, FSI utilisation, unit size, fittings and interiors, and determining sales and marketing strategies. Depending on the level of competition, regulatory practices and consumer preferences, we alter our development mix and product design to ensure that our products cater to customers across all income groups. We also regularly interact with our customers to receive direct feedback on the quality of our products. We have obtained ISO 9001:2008 Certification for Construction and Development of Residential and Commercial Complexes.

For further details on our business operations, please see the chapter titled "Business Overview" beginning on page 73 of this Prospectus.

Significant Developments after September 30, 2014 that may affect our Future Results of Operations

The Directors confirm that there have been no events or circumstances since the date of the last financial statements as disclosed in the Prospectus which materially or adversely affect or is likely to affect the profitability of our Company, or the value of our assets, or our ability to pay liabilities within next twelve months.

Factors affecting our Result of Operation

Our result of operations depend on various factors, including the following

- ✓ The condition and performance of the property market
- ✓ General economic and demographic conditions
- ✓ Regulation affecting the real estate industry
- ✓ Our ability to acquire land at suitable costs
- ✓ Our ability to identify suitable projects and execute them in a timely and cost effective manner
- ✓ The availability of finance on favourable terms for our business and for our customers and
- ✓ Competition

For further details please see section titled “*Risk Factors*” and chapter titled “*Industry Overview*” on pages 9 and 66 respectively of this Prospectus.

SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Preparation of Financial Statements

- a) Financial statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 2013.
- b) The Company follows the mercantile system of accounting on a going concern basis.
- c) **Presentation and disclosure in financial statements**

During the year ended March 31, 2012 the revised Schedule VI notified under the companies act 1956, had become applicable to the company, for preparation and presentation of its financial statements. The adoption of revised schedule VI does not impact recognition and measurement principles followed by the company for preparation of financial statements. However, it has significant impact on presentation and disclosure made in financial statements. The company has also reclassified the previous year figures in accordance with the requirement applicable in current year.

B. Use of Estimates

The presentation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosure relating to contingent assets and liabilities as at the date of financial statements are reported amounts of incomes and expenses during the period. Actual results could differ from those estimates.

C. Fixed Assets, including Intangible Assets and Capital Work in Progress

- a) Fixed assets are stated at cost of acquisition or construction (net of Cenvat Credits). All cost relating to the acquisition and installation of fixed assets are capitalized and include borrowing costs directly attributable to construction or acquisition of fixed assets, up to the date of asset is put to use and adjustment arising out of exchange rate variation relating to liabilities attributable to those fixed assets. They are stated at historical cost less depreciation.
- b) Capital Work-In-Progress comprises of the cost of fixed assets that are not yet ready for their intended use at the reporting date.

D. Depreciation and Amortization

Depreciation on items listed in Schedule XIV of the Companies Act, 1956 is charged according to the W.D.V. Method at rates specified in the said Schedule. Depreciation on Assets acquired/purchased during the year is provided on pro-rata basis according to the period each asset was put to use during the year.

E. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

- a) Revenue from job work is recognized on the basis of % completed service contract.
- b) Sales are accounted for on dispatch of goods to the customers and are exclusive of the Excise, sales return rebate & discount, rate difference but inclusive of the sales tax, if any.
- c) Dividend income and insurance claim has been accounted on cash basis.
- d) Commission income, profit on sale of Assets, Investment, Export incentives, Int. on FDR are accounted on accrual basis.

F. Inventories

- a) Inventories of Raw materials are valued at cost, determined on FIFO basis. Cost of Raw Materials Stocks is determined so as to exclude from cost, taxes and duties, which are subsequently Recoverable from taxing authorities.
- b) Stock of Work-in-progress valued at estimated cost.

G. Foreign Currency Transactions

Sometimes the payments are received from the NRI customers in foreign exchange and the amount received after conversion is credited to their accounts. Question of exchange difference does not arise.

H. Investment

Investments are classified into long-term investments and short-term 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. Long Term Investments & Short Term Investments are carried at cost. No provisions for diminution has been made as in the opinion of the management the diminution are temporary in nature.

I. Impairment of Assets

The carrying amount of assets is reviewed at each Balance Sheet date to determine if there is any indication of impairment thereof based on external/ internal factors. An impairment loss in accordance with Accounting Standard-28 "Impairment of Assets " is recognized wherever the carrying amount of an assets exceeds its recoverable amount, which represent the greater of the net selling price of assets and their value in use. An impairment loss recognized in prior accounting period is reversed if there has been a change in estimate of recoverable amount.

J. Retirement and other Employee Benefits

- a) Gratuity - Liabilities in respect of Gratuity will be assessed actuarially and provided as and when the same becomes applicable. No employee has completed 5 years in our Company as on date of this Prospectus.
- b) Provident Fund and Leave Encashment - A liability in respect of Provident Fund & Leave Encashment is provided in the accounts on accrual basis for the period.

K. Segment Reporting

- a) The segments have been identified in line with the AS-17, taking into account the organization structure as well as the differential risks and returns of these segments. Business segments have been considered as primary segments.
- b) Inter segment revenue have been accounted for based on the transaction price agreed between segments which is primarily market led.
- c) Geographical segment is not considered as exports are insignificant.

L. Borrowing cost

Borrowing Cost directly attributable to the acquisition or construction of qualifying assets is capitalized. Other borrowing cost is recognized as expenses in the period in which they are incurred.

M. Taxation

- a) Current tax is determined as the amount of tax payable in respect of taxable income for the year.
- b) Deferred tax is recognized, on timing differences, being the Difference between taxable incomes and accounting income that originates in one period and is capable of reversal in one or more subsequent periods.

- c) Minimum Alternate Tax (MAT) Credit is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during specified period. The year in which the MAT credit becomes eligible, it is to be recognized as an asset. In accordance with recommendation contained in the guidance note issued by ICAI, said asset is created by way of credit/reversal of provisions to Profit and Loss A/c and shown as MAT Credit Entitlements in Loans and Advances. The company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that company will pay normal Income Tax during the specified period.

N. Provisions, Contingent Liabilities and Contingent Assets:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

O. Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by weighted average number of equity shares outstanding during the period.

P. There are no Auditor's Qualifications in the Financial Statements of the Company.

RESULTS OF OUR OPERATIONS

(₹ in lacs)

Particulars	As on Sept 30, 2014	% of Total Income	For the year ended March 31							
			2014	% of Total Income	2013	% of Total Income	2012	% of Total Income	2011	% of Total Income
Income										
Revenue from Operations	2412.53	99.41	3027.97	99.40	46.11	66.09	26.00	67.59	282.66	99.39
Other Income	14.35	0.59	18.23	0.60	23.66	33.91	12.47	32.41	1.73	0.61
Total Income	2426.88	100.00	3046.21	100.00	69.77	100.00	38.47	100.00	284.39	100.00
Expenditure										
Purchases	1563.03	64.40	3814.69	125.23	3100.24	4443.51	1451.50	3773.07	84.66	29.77
Change in Inventories	(208.71)	(8.60)	(2852.79)	(93.65)	(4660.33)	(6679.56)	(1862.34)	(4841)	106.39	37.41
Employee benefit expense	398.53	16.42	789.9	25.93	612.40	877.74	186.99	486.07	10.45	3.67
Financial costs	198.52	8.18	354.27	11.63	246.86	353.82	88.75	230.70	3.95	1.39
Depreciation and amortization expense	41.66	1.72	76.12	2.50	44.60	63.92	21.55	56.02	4.90	1.72
Other expenses	200.75	8.27	451.95	14.84	456.70	654.58	147.33	382.97	25.53	8.98
Total Expenses	2193.78	90.40	2634.15	86.47	(199.54)	(286.00)	33.78	87.81	235.87	82.94
Profit before Tax	233.10	9.60	412.06	13.53	269.30	385.98	4.69	12.19	48.52	17.06
Tax expense:										
Current tax	72.18	2.97	134.84	4.43	83.60	119.82	1.71	4.45	2.60	0.91
Deferred tax	0.16	0.01	3.21	0.11	1.39	1.99	1.25	3.25	0.95	0.33
Profit/(Loss) for the period	160.76	6.62	274.01	9.00	184.31	264.17	1.73	4.50	45.18	15.89

Main Components of our Profit and Loss Account

Income

Our total income comprises of revenue from operations and other income.

Revenue from Operations

Our revenue from sale of plots and constructed properties as a percentage of total income for the six months period ended September 30, 2014 and for the fiscal year ended 2014, 2013, 2012 is 99.41%, 99.40%, 66.09% and 67.59% respectively.

Other Income

Our other income includes Interest received, rebates and discounts, annual maintenance charges received and other miscellaneous incomes. Other income, as a percentage of total income for the six months period ended September 30, 2014 and for the fiscal year ended 2014, 2013, 2012 is 0.59%, 0.60%, 33.91% and 32.41% respectively

Expenditure

Our total expenditure primarily consists of Purchases, Changes in Inventories, Employee Benefit Expenses, Financial Cost, Depreciation and Amortization Expenses and Other expenses.

Purchases

Costs of Purchases are primarily in relation to the cost of construction and development which comprises of cost of acquisition of land, cost of acquiring developmental rights and cost of materials such as steel and cement to a specific project.

Employee Benefit Expenses

Expenses in relation to employees' remuneration and benefits include salary, bonus and allowances, workmen and staff welfare costs, Director's remuneration etc.

Other Expenses

Other expenses primarily include Rent, Advertisement expenses, Legal & Professional fees, Office expenses, etc

Financial Cost

The financial cost includes interest charges payable for short term and long term loans including working capital loans, term loans, interest charges and financial charges like processing fees for loans, etc.

Depreciation and Amortization Expenses

Depreciation and Amortization Expenses primarily consist of depreciation/amortization on the fixed assets and Intangible Assets of our Company which primarily includes Vehicles, Furniture and fixtures, Computers and Office Equipments.

Provision for Tax

Income taxes are accounted for in accordance with Accounting Standard – 22 on “Accounting for Taxes on Income” (“AS-22”), prescribed under the Companies (Accounting Standards) Rules, 2006. Our Company provides for current tax as well as deferred tax, as applicable.

Provision for current taxes is made at the current tax rates after taking into consideration the benefits available to our Company under the provisions of the I. T. Act.

Deferred tax arises from the timing differences between book profits and taxable profits that originate in one period and are capable of reversal in one or more subsequent periods and is measured using the tax rates and laws applicable as of the date of the financial statements. Our Company provides for deferred tax asset / liability on such timing differences subject to prudent considerations in respect of deferred tax assets.

Review for the six (6) months period ended September 30, 2014

Income

Our total income for the six months period ended September 30, 2014 was ₹ 2,426.88 lacs. In the current period, the revenue earned from operations is ₹ 2,412.53 lacs or 99.41% of the total income. Other income for said period was recorded at ₹14.35 lacs or 0.59% of total income.

Purchases

Our purchases for the six months period ended September 30, 2014 were ₹ 1563.03 lacs. As a proportion of our total income they were 64.40%.

Employee Benefit Expenses

Our Employee Benefit Expenses for the six months period ended September 30, 2014 were ₹ 398.53 lacs. As a proportion of our total income they were 16.42%.

Other Expenses

Our Other Expenses for the six months period ended September 30, 2014 ₹ 200.75 lacs. As a proportion of our total income they were 8.27%.

Financial Cost

Our Financial Cost for the six months period ended September 30, 2014 was 198.52 lacs.

Depreciation and Amortization Expenses

Our Depreciation and Amortization Expenses for the six months period ended September 30, 2014 were ₹ 41.66 lacs. As a proportion of total income they were 1.72%.

Profit before Tax

Profit before Tax for the six months period ended September 30, 2014 was ₹ 233.01 lacs.

Profit after Tax

Profit after Tax for the six months period ended September 30, 2014 was ₹ 160.76 lacs.

Fiscal 2014 compared with fiscal 2013

Income

In fiscal 2014, our total income increased by ₹ 2,976.44 lacs or 4266.07%, from ₹ 69.77 lacs in fiscal 2013 to ₹ 3,046.21 lacs in fiscal 2014. The major factor for such increase was due sales of plots and constructed property. Other income decreased by ₹ 5.43 lacs or 22.95%, from ₹ 23.66 lacs in fiscal 2013 to ₹ 18.23 in fiscal 2014. The major factor for such decrease was due to decrease in income of rent, annual maintenance charges and other miscellaneous income.

Purchases

The purchases in fiscal 2014 were ₹ 3,814.69, an increase of 23.04% as compared to the previous year purchases of ₹ 3,100.24 lacs in fiscal 2013. The above increase was mainly due to scale of operations increase in licence fee and approval.

Employee Benefit Expenses

Our staff cost increased by ₹ 177.50 lacs or 28.98%, from ₹ 789.90 lakhs in fiscal 2014 to ₹ 612.40 lakhs in fiscal 2013. This increase was mainly due to yearly increments, labour charges and yearly bonus to employees.

Other Expenses

Other expenses decreased by ₹ 4.75 lacs from ₹ 456.70 lacs in fiscal 2013 to ₹ 451.95 lacs in fiscal 2014. The cause of decrease in these expenses was majorly due to better management of administrative and selling expenses.

Financial Cost

Financial cost increased by ₹ 107.41 lacs from ₹ 246.86 lacs in fiscal 2013 to ₹ 354.27 lacs in fiscal 2014. The cause of increase in these financial costs was majorly due to increase in borrowings.

Depreciation and Amortization Expenses

Depreciation expenses increased by ₹ 31.52 lacs, from ₹ 44.60 lacs in fiscal 2013 to ₹ 76.12 lacs in fiscal 2014. This increase was due to addition of fixed assets in the current fiscal.

Profit before Tax

Due to operational efficiency and increase in total income our PBT increased by ₹ 142.76 lacs from ₹ 269.30 lacs in fiscal 2013 to ₹ 412.06 lacs in fiscal 2014.

Profit after Tax

Our profit after tax increased by ₹ 89.70 lacs from ₹ 184.31 lacs in fiscal 2013 to ₹ 274.01 lacs in fiscal 2014.

Fiscal 2013 compared with fiscal 2012

Income

Our total income increased by ₹ 31.30 lacs or 81.36% from ₹ 38.47 lacs in fiscal 2012 to ₹ 69.77 lacs in fiscal 2013. The major factor for such increase was due sales of plots and constructed property. Other income increased by ₹ 11.19 lacs or 89.74%, from ₹ 12.47 lacs in fiscal 2012 to ₹ 23.66 in fiscal 2013. The major factor for such decrease was due to decrease in income of rent, annual maintenance charges and other miscellaneous income.

Purchases

Purchases in fiscal 2013 were ₹ 3,100.24 lacs as compared to ₹ 1,451.50 lacs purchases in fiscal 2012, an increase of ₹ 1,648.74 lacs was recorded. The above increase was mainly due to expenses incurred in licence fee and approval.

Employee Benefit Expenses

Our staff costs increased by ₹ 425.41 lacs or 227.50%, from ₹ 186.99 lacs in fiscal 2012 to ₹ 612.40 lacs in fiscal 2013. This increase was mainly due to yearly increments, labour charges.

Other Expenses

Other Expenses increased by ₹ 309.37 lacs from ₹ 147.33 lacs in fiscal 2012 to ₹ 456.70 lacs in fiscal 2013. The cause of increase in these expenses was majorly due to increase in travelling and conveyance expenses.

Financial Cost

Financial cost increased by ₹ 158.11 lacs from ₹ 88.75 lacs in fiscal 2012 to ₹ 246.86 lacs in fiscal 2013. The cause of increase in these financial costs was majorly due to bank interest and other charges.

Depreciation Expenses

Depreciation expenses increased by ₹ 23.05 lacs, from ₹ 21.55 lacs in fiscal 2012 to ₹ 44.60 lacs in fiscal 2013 on account of addition of fixed assets.

Profit before Tax

PBT increased to ₹ 264.61 lacs as compared from ₹ 4.69 lacs in fiscal 2012 to ₹ 269.30 lacs in fiscal 2013, due to increased in prices of residential projects and better planning and utilisation of internal resources.

Profit after Tax

Our profit after tax increased by ₹ 182.58 lacs from ₹ 1.73 lacs in fiscal 2012 to ₹ 184.31 lacs in fiscal 2013.

Fiscal 2012 compared with fiscal 2011

Income

In fiscal 2012, we recorded a total income of ₹ 38.47 lacs, a decrease of ₹ 245.92 lacs or 86.47% as compared to ₹ 284.39 lacs in fiscal 2011. A major factor for this decrease was decrease in sales of constructed property. Other income increased by ₹ 10.74 lacs or 620.81%, from ₹ 1.73 lacs in fiscal 2011 to ₹ 12.47 lacs in fiscal 2012. A major factor for such increase was due to increase in income of interest, annual maintenance charges and other miscellaneous income.

Purchases

In fiscal 2012, we recorded purchases of ₹ 1,451.50 lacs, an increase of ₹ 1,366.84 lacs as compared to ₹ 84.66 lacs in fiscal 2011. The above increase was mainly due to expenses incurred in licence fee and approval.

Employee Benefit Expenses

Our staff costs increased by ₹ 176.54 lacs, from ₹ 10.45 lacs in fiscal 2011 to ₹ 186.99 lacs in fiscal 2012. This increase was mainly due to yearly increments and labour charges.

Other Expenses

Other expenses increased to ₹ 121.80 lacs, from ₹ 25.53 lacs in fiscal 2011 to ₹ 147.33 lacs in fiscal 2012. The cause of increase in these expenses was due to increase in staff and hence higher administrative expenses.

Financial Cost

There was increase in financial cost to ₹ 84.80 lacs, from ₹ 3.95 lacs in fiscal 2011 to ₹ 88.75 lacs in fiscal 2012. The cause of increase in these financial costs was majorly due to bank interest and other charges

Depreciation Expenses

Depreciation expenses were ₹ 21.55 lacs in fiscal 2012 as compared to ₹ 4.90 lacs in fiscal 2011. This increase was due to addition of fixed assets.

Profit before Tax

PBT decreased by ₹ 43.83 lacs, from ₹ 48.52 lacs in fiscal 2011 to ₹ 4.69 lacs in fiscal 2012 due to the reasons explained above.

