



## RONI HOUSEHOLDS LIMITED

CIN: U25207MH2017PLC300575

Our Company was incorporated as “Roni Households Private Limited” on October 09, 2017 under the Companies Act, 2013 with the Registrar of Companies, Mumbai bearing Registration No. 300575. The status of our Company was changed to a public limited company and the name of our Company was changed to “Roni Households Limited” by a special resolution passed on January 19, 2018. A fresh Certificate of Incorporation consequent upon conversion was issued on March 01, 2018 by the Registrar of Companies, Mumbai. For further details, please refer to the chapter titled “History and Certain Corporate Matters” beginning on page no. 85 of this Draft Prospectus.

**Registered Office:** Plot No. F - 55, Addl. MIDC Area, Ajanta Road, Jalgaon - 425003, Maharashtra  
**Tel No.:** +91 77965 42369; **Email:** info@ronihouseholds.com ; **Website:** www.ronihouseholds.com  
**Contact Person:** Mr. Mehul Shah, Company Secretary and Compliance Officer.  
**Our Promoters:** Mr. Harish Sirwani and Mrs. Nidhi Sirwani

### THE ISSUE

**PUBLIC ISSUE OF UPTO 15,00,000 EQUITY SHARES OF ₹ 10/- EACH (“EQUITY SHARES”) OF RONI HOUSEHOLDS LIMITED (“RHL” OR THE “COMPANY”) FOR CASH AT A PRICE OF ₹ [●] PER SHARE (THE “ISSUE PRICE”), AGGREGATING TO ₹ [●] (“THE ISSUE”) OF WHICH UPTO 84,000 EQUITY SHARES OF ₹ 10 EACH WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF UPTO 14,16,000 EQUITY SHARES OF ₹ 10/- EACH IS HEREINAFTER REFERRED TO AS THE “NET ISSUE”. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 34.59 % AND 32.66 %, RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF THE COMPANY.**

**THE FACE VALUE OF THE EQUITY SHARE IS ₹ 10 AND THE ISSUE PRICE IS [●] TIMES OF THE FACE VALUE**

**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 see “Issue Related Information” beginning on page no.153 of this Draft Prospectus.*

In terms of the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015, all potential investors shall participate in the Issue only through an Application Supported by Blocked Amount (“ASBA”) process providing details about the bank account which will be blocked by the Self Certified Syndicate Banks (“SCSBs”) for the same. For details in this regard, specific attention is invited to “Issue Procedure” on page no. 161 of this Draft Prospectus. A copy will be delivered for registration to the Registrar of Companies as required under Section 26 of the Companies Act, 2013.

### RISK IN RELATION TO THE FIRST ISSUE

This being the first public issue of the Company, there has been no formal market for the securities of the company. The Issue Price (as determined and justified by our Company in consultation with the Lead Manager) as stated under the paragraph on “Basis for Issue Price” on page no. 58 of this Draft 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 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 Issue. For taking an investment decision investors must rely on their own examination of our Company and the Issue 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 statement of Risk Factors given on page no. 10 of this Draft Prospectus under the Section “Risk Factors”.**

### COMPANY’S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

### LISTING

The Equity Shares issued through this Draft Prospectus are proposed to be listed on SME Platform of BSE Limited in terms of the Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time. Our Company has received an In Principal Approval letter dated [●] from BSE Limited for using its name in this offer document for listing our shares on the SME Platform of BSE Limited. For the purpose of this Issue, the designated Stock Exchange will be the BSE Limited (“BSE”).

#### LEAD MANAGER TO THE ISSUE



**ARYAMAN FINANCIAL SERVICES LIMITED**  
60, Khatau Building, Ground Floor  
Alkesh Dinesh Modi Marg  
Fort, Mumbai - 400 001  
**Tel No.:** +91 22 6216 6999  
**Fax No.:** +91 22 2263 0434  
**Email:** ipo@afsl.co.in  
**Website:** www.afsl.co.in  
**Investor Grievance Email:** feedback@afsl.co.in  
**Contact Person:** Mrs. Jyothi Shetty  
**SEBI Registration No.** INM000011344

#### REGISTRAR TO THE ISSUE



**BIGSHARE SERVICES PRIVATE LIMITED**  
1st Floor, Bharat Tin Works Building  
Opp. Vasant Oasis, Makwana Road  
Marol, Andheri East, Mumbai - 400 059  
**Tel No.:** +91 22 6263 8200  
**Fax No.:** +91 22 6263 8299  
**Email:** ipo@bigshareonline.com  
**Website:** www.bigshareonline.com  
**Investor Grievance Email:** investor@bigshareonline.com;  
**Contact Person:** Mr. Srinivas Dornala  
**SEBI Registration No.:** INR000001385

**ISSUE OPENS ON**

[●]

**ISSUE CLOSES ON**

[●]

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## SECTION I - GENERAL

### DEFINITIONS AND ABBREVIATIONS

#### General Terms

Term	Description
Roni Households Ltd. / Roni Households / The Company / Company / We / Us / Our Company	Unless the context otherwise indicates or implies refers to Roni Households Limited, a public limited company incorporated under the provisions of the Companies Act, 1956 with its registered office in the Mumbai, Maharashtra.
Promoter(s)	The Promoters of our company: <ul style="list-style-type: none"> <li>• Mr. Harish Sirwani</li> <li>• Mrs. Nidhi Sirwani</li> </ul>
Promoter Group	Such persons, entities and companies constituting our promoter group pursuant to Regulation 2(1)(zb) of the SEBI ICDR Regulations as disclosed in the Chapter titled “ <i>Our Promoter and Promoter Group</i> ” on page no. 102 of this Draft Prospectus.