Profit after Tax

Our Profit after Tax decreased by ₹ 43.45 lacs, from ₹ 45.18 lacs in fiscal 2011 to ₹ 1.73 lacs in fiscal 2012.

Cash Flows

(₹ in lacs)

Particulars	6 months period ended September 30, 2014	Year ended March 31			
		2014	2013	2012	2011
Net Cash from Operating Activities	269.75	305.77	27.21	(542.86)	106.6
Net Cash from Investing Activities	(19.23)	(293.99)	(176.73)	(200.21)	(40.45)
Net Cash used in Financial Activities	(151.50)	(114.96)	321.56	771.95	1.45
Net Increase / (Decrease) in Cash and Cash equivalents	99.02	(103.16)	172.03	28.88	67.58

Cash Flows from Operating Activities

Net cash from operating activities for the six months period ended September 30, 2014 was at ₹ 269.75 lacs as compared to the PBT of ₹ 233.10 lacs for the same period. This is primarily on account of increase in current liabilities and increase in inventories and trade receivables.

Net cash from operating activities in fiscal 2014 was ₹305.77 lacs as compared to the PBT of ₹ 412.06 lacs for the same period. This difference is primarily on account of increase in other current liabilities and inventories.

Net cash from operating activities in fiscal 2013 was ₹ 27.21 lacs as compared to the PBT of ₹ 269.30 lacs for the same period. This difference is primarily on account of increase in inventories and other current liabilities.

Net cash from operating activities in fiscal 2012 was negative ₹ 542.86 lacs as compared to the PBT of ₹ 4.69 lacs for the same period. This difference is primarily on account of increase in other current liabilities and inventories.

Net cash from operating activities in fiscal 2011 was ₹ 106.6 lacs as compared to the PBT of ₹ 48.52 lacs for the same period. This difference is primarily on account of decrease in other current liabilities and inventories.

Cash Flows from Investment Activities

For the six months period ended September 30, 2014, the net cash invested in Investing Activities was negative ₹ 19.23 lacs, mainly on account of purchase of Fixed Assets.

In fiscal 2014, the net cash invested in Investing Activities was negative ₹ 293.99 lacs. This expenditure was on account of purchase of Fixed Assets.

In fiscal 2013, the net cash invested in Investing Activities was negative ₹ 176.73 lacs. This expenditure was on account of purchase of Fixed Assets.

In fiscal 2012, the net cash invested in Investing Activities was negative ₹ 200.21 lacs. This expenditure was on account of purchase of Fixed Assets and other non-current investments.

In fiscal 2011, the net cash invested in Investing Activities was negative ₹ 40.45 lacs. This expenditure was on account of purchase of Fixed Assets.

Cash Flows from Financing Activities

Net cash from financing activities for the six months period ended September 30, 2014 was at negative ₹ 151.50 lacs comprising primarily of increase in proceeds from borrowings.

Net cash from financing activities in fiscal 2014 was negative ₹ 114.96 lacs comprising primarily of increase in proceeds from borrowings.

Net cash from financing activities in fiscal 2013 was ₹ 321.56 lacs comprising primarily of increase in proceeds from borrowings.

Net cash from financing activities in fiscal 2012 was ₹ 771.95 lacs comprising primarily of increase in proceeds from borrowings.

Net cash from financing activities in fiscal 2011 was ₹ 1.45 lacs primarily due to decrease in proceeds from borrowings.

OTHER MATTERS

1. Unusual or infrequent events or transactions

Except as described in this Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

2. Significant economic changes that materially affected or are likely to affect income from continuing Operations

Other than as described in the Section titled “*Financial Information*” and chapter titled “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*”, beginning on pages 116 and 138 respectively of this Prospectus respectively, to our knowledge there are no Significant economic changes that materially affected or are likely to affect income from continuing Operations.

3. Known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations

Other than as described in the chapter titled “*Risk Factors*” and “*Management’s Discussion and Analysis of Financial Conditions and Result of Operations*”, beginning on pages 9 and 138 respectively of this Prospectus respectively to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our company from continuing operations.

4. Future relationship between Costs and Income

Other than as described in the chapter titled “*Risk Factors*” beginning on page 9 of this Prospectus, to our knowledge there are no factors, which will affect the future relationship between costs and income or which are expected to have a material adverse impact on our operations and finances.

5. The extent to which material increases in revenue or income from operations are due to increased volume, introduction of new products or services or increased prices

Increases in revenues are by and large linked to increases in volume of business activity carried out by the Company.

6. Total turnover of each major industry segment in which the issuer company operates.

The Company is a textile based Company and is in the business of processing grey fabric to manufacture finished fabric for various uses. Relevant industry data, as available, has been included in the chapter titled “*Industry Overview*” beginning on page 66 of this Prospectus.

7. Status of any publicly announced new products or business segments

Please see the chapter titled “*Business Overview*” beginning on page 73 of this Prospectus.

8. The extent to which the business is seasonal.

Our business is not seasonal in nature.

9. Any significant dependence on a single or few suppliers or customers

We are a construction company offering spaces to individual clients / customers and hence our clients/customers are non repetitive in nature. We are not dependent on a single or few suppliers.

10. Competitive Conditions

Despite the fact that we are not affected by competition in the short-term, our results of operations could be affected by competition in the textile industry in India and in abroad in the future. We expect competition to intensify due to possible changes in government policy, existing competitors further expanding their operations and our entry into new markets where we may compete with well-established fabric processing companies. This we believe may impact our financial condition and operations.



FINANCIAL INDEBTEDNESS

Set forth below is a brief summary of our Company's borrowings as on January 31, 2015, together with a brief description of certain significant terms of such financing agreements.

Nature of Borrowing	Amount (₹ in lacs)
Secured Borrowings	3191.71
Unsecured Borrowings	256.30
Total	3448.01

Details of Secured Loans:

Name of Lender	Date of Financing Agreement	Nature of Loan	Amount Sanctioned (₹ in lacs)	Amount Outstanding as on September 30, 2014 (₹ in lacs)	Interest/ Commission (p.a.)	Repayment / Tenor	Security
Punjab National Bank	December 12, 2011	Term Loan	1600.00	399.37	Base Rate + 4.25 + 0.50 (TP) = 15.50%	As disclosed below in Note 1	<ul style="list-style-type: none"> • EM of the land measuring 59 Kanal and 16 Marlas situated at Village Pholriwal and Village Alipur, District Jalandhar (in the name of Mr. Sukhdev Singh and in the name of the Company) • Construction of residential flats over the mortgaged land • Personal guarantees of Mr. Sukhdev Singh and Mrs. Salwinderjit Kaur
Oriental Bank of Commerce	December 28, 2012	Term Loan	150.00	110.99	Base Rate + 4.50% = 14.90%	60 equal monthly installments of ₹ 2.50 lacs after a moratorium of 4 months from the date of 1 st disbursement	<ul style="list-style-type: none"> • Hypothecation of steel shuttering with fabrication (i.e. scaffolding) valuing ₹ 200.00 lacs
Punjab National Bank	November 15, 2013	Term Loan	2100.00	1756.22	Base Rate + 4.25 + 0.50 (TP) = 15.00%	20 equal monthly installments of ₹ 105.00 lacs plus interest w.e.f August 07, 2015.	<ul style="list-style-type: none"> • All unencumbered assets as per audited balance sheet as on March 31, 2013 inclusive of Air Conditioner, Car, CC TV Cameras, Machinery, Motor Cycles, Office equipments, Truck / Tractor, Fire fighting equipments, Printer, etc.

Name of Lender	Date of Financing Agreement	Nature of Loan	Amount Sanctioned (₹ in lacs)	Amount Outstanding as on September 30, 2014 (₹ in lacs)	Interest/Commission (p.a.)	Repayment / Tenor	Security
							<ul style="list-style-type: none"> Construction of residential flats over the mortgaged land
Punjab National Bank	July 23, 2014	Term Loan	1000.00	826.31	Base Rate + 4.25% + TP = 15.00	Repayable in 20 equal monthly installments of ₹ 50 lacs plus interest w.e.f. June 2016. The interest is to be recovered as & when it is levied	<ul style="list-style-type: none"> EM of 81M 135 Sq. Ft. Project land of AGI Business Centre and commercial buildings to be constructed thereon (situated at Garha Road, Near Bus Stand, Jalandhar) Construction of Business Centre over the mortgaged land
HDFC Bank Ltd.	April 27, 2013	Mortgage Loan	23.00	10.77	11.04	Repayable in 35 EMIs of ₹ 0.77 lacs starting from June 05, 2013	Underlying Asset(s)
HDFC Bank Ltd.	June 19, 2013	Mortgage Loan	95.32	55.36	10.50%	Repayable in 41 EMIs of ₹ 2.78 lacs starting from July 15, 2013	Underlying Asset(s)
HDFC Bank Ltd.	November 01, 2013	Mortgage Loan	42.40	29.62	10.76%	Repayable in 41 EMIs of ₹ 1.24 lacs starting from December 01, 2013	Underlying Asset(s)
L & T Finance Ltd.	April 30, 2012	Tower Crane	18.00	3.07	13.78%	EMI payable in arrears on 1 st of every month for 25 months	Underlying Asset(s)
Total				3191.71			

Note 1: The Term Loan of ₹ 1600.00 lacs is repayable in 5 quarterly + 1 monthly instalments as below –

Yearly Instalment	Due date of Instalment (Last day of quarter / month ending)*	Amount of each Instalment (₹ in lacs)	Aggregate amount of Instalment (₹ in lacs)	Remarks
1 st to 5 th (Quarterly)	December 2013, March 2014, June 2014, September 2014 and December 2014	300.00	1500.00	The interest is to be recovered as and when levied
6 th (Monthly)	January 2015	100.00	100.00	

* One of the objects of the Issue being repayment of this term loan, the Company has availed oral confirmation from the Bank for delayed payment and the total arrears on the loan will be paid as per the Implementation Schedule mentioned in the chapter titled "Objects of the Issue" on page 50 of this Prospectus.

Details of Unsecured Loans:

Name of Lender	Type of Loan	Date of Sanction	Amount Sanctioned	Amount outstanding as on September 30, 2014 (₹ in lacs)	Interest (in % p.a.)	Repayment Schedule	Security
Others – Individuals	N.A.	N.A.	N.A.	116.21	N.A.	Repayable on demand	N.A.
Others – Inter-Corporate Deposits	N.A.	N.A.	N.A.	140.09	N.A.	Repayable on demand	N.A.
Total				256.30			

Corporate Actions

During the currency of the facilities, without prior approval of the Bank / Lender which shall not be unreasonably withheld, the Borrower (AGI Infra Ltd.) shall:

- ✓ obtain NOC from the bank before executing Sale Deeds / Possession letter / Free Hold Rights to the allottees of flats and deposit the proceeds thereof with the bank and reduce the term loan accordingly.
- ✓ obtain prior consent of bank for expansion / diversification / creation of charge in favour of others and outside investment of the funds
- ✓ obtain prior consent of bank in writing before obtaining any financial assistance from any other source
- ✓ not extend finance to associate concerns during the currency of the bank's advance without the bank's prior consent in writing
- ✓ not effect any change in the company's capital structure without the bank's prior consent in writing
- ✓ not undertake guarantee obligations on behalf of any other Company, firm or person without the Bank's prior permission

X

SECTION VII – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Except as described below, there are no outstanding litigations, suits, civil or criminal prosecutions, proceedings before any judicial, quasi-judicial, arbitral or administrative tribunals, including pending proceedings for violation of statutory regulations or, alleging criminal or economic offences or tax liabilities 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 (i) of Part 1 of Schedule XIII of the Companies Act) against our Company, our Directors, our Promoter and our Group Entities that would have a material adverse effect on our business. There are no defaults, non-payments or overdue of statutory dues, institutional/bank dues and dues payable to holders of debentures or fixed deposits and arrears of cumulative preference shares that would have a material adverse effect on our business.

PART 1: CONTINGENT LIABILITIES OF OUR COMPANY

There are no contingent liabilities of our Company.
(Source: Restated Financial Statements)

PART 2: LITIGATION RELATING TO OUR COMPANY

A. FILED AGAINST OUR COMPANY

1. Litigation involving Civil Laws:

- i. **Suit for recovery of ₹ 67,925 together with future interest and costs has been filed against inter-alia the Company**

Messer Pindi Paints Stores (hereinafter referred to as “**Plaintiff**”) has filed a suit dated March 23, 2012 in the Court of Civil Judge, Senior Division, Jalandhar against (i) our Company, (ii) our Managing Director – Mr. Sukhdev Singh and (iii) our promoter group entity M/s. Aay Jay Builders (hereinafter jointly referred to as “**Defendants**”) for recovery of ₹ 67,925 (Rupees Sixty Seven Thousand Nine Hundred Twenty Five Only), being a principal amount of ₹ 50,000 (Rupees Fifty Thousand Only) on account of purchase by our Company jointly with our promoter group entity of paint and paint material, from the Plaintiff, plus ₹ 17,925 (Rupees Seventeen Thousand Nine Hundred Twenty Five Only) as interest at 18% (eighteen per cent) per annum for the period commencing from March 29, 2010, till March 23, 2012. The Plaintiff has also claimed on the aforesaid amount, future interest at 18% (eighteen per cent) per annum for the period commencing from March 24, 2012 till the date of realization of the amounts claimed by the Plaintiff, alongwith the costs of the suit. The proceedings in the matter are pending and no order has been issued by the relevant judicial authority till date.

- ii. **Suit for recovery of ₹ 1,08,409 together with future interest and costs has been filed against inter-alia the Company**

Messer Pindi Prime Products (hereinafter referred to as “**Plaintiff**”) has filed a suit dated March 23, 2012 in the Court of Civil Judge, Senior Division, Jalandhar against (i) our Company and (ii) our Managing Director – Mr. Sukhdev Singh (hereinafter jointly referred to as “**Defendants**”) for recovery of ₹ 1,08,409 (Rupees One Lac Eight Thousand Four Hundred Nine Only) being a principal amount of ₹ 70,395 (Rupees Seventy Thousand Three Hundred Ninety Five Only) on account of purchase by our Company of paint and paint material, from the Plaintiff, plus ₹ 38,014 (Rupees Thirty Eight Thousand Fourteen Only) as interest at 18% (eighteen per cent) per annum for the period commencing from March 24, 2009 till March 23, 2012. The Plaintiff has also claimed on the aforesaid amount, future interest at 18% (eighteen per cent) per annum from March 24, 2012 till the date of realization of the amounts claimed by the Plaintiff alongwith the costs of the suit. The proceedings in the matter are pending and no order has been issued by the relevant judicial authority till date.

2. Litigation Involving Criminal Laws

Nil

3. Litigation involving Securities and Economic Laws

Nil

4. Litigation involving Statutory Laws

Nil

5. Litigation involving Labour Laws

Nil

B. CASES FILED BY OUR COMPANY

1. Litigation involving Civil Laws

Nil

2. Litigation Involving Criminal Laws

Nil

3. Litigation Involving Securities and Economic Laws

Nil

4. Litigation Involving Statutory Laws

- i. **Civil Writ Petition No.3978 of 2013 filed by the Company against (i) State of Punjab; (ii) Assistant Excise & Taxation Commissioner, Jalandhar; and (iii) District Transport Officer, Jalandhar (“Respondents”)**

The Company has filed before the Hon’ble High Court of Punjab and Haryana, Civil Writ Petition No. 3978 of 2013 against (i) State of Punjab; (ii) Assistant Excise & Taxation Commissioner, Jalandhar; and (iii) District Transport Officer, Jalandhar (hereinafter referred to as “**Respondents**”), challenging the constitutional validity of Punjab Tax on Entry of Goods into Local Areas Act, 2000. In pursuance thereof, an interim stay order dated February 26, 2013(hereinafter referred to as “**Interim Order**”) on the recovery of entry tax was granted to the Company, subject to the latter furnishing inter-alia, undertakings before the Hon’ble High Court to the effect that in case the matter is subsequently dismissed, the Company shall be liable to pay the entry tax along with the interest. Such undertaking was filed by or on behalf of the Company vide CM No. 5801 and 5802 of 2013, which were allowed.

Subsequently, the Company has filed a Contempt Petition No. 2142 of 2013 in Civil Writ Petition No. 3978 of 2013 against the following Respondents, viz. the Assistant Excise & Taxation Commissioner, Jalandhar and District Transport Officer, Jalandhar, inter-alia for not conforming with the said Interim Order, and the same has been disposed off in favour of the Company vide final order dated August 21, 2013. In pursuance of the said final order dated August 21, 2013, the Assistant Excise & Taxation Commissioner, Jalandhar-II issued a Memo No. 794/CC-I (“Memo”) dated October 1, 2013, inter-alia denying the Company deferment from payment of entry tax under Notification No. S.O.24./P.A.9/2000/S3-A/2013 dated April 4, 2013 issued under Section 3A of the Punjab Tax on Entry of Goods into Local Areas Act, 2000 by the Government of Punjab. Subsequently, the Company filed a Civil Writ Petition No. 25819 of 2013 against (i) State of Punjab through Assistant Excise and Taxation Commissioner, Jalandhar II and (ii) District Transport Officer, Jalandhar, inter-alia praying that the said Memo be set aside, the details of which petition are as enumerated below. The matter under Civil Writ Petition No. 3978 of 2013 appears to be pending.

- ii. **Civil Writ Petition No. 25819 of 2013 filed by the Company against State of Punjab and Others (collectively referred to as “Respondents”)**

The Company has filed before the Hon’ble High Court of Punjab and Haryana, Civil Writ Petition No.25819 of 2013 against (i) State of Punjab through Assistant Excise and Taxation Commissioner, Jalandhar II and (ii) District Transport Officer, Jalandhar (hereinafter referred to as “**Respondents**”) inter-alia praying that the Memo No.794/CC-I dated October 1, 2013 issued by the Assistant Excise & Taxation Commissioner, Jalandhar-II inter-alia denying the Company deferment from payment of entry tax, be set aside and that the Respondents be directed to register the motor vehicles purchased by the Company from outside the State of Punjab, without recovering from them any entry tax leviable under Notification No. S.O.24./P.A.9/2000/S3-A/2013 dated April 4, 2013 issued under Section 3A of the

Punjab Tax on Entry of Goods into Local Areas Act, 2000 by the Government of Punjab. The proceedings in the matter are pending and the next date of hearing is March 19, 2015.