#### Company related Terms

Term	Description
Articles / Articles of Association	Unless the context otherwise requires, refers to the Articles of Association of Roni Households Limited.
Auditor of the Company (Statutory Auditor)	M/s. Raju & Prasad, Chartered Accountants, having their office at Flat No. 7, Krunal Apartment, Ganpati Nagar, Jalgaon – 425001.
Audit Committee	The committee of the Board of Directors constituted on September 29, 2018 as our Company’s Audit Committee in accordance with Section 177 of the Companies Act, 2013
Board of Directors / Board	The Board of Directors of Roni Households Limited, including all duly constituted Committees thereof.
Company Secretary and Compliance Officer	Mr. Mehul Shah
Director(s)	Director(s) of Roni Households Limited, unless otherwise specified.
Equity Shares	Equity Shares of our Company of Face Value of ₹ 10 each unless otherwise specified in the context thereof.
Equity Shareholders	Persons holding Equity Share of our Company.
Group Companies	RV Gems Private Limited
Key Management Personnel / KMP	Individuals described in the chapter titled “ <i>Our Management</i> ” on page no. 89 of this Draft Prospectus.
MOA / Memorandum / Memorandum of Association	Memorandum of Association of Roni Households Limited.
Nomination and Remuneration Committee	The committee of the Board of Directors constituted on September 29, 2018 as our Company’s Nomination and Remuneration Committee in accordance with Section 178 of the Companies Act, 2013.
Peer Review Auditor	M/s. Raju & Prasad, Chartered Accountants, having their office at Flat No. 7, Krunal Apartment, Ganpati Nagar, Jalgaon – 425001.
Registered Office	Plot No. F - 55, Adtl. MIDC Area, Ajanta Road, Jalgaon - 425003, Maharashtra
Registrar of Companies / RoC	Registrar of Companies, Maharashtra situated at Everest, 100, Marine Drive, Mumbai – 400 002.
Restated Financial Statements	The restated financial statements of our Company for the period ended August 31, 2018 and March 31, 2018, which comprises the restated balance sheet, the restated statement of profit and loss and the restated cash flow statement, together with the annexures and notes thereto, which have been prepared in accordance with the Companies Act, Indian GAAP, and restated in accordance with the SEBI ICDR Regulations.
Stakeholders’ Relationship Committee	The committee of the Board of Directors constituted on September 29, 2018 as our Company’s Stakeholders’ Relationship Committee.
Stock Exchange	Unless the context requires otherwise, refers to, SME Platform of BSE.

## Offer Related Terms

Term	Description
Abridged Prospectus	Abridged Prospectus to be issued under Regulation 58 of SEBI ICDR Regulations and appended to the Application Form.
Allotment	Unless the context otherwise requires, the allotment of the Equity Shares pursuant to the Issue to the successful Bidders, including transfer of the Equity Shares pursuant to the Issue to the successful applicants.
Allotment Advice	Note, advice or intimation of Allotment sent to the Applicants who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allottee(s)	The successful applicant to whom the Equity Shares are being / have been Allotted.
Applicant / ASBA Applicant	Any prospective investor who makes an Application pursuant to the terms of the Draft Prospectus / Prospectus and the Application Form.
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 all Applicants participating in the Issue.
ASBA Account	A bank account maintained with an SCSB and specified in the ASBA Form submitted by the Applicants for blocking the Application Amount mentioned in the ASBA Form.
ASBA Application / Application	An indication to make an Issue during the Bid/Issue Period by an Applicant pursuant to submission of the Application Form, to subscribe to the Equity Shares at a price as mentioned in the Prospectus, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations in terms of the Prospectus and Application Form.
Banker(s) to the Company	Such banks which are disclosed as Bankers to our Company in the chapter titled “General Information” on page no. 38 of this Draft Prospectus.
Banker(s) to the Issue	The banks which are Clearing Members and registered with SEBI as Banker to an Offer with whom the Escrow Agreement is entered and in this case being Axis 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 “Issue Procedure” beginning on page no. 161 of this Draft Prospectus.
Business Day	Monday to Friday (except public holidays)
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.
Collecting Depository Participant(s) or CDP(s)	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular No. GR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Controlling Branches	Such Branches of the SCSBs which co-ordinate Applications by the Applicants with the Registrar to the Issue and the Stock Exchanges and a list of which is available at <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> 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
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Designated Date	The date on which the funds blocked by the SCSBs are transferred from the ASBA Accounts specified by the Applicants to the Public Offer Account.
Designated Intermediaries / Collecting Agent	Syndicate Members, Sub-Syndicate/Agents, SCSBs, Registered Brokers, Brokers, the CDPs and RTAs, who are authorized to collect Application Forms from the Applicants, in relation to the Issue.
Designated CDP Locations	Such locations of the CDPs where Applicants can submit the Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along