5. Litigation Involving Labour Laws

Nil

C. PAST PENALTIES

Nil

PART 3: LITIGATION RELATING TO OUR SUBSIDIARIES

A. CASES FILED AGAINST OUR SUBSIDIARIES

1. Litigation involving Civil Laws

Nil

B. CASES FILED BY OUR SUBSIDIARIES

1. Litigation involving Civil Laws

Nil

2. Petition before the Company Law Board

Nil

C. PAST PENALTIES

Nil

PART 4: LITIGATION RELATING TO OUR DIRECTORS

A. LITIGATION AGAINST OUR DIRECTORS

1. Litigation involving Civil/Statutory Laws

- i. Suit for recovery of ₹ 67,925 together with future interest and costs has been filed against inter-alia the Managing Director, Mr. Sukhdev Singh.**

For details of the same, please see Part 2 (A) (1) (i) above.

- ii. Suit for recovery of ₹ 1,08,409 together with future interest and costs has been filed against inter-alia the Company**

For details of the same, please see Part 2 (A) (1) (ii) above.

2. Litigation involving Criminal Laws

Nil

3. Litigation Involving Economic Offenses

Nil

4. Litigation involving tax liabilities

Nil

B. LITIGATION FILED BY OUR DIRECTORS

Nil

C. PAST PENALTIES

Nil

PART 5: LITIGATION RELATING TO OUR PROMOTERS

A. LITIGATION AGAINST OUR PROMOTERS

1. Litigation involving Civil/Statutory Laws

Nil

2. Litigation involving Criminal Laws

Nil

3. Litigation Involving Securities and Economic Laws

Nil

B. LITIGATION FILED BY OUR PROMOTERS

1. Litigation involving Civil/Statutory Laws

Nil

2. Litigation involving Criminal Laws

Nil

3. Litigation Involving Securities and Economic Laws

Nil

4. PAST PENALTIES

Nil

PART 6: LITIGATION RELATING TO OUR GROUP ENTITIES

A. LITIGATION AGAINST OUR GROUP ENTITIES

1. Litigation involving Civil Laws

Suit for recovery of ₹ 67,925 together with future interest and costs has been filed against inter-alia the Group Entity.

For details of the same, please refer to Part 2 (A) (1) (i) above.

2. Litigation involving Criminal Laws

Nil

3. Litigation Involving Securities and Economic Laws

Nil

B. LITIGATION FILED BY OUR GROUP ENTITIES

1. Litigation involving Civil Laws

Nil

2. Litigation involving Criminal Laws

Nil

3. Litigation Involving Securities and Economic Laws

Nil

C. PAST PENALTIES

Nil

PART 7: LEGAL NOTICES

1. Legal notices issued to our Company

Nil

2. Legal Notices issued by our Company

Nil

3. Legal Notices issued to our subsidiaries

Nil

4. Legal Notices issued by our subsidiaries

Nil

5. Legal Notices issued to our Group Companies

Nil

6. Legal Notices issued by our Group Companies

Nil

PART 8: AMOUNTS OWED TO SMALL SCALE UNDERTAKINGS AND OTHER CREDITORS

There are no outstanding dues payable to Small scale industries and other creditors amounting to ₹ 1 lac or more which are pending for more than 30 (thirty) days from the due date.

PART 9: MATERIAL DEVELOPMENTS OCCURRING AFTER LAST BALANCE SHEET DATE, i.e. SEPTEMBER 30, 2014

In the opinion of the Board of our Company, there has not arisen, since the date of the last financial statements included in this Prospectus, any circumstance that materially and adversely affects or is likely to affect our business or profitability or the value of our assets or our ability to pay our liabilities within the next 12 (twelve) months. Except as disclosed elsewhere in this Prospectus, there is no subsequent development after the date of the Auditor's Report which we believe is expected to have a material impact on reserves, profits, earning per share and book value of our business.

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GOVERNMENT AND OTHER STATUTORY APPROVALS

We have received the necessary consents, licenses, permissions and approvals from the Government and various governmental agencies required for our present business (as applicable on date of this Prospectus) and except as mentioned below, no further important approvals are required for carrying on our present business.

In view of the approvals listed below, we can undertake this Issue and our current/proposed business activities and no further major approvals from any governmental or regulatory authority or any other entity are required to be undertaken in respect of the Issue or continue our business activities. It must be distinctly understood that, in granting these approvals, the Government of India does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Prospectus.

The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to carry out its activities.

The following statement sets out the details of licenses, permissions and approvals taken by us under various central and state laws for carrying out business.

I. APPROVALS PERTAINING TO THIS ISSUE

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 October 01, 2014 authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
2. The shareholders of our Company have, pursuant Section 62 (1)(c) of the Companies Act, 2013 by a special resolution passed in the Extra-Ordinary General Meeting with a shorter notice held on October 07, 2014 authorized the further issue of Equity Shares.

II. INCORPORATION DETAILS

1. Certificate of Incorporation dated May 27, 2005 issued by the Registrar of Companies, Punjab, Himachal Pradesh and Chandigarh, in the name of “G. I. Builders Private Limited” bearing CIN U45200PB2005PTC28466.
2. Fresh Certificate of Incorporation dated February 22, 2011 issued by the Registrar of Companies, Punjab, Himachal Pradesh and Chandigarh, consequent upon change of name from “G. I. Builders Private Limited” to “AGI Infra Limited” bearing CIN U45200PB2005PTC028466.
3. Fresh Certificate of Incorporation dated June 27, 2012 issued by the Registrar of Companies, Punjab and Chandigarh, consequent upon change of name from “G. I. Builders Private Limited” to “AGI Infra Limited” on conversion into a public limited company, bearing CIN U45200PB2005PLC028466.
4. The Corporate Identity Number (CIN) of the Company is U45200PB2005PLC028466.

III. BUSINESS RELATED APPROVALS

S. No.	Description	Granting Authority	Registration Number	Date of Certificate	Date of Expiry
1	Permanent Account Number (PAN)	The Income Tax Department, Government of India	AACCG7964N	May 27, 2005	Valid until cancelled
2	Tax Deduction Account Number (TAN)	The Income Tax Department, Government of India	JLDG03632G	May 25, 2011	Valid until cancelled
3	Service Tax Registration for Construction of Residential Complex, being the taxable service, with respect to the	Central Board of Excise and Customs, Ministry of Finance – Department of Revenue	AACCG7964NSD 001	October 07, 2011	Valid until cancelled

S. No.	Description	Granting Authority	Registration Number	Date of Certificate	Date of Expiry
	premises -Jalandhar Heights*				
4	Value Added Tax - Certificate of Registration**	Excise and Taxation Officer, Jalandhar	03692088617	April 19, 2011	Valid from April 1, 2011 until cancelled, with liability to pay tax from March 29, 2011
5	Central Sales Tax - Certificate of Registration	Excise and Taxation Officer, Jalandhar	03692088617	April 19, 2011	Valid from October 12, 2010 until cancelled
6	Certificate of Importer-Exporter Code (IEC)***	The Ministry of Commerce and Industry, Office of the Joint Director General of Foreign Trade, C-IV, Green Field, Pakhowal, Ludhiana	IEC Number: 3011018910	March 19, 2012	NA
7	Employees' Provident Fund Code	Assistant Provident Fund Commissioner, Employees' Provident Fund Organisation, Sub-Regional Office, Sahota Commercial Complex, 171, Green Park, Near Bus Stand, Jalandhar.	Code No. PB/JAL/35743(P)	May 02, 2011	NA
8	Certificate of Registration under Building & other Construction Workers (Regulation of Employment & Conditions of Service) Act 1996	Government of Punjab	Form XIII – No. 50	March 21, 2012	NA
9	Certificate of Registration that the Quality Management System of the Company is compliant with the requirements of ISO 9001 : 2008, for the activities -construction and development of residential and commercial complexes	UK Certification and Inspection Limited	QM-4248	July 25, 2014	July 24, 2017****

*The Certificate of Registration is not transferable.

**The Company is required to intimate the above authority in case of changes, if any in the registration details, within 30 days of such change.

***In case of change in name, address or constitution of the Company, it shall cease to be eligible to import or export against the Certificate after the expiry of 90 days from the date of such change unless the consequential changes have been effected in the IEC by the licensing authority.

**** The Company is due for re-certification on the above date, subject to the Company maintaining its system as per the required standard

IV. APPROVALS RELATED TO PROJECT

Some of the key major approvals obtained by us in relation to our ongoing project – “Jalandhar Heights” are as follows-

S. No.	Description	Registration / Reference Number	Granting Authority	Date of Issue	Date of Expiry
1	APR-V License as required under the Punjab Apartment and Property Regulation Act, 1995 for setting up the proposed Group housing Project ‘Jalandhar Heights’, area of the project being 7.55625 Acres#	License No: JDA-2011/06/11348	Chief Administrator, Jalandhar Development Authority	August 24, 2011	August 23, 2016
2	APR-V License as required under the Punjab Apartment and Property Regulation Act, 1995 for setting up the colony namely “Group Housing / Residential Project Extension”, area of the project being 3.53125 Acres, falling within Potential Zone High-III##	License No. JDA-2013/16	Chief Administrator, Jalandhar Development Authority	May 03, 2013	May 02, 2016
3	Approval as required under the Environment Impact Assessment Notification dated September 14, 2006, for development of residential apartment complex ‘Jalandhar Heights’, the proposed built up area of the project being 75,125 square metres	Reference number – SEIAA/M.S./2012/282 25	State Level Environment Impact Assessment Authority, Punjab, Government of India, Ministry of Environment and Forests	July 02, 2012	July 02, 2017 or completion of the project, whichever is earlier###
4	Approval as required under the Environment Impact Assessment Notification dated September 14, 2006, for carrying out expansion of under construction residential apartment complex ‘Jalandhar Heights’, from 75,125 square metres built up area to 1,47,790 square metres built up area	Reference number – SEIAA/2013/2779	State Level Environment Impact Assessment Authority, Punjab, Government of India, Ministry of Environment and Forests	September 18, 2013	September 17, 2018 or completion of the project, whichever is earlier###
5	Agreement for grant of permission for construction of an approach / access road on Government land	NA	Governor of Punjab	January 29, 2013	15 years from the date of execution and terminable by 6 months notice. The permission may not be renewed after the expiry of the said period
6	Permission for change of use of land for group housing colony/residential purpose admeasuring 60 Kanals 9	Memo No. 2080 STP (J) CLU (J)	Department of Town and Country Planning, Punjab	December 30, 2010	-

S. No.	Description	Registration / Reference Number	Granting Authority	Date of Issue	Date of Expiry
	Marlas, situate at Villages Alipur and Pholriwal, Jalandhar \$				
7	<p>Permission for change of use of land for residential purpose admeasuring 3 acres 4 Kanals 5 Marlas, situate at Villages Alipur and Pholriwal, Jalandhar</p> <p>The permission granted herein is subject to similar conditions as those to which permission for change of use of land under Memo No. 2080 STP (J) CLU (J) dated December 30, 2010 as modified by Memo No. 316 STP (J) CLU (J) dated February 25, 2011.</p>	Memo No. 1495 STP (J) CLU (J)	Department of Town and Country Planning, Punjab	November 23, 2012	-
8	Agreement for grant of permission for the construction of an approach / access road along with necessary provisions as stated therein, on Government land, to the Company, being the licensee under the Agreement\$\$	NA	Governor of Punjab	January 29, 2013	15 years from the date of execution and terminable by 6 months notice. The permission may not be renewed after the expiry of the said period
9	Grant of consent to operate under Section 21 of Air (Prevention & Control of Pollution) Act, 1981 for discharge of emissions arising out of premises^	No. O14JALCTOA2051889	Punjab Pollution Control Board	December 17, 2014	Valid until March 31, 2019.
10	<p>Registration Certificate under Section 7 of the Building and Other Construction Work (Regulation of Employment and Conditions of Service) Act, 1999 for Phase II of the construction work.</p> <p>The nature of work in which building workers are to be employed is: 'Construction Work'.</p> <p>Number of building workers for which Certificate of Registration is granted: 243.</p> <p>Probable Date of Commencement of Work: January 2015.</p>	-	Office of the Registering Officer, Government of Punjab	February 6, 2015	Probable date of completion of work: December 2018

#The said license is subject to various conditions, which the Company is required to comply with. The Company is also required to complete the development work, for which the license is granted, during the validity of the license. In case of violation of any condition thereof, or of the permission for change of use of land, the competent authority may

withdraw the approval and cancel the license under the provisions of the Punjab Apartment and Property Regulation Act, 1995.

##The said license is subject to various conditions, which the Company is required to comply with. The Company is also required to complete the development work, for which the license is granted, during the validity of the license. In case of violation of any condition thereof, the competent authority may withdraw the approval and cancel the license under the provisions of the Punjab Apartment and Property Regulation Act, 1995.

###The State Environment Impact Assessment Authority reserves the right to: (i) subsequently add safeguards/measures in addition to those specified in the said Environmental Clearance, if found necessary and (ii) take action including revocation of the environmental clearance under the provisions of the Environmental (Protection) Act, 1986.

\$ Vide Memo No. 316 STP (J) CLU (J) dated February 25, 2011 issued by the Department of Town and Country Planning, Punjab, it has been recorded that the change of use of land vide Memo No. 2080 STP (J) CLU (J) dated December 30, 2010 has been inadvertently been granted for 60kanals 9 Marlas. However, the Company it has been recorded that the Company is not the owner of 1 Kanal 0 Marla. Accordingly, Memo No. 316 STP (J) CLU (J) dated February 25, 2011 has been issued to the Company, amending the Memo No. 2080 STP (J) CLU (J) dated December 30, 2010 such that permission for change of use of land is for 59 Kanal 9 Marlas only. The remaining conditions under the former Memo shall stand. Further, the said permission is subject to various conditions, inter-alia including the following:



- i. The promoter shall develop the site as a single unit and not bifurcate the site.
- ii. The promoter shall not undertake any development work/construction until the final lay out plan is approved by the competent authority.
- iii. The promoter shall obtain the NOC of the Pollution Control Board under inter-alia the Water (Prevention and Control of Pollution) Act, 1970, and any other relevant legislation before undertaking any development work at the site.
- iv. Building plans shall have got approved from the Competent Authority.
- v. The promoter shall ensure minimum distance has been maintained from the nearby industrial area, if any as prescribed by the Punjab Pollution Control Board.
- vi. The permission may be withdrawn at any time in case of litigation or violation of the conditions.
- vii. The promoter shall ensure that the group housing/residential colony is set up in the same site for which the permission for conversion of use of land has been granted.

\$\$ The Agreement sets out various terms and conditions, which the Company, being the licensee thereunder, is required to conform to. In terms thereof, the license granted in the Agreement is liable to be cancelled at any time by the licensor, the Governor of Punjab through its executive Engineer, for breach of any of the terms and conditions of the license. However, the Company shall not be entitled to any compensation for loss, if any, caused to it thereby, nor shall it be absolved from any liability already incurred by it under the Agreement. In such case the Company shall at its own cost remove the approach road situate within the boundary of the Government land to its original. Where the Company fails to do so, the Executive Engineer may do so, at the cost of the Company.

^The said grant of consent to operate is subject to various conditions to be complied with by the Company, including inter-alia that it shall get the building plan approved from the Competent Authority.

V. PENDING APPROVALS

1. Trademarks

S. No.	Particulars of Mark	Word / Label Mark	Date of Application	Application No.	Class	Status as on December 11, 2014 as displayed on www.ipindia.nic.in	Goods / Services in respect of which Application has been made
(i)		Device	October 28, 2014	2833720	36	Send to Vienna Codification	Real estate affairs, acquisition and provision of land for residential, commercial & industrial purposes, land sale, land management and administration, real estate investment advice and services
(ii)		Device	October 28, 2014	2833721	37	Send to Vienna Codification	Building construction, building repair, renovation and installation services.

2. Approvals related to Project

Some of the key major approvals that we have applied for but have not been obtained in relation to our on-going project – “Jalandhar Heights” are as follows –

Sr. No.	Description	Application ID	Authority to which the Application has been made	Date of Application
1	Application for Renewal Consent to operate under Section 25/26 of the Water (Prevention and Control of Pollution) Act, 1974	2052202	Punjab Pollution Control Board	October 29, 2014

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OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

Our Board of Directors have vide resolution dated October 01, 2014 authorized the Issue, subject to the approval by the shareholders of our Company under Section 62 (1C) of the Companies Act, 2013.

The shareholders have authorized the Issue, by passing a Special Resolution at the Extra-Ordinary General Meeting held with a shorter notice on October 07, 2014 in accordance with the provisions of Section 62 (1C) of the Companies Act, 2013.

The Company has obtained approval from BSE vide letter dated January 16, 2015 to use the name of BSE in this Offer Document for listing of equity shares on the SME platform of the BSE. BSE is the designated stock exchange.

Prohibition by SEBI, the RBI or Governmental Authorities

We confirm that there is no prohibition on our Company, its Directors, Promoters and entities forming part of our Promoter Group from accessing the capital market or operating in the capital markets under any order or direction passed by SEBI.

We further confirm that none of our Company, its Promoters, its Group Companies or the relatives of our Promoters and Group Companies was ever identified as wilful defaulters by RBI or other authorities.

Association with Securities Market

We confirm that none of our Directors are associated with the Securities Market in any manner and no action has been initiated against these entities by SEBI at any time except as stated under the chapters titled “*Risk Factors*”, “*Our Promoter, Promoter Group and Group Companies*” and “*Outstanding Litigations and Material Developments*” beginning on pages 9, 109 and 152 respectively, of this Prospectus.

Eligibility for the Issue

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulation; and this Issue is an “Initial Public Offer” in terms of the SEBI (ICDR) Regulations.

This Issue is being made in terms of Regulation 106 (M) (2) of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, an issuer whose post issue face value capital is more than ten crore rupees and upto twenty five crore rupees, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the SME Platform of BSE).

We confirm that:

- a) In accordance with Regulation 106 (P) of the SEBI (ICDR) Regulations, this issue has been hundred percent underwritten and that the Lead Manager to the Issue has underwritten more than 15% of the total Issue Size. For further details pertaining to the said underwriting please see “*General Information*” on page 33 of this Prospectus.
- b) 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 within such time which shall be prescribed by the SEBI. If the stated minimum amount has not been subscribed and the sum payable on application is not received within a period of thirty days from the date of issue of the prospectus, or such other period as may be specified by the Securities and Exchange Board, the amount received under sub-section (3) of Section 39 shall be returned within such time and manner as may be prescribed under the Companies Act, 2013.
- c) In accordance with Regulation 106(O) the SEBI (ICDR) Regulation, 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 Lead Manager submits the copy of Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies.

- d) In accordance with Regulation 106(V) of the SEBI (ICDR) Regulations, we have entered into an agreement with the Lead Manager and Market Maker to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares offered in this issue. For further details of the arrangement of Market Making, please see “General Information- Details of the Market Making Arrangements for this Issue” on page 38 of this Prospectus.

We further confirm that we shall be complying with all other requirements as laid down for such issue under Chapter XB of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

- e) Our Company has Net Tangible assets of at least ₹ 1 crore as per the latest audited financial results
- f) The Net worth (excluding revaluation reserves) of our Company is at least ₹ 1 crore as per the latest audited financial results
- g) Our Company has track record of distributable profits in terms of sec. 123 of Companies Act, 2013 for at least two years out of immediately preceding three financial years and each financial year has to be a period of at least 12 months.
- h) The distributable Profit, Net tangible Assets and Net worth of our Company as per the restated financial statements for the year ended as at March 31, 2014, 2013 and 2012 is as set forth below:

(₹ in lacs)

Particulars	Fiscal 2014	Fiscal 2013	Fiscal 2012
Distributable Profit ⁽¹⁾	274.01	184.31	1.73
Net tangible Assets ⁽²⁾	1,026.41	749.19	563.49
Net Worth ⁽³⁾	1,064.33	790.32	606.00

⁽¹⁾ Distributable profits have been computed in terms section 123 of the Companies Act, 2013.

⁽²⁾ Net Tangible Assets are defined as the sum of fixed assets (including capital work in-progress and excluding revaluation reserve) investments, current assets (excluding deferred tax assets) less current liabilities (excluding deferred tax liabilities) and secured as well as unsecured long term liabilities excluding intangible assets as defined in Accounting Standard 26 (AS 26) issued by the Institute of Chartered Accountants of India.

⁽³⁾ Net Worth has been computed as the aggregate of equity shares capital and reserves (excluding revaluation reserves) and after deducting miscellaneous expenditure not written off, if any.

- i) As on the date of this Draft Prospectus, our Company has a paid up capital of ₹ 744.07 lacs (₹ 7.44 crores), which is in excess of ₹ 1 crore, and the Post Issue Capital shall also be in excess of ₹ 1 crore.
- j) Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
- k) There is no winding up petition against the company, which has been admitted by the court or a liquidator has not been appointed
- l) There has been no change in the Promoter(s) of the Company in the preceding one year from date of filing application to BSE for listing on SME segment
- m) Our company shall mandatorily facilitate trading in demat securities and enter into an agreement with both the depositories.
- n) We have a website: www.agiinfra.com

Disclosure

The Issuer, our Promoters, Promoter Group and the members of our Group Companies have confirmed that they have not been identified as wilful defaulters by the RBI or any other Governmental Authority.

Disclaimer Clause of SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT TO SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE

FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MERCHANT BANKER, ARYAMAN FINANCIAL SERVICES LIMITED, HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH 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 THE OFFER DOCUMENT, THE LEAD MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER, ARYAMAN FINANCIAL SERVICES LIMITED HAS FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED FEBRUARY 25, 2015 WHICH READS 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 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 PROSPECTUS FILED WITH THE 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 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, 1956, THE COMPANIES ACT, 2013 (TO THE EXTENT NOTIFIED), 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 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 FULFIL 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 PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING OF THE PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE 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 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 AUDITOR'S 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 73 OF THE COMPANIES ACT, 1956 (SECTION 40 OF COMPANIES ACT, 2013) AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO 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 PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE. – NOT APPLICABLE.
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 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.
14. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE 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 PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.
16. WE ENCLOSE STATEMENT ON PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKER AS PER FORMAT SPECIFIED BY SEBI THROUGH CIRCULAR (PLEASE SEE “ANNEXURE A” FOR FURTHER DETAILS).
17. WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS.

THE FILING OF THIS OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER SECTION 63 OR SECTION 68 OF THE COMPANIES ACT, 1956 (SECTION 34 OR SECTION 36 OF THE COMPANIES ACT, 2013) OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE LEAD MERCHANT BANKER ANY IRREGULARITIES OR LAPSES IN THE OFFER DOCUMENT.

ADDITIONAL CONFIRMATIONS/ CERTIFICATIONS 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 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 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.
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 PROSPECTUS.
6. WE CONFIRM THAT UNDERWRITING AND 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.

Disclaimer Clause of the SME Platform of BSE

“BSE Limited ("BSE") has given vide its letter dated January 16, 2015, 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 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 promoters, 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”.

Disclaimer from our Company and the Lead Manager

Our Company, its Directors and the Lead Manager accept no responsibility for statements made otherwise than those contained in this Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information would be doing so at his or her own risk.

CAUTION

The Lead Manager accept no responsibility, save to the limited extent as provided in the MoU for Issue Management entered into among the Lead Manager and our Company dated December 12, 2014, the Underwriting Agreement dated December 15, 2014 entered into among the Underwriters and our Company and the Market Making Agreement dated December 12, 2014, entered into among the Market Maker, Lead Manager and our Company.

All information shall be made available by us and the Lead Manager 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 or elsewhere.

Note:

Investors who apply in the Issue will be required to confirm and will be deemed to have represented to our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and 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 and approvals to acquire Equity Shares of our Company. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

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, except through their natural / legal guardians), Hindu Undivided Families (HUFs), companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), Trusts registered under the Societies Registration Act, 1860, as amended from time to time, or any other trust law and who are authorised under their constitution to hold and invest in shares, permitted insurance companies and pension funds and to non-residents including NRIs and FIIs. The Prospectus does not, however, constitute an offer to sell or an invitation to subscribe to Equity Shares offered hereby in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession the 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. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and

the Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of the Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been any 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.

Disclaimer Clause under Rule 144A of the U.S. Securities Act

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the “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 of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to “qualified institutional buyers”, as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers 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 offered or sold, and Applicants may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Filing

The Draft Prospectus shall not be filed with SEBI, nor will SEBI issue any observation on the offer document in term of Reg. 106 (O) (1). However, a copy of the Prospectus shall be filed with SEBI at the Corporation Finance Department, 5th Floor, Bank of Baroda Building, 16, Sansad Marg, New Delhi- 110 001, simultaneously with its filing with the BSE SME Exchange situated at BSE Limited, Rotunda Building, 1st Floor, Mumbai Samachar Marg, Mumbai - 400 001 and the RoC situated at Corporate Bhawan, Plot No. 4 B, Sector 27 B, Madhya Marg, Chandigarh – 160019.

Listing

In terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, there is no requirement of obtaining In-Principle approval of the SME Platform of BSE. However, application shall be made to SME Platform of BSE for obtaining permission for listing of the Equity Shares being offered and sold in the Issue on its SME Platform after the allotment in the Issue. BSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue.

If the permission to deal in and for an official quotation of the Equity Shares on the SME Platform is not granted by BSE, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of the prospectus. The allotment letters shall be issued or application money shall be refunded within fifteen days from the closure of the issue or such lesser time as may be specified by Securities and Exchange Board or else the application money shall be refunded to the applicants forthwith, failing which interest shall be due to be paid to the applicants at the rate of fifteen per cent per annum for the delayed period 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 BSE mentioned above are taken within 12 Working Days of the Issue Closing Date.

The Company has obtained approval from BSE vide letter dated January 16, 2015 to use the name of BSE in this Offer document for listing of equity shares on SME Platform of BSE.

Price Information of past issues handled by the Lead Manager

S. No	Issue Name	Issue size (₹ in lacs)	Issue Price (₹)	Listing date	Opening price on listing date (₹)	Closing price on listing date (₹)	% Change in Price on listing date (Closing) vs. Issue Price	Benchmark index on listing date (Closing)	Closing price as on 10th calendar day from listing day	Benchmark index as on 10th calendar day from listing day (Closing)	Closing price as on 20th calendar day from listing day	Benchmark index as on 20th calendar day from listing day (Closing)	Closing price as on 30th calendar day from listing day	Benchmark index as on 30th calendar day from listing day (Closing)
1	Vishal Fabrics Ltd.	1,563.30	45.00	20/08/14	45.20	46.90	4.22%	26,314.29	48.00	26,638.11	51.50	27,057.41	50.50	27,090.42
2	Dhanuka Commercial Ltd.	444.00	10.00	11/06/14	9.75	9.75	(2.50)%	25,473.89	8.90	25,105.51	8.75	25,516.35	9.75	25,024.35
3	Karnimata Cold Storage Ltd.	303.60	20.00	18/03/14	29.05	30.00	50.00%	21,832.61	22.15	22,339.97	22.15	22,343.45	22.15	22,628.84
4	Suyog Telematics Ltd.	453.00	25.00	22/01/14	25.20	25.25	1.00%	21,337.67	25.20	20,513.85	25.00	20,363.37	25.50	20,700.75
5	Stellar Capital Services Ltd.	900.00	20.00	01/11/13	20.10	19.10	(4.50)%	21,196.81	16.90	20,666.15	15.30	20,635.13	14.55	20,791.93
6	S R G Securities Finance Ltd.	501.60	20.00	29/10/13	23.90	24.25	21.25%	20,929.01	20.50	20,666.15	20.10	20,850.74	20.00	20,425.02
7	Kushal Tradelink Ltd.	2,774.80	35.00	04/09/13	35.00	35.80	2.29%	18,567.55	35.30	19,732.76	35.30	19,920.21	43.10	19,915.95
8	India Finsec Ltd.	600.00	10.00	11/06/13	10.00	10.50	5.00%	19,143.00	9.55	19,245.70	10.00	18,629.15	10.00	18,629.15
9	SRG Housing Finance Ltd.	700.80	20.00	11/09/12	20.30	20.30	1.50%	17,852.95	21.00	18,349.25	20.15	18,823.91	20.10	18,804.75
10	Jupiter Infomedia Ltd.	408.00	20.00	16/08/12	22.00	22.05	10.25%	17,657.21	21.95	17,783.21	22.40	17,313.34	23.15	18,464.27

Summary Statement of Disclosure

Financial Year	Total no. of IPOs	Total Funds Raised (₹ in lacs)	Nos. of IPOs trading at discount on listing date			Nos. of IPOs trading at premium on listing date			Nos. of IPOs trading at discount as on 30 th calendar day from listing day			Nos. of IPOs trading at premium as on 30 th calendar day from listing day		
			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%
2014-15 ⁽¹⁾	2	2007.30	-	-	1	-	-	1	-	-	1	-	-	1
2013-14	6 ⁽²⁾	5,533.00	-	-	1	-	1	4	-	1	-	-	-	3
2012-13	4 ⁽³⁾	7,115.68	-	-	-	-	-	3	-	-	1	-	-	1
2011-12	1 ⁽⁴⁾	885.00	-	-	-	-	-	1	-	-	-	-	-	-

⁽¹⁾ Details indicated in 2014-15 are for the IPOs completed as on date

⁽²⁾ As on the 30th Calendar day from the listing day, the price of India Finsec Limited and S R G Securities Finance Ltd. is exactly equal to its Issue Price and hence it is neither trading at Premium or Discount.

⁽³⁾ As on the listing day, the price of Sangam Advisors Ltd. is exactly equal to its Issue Price and hence it is neither trading at Premium or Discount; As on the 30th Calendar day from the listing day, the price of SRG Housing Finance Ltd. and Sangam Advisors Ltd. is exactly equal to its Issue Price and hence it is neither trading at Premium or Discount.

⁽⁴⁾ As on the 30th Calendar day from the listing day, the price of BCB Finance Limited is exactly equal to its Issue Price and hence it is neither trading at Premium or Discount.

Notes:

(a) In case the 10th, 20th and 30th calendar day from the date of listing is a holiday, or if the stock was not traded on the said calendar days from the date of listing, the share price and benchmark index is taken of the immediately preceding working day.

(b) BSE SENSEX has been considered as the benchmark index.

Track record of past issues handled by the Lead Manager

For details regarding the track record of the Lead Manager to the Issue as specified in Circular reference CIR/MIRSD/1/ 2012 dated January 10, 2012 issued by the SEBI, please see the website of the Lead Manager – www.afsl.co.in.

Consents

Consents in writing of: (a) the Directors, the Company Secretary and Compliance Officer, the Statutory Auditors, Bankers to the Company; and (b) the Lead Manager, Escrow Collection Bankers, Refund Banker, Peer Review Auditor, Registrar to the Issue, the Legal Advisors to the Issue, to act in their respective capacities, have been obtained and shall be filed along with a copy of the Prospectus with the RoC, as required under Section 32 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

In accordance with the Companies Act, 2013 and the SEBI (ICDR) Regulations, M/s. R. A. Marwaha & Co., Chartered Accountants, Peer Review Auditors and M/s R. S. Kalra and Associates, Chartered Accountants, Statutory Auditors, have provided their written consent to the inclusion of their reports dated December 12, 2014 on Restated Financial Statements and on Statement of Tax Benefits, respectively, which may be available to the Company and its shareholders, included in this Prospectus in the form and context in which they appear therein and such consents and reports have not been withdrawn up to the time of filing of this Prospectus.

Expert Opinion

Except for the below stated reports and certificate included in the Prospectus, our Company has not obtained any expert opinions:

1. Statutory Auditor – Statement of Tax Benefits
2. Peer Review Auditor – Restated Financial Statements

ISSUE RELATED EXPENSES

The expenses of this Issue include, among others, underwriting and management fees, Market Making Fees, selling commissions, SCSB's commission/ fees, printing and distribution expenses, legal fees, statutory advertisement expenses, registrar and depository fees and listing fees is given below:

Sr. No.	Particulars	Amount (₹ in lacs)	% of total Issue expenses	% of total Issue size
1	Issue Management fees including fees and reimbursements of Market Making fees, selling commissions, brokerages, and payment to other intermediaries such as Legal Advisors, Registrars and other out of pocket expenses.	37.30	70.30%	2.49%
2	Printing & Stationery, Distribution, Postage, etc	3.00	5.65%	0.20%
3	Advertisement & Marketing Expenses	3.00	5.65%	0.20%
4	Regulatory & other expenses	9.76	18.40%	0.65%
Total		53.06	100.00%	3.54%

Commission Payable to Non Syndicate Registered Brokers

Subject to the cap as mentioned below, the commission payable to the Non Syndicate Registered Brokers shall be as follows:

- Size of the Application Form Commission Payable up to ₹ 200,000: ₹ 20 per Application Form which is considered eligible for Allotment in the Issue.
- Greater than ₹ 200,000: ₹ 30 per Application Form which is considered eligible for Allotment in the Issue.

The total Non Syndicate Registered Broker Commission to be paid to the Non Syndicate Registered Brokers for the Application Forms procured by them which are considered eligible for Allotment in the Issue (“Eligible Application Forms”) calculated as per the table above, shall be capped at 0.25% and 0.15% of the product of the number of Equity Shares Allotted to Retail Individual Investors and Non-Institutional Investors, respectively, and the Issue Price in relation to the Eligible Application Forms procured by them (the “Maximum Brokerage”).

In case the total Non Syndicate Registered Broker Commission payable to the Non Syndicate Registered Brokers exceeds the Maximum Brokerage, then the commission paid to the Non Syndicate Registered Brokers per Eligible Application Form as per the table above would be proportionately adjusted such that the total Non Syndicate Registered Broker Commission payable to them does not exceed the Maximum Brokerage. The terminal from which the Bid has been uploaded will be taken into account in order to determine the commission payable to the relevant Non Syndicate Registered Broker. The Non Syndicate Registered Broker Commission payable to Non Syndicate Registered Brokers shall be inclusive of all taxes.

Fees, Brokerage and Selling Commission Payable to the Lead Manager

The total fees payable to the Lead Manager (including underwriting commission and selling commission) is as stated in the MoU dated December 12, 2014, the Underwriting Agreement dated December 15, 2014 and the Market Making Agreement dated December 12, 2014 among the Company and the Lead Manager and other parties, a copy of which will be made available for inspection at our Registered Office.

Fees Payable to the Registrar to the Issue

The fees payable to the Registrar to the Issue, for processing of application, data entry, printing of refund order, preparation of refund data on magnetic tape, printing of bulk mailing register will be as per the MoU between the Company and the Registrar to the Issue dated December 04, 2014.

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 to the Registrar to the Issue to enable it to send refund orders or Allotment advice by registered post/speed post.

Capital Issue during the last three years

AGI Infra Limited and its Promoter Group have not made any capital issue viz. initial public offering, rights issue or composite issue during the last three years.

Previous Public and Rights Issues

We have not made any previous rights and public issues, and we are an “Unlisted Company” 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 Equity Shares otherwise than for Cash

Except as stated in the chapter titled “*Capital Structure*” beginning on page 40 of this Prospectus, we have not issued any Equity Shares for consideration other than for cash.

Commission and Brokerage Paid on Previous Issues of our Equity Shares

Since this is an Initial Public Offer of the 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 the Equity Shares since inception of the Company.

Companies under the same Management

There are no companies under the same management within the meaning of section 370 (1B) of the Companies Act, 1956, that has made any public issue (including any rights issues or composite issues to the public) during the last three years.

Promise v. Performance – Associates

Our Company and its Promoter Group have not made any previous rights and public issues.

Outstanding Debentures, Bonds, Redeemable Preference Shares and Other Instruments issued by the Company

The Company has no outstanding debentures or bonds. The Company has not issued any redeemable preference shares or other instruments in the past.

Stock Market Data for our Equity Shares

This being an initial public issue of the Company, the Equity Shares of the Company are not listed on any stock exchange.

Mechanism for Redressal of Investor Grievances

The Company has appointed M/s Bigshare Services Pvt. Ltd. as the Registrar to the Issue, to handle the investor grievances in co-ordination with the Compliance Officer of the Company. All grievances relating to the present Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and name of bank and branch. The Company would monitor the work of the Registrar to ensure that the investor grievances are settled expeditiously and satisfactorily.

The Registrar to the Issue will handle investor's grievances pertaining to the Issue. A fortnightly status report of the complaints received and redressed by them would be forwarded to the Company. The Company would also be co-ordinating with the Registrar to the Issue in attending to the grievances to the investor.

All grievances relating to the ASBA process may be addressed to the SCSBs, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch of the SCSB where the Application Form was submitted by the ASBA Applicant. We estimate that the average time required by us or the Registrar to the Issue or the SCSBs for the redressal of routine investor grievances will be seven business days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

Our Board by a resolution on December 10, 2014 constituted a Stakeholders Relationship Committee. The composition of the Stakeholders Relationship Grievance Committee is as follows:

Name of the Member	Nature of Directorship	Designation in Committee
Manjit Singh	Non-Executive Independent Director	Chairman
Sukhdev Singh	Managing Director	Member
Atul Mehta	Non-Executive Independent Director	Member

For further details, please see the chapter titled “*Our Management*” beginning on page 98 of this Prospectus.

The Company has also appointed Ms. Neelu Kapoor as the Company Secretary and Compliance Officer for this Issue and she may be contacted at the Corporate Office of our Company. The contact details are as follows:

Name: Neelu Kapoor

Address: Jalandhar Heights, 66 FT Road, Village Pholriwal, Near Urban Estate, Phase II, Jalandhar, Punjab - 144 001

Tel No.: 0181 - 2681986

Tele-Fax No.: 0181 – 2681886

Email: agicsneelu@gmail.com

Investors can contact the Compliance Officer or the Registrar to the Issue or the Lead Manager 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 accounts and refund orders.

Status of Investor Complaints

We confirm that we have not received any investor complaint during the three years preceding the date of this Prospectus and hence there are no pending investor complaints as on the date of this Prospectus.

Disposal of Investor Grievances by Listed Companies under the same Management as the Company

No company under the same management as the Company within the meaning of Section 370(1B) of the Companies Act, 1956 has made any public issue (including any rights issues to the public) during the last three years and hence there are no pending investor grievances.

Change in Auditors

There has been no change in auditors of our company in the last 3 years.

Capitalisation of Reserves or Profits

Except as stated in the chapter titled “*Capital Structure*” beginning on page 40 of this Prospectus, our Company has not capitalised our reserves or profits during the last five years.

Revaluation of Assets

We have not revalued our assets in the last 5 years.



SECTION VIII – ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

The Equity Shares being issued are subject to the provisions of the Companies Act, SEBI (ICDR) Regulations, 2009, our Memorandum and Articles of Association, the terms of this Prospectus, the Application Form, the Revision Form, the Confirmation of Allocation Note and other terms and conditions as may be incorporated in the allotment advices and other documents/certificates that may be executed in respect of this Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, 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 Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable.

Authority for the Issue

This Issue of Equity Shares has been authorized by the Board of Directors of our Company at their meeting held on October 01, 2014 and was approved by the Shareholders of the Company by passing a Special Resolution at the Extra-Ordinary General Meeting held with a shorter notice on October 07, 2014 in accordance with the provisions of Section 62 (1C) of the Companies Act, 2013.

Ranking of Equity Shares

The Equity Shares being issued shall be subject to the provisions of the Companies Act, our Memorandum and Articles of Association and shall rank pari-passu in all respects with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment.

For further details, please see the section titled "*Main Provisions of the Articles of Association of our Company*" beginning on page 204 of this Prospectus.

Mode of Payment of Dividend

The declaration and payment of dividend will be as per the provisions of Companies Act and recommended by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act, 2013. For further details, please see the chapter titled "*Dividend Policy*" beginning on page 114 of this Prospectus.

Face Value and Issue Price

The Equity Shares having a face value of ₹ 10 each are being issued in terms of this Prospectus at the price of ₹54 per Equity Share (including share premium of ₹ 44 per share). The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the chapter titled "*Basis for Issue Price*" beginning on page 56 of this Prospectus. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

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 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 offer for rights shares and be allotted bonus shares, if announced;
- ✓ Right to receive surplus on liquidation;
- ✓ Right of free transferability; and
- ✓ Such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, terms of the listing agreements with the Stock Exchange and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provision of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien and / or consolidation / splitting, etc., please see the section titled "Main Provisions of Articles of Association of our company" beginning on page 204 of this Prospectus.

Minimum Application Value; Market Lot and Trading Lot

As per the provisions of the Depositories Act, 1996, the shares of a Body Corporate can be in Dematerialized form i.e. not in the form of physical certificates but be fungible and be represented by the statement issued through electronic mode.

As per SEBI's circular RMB (compendium) series circular no. 2 (1999-2000) dated February 16, 2000, it has been decided by the SEBI that trading in securities of companies making an initial public offer shall be in Dematerialized form only.

Trading of the Equity Shares will happen in the minimum contract size of 2,000 Equity Shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012 and the same may be modified by BSE from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Issue will be done in multiples of 2,000 Equity Share subject to a minimum allotment of 2,000 Equity Shares to the successful applicants.

Minimum Number of Allottees

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 collected shall be refunded within 12 Working days of closure of issue.

Joint Holders

Where two or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

Nomination Facility to Investor

In accordance with Section 72 (1) & 72 (2) of the Companies Act, 2013, the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 (3) of the Companies Act, 2013, 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 accordance to Section 72 (4) of the Companies Act, 2013, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Articles of Association of the Company, any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013, shall upon the production of such evidence as may be required by the Board, elect either:

- ✓ to register himself or herself as the holder of the Equity Shares; or
- ✓ 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. In case the allotment of Equity Shares is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

Minimum Subscription

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. 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 40 of the Companies Act, 2013.

Arrangements for Disposal of Odd Lots

The trading of the Equity Shares will happen in the minimum contract size of 2,000 shares. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME platform of BSE.

Restrictions, if any, on transfer and transmission of shares or debentures and on their consolidation or splitting

For a detailed description in respect of restrictions, if any, on transfer and transmission of shares and on their consolidation / splitting, please see the section titled “*Main Provisions of the Articles of Association of our Company*” beginning on page 204 of this Prospectus.

Option to receive Equity Shares in Dematerialized Form

As per Section 29(1) of the Companies Act, 2013, allotment of Equity Shares will be made only in dematerialized form. As per SEBI’s circular RMB (compendium) series circular no. 2 (1999-2000) dated February 16, 2000, it has been decided by the SEBI that trading in securities of companies making an initial public offer shall be in Dematerialised form only. The Equity Shares on Allotment will be traded only on the dematerialized segment of the SME Platform of BSE.

Migration to Main Board

In accordance with the BSE Circular dated November 26, 2012, our Company will have to be mandatorily listed and traded on the SME Platform of the BSE for a minimum period of two years from the date of listing and only after that it can migrate to the Main Board of the BSE as per the guidelines specified by SEBI and as per the procedures laid down under Chapter XB of the SEBI (ICDR) Regulations.

As per the provisions of the Chapter XB of the SEBI (ICDR) Regulation, 2009, our Company may migrate to the main board of BSE from the SME Exchange on a later date subject to the following:

- If the Paid up Capital of the company is likely to increase above ₹ 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in 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), we shall have to apply to BSE for listing our shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.
- If the Paid up Capital of the company is more than ₹ 10 crores but below ₹ 25 crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

Market Making

The shares issued through this Issue are proposed to be listed on the SME Platform of BSE (SME Exchange), wherein the Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Maker of the SME Exchange for a minimum period of three years from the date of listing on the SME Platform of BSE.

For further details of the agreement entered into between our Company, the Lead Manager and the Market Maker, please see the chapter titled "*General Information - Details of the Market Making Arrangement for this Issue*" beginning on page 38 of this Prospectus.

New Financial Instruments

The Issuer Company is not issuing any new financial instruments through this Issue.

Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Mumbai, Maharashtra. The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws in the United States, and may not be offered or sold within the United States, except pursuant to an exemption from or in a transaction not subject to, registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered or sold outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers 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 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.



ISSUE STRUCTURE

This Issue is being made in terms of Regulation 106 (M)(2) of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, an issuer whose post issue face value capital is more than ten crore rupees and upto twenty five crore rupees, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the SME Platform of BSE). For further details regarding the salient features and terms of such this Issue, please see the chapters titled "*Terms of the Issue*" and "*Issue Procedure*" beginning on pages 176 and 182 respectively, of this Prospectus. Following is the issue structure:

Public issue of 27,76,000 Equity Shares of ₹ 10 each (the "Equity Shares") for cash at a price of ₹ 54 per Equity Share (including a Share premium of ₹ 44 per Equity Share) aggregating to ₹ 1499.04 lacs ("the Issue") by AGI Infra Limited ("AGIIL" or the "Company" or the "Issuer").

The issue comprises a Net Issue to Public of 26,34,000 Equity Shares of ₹ 10 each ("the Net issue"), and a reservation of 1,42,000 Equity Shares of ₹ 10 each for subscription by the designated Market Maker ("the Market Maker Reservation Portion").

Particulars of the Issue	Net Issue to Public*	Market Maker Reservation Portion
Number of Equity Shares available for allocation	26,34,000 Equity Shares	1,42,000 Equity Shares
Percentage of Issue Size available for allocation	94.88% of the Issue Size	5.12% of the Issue Size
Basis of Allotment	Proportionate subject to minimum allotment of 2,000 Equity Shares and further allotment in multiples of 2,000 Equity Shares each.	Firm Allotment
Mode of Application	For QIB and NII Applicants the application must be made compulsorily through the ASBA Process. The Retail Individual Applicant may apply through the ASBA or the Physical Form.	Through ASBA Process Only
Minimum Application Size	<i>For QIB and NII:</i> Such number of Equity Shares in multiples of 2,000 Equity Shares such that the Application Value exceeds ₹ 2,00,000. <i>For Retail Individuals:</i> 2,000 Equity Shares	1,42,000 Equity Shares
Maximum Application Size	<i>For QIB and NII:</i> Such number of Equity Shares in multiples of 2,000 Equity Shares such that the Application Size does not exceed 26,34,000 Equity Shares. <i>For Retail Individuals:</i> Such number of Equity Shares in multiples of 2,000 Equity Shares such that the Application Value does not exceed ₹ 2,00,000.	1,42,000 Equity Shares
Mode of Allotment	Dematerialized Form	Dematerialized Form
Trading Lot	2,000 Equity Shares	2,000 Equity Shares, However the Market Maker may buy odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2009.
Terms of Payment	The entire Application Amount will be payable at the time of submission of the Application Form.	

** 50 % of the shares offered are reserved for allocation to applications below or equal to ₹ 2 lacs and the balance for higher amount applications.*

Withdrawal of the Issue

The Company, in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time before the Issue Opening Date, without assigning any reason thereof. Notwithstanding the foregoing, the Issue is also subject to obtaining the following:

- i. The final listing and trading approvals of BSE for listing of Equity Shares offered through this Issue on its SME Platform, which the Company shall apply for after Allotment; and
- ii. The final RoC approval of the Prospectus after it is filed with the RoC.

In case, the Company wishes to withdraw the Issue after Issue Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated national newspapers (one each in English and Hindi) and one in regional newspaper.

The Lead Manager, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly. If our Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh offer document with the stock exchange where the Equity Shares may be proposed to be listed.

Issue Programme

ISSUE OPENING DATE	March 10, 2015
ISSUE CLOSING DATE	March 13, 2015

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



ISSUE PROCEDURE

Fixed Price Issue Procedure

This Issue is being made under Regulation 106 (M) (2) of Chapter XB of SEBI (ICDR) Regulations, 2009 via Fixed Price Process. Applicants are required to submit their Applications to the Selected Branches / Offices of the Escrow Bankers to the Issue who shall duly submit them to the Registrar of the Issue. In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing. In case of Non-Institutional Applicants and Retail Individual Applicants, our Company would have a right to reject the Applications based on technical grounds only.

Investors should note that according to section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialised form. The Application Forms which do not have the details of the Applicant's depository account including DP ID, PAN and Beneficiary Account Number shall be treated as incomplete and rejected. In case DP ID, Client ID and PAN mentioned in the Application Form and entered into the electronic application system of the stock exchanges by the Brokers (including sub-brokers) do not match with the DP ID, Client ID and PAN available in the depository database, the application is liable to be rejected. Applicants will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialised segment of the Stock Exchanges.

Applicants are required to ensure that the PAN (of the sole/ first Applicant) provided in the Application Form is exactly the same as the PAN of the person(s) in whose name the relevant beneficiary account is held. In case of joint Applications, the Application Form should contain only the name of the first Applicant whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Applicant would be required in the Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders.

Application Form

Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Prospectus. ASBA Applicants shall submit an Application Form either in physical or electronic form to the SCSBs authorizing blocking funds that are available in the bank account specified in the Application Form used by ASBA applicants.

The prescribed colour of the Application Form for various categories is as follows:

Category	Colour
Resident Indians and Eligible NRIs applying on a non-repatriation basis (ASBA and Non-ASBA)	White
Non-Residents and Eligible NRIs, FIIs, FVCIs, etc. applying on a repatriation basis (ASBA and Non-ASBA)	Blue

In accordance with the SEBI (ICDR) Regulations, 2009 in public issues w.e.f. May 1, 2010 all the investors can apply through ASBA process and w.e.f. May 02, 2011, the Non-Institutional Applicants and the QIB Applicants have to compulsorily apply through the ASBA Process.

Who Can Apply?

1. Indian nationals resident in India, who are not minors (except through their natural / legal guardians), in single or joint names (not more than three);
2. Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: —Name of Sole or First Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;
3. Companies, Corporate Bodies and Societies registered under the applicable laws in India and authorised to invest in equity shares;
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 (excluding foreign banks), regional rural banks, co-operative banks (subject to RBI regulations and the SEBI Regulations and other laws, as applicable);
7. FIIs and sub-accounts registered with SEBI, other than a sub-account which is a foreign corporate or foreign individual under the QIB portion;
8. Sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals only under the Non-Institutional Applications portion;
9. VCFs registered with SEBI;
10. FVCIs registered with SEBI;
11. Eligible QFIs;
12. Multilateral and bilateral development financial institutions;
13. State Industrial Development Corporations;
14. Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to trusts/societies and who are authorised under their respective constitutions to hold and invest in equity shares;
15. Scientific and/or industrial research organizations authorized in India to invest in equity shares;
16. Insurance companies registered with Insurance Regulatory and Development Authority;
17. Provident Funds with a minimum corpus of ₹ 250 million and who are authorised under their constitution to hold and invest in equity shares;
18. Pension Funds with a minimum corpus of ₹ 250 million and who are authorised under their constitution to hold and invest in equity shares;
19. Limited liability partnerships;
20. National Investment Fund set up by resolution no. F.NO.2/3/2005-DDII dated November 23, 2005 of the GoI, published in the Gazette of India;
21. Nominated Investor and Market Maker
22. Insurance funds set up and managed by the army, navy or air force of the Union of India and by the Department of Posts, India
23. 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 policy of the Government of India, OCBs cannot participate in this Issue.

Applications not to be made by:

1. Minors (except through their natural / legal guardians)
2. Partnership firms or their nominations
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies

Availability of Prospectus and Application Forms:

The Memorandum Form 2A containing the salient features of the Prospectus together with the Application Forms and copies of the Prospectus may be obtained from the Registered Office of our Company, Lead Manager to the Issue, Registrar to the Issue and the collection Centers of the Bankers to the Issue, as mentioned in the Application Form. The application forms may also be downloaded from the website of SME Platform of BSE Limited i.e. www.bsesme.com.

Option to Subscribe in the Issue

- a. Investors will have the option of getting the allotment of specified securities in dematerialization form only.
- b. The equity shares, on allotment, shall be traded on stock exchange in demat segment only.
- c. A single application from any investor shall not exceed the investment limit/minimum number of specified securities that can be held by him/her/it under the relevant regulations/statutory guidelines.

Participation by Associates of Lead Manager

Except for the Underwriting Obligations, the Lead Manager shall not be allowed to subscribe to this Issue in any manner. However, associates and affiliates of the Lead Manager may subscribe to or purchase Equity Shares in the Issue, where the allocation is on a proportionate basis.

Application by Indian Public including eligible NRIs applying on Non-Repatriation

Application must be made only in the names of individuals, Limited Companies or Statutory Corporations/ Institutions and not in the names of Minors (except through their natural / legal guardians), Foreign Nationals, Non Residents (except for those applying on non-repatriation), Trusts (unless the Trust is registered under the Societies Registration Act, 1860 or any other applicable Trust laws and is authorized under its constitution to hold shares and debentures in a Company), Hindu Undivided Families, Partnership firms or their nominees. In case of HUFs application shall be made by the Karta of the HUF. An applicant in the Net Public Category cannot make an application for that number of securities exceeding the number of securities offered to the public.

Application by Mutual Funds

As per the current regulations, the following restrictions are applicable for investments by mutual funds:

No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any 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.

Multiple Applications: In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

Applications by Eligible NRIs/FIIs on Repatriation Basis

Application Forms have been made available for Eligible NRIs at our registered Office. Eligible NRI applicants may please note that only such applications as are accompanied by payment in free foreign exchange shall be considered for Allotment. The Eligible NRIs who intend to make payment through Non Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians. Under the Foreign Exchange Management Act, 1999 (FEMA) general permission is granted to the companies vide notification no. FEMA/20/2000 RB dated 03/05/2000 to issue securities to NRI's subject to the terms and conditions stipulated therein. The Companies are required to file the declaration in the prescribed form to the concerned Regional Office of RBI within 30 days from the date of issue of shares for allotment to NRI's on repatriation basis. Allotment of Equity Shares to Non-Resident Indians shall be subject to the prevailing Reserve Bank of India Guidelines. Sale proceeds of such investments in Equity Shares will be allowed to be repatriated along with the income thereon subject to permission of the RBI and subject to the Indian Tax Laws and regulations and any other applicable laws. The Company does not require approvals from FIPB or RBI for the Transfer of Equity Shares in the issue to eligible NRI's, FII's, Foreign Venture Capital Investors registered with SEBI and multilateral and bilateral development financial institutions.

As per the current Regulations, the following Restrictions are applicable for investments by FIIs:

The issue of Equity Shares to a single FII should not exceed 10% of our post-Issue paid-up capital. In respect of an FII investing in the Equity Shares on behalf of its sub-accounts, the investment on behalf of each sub-account shall not exceed 10% of our total issued capital of the Company or 5% of the total issued capital, in case such sub-account is a foreign corporate or an individual. In accordance with the foreign investment limits applicable to our Company, such investment must be made out of funds raised or collected or brought from outside India through normal banking channels and the investment must not exceed the overall ceiling specified for FIIs. Under the portfolio investment scheme, the aggregate issue of equity shares to FIIs and their sub-accounts should not exceed 24% of post-issue paid-up equity capital of a company. However, this limit can be increased to the permitted sectoral cap/statutory limit, as applicable to our Company after obtaining approval of its Board of Directors followed by a special resolution to that effect by its shareholders in their general meeting. As of the date of the Prospectus, no such resolution has been recommended to the shareholders of our Company for adoption.

Subject to compliance with all applicable Indian laws, rules, regulations guidelines and approvals in terms of Regulation 15A(1) of the SEBI (Foreign Institutional Investors) Regulations 1995, as amended, by the SEBI (Foreign Institutional Investors)(Amendment) Regulations, 2008 (“SEBI FII Regulations”), an FII, as defined in the SEBI FII Regulations, or its sub account may issue, deal or hold, off shore derivative instruments (defined under the SEBI FII Regulations, as any instrument, by whatever name called, which is issued overseas by a foreign institutional investor 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 foreign regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with ‘know your client’ norms. The FII or sub-account is also required to ensure that no further issue or transfer of any offshore derivative instrument issued by it is made to any persons that are not regulated by an appropriate foreign regulatory authority as defined under the SEBI FII Regulations. Associates and affiliates of the underwriters including the Lead Manager that are FIIs may issue offshore derivative instruments against Equity Shares Allotted to them in the Issue.

Applications by Eligible QFIs

The RBI in its circular dated January 13, 2012 has permitted Eligible QFIs to purchase equity shares of Indian companies on a repatriation basis subject to certain terms and conditions. Eligible QFIs have been permitted to invest through SEBI registered qualified depository participants (“DP”) in equity shares of Indian companies which are offered to the public in India in accordance with SEBI regulations. The individual and aggregate investment limits for Eligible QFIs in an Indian company are 5% and 10% of the paid up capital respectively. These limits are in addition to the investment limits prescribed under the portfolio investment scheme for FIIs and NRIs. However, in cases of those sectors which have composite foreign investment caps, Eligible QFI investment limits are required to be considered within such composite foreign investment cap.

SEBI in its circular dated January 13, 2012 has specified among other things eligible transactions for Eligible QFIs (which includes purchase of equity shares in public issues to be listed on recognised stock exchanges and sale of equity shares held by Eligible QFIs in their demat account through SEBI registered brokers), manner of operation of demat accounts by Eligible QFIs, transaction processes and investment restrictions. SEBI has specified that transactions by Eligible QFIs shall be treated at par with those made by Indian non-institutional investors with respect to margins, voting rights, public issues etc.

Eligible QFIs are required to instruct their DPs to make the application on their behalf for the Issue. DPs are advised to use the Application Form meant for Non-Residents (blue in colour). DPs are required to utilise the ASBA process to participate in the Issue.

Eligible QFIs are not permitted to issue off-shore derivative instruments or participatory notes.

Applications by SEBI registered Venture Capital Funds and Foreign Venture Capital Investors

As per the current regulations, the following restrictions are applicable for SEBI Registered Venture Capital Funds and Foreign Venture Capital Investors:

The SEBI (Venture Capital) Regulations, 1996 and the SEBI (Foreign Venture Capital Investor) Regulations, 2000 prescribe investment restrictions on venture capital funds and foreign venture capital investors registered with SEBI.

Accordingly, whilst the holding by any individual venture capital fund registered with SEBI in one Company should not exceed 25% of the corpus of the venture capital fund, a Foreign Venture Capital Investor can invest its entire funds committed for investments into India in one Company. Further, Venture Capital Funds and Foreign Venture Capital Investors can invest only up to 33.33% of the investible funds by way of subscription to an initial public offer.

Applications by Limited Liability Partnerships

In case of Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, as amended (“LLP Act”) a certified copy of certificate of registration issued under the LLP Act must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reason thereof.

Applications by Insurance Companies

In case of applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment Scheme) (5th Amendment) Regulations, 2013, as amended (the “IRDA Investment Regulations”), are broadly set forth below:

- a) equity shares of a company: the least of 10% of the investee company’s subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- b) the entire group of the investee company: the least of 15% of the respective fund in case of a life insurer or a general insurer or reinsurer or 15% of investment assets in all companies belonging to the group; and
- c) The industry sector in which the investee company operates: the least of 15% of the respective fund in case of a life insurer or a general insurer or reinsurer or 15% of investment assets.

In addition, the IRDA partially amended the exposure limits applicable to investments in public limited companies in the infrastructure and housing sectors, i.e. December 26, 2008, providing, among other things, that the exposure of an insurer to an infrastructure company may be increased to not more than 20%, provided that in case of equity investment, a dividend of not less than 4% including bonus should have been declared for at least five preceding years. This limit of 20% would be combined for debt and equity taken together, without sub ceilings.

Further, investments in equity including preference shares and the convertible part of debentures shall not exceed 50% of the exposure norms specified under the IRDA Investment Regulations.

Application by Provident Funds/ Pension Funds

In case of applications made by provident funds/ pension funds, subject to applicable laws, with minimum corpus of ₹ 2500 lacs, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof.

Application under Power of Attorney

In case of applications made pursuant to a power of attorney by Limited Companies, Corporate Bodies, Registered Societies, Mutual Funds, Eligible QFIs, Insurance Companies and Provident Funds with minimum corpus of ₹ 25 Crores (subject to applicable law) and pension funds with a minimum corpus of ₹ 25 Crores a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason therefore.

In addition to the above, certain additional documents are required to be submitted by the following entities:

- a) With respect to applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.
- b) With respect to applications by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged with the Application Form as applicable. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.
- c) With respect to applications made by provident funds with minimum corpus of ₹ 25 Crores (subject to applicable law) and pension funds with a minimum corpus of ₹ 25 Crores, a certified copy of a certificate from a Chartered Accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject such application, in whole or in part, in either case without assigning any reasons thereof.

Our Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form, subject to such terms and conditions that our Company, the lead manager may deem fit.

Our Company, in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar to the Issue that, for the purpose of printing particulars on the refund order and mailing of the Allotment Advice / CANs / refund orders / letters notifying the unblocking of the bank accounts of ASBA applicants, the Demographic Details given on the Application Form should be used (and not those obtained from the Depository of the application). In such cases, the Registrar to the Issue shall use Demographic Details as given on the Application Form instead of those obtained from the Depositories.

The above information is given for the benefit of the Applicants. The Company and the 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 number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

Maximum and Minimum Application Size

a) For Retail Individual Applicants:

The Application must be for a minimum of 2,000 Equity Shares and in multiples of 2,000 Equity Shares thereafter, so as to ensure that the Application Price payable by the Applicant does not exceed ₹ 2,00,000. In case of revision of Applications, the Retail Individual Applicants have to ensure that the Application Price does not exceed ₹ 2,00,000.

b) For Other Applicants (Non-Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares such that the Application Amount exceeds ₹ 2,00,000 and in multiples of 2,000 Equity Shares thereafter. An Application cannot be submitted for more than the Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. **A QIB and a Non-Institutional Applicant cannot withdraw or lower the size of their Applications (both in terms of number of Equity Shares applied for and Application Amount) at any stage and are required to pay the entire Application Amount upon submission of the Application.**

The identity of QIBs applying in the Net Issue under the QIB Portion shall not be made public during the subscription Period. In case of revision in Applications, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than ₹ 2,00,000 for being considered for allocation in the Non-Institutional Portion.

Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Prospectus.

Information for the Applicants

- a) Our Company will file the Prospectus with the RoC at least 3 (three) days before the Issue Opening Date.

- b) The Lead Manager will circulate copies of the Prospectus along with the Application Form to potential investors.
- c) Any investor (who is eligible to invest in our Equity Shares) who would like to obtain the Prospectus and/ or the Application Form can obtain the same from our Registered Office or from the Corporate Office of the Lead Manager.
- d) Applicants who are interested in subscribing for the Equity Shares should approach the Lead Manager or their authorized agent(s) to register their Applications.
- e) Applications made in the name of Minors (except through their natural / legal guardians) and/or their nominees shall not be accepted.
- f) Applicants are requested to mention the application form number on the reverse of the instrument to avoid misuse of instrument submitted along with the application for shares. Applicants are advised in their own interest, to indicate the name of the bank and the savings or current a/c no in the application form. In case of refund, the refund order will indicate these details after the name of the payee. The refund order will be sent directly to the payee's address.

ISSUE PROCEDURE FOR ASBA (APPLICATION SUPPORTED BY BLOCKED ACCOUNT) APPLICANTS

This section is for the information of investors proposing to subscribe to the Issue through the ASBA process. Our Company and the Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <http://www.sebi.gov.in>. For details on designated branches of SCSB collecting the Application Form, please refer the above mentioned SEBI link.

ASBA Process

A Resident Retail Individual Investor shall submit his Application through an Application Form, either in physical or electronic mode, to the SCSB with whom the bank account of the ASBA Applicant or bank account utilized by the ASBA Applicant (“ASBA Account”) is maintained. The Application Form shall bear the stamp of the SCSBs and if not, the same shall be rejected.

The SCSB shall block an amount equal to the Application Amount in the bank account specified in the ASBA Application Form, physical or electronic, on the basis of an authorization to this effect given by the account holder at the time of submitting the Application. The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against the allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the ASBA Application, as the case may be. The ASBA data shall thereafter be uploaded by the SCSB in the electronic IPO system of the Stock Exchange. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant bank accounts and for transferring the amount allocable to the successful ASBA Applicants to the ASBA Public Issue Account.

In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Lead Manager. ASBA Applicants are required to submit their Applications, either in physical or electronic mode. In case of application in physical mode, the ASBA Applicant shall submit the ASBA Application Form at the Designated Branch of the SCSB. In case of application in electronic form, the ASBA Applicant shall submit the Application Form either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for applying and blocking funds in the ASBA account held with SCSB, and accordingly registering such Applications.

Who can apply?

In accordance with the SEBI (ICDR) Regulations, 2009 in public issues w.e.f. May 1, 2010 all the investors can apply through ASBA process and w.e.f May 02, 2011, the Non-Institutional applicants and the QIB Applicants have to compulsorily apply through the ASBA Process.

Mode of Payment

Upon submission of an Application Form with the SCSB, whether in physical or electronic mode, each ASBA Applicant shall be deemed to have agreed to block the entire Application Amount and authorize the Designated Branch of the SCSB to block the Application Amount, in the bank account maintained with the SCSB. Application Amount paid in cash, by money order or by postal order or by stock invest, or ASBA Application Form accompanied by cash, draft, money order, postal order or any mode of payment other than blocked amounts in the SCSB bank accounts, shall not be accepted. After verifying that sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the ASBA Application Form till the Designated Date. On the Designated Date, the SCSBs shall transfer the amounts allocable to the ASBA Applicants from the respective ASBA Account, in terms of the SEBI Regulations, into the ASBA Public Issue Account. The balance amount, if any against the said Application in the ASBA Accounts shall then be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue.

The entire Application Amount, as per the Application Form submitted by the respective ASBA Applicants, would be required to be blocked in the respective ASBA Accounts until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until rejection of the ASBA Application, as the case may be.

Unblocking of ASBA Account

On the basis of instructions from the Registrar to the Issue, the SCSBs shall transfer the requisite amount against each successful ASBA Applicant to the ASBA Public Issue Account and shall unblock excess amount, if any in the ASBA Account. However, the Application Amount may be unblocked in the ASBA Account prior to receipt of intimation from the Registrar to the Issue by the Controlling Branch of the SCSB regarding finalization of the Basis of Allotment in the Issue, in the event of withdrawal/failure of the Issue or rejection of the ASBA Application, as the case may be.

ESCROW MECHANISM

For details of the escrow mechanism and payment instructions, see chapter titled “*Issue Procedure – Payment Instructions*” on page 193 of this Prospectus.

ELECTRONIC REGISTRATION OF APPLICATIONS

1. The Broker / Sub Broker and SCSBs will register the Applications using the on-line facilities of the Stock Exchanges. There will be at least one on-line connectivity facility in each city, where a stock exchange is located in India and where Applications are being accepted. The Lead Manager, our Company and the Registrar are not responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the Applications accepted by the Brokers and the SCSBs, (ii) the Applications uploaded by the Brokers and the SCSBs, (iii) the Applications accepted but not uploaded by the Brokers and the SCSBs or (iv) with respect to ASBA Applications, Applications accepted and uploaded without blocking funds in the ASBA Accounts.
2. The SCSBs shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the Applications accepted by the SCSBs, (ii) the Applications uploaded by the SCSBs, (iii) the Applications accepted but not uploaded by the SCSBs and (iv) with respect to Applications by ASBA Applicants, Applications accepted and uploaded without blocking funds in the ASBA Accounts. It shall be presumed that for Applications uploaded by the SCSBs, the full Application Amount has been blocked in the relevant ASBA Account.
3. In case of apparent data entry error either by the Broker / Sub Broker or the collecting bank in entering the Application Form number in their respective schedules other things remaining unchanged, the Application Form may be considered as valid and such exceptions may be recorded in minutes of the meeting submitted to Stock Exchange(s).

4. The Brokers / Sub Brokers and SCSBs will undertake modification of selected fields in the Application details already uploaded within one Working Day from the Issue Closing Date.
5. The Stock Exchanges will offer an electronic facility for registering Applications for the Issue. This facility will be available with the Brokers and the SCSBs during the Issue Period. The Brokers / Sub Brokers and the Designated Branches can also set up facilities for off-line electronic registration of Applications subject to the condition that they will subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis. On the Issue Closing Date, the Brokers and the Designated Branches shall upload the Applications till such time as may be permitted by the Stock Exchanges. This information will be available with the Brokers / Sub Brokers on a regular basis. Applicants are cautioned that a high inflow of high volumes on the last day of the Issue Period may lead to some Applications received on the last day not being uploaded and such Applications will not be considered for allocation.
6. At the time of registering each Application and each ASBA Application submitted by an ASBA Applicant, the Brokers and the Designated Branches shall enter the following details of the investor in the on-line system, as applicable:
 - Name of the Applicant
 - IPO Name
 - Application Form number
 - Investor Category;
 - PAN (of First Applicant, if more than one Applicant);
 - DP ID of the demat account of the Applicant;
 - Client Identification Number of the demat account of the Applicant;
 - Numbers of Equity Shares Applied for;
 - Cheque Details in case of Applications other than ASBA Application and Bank Account details in case of ASBA Applicants;
 - Location of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
 - Bank account number.

In case of submission of the Application by an ASBA Applicant through the Electronic Mode, the ASBA Applicant shall complete the above-mentioned details and mention the bank account number, except the Electronic ASBA Application Form number which shall be system generated.

7. A system generated TRS will be given to the Applicant as a proof of the registration of the application. It is the Applicant's responsibility to obtain the TRS from the Brokers / Sub Brokers or the Designated Branches. The registration of the Application by the Brokers / Sub Brokers or the Designated Branches does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
8. Such TRS will be non-negotiable and by itself will not create any obligation of any kind.
9. In case of QIB Applicants, the Lead Manager has the right to accept the Application or reject it. However, the rejection should be made at the time of receiving the Application and only after assigning a reason for such rejection in writing. In case of Non-Institutional Applicants and Retail Individual Applicants, Applications would be rejected on the technical grounds.
10. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
11. Only Applications that are uploaded on the online IPO system of the Stock Exchanges shall be considered for allocation/Allotment. The Brokers / Sub Brokers will be given up to one day after the Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar will receive this data from the Stock Exchanges and will validate the electronic Application details with depository's

records. In case no corresponding record is available with depositories, which matches the three parameters, namely DP ID, Beneficiary Account Number and PAN, then such Applications are liable to be rejected.

SIGNING OF UNDERWRITING AGREEMENT AND ROC FILING

Our Company and the Underwriters shall enter into an Underwriting Agreement as per the terms of Regulation 106P of the SEBI (ICDR) Regulations, 2009 amendments thereto from time to time.

Filing of the Prospectus with the RoC

Our Company will file a copy of the Prospectus with the RoC at Corporate Bhawan, Plot No. 4 B, Sector 27 B, Madhya Marg, Chandigarh – 160019, as required under the Companies Act. Further, pursuant to Regulation 106 (O) (1) of the SEBI ICDR Regulations, our Company will file a copy of the Prospectus with SEBI at the Corporation Finance Department, 5th Floor, Bank of Baroda Building, 16, Sansad Marg, New Delhi- 110 001.

ANNOUNCEMENT OF PRE-ISSUE ADVERTISEMENT

Subject to Section 30 of the Companies Act, 2013, the Company shall, after registering the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in one widely circulated English language national daily newspaper, one widely circulated Hindi language national daily newspaper and one widely circulated regional daily newspaper. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the Issue Price.

ISSUANCE OF A CONFIRMATION OF ALLOCATION NOTE (“CAN”)

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the Lead Manager or Registrar to the Issue shall send to the SCSBs a list of their Applicants who have been allocated Equity Shares in the Issue.
2. The Registrar will then dispatch a CAN to their Applicants 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 Applicant.

DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

1. Our Company will ensure that (i) the Allotment of Equity Shares; and (ii) credit to the successful Applicant’s depository account will be completed within 12 Working Days of the Issue Closing Date. After the funds are transferred from the Escrow Account to the Public Issue Account on the Designated Date, our Company will ensure the credit to the successful Applicant’s depository account is completed within Twelve Working Days from the date of closure of the Issue.
2. In accordance with section 29(1) of the Companies Act, 2013, Equity Shares will be issued and Allotment shall be made only in the dematerialised form to the Allottees.
3. Allottees will have the option to re-materialise the Equity Shares so allotted as per the provisions of the Companies Act and the Depositories Act.

Investors are advised to instruct their Depository Participant to accept the Equity Shares that may be credited to their depository account pursuant to this Issue.

GENERAL INSTRUCTIONS

Do’s:

- Check if you are eligible to apply;
- Read all the instructions carefully and complete the applicable Application Form;
- Ensure that the details about Depository Participant and Beneficiary Account are correct as Allotment of Equity Shares will be in the dematerialized form only;
- Each of the Applicants should mention their Permanent Account Number (PAN) allotted under the Income Tax Act, 1961;
- Ensure that the Demographic Details (as defined herein below) are updated, true and correct in all respects;

- Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant.

Don'ts:

- Do not apply for lower than the minimum Application size;
- Do not apply at a Price Different from the Price Mentioned herein or in the Application Form
- Do not apply on another Application Form after you have submitted an Application to the Bankers of the Issue / SCSB.
- Do not pay the Application Price in cash, by money order or by postal order or by stock invest;
- Do not fill up the Application Form such that the Equity Shares applied for exceeds the Issue Size and/ or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground.

Instructions for Completing the Application Form

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. ASBA Application Forms should bear the stamp of the SCSB's. ASBA Application Forms, which do not bear the stamp of the SCSB, will be rejected.

Applicants residing at places where the designated branches of the Banker to the Issue are not located may submit/mail their applications at their sole risk along with Demand Draft payable at par.

Applicant's Depository Account and Bank Details

Please note that, providing bank account details in the space provided in the application form is mandatory and applications that do not contain such details are liable to be rejected.

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicants bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Bank Account details would be used for giving refunds to the Applicants. Hence, Applicants are advised to immediately update their Bank Account details as appearing on the records of the depository participant. Please note that failure to do so could result in delays in dispatch/ credit of refunds to Applicants at the Applicants sole risk and neither the Lead Manager or the Registrar or the Escrow Collection Banks or the SCSB nor the Company shall have any responsibility and undertake any liability for the same. Hence, Applicants should carefully fill in their Depository Account details in the Application Form.

These Demographic Details would be used for all correspondence with the Applicants including mailing of the CANs / Allocation Advice and printing of Bank particulars on the refund orders or for refunds through electronic transfer of funds, as applicable. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

Applications by Non-Residents including Eligible NRIs, FIIs and Foreign Venture Capital Funds on a repatriation basis

Applications and revision to Applications must be made in the following manner:

1. On the Application Form or the Revision Form, as applicable (Blue in colour), and completed in full in BLOCK LETTERS in ENGLISH in accordance with the instructions contained overleaf.
2. In a single name only.

3. Applications on a repatriation basis shall be in the names of individuals, or in the name of FIIs but not in the names of persons not competent to contract under the Indian Contract Act, 1872, as amended, OCBs, firms or partnerships, foreign nationals (excluding NRIs) or their nominees.

Applications by Eligible NRIs for an amount of up to ₹ 200,000 would be considered under the Retail Portion for the purposes of allocation and Applications for an amount of more than ₹ 200,000 would be considered under Non-Institutional Portion for the purposes of allocation.

Refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and / or commission. In case of Applicants who remit money through Indian Rupee drafts purchased abroad, such payments in Indian Rupees will be converted into US Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and will be dispatched by registered post or if the Applicants so desire, will be credited to their NRE accounts, details of which should be furnished in the space provided for this purpose in the Application Form. Our Company will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.

As per the existing policy of the Government of India, OCBs are not permitted to participate in the Issue.

There is no reservation for Eligible NRIs and FIIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.

PAYMENT INSTRUCTIONS

Escrow Mechanism for Applicants other than ASBA Applicants

Our Company shall open Escrow Accounts with one or more Escrow Collection Bank(s) in whose favour the Applicants (other than ASBA Applicants) shall make out the cheque or demand draft in respect of his or her Application and/or revision of the Application. Cheques or demand drafts received for the full Application Amount from Applicants in a certain category would be deposited in the Escrow Account.

The Escrow Collection Banks will act in terms of the Prospectus and the Escrow Agreement. The Escrow Collection Bank(s) for and on behalf of the Applicants shall maintain the monies in the Escrow Account. The Escrow Collection Bank(s) shall not exercise any lien whatsoever over the monies deposited therein and shall hold the monies therein in trust for the Applicants. On the Designated Date, the Escrow Collection Bank(s) shall transfer the funds represented by allocation of Equity Shares (other than ASBA funds with the SCSBs) from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Issue Account opened with the Public Issue Account Bank. The balance amount after transfer to the Public Issue Account shall be transferred to the Refund Account. Payments of refund to the Applicants shall also be made from the Refund Account as per the terms of the Escrow Agreement and the Prospectus.

The Applicants should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Escrow Collection Bank(s) and the Registrar to the Issue to facilitate collections from the Applicants.

Terms of Payment / Payment Instructions

The entire Issue Price of ₹ 54 per share (including share premium of ₹ 44 per share) is payable on application. In case of allotment of lesser number of Equity shares than the number applied, the Company shall refund the excess amount paid on Application to the Applicants.

Payments should be made by cheque, or demand draft drawn on any Bank (including a Co operative Bank), which is situated at, and is a member of or sub member of the bankers' clearing house located at the centre where the Application Form is submitted. Outstation cheques/ bank drafts drawn on banks not participating in the clearing process will not be accepted and applications accompanied by such cheques or bank drafts are liable to be rejected.

Cash/ Stock invest/ Money Orders/ Postal orders will not be accepted.

A separate Cheque or Bank Draft should accompany each Application Form. Applicants should write the Share Application Number on the back of the Cheque /Draft. Outstation Cheques will not be accepted and applications accompanied by such cheques drawn on outstation banks are liable for rejection. Money Orders / Postal Notes will not be accepted.

Each Applicant shall draw a cheque or demand draft for the amount payable on the Application as per the following terms:

- 1) The payment instruments for payment into the Escrow Account should be drawn in favour of:
 - Indian Public including eligible NRIs applying on non-repatriation basis: "Escrow Account – AIL – R".
 - In case of Non-Resident Retail Applicants applying on repatriation basis: "Escrow Account – AIL – NR"
- 2) In case of Application by NRIs applying on repatriation basis, the payments must be made through Indian Rupee drafts purchased abroad or cheques or bank drafts, for the amount payable on application remitted through normal banking channels or out of funds held in Non-Resident External (NRE) Accounts or Foreign Currency Non Resident (FCNR) Accounts, maintained with banks authorized to deal in foreign exchange in India, along with documentary evidence in support of the remittance. Payment will not be accepted out of Non-Resident Ordinary (NRO) Account of Non-Resident Applicant applying on a repatriation basis. Payment by drafts should be accompanied by bank certificate confirming that the draft has been issued by debiting to NRE Account or FCNR Account.
- 3) Where an Applicant has been allocated a lesser number of Equity Shares than the Applicant has applied for, the excess amount, if any, paid on Application, after adjustment towards the amount payable by the Pay-In Date on the Equity Shares allocated will be refunded to the Applicant from the Refund Account.
- 4) On the Designated Date and no later than 12 Working days from the Issue Closing Date, the Escrow Collection Bank shall also refund all amounts payable to unsuccessful Applicants and also the excess amount paid on Application, if any, after adjusting for allocation / Allotment to the Applicants.

For Terms of Payment / Payment Instructions for ASBA Applicants, please see “Issue Procedure for ASBA Applicants” under the chapter “Issue Procedure” on page 182 of this Prospectus.

Payment by Stock Invest

In terms of the RBI Circular No. DBOD No. FSC BC 42 / 24.47.00 / 2003-04 dated November 5, 2003; the option to use the stock invest instrument in lieu of cheques or bank drafts for payment of Application money has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

SUBMISSION OF APPLICATION FORM

All Application Forms or Revision Forms duly completed and accompanied by account payee cheques or drafts shall be submitted to the Brokers / Sub Brokers at the time of submission of the Application. With regard to submission of Application Forms, please refer to the sub-section on “Issue Procedure - Application Form” on page 182 of this Prospectus.

Kindly note that the Brokers / Sub Brokers at the Collection Centers may not accept the Application if there is no branch of the Escrow Collection Banks at that location.

No separate receipts shall be issued for the money payable on the submission of Application Form or Revision Form. However, the collection centre of the Brokers / Sub Brokers will acknowledge the receipt of the Application Forms or Revision Forms by stamping and returning to the Applicant the acknowledgement slip. This acknowledgement slip will serve as the duplicate of the Application Form for the records of the Applicant. In case of ASBA Applications, an acknowledgement from the Designated Branch or concerned Brokers / Sub Brokers, as the case may be, for submission of the Application Form may be provided.

OTHER INSTRUCTIONS

Joint Applications in the case of Individuals

Applications may be made in single or joint names (not more than three). In the case of joint Applications, all payments will be made out in favour of the Applicant whose name appears first in the Application Form or Revision Form. All

communications will be addressed to the First Applicant and will be dispatched to his or her address as per the Demographic Details received from the Depository.

Multiple Applications

An Applicant should submit only one Application (and not more than one) for the total number of Equity Shares required. Two or more Applications will be deemed to be multiple Applications if the sole or First Applicant is one and the same.

In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are given below:

- a. All applications are electronically strung on first name, address (1st line) and applicant's status. Further, these applications are electronically matched for common first name and address and if matched, these are checked manually for age, signature and father/ husband's name to determine if they are multiple applications
- b. Applications which do not qualify as multiple applications as per above procedure are further checked for common DP ID/ beneficiary ID. In case of applications with common DP ID/ beneficiary ID, are manually checked to eliminate possibility of data entry error to determine if they are multiple applications.
- c. Applications which do not qualify as multiple applications as per above procedure are further checked for common PAN. All such matched applications with common PAN are manually checked to eliminate possibility of data capture error to determine if they are multiple applications.

In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

In cases where there are more than 20 valid applications having a common address, such shares will be kept in abeyance, post allotment and released on confirmation of "know your client" norms by the depositories. The Company reserves the right to reject, in our absolute discretion, all or any multiple Applications in any or all categories.

Permanent Account Number or PAN

Pursuant to the circular MRD/DoP/Circ 05/2007 dated April 27, 2007, SEBI has mandated Permanent Account Number ("PAN") to be the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction w.e.f. July 2, 2007. Each of the Applicants should mention his/her PAN allotted under the IT Act. Applications without this information will be considered incomplete and are liable to be rejected. It is to be specifically noted that Applicants should not submit the GIR number instead of the PAN, as the Application is liable to be rejected on this ground.

Right to Reject Applications

In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non Institutional Applicants and Retail Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds.

Grounds for Technical Rejections

Applicants are advised to note that Applications are liable to be rejected inter alia on the following technical grounds:

1. Amount paid does not tally with the amount payable for the highest value of Equity Shares applied for;
2. 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;
3. Application by persons not competent to contract under the Indian Contract Act, 1872 including minors (except through their natural / legal guardians), insane persons;

4. PAN not mentioned in the Application Form;
5. GIR number furnished instead of PAN;
6. Applications for lower number of Equity Shares than specified for that category of investors;
7. Applications at a price other than the Fixed Price of the Issue;
8. Applications for number of Equity Shares which are not in multiples of 2,000;
9. Category not ticked;
10. Multiple Applications as defined in this Prospectus;
11. In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
12. Applications accompanied by Stock invest/ money order/ postal order/ cash;
13. Signature of sole Applicant is missing;
14. Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms, Issue Opening Date advertisement and the Prospectus and as per the instructions in the Prospectus and the Application Forms;
15. In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicants (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
16. Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
17. Applications where clear funds are not available in the Escrow Account as per the final certificate from the Escrow Collection Bank(s);
18. Applications by OCBs;
19. Applications by US persons other than in reliance on Regulation S or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
20. Applications not duly signed;
21. Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
22. Applications that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
23. Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
24. Applications by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
25. Applications or revisions thereof by QIB Applicants, Non Institutional Applicants where the Application Amount is in excess of ₹ 2,00,000 received after 3.00 pm on the Issue Closing Date;

APPLICANTS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE SCSBs DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE APPLICATION FORM IS LIABLE TO BE REJECTED.

Equity Shares in Dematerialised Form with NSDL or CDSL

As per the provisions of Section 29 (1) of the Companies Act, 2013, the allotment of Equity Shares in this Issue shall be only in de-materialised form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode).

In this context, the Company is in the process of signing two agreements with the respective Depositories and the Registrar to the Issue:

1. Agreement dated January 22, 2015 with NSDL, the Company and the Registrar to the Issue;
2. Agreement dated January 15, 2015 with CDSL, the Company and the Registrar to the Issue.

All Applicants can seek allotment only in dematerialised mode. Applications from any Applicant without relevant details of his or her depository account are liable to be rejected.

1. An Applicant applying for Equity Shares must have at least one beneficiary account with either of the Depository Participants of either NSDL or CDSL prior to making the Application.
2. The Applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's identification number) appearing in the Application Form or Revision Form.
3. Allotment to a successful Applicant will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Applicant.
4. Names in the Application Form or Revision Form should be identical to those appearing in the account details in the Depository.
5. If incomplete or incorrect details are given under the heading 'Investors Depository Account Details' in the Application Form or Revision Form, it is liable to be rejected.
6. The Applicant is responsible for the correctness of his or her Demographic Details given in the Application Form vis-à-vis those with his or her Depository Participant.
7. Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. All the Stock Exchanges where our Equity Shares are proposed to be listed have electronic connectivity with CDSL and NSDL.
8. The trading of the Equity Shares of our Company would be in dematerialised form only for all investors in the demat segment of the respective Stock Exchanges.
9. Allotment advice or refund orders will be directly sent to the Applicants by the Registrar to the Issue.

Communications

All future communications in connection with the Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Banker to the Issue where the Application was submitted and cheque or draft number and issuing bank thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre Issue or post Issue related problems such as non receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, refund orders etc.

DISPOSAL OF APPLICATIONS AND APPLICATION MONEYS AND INTEREST IN CASE OF DELAY

The Company shall ensure the dispatch of Allotment advice, refund orders (except for Applicants who receive refunds through electronic transfer of funds) and give benefit to the beneficiary account with Depository Participants and

submit the documents pertaining to the Allotment to the Stock Exchange within twelve working days of date of closure of the Issue.

In case of applicants who receive refunds through ECS, Direct Credit or NEFT, the refund instructions will be given to the clearing system within 12 working days from the Issue Closing Date. A suitable communication shall be sent to the Applicants receiving refunds through this mode within 12 working days of Issue Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at SME Platform of BSE where the Equity Shares are proposed to be listed are taken within 12 working days of closure of the issue.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

- 1) Allotment of Equity Shares shall be made within 12 (twelve) working days of the Issue Closing Date;
- 2) Dispatch of refund orders or in a case where the refund or portion thereof is made in electronic manner, the refund instructions are given to the clearing system within 12 (twelve) working days of the Issue Closing Date would be ensured; and

The Company shall pay interest at 15% p.a. for any delay beyond the 12 (twelve) working days time period as mentioned, if Allotment is not made and refund orders are not dispatched or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner and/ or demat credits are not made to investors within the 12 (twelve) working days time.

IMPERSONATION

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who:

- a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

shall be liable for action under Section 447 of the said Act.”

BASIS OF ALLOTMENT

Allotment will be made in consultation with BSE Limited (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

- 1) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category x number of Shares applied for).
- 2) The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
- 3) For applications where the proportionate allotment works out to less than 2,000 equity shares the allotment will be made as follows:
 - a) Each successful applicant shall be allotted 2,000 equity shares; and

- b) The successful applicants out of the total applicants for that category shall be determined by the drawal of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
- 4) If the proportionate allotment to an applicant works out to a number that is not a multiple of 2,000 equity shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of 2,000 equity shares subject to a minimum allotment of 2,000 equity shares.
- 5) If the Shares allocated on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allocated Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the lower nearest multiple of 2,000 equity shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the offer specified under the Capital Structure mentioned in this Prospectus.
- 6) The above proportionate allotment of shares in an Issue that is oversubscribed shall be subject to the reservation for small individual applicants as described below:
 - a) A minimum of 50% of the net offer of shares to the Public shall initially be made available for allotment to retail individual investors as the case may be.
 - b) The balance net offer of shares to the public shall be made available for allotment to (i) individual applicants other than retails individual investors and (ii) other investors, including Corporate Bodies/ Institutions irrespective of number of shares applied for.
 - c) The unsubscribed portion of the net offer to any one of the categories specified in (i) or (ii) shall/may be made available for allocation to applicants in the other category, if so required.

If the retail individual investor category is entitled to more than fifty percent on proportionate basis, the retail individual investors shall be allocated that higher percentage.

'Retail Individual Investor' means an investor who applies for shares of value of not more than ₹ 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 BSE.

The Executive Director / Managing Director of BSE - the Designated Stock Exchange in addition to the Lead Manager and the Registrar to this 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, 2009.

PROCEDURE AND TIME SCHEDULE FOR TRANSFER OF EQUITY SHARES

The Issue will be conducted through the "Fixed Price Method" pursuant to which the Brokers / Sub-Brokers and SCSBs will accept Applications for the Equity Shares during the Issue Period. The Issue Period will commence on March 10, 2015 and expire on March 13, 2015. Following the expiration of the Issue Period, our Company, in consultation with the Lead Manager, will determine the basis of allotment and entitlement to allotment based on the applications received and subject to the confirmation by the Stock Exchanges. Successful Applicants will be provided with a confirmation of their allocation for the Equity Shares within a prescribed time. The SEBI (ICDR) Regulations, 2009 require our Company to complete the allotment to successful Applicants within 12 days of the expiration of the Issue Period. The Equity Shares will then be credited and allotted to the investors' demat accounts maintained with the relevant depository participant. Upon approval by the Stock Exchanges, the Equity Shares will be listed and trading will commence.

LETTERS OF ALLOTMENT OR REFUND ORDERS OR INSTRUCTIONS TO THE SCSBs

The Registrar to the Issue shall give instructions for credit of the Allotted Equity Shares to the beneficiary account with depository participants within 12 Working Days from the Issue Closing Date. Applicants residing at the centers where clearing houses are managed by the RBI will get refunds through NECS only except where applicant is otherwise

disclosed as eligible to get refunds through direct credit and NEFT. Our Company shall ensure dispatch of refund orders, if any, by registered post or speed post at the sole or First Applicant's sole risk within 12 Working Days of the Issue Closing Date. Applicants to whom refunds are made through electronic transfer of funds will be sent a letter through ordinary post, intimating them about the mode of credit of refund within 12 Working Days of closure of Issue Closing Date.

In case of ASBA Applicants, the Registrar shall instruct the relevant SCSBs to unblock the funds in the relevant ASBA Account to the extent of the Application Amount specified in the Application Forms for withdrawn, rejected or unsuccessful or partially successful ASBA Applications within 12 Working Days of the Issue Closing Date.

REFUNDS

In case of Applicants receiving refunds through electronic transfer of funds, delivery of refund orders/ allocation advice/ CANs may get delayed if the same once sent to the address obtained from the depositories are returned undelivered. In such an event, the address and other details given by the Applicant in the Application Form would be used only to ensure dispatch of refund orders. Please note that any such delay shall be at the Applicants sole risk and neither the Company, the Registrar, Escrow Collection Bank(s) nor the Lead Manager shall be liable to compensate the Applicant for any losses caused to the Applicant due to any such delay or liable to pay any interest for such delay.

In case no corresponding record is available with the Depositories, which matches three parameters, namely, names of the Applicants (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the Beneficiary's Identity, then such Applications are liable to be rejected.

The Company in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar that for the purpose of printing particulars on the refund order and mailing of the refund order/ CANs/ allocation advice/ refunds through electronic transfer of funds, the Demographic Details given on the Application Form should be used (and not those obtained from the Depository of the Applicant). In such cases, the Registrar shall use Demographic Details as given in the Application Form instead of those obtained from the depositories.

Refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and/ or commission. In case of Applicants who remit money through Indian Rupee drafts purchased abroad, such payments in Indian Rupees will be converted into US Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and will be dispatched by registered post or if the Applicants so desire, will be credited to their NRE accounts, details of which should be furnished in the space provided for this purpose in the Application Form. The Company will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.

Payment of Refund

Applicants must note that on the basis of name of the Applicants, Depository Participant's name, DP ID, Beneficiary Account number provided by them in the Application Form, the Registrar will obtain, from the Depositories, the Applicants' bank account details, including the nine digit Magnetic Ink Character Recognition ("MICR") code as appearing on a cheque leaf. Hence Applicants are advised to immediately update their bank account details as appearing on the records of the Depository Participant. Please note that failure to do so could result in delays in dispatch of refund order or refunds through electronic transfer of funds, as applicable, and any such delay shall be at the Applicants' sole risk and neither the Company, the Registrar, Escrow Collection Bank(s), Bankers to the Issue nor the Lead Manager shall be liable to compensate the Applicants for any losses caused to the Applicant due to any such delay or liable to pay any interest for such delay.

MODE OF MAKING REFUNDS

The payment of refund, if any, would be done through various modes as given hereunder:

- 1) *ECS (Electronic Clearing System)* - Payment of refund would be done through ECS for applicants having an account at any of the centres where such facility has been made available specified by the RBI. This mode of payment of refunds would be subject to availability of complete bank account details including the MICR code from the Depositories.

- 2) **Direct Credit** - Applicants having bank accounts with the Refund Banker(s), as mentioned in the Application Form, shall be eligible to receive refunds through direct credit. Charges, if any, levied by the Refund Bank(s) for the same would be borne by the Company.
- 3) **NEFT (National Electronic Fund Transfer)** - Payment of refund shall be undertaken through NEFT wherever the applicants' bank has been assigned the Indian Financial System Code (IFSC), which can be linked to a Magnetic Ink Character Recognition (MICR), if any, available to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the applicants have registered their nine digit MICR number and their bank account number while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the applicants through this method. The process flow in respect of refunds by way of NEFT is at an evolving stage and hence use of NEFT is subject to operational feasibility, cost and process efficiency.
- 4) For all other applicants, including those who have not updated their bank particulars with the MICR code, the refund orders will be through Speed Post/ Registered Post. Such refunds will be made by cheques, pay orders or demand drafts drawn on the Refund Bank and payable at par at places where Applications are received. Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centres will be payable by the Applicants.

INTEREST IN CASE OF DELAY IN DISPATCH OF ALLOTMENT LETTERS OR REFUND ORDERS / INSTRUCTION TO THE SCSBs BY THE REGISTRAR

The issuer agrees that as far as possible allotment of securities offered to the public shall be made within twelve (12) days of the closure of public issue. The issuer further agrees that it shall pay interest at the rate of fifteen (15) per cent per annum if the allotment letters or refund orders have not been despatched to the applicants or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner within fifteen days from the date of the closure of the issue. However applications received after the closure of issue in fulfilment of underwriting obligations to meet the minimum subscription requirement, shall not be entitled for the said interest.

UNDERTAKINGS BY OUR COMPANY

The Company undertakes the following:

- 1) That the complaints received in respect of this Issue shall be attended to by us expeditiously;
- 2) That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within 12 (twelve) working days of closure of the Issue;
- 3) That funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by us;
- 4) That where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 12 (twelve) working days of the Issue Closing Date, as the case may be, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- 5) That the letter of allotment/ refund orders to the non resident Indians shall be dispatched within specified time; and
- 6) That no further issue of Equity Shares shall be made till the Equity Shares offered through this Prospectus are listed or until the Application monies are refunded on account of non listing, under subscription etc.
- 7) That adequate arrangements shall be made till the securities offered through this Offer Document are listed or till the application moneys are refunded on account of non-listing, under subscription, etc.;
- 8) That we shall not have recourse to the Issue proceeds until the approval for trading of the Equity Shares from the Stock Exchange where listing is sought has been received.

UTILIZATION OF ISSUE PROCEEDS

Our Board certifies that:

- 1) All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act, 2013;
- 2) Details of all monies utilized out of the Issue shall be disclosed under an appropriate head in our balance sheet 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 the appropriate head in the balance sheet indicating the form in which such unutilized monies have been invested and
- 4) Our Company shall comply with the requirements of Clause 52 of the SME Listing Agreement in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.

Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.

WITHDRAWAL OF THE ISSUE

The Company, in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time before the Issue Opening Date, without assigning any reason thereof. Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals of BSE for listing of Equity Shares offered through this issue on its SME Platform, which the Company shall apply for after Allotment.

In case, the Company wishes to withdraw the Issue after Issue Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated national newspapers (one each in English and Hindi) and one in regional newspaper. The Stock Exchanges where the Equity Shares are proposed to be listed shall also be informed promptly.

If the Company withdraws the Issue after the Application Closing Date, the Company will be required to file a fresh Draft Offer Document with the Stock Exchange.

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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 FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Foreign investment is allowed up to 100% under automatic route in our Company.

India's current Foreign Direct Investment ("FDI") Policy issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GoI ("DIPP") by circular 1 of 2013, with effect from April 05, 2013 ("Circular 1 of 2013"), consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP. The Government proposes to update the consolidated circular on FDI Policy once every Year and therefore, Circular 1 of 2013 will be valid until the DIPP issues an updated circular.

FII's are permitted to subscribe to shares of an Indian company in a public offer without the prior approval of the RBI, so long as the price of the equity shares to be issued is not less than the price at which the equity shares are issued to residents.

The transfer of shares by an Indian resident to a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the Consolidated FDI Policy and transfer does not attract the provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI/RBI. Further, in terms of the Consolidated FDI Policy, prior approval of the RBI shall not be required for transfer of shares between an Indian resident and person not resident in India if conditions specified in the Consolidated FDI Policy have been met.

The transfer of shares of an Indian company by a person resident outside India to an Indian resident, where pricing guidelines specified by RBI under the foreign exchange regulations in India are not met, will not require approval of the RBI, provided that (i) the original and resultant investment is in line with Consolidated FDI policy and applicable foreign exchange regulations pertaining to inter alia sectoral caps and reporting requirements; (ii) the pricing is in compliance with applicable regulations or guidelines issued by SEBI; and (iii) a compliance certificate in this regard is obtained from chartered accountant and attached to the filings made before the authorised dealer bank.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue.

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, 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 LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them.



SECTION IX – MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. Pursuant to Table F in Schedule I of the Companies Act, 2013, the main provisions of the Articles of Association of our Company are detailed below:

These Articles of Association were adopted in substitution for and to the entire exclusion of the earlier Articles of Association at the Extra-ordinary General Meeting of the Company held on September 11, 2014.

Share Capital and Variation of Rights

II. 1. Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.

2. (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided,—

- (a) one certificate for all his shares without payment of any charges; or
- (b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.

(ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.

(iii) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

3. (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.

(ii) The provisions of Articles (2) and (3) shall mutatis mutandis apply to debentures of the company.

4. Except as required by law, no person shall be recognized by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

5. (i) The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.

(ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.

(iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

6. (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of

the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

(ii) To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.

7. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari-passu therewith.

8. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

Lien

9. (i) The company shall have a first and paramount lien—

(a) on every share (not being a fully paid share), for all monies (whether presently Payable or not) called, or payable at a fixed time, in respect of that share; and

(b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:

Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

(ii) The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.

10. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:

Provided that no sale shall be made—

a) Unless a sum in respect of which the lien exists is presently payable; or

b) Until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

11. (i) To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof.

(ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.

(iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

12. (i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.

(ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

Calls on shares

13.(i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or byway of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

(ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.

(iii) A call may be revoked or postponed at the discretion of the Board.

14. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by installments.

15. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

16. (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent per annum or at such lower rate, if any, as the Board may determine.

(ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.

17. (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

(ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

18. The Board—

(a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and

(b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance.

Transfer of shares

19. (i) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.

(ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

20. The Board may, subject to the right of appeal conferred by section 58 declines to register—

(a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or

(b) any transfer of shares on which the company has a lien.

21. The Board may decline to recognize any instrument of transfer unless—

(a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;

(b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and

(c) The instrument of transfer is in respect of only one class of shares.

22. On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

Transmission of shares

23. (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognized by the company as having any title to his interest in the shares.

(ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

24. (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—

- (a) to be registered himself as holder of the share; or
- (b) to make such transfer of the share as the deceased or insolvent member could have made.

(ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

25. (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.

(ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

(iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

26. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being Registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to select either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

Forfeiture of shares

27. If a member fails to pay any call, or installment of a call, on the day appointed for Payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.

28. The notice aforesaid shall—

(a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and

(b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

29. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

30. (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

(ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

31. (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.

(ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.

32. (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;

(ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;

(iii) The transferee shall thereupon be registered as the holder of the share; and

(iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

33. The provisions of these regulations as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

Alteration of capital

34. The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.

35. Subject to the provisions of section 61, the company may, by ordinary resolution —

(a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

(b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;

(c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;

(d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

36. Where shares are converted into stock —

(a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

(b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

(c) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.

37. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,—

- (a) its share capital;
- (b) any capital redemption reserve account; or
- (c) any share premium account.

Capitalization of profits

38. (i) The company in general meeting may, upon the recommendation of the Board, resolve—

(a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the company’s reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and

(b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards—

(A) paying up any amounts for the time being unpaid on any shares held by such members respectively;

(B) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;

(C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);

(D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;

(E) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

39. (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall—

(a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and

(b) generally do all acts and things required to give effect thereto.

(ii) The Board shall have power—

(a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable infractions; and

(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;

(iii) Any agreement made under such authority shall be effective and binding on such members.

Buy-back of shares

40. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

General meetings

41. All general meetings other than annual general meeting shall be called extraordinary general meeting.

42. (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.

(ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

Proceedings at general meetings

43. (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

(ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.

44. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.

45. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.

46. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

Adjournment of meeting

47. (i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.

(ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

(iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

Voting rights

48. Subject to any rights or restrictions for the time being attached to any class or classes of shares,—

(a) on a show of hands, every member present in person shall have one vote; and

(b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.

49. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

50. (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

(ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

51. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.

52. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

53. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.

54. (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.

(ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

Proxy

55. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarized copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

56. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

57. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

Board of Directors

58. The number of Directors shall not be less than two as well as not more than twelve.

59. The Present Directors of the company as on date of EGM 11.09.2014 are:-

1. Smt. Salwinderjit Kaur	-	Director
2. S. Sukhdev Singh	-	Director
3. Sh. Anuj Rai Bansal	-	Director

60. (i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

(ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them—

- (a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or
- (b) in connection with the business of the company.

61. The Board may pay all expenses incurred in getting up and registering the company.

62. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.

63. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

64. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.

65. (i) Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.

(ii) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

Proceedings of the Board

66. (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

(ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

67. (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

(ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.

68. Notice of every meeting of the Board of Directors of the Company shall be given by registered post and/ or electronically to every Director at his/her usual address/e-mail address and E-communication or video conferencing or any other means of contemporaneous communication permissible under law will be a valid and legitimate means of conducting Company Board Meetings.

69. 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.

70. (i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.

(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.

71. (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.

(ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

72. (i) A committee may elect a Chairperson of its meetings.

(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.

73. (i) A committee may meet and adjourn as it thinks fit.

(ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.

74. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.

75. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer

77. Subject to the provisions of the Act,—

(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;

(ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

78. 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.

The Seal

79. (i) The Board shall provide for the safe custody of the seal.

(ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

Dividends and Reserve

80. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

81. 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.

82. (i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.

(ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

83. (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.

(ii) 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.

(iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

84. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.

85. (i) Any dividend, interest or other monies payable in cash in respect of shares maybe 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.

(ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

86. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.

87. 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.

88. No dividend shall bear interest against the company.

Accounts

89. (i) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.

(ii) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

Winding up

90. Subject to the provisions of Chapter XX of the Act and rules made thereunder—

(i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.

(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or others curities whereon there is any liability.

Indemnity

91. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

SECTION X – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered into or are to be entered into by the Company (not being contracts entered into in the ordinary course of business carried on by the Company or contracts entered into more than two years before the date of this Prospectus) which are or may be deemed material have been attached to the copy of the Prospectus delivered to the RoC for registration. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at our Registered Office between 10 a.m. and 5 p.m. on all Working Days from Application / Issue Opening Date until the Application / Issue Closing Date.

A. Material Contracts

1. Memorandum of Understanding dated December 12, 2014 between our Company and the Lead Manager.
2. Memorandum of Understanding dated December 04, 2014 between our Company and the Registrar to the Issue.
3. Escrow Agreement dated February 10, 2015 between our Company, the Lead Manager, Escrow Collection Bank(s), Refund bank and the Registrar to the Issue.
4. Market Making Agreement dated December 12, 2014 between our Company, the Lead Manager and the Market Maker.
5. Underwriting Agreement dated December 15, 2014 between our Company and the Lead Manager and the Market Maker.
6. Tripartite agreement between the NSDL, our Company and the Registrar dated January 22, 2015.
7. Tripartite agreement between the CDSL, our Company and the Registrar dated January 15, 2015.

B. Material Documents

1. Certified true copies of the Memorandum and Articles of Association of our Company, as amended from time to time.
2. Copy of Certificate of Incorporation of our Company.
3. Resolution of the Board of Directors meeting dated October 01, 2014, authorizing the Issue.
4. Shareholders' resolution passed at the Extra-Ordinary General Meeting of our shareholders held with a shorter notice on October 07, 2014 authorizing the Issue.
5. Consent from the Peer Review Auditor for inclusion of their name as experts and inclusion of their report dated December 12, 2014 on the restated accounts in this Prospectus. Such consents have not been withdrawn up to the date of filing the Prospectus with the RoC / SEBI / Stock Exchange.
6. Peer Review Auditor's report for Restated Financials dated December 12, 2014 included in this Prospectus.
7. Consent from the Statutory Auditor for inclusion of their name as experts and inclusion of their report on Statement of Tax Benefits dated December 12, 2014 in this Prospectus. Such consents have not been withdrawn up to the date of filing the Prospectus with the RoC / SEBI / Stock Exchange.
8. Consent of our Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Lead Manager, Legal Advisor to the Issue, Registrar to the Issue, Bankers to our Company, Bankers to the Issue, Market Maker and Underwriters, as referred to in their specific capacities. Such consents have not been withdrawn up to the date of filing the Prospectus with the RoC / SEBI / Stock Exchange.
9. Due Diligence Certificate(s) dated February 25, 2015, of the Lead Manager to be submitted to SEBI along with the filing of the Prospectus.

10. Approval from BSE vide letter dated January 16, 2015 to use the name of BSE in this Offer Document for listing of Equity Shares on the SME Platform of the BSE.
11. Certificate dated February 24, 2015 from the Statutory Auditor confirming compliance of all applicable provisions pertaining to issue of Bonus shares.
12. Estimate letter from M/s. Chandehok & Co. (Chartered Engineers) dated April 30, 2013 used for determining the cost of project forming part of the Objects of the Issue.
13. Declaration by the Board of Directors confirming that the Consents obtained from Directors & various intermediaries including expert consents have not been withdrawn up to the date of filing the Prospectus with the RoC / SEBI / Stock Exchange.
14. Funds Deployed certificate dated February 03, 2015 from the Statutory Auditors.
15. Copies of Audited Financials of our Company for the financial years ending on March 31, 2010, 2011, 2012, 2013 and 2014;
16. Certificate dated February 23, 2015, from M/s Ashwani Kant and Associates, Chartered Accountants, confirming and certifying the workings, valuations and parameters for the basis of Issue Price.

Any of the contracts or documents mentioned in this Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.



DECLARATION

We, the Directors of the Company, hereby declare that, all the relevant provisions of the Companies Act, 1956, Companies Act, 2013 (to the extent notified) and the guidelines issued by the Government of India or the regulations or guidelines issued by the Securities and Exchange Board of India, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 1956, Companies Act, 2013 (to the extent notified), the Securities and Exchange Board of India Act, 1992, Securities Contracts (Regulation) Act, 1956, each as amended or rules made there under or guidelines / regulations issued, as the case may be. We further certify that all the disclosures and statements made in this Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY:

Mr. Anuj Bansal

(Chairman and Non-Executive Director)

Mr. Sukhdev Singh

(Managing Director)

Mrs. Salwinderjit Kaur

(Whole-Time Director)

Mr. Atul Mehta

(Non-Executive Independent Director)

Mr. Manjit Singh

(Non-Executive Independent Director)

Ms. Anchal Kashyap

(Chief Financial Officer)

Ms. Neelu Kapoor

(Company Secretary & Compliance Officer)

Date: February 25, 2015

Place: Jalandhar