Term	Description
	with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the websites of the Stock Exchange.
Designated Locations RTA	Such locations of the RTAs where Applicants can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the websites of the Stock Exchange.
Designated Market Maker	Aryaman Capital Markets Limited (formerly known as Aryaman Broking Limited) will act as the Market Maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI ICDR Regulations.
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 <a href="http://www.sebi.gov.in/pmd/scsb.pdf">http://www.sebi.gov.in/pmd/scsb.pdf</a>
Designated Stock Exchange	SME Platform of BSE
Draft Prospectus	This Draft Prospectus dated October 03, 2018 issued in accordance with the SEBI ICDR Regulations
Eligible NRIs	An NRI from such a jurisdiction outside India where it is not unlawful to make an Issue or invitation under this Issue and in relation to whom the Application Form and the Draft Prospectus will constitute an invitation to purchase the Equity Shares.
Escrow Agreement/ Banker to Issue Agreement	Agreement to be entered into amongst the Company, the Lead Manager, the Registrar to the Issue and the Banker to the Issue to receive monies from the Applicants through the SCSBs Bank Account on the Designated Date in the Public Issue Account.
Issue / Issue Size / Public Issue / IPO	This Initial Public Offer of upto 15,00,000 Equity Shares of ₹ 10 each for cash at a price of ₹ [●] per equity share, aggregating to ₹ [●] by the Company.
Issue Closing date	The date on which the Issue closes for subscription being [●]
Issue Opening date	The date on which the Issue opens for subscription being [●]
Issue Price	The price at which the Equity Shares are being issued by our Company in consultation with the Lead Manager, under this Draft Prospectus being ₹ [●].
LM / Lead Manager	Lead Manager to the Issue, in this case being Aryaman Financial Services Limited.
Listing Agreement / Equity Listing Agreement	Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our Company and BSE.
Market Maker Reservation Portion	The reserved portion of 84,000 Equity Shares of ₹ 10 each at ₹ [●] per Equity Share aggregating to ₹ [●] for the Designated Market Maker in the Public Issue of our Company.
Market Making Agreement	The Agreement among the Market Maker, the Lead Manager and our Company dated September 29, 2018.
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 Net Issue of 14,16,000 Equity Shares of ₹ 10 each at ₹ [●] per Equity Share aggregating to ₹ [●] by the Company.
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
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.
Prospectus	The Prospectus, to be 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 SCSBs from the ASBA accounts on the Designated Date.

Term	Description
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 ₹ 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.
Registrar and Share Transfer Agents / RTAs	Registrar and Share Transfer Agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Registrar / Registrar to the Issue	Registrar to the Issue being Bigshare Services Private Limited.
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
Self Certified Syndicate Bank(s) / SCSBs	A Bank registered with SEBI under the SEBI (Bankers to an Issue) Regulations, 1994 and Issues the facility of ASBA, including blocking of bank account. A list of all SCSBs is available at <a href="http://www.sebi.gov.in/pmd/scsb.pdf">http://www.sebi.gov.in/pmd/scsb.pdf</a>
SME Platform of BSE	SME Platform of BSE Limited, approved by SEBI as an SME Exchange for listing of equity shares Issued under Chapter XB of the SEBI ICDR Regulations.
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 September 29, 2018.
U.S. Securities Act	U.S. Securities Act of 1933, as amended.
Working Day	All trading days of the Stock Exchange excluding Sundays and Bank holidays in Mumbai.

#### Technical / Industry Related Terms

Term	Description
MIDC	Maharashtra Industrial Development Corporation
EBIDTA	Earnings Before Interest, Tax, Depreciation & Amortization
CLCSS	Credit Linked Capital Subsidy scheme
B2B	Business to Business
PVC Granule	Polyvinyl Chloride Granule
KVA	kilo-volt-ampere
Kgs	Kilograms
KMP	Key Managerial Personnel
WEO	World Economic Outlook
CSO	Central Statistics Organisation
IMF	International Monetary Fund
RBI	Reserve Bank of India's
IIP	Index of Industrial Production
NASDAQ	National Association of Securities Dealers Automated Quotations
CAGR	Compound Annual Growth Rate
MMTPA	Million Metric Tons Per Annum
INR	Indian Rupee
CRISIL	Credit Rating Information Services of India Limited
FMCG	Fast Moving Consumer Goods
PLEXCONCIL	Plastics Export Promotion Council
FICCI	Federation of Indian Chambers of Commerce and Industry
MT	Metric Tonne
B2C	Business to Consumer

Term	Description
LLDPE	Linear low-density polyethylene
LDPE	Low-density polyethylene
HDPE	High-density polyethylene

#### Conventional Terms / General Terms / Abbreviations

Term	Description
A/c	Account
AGM	Annual General Meeting
AIF	Alternative Investment Fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
AS / Accounting Standards	Accounting Standards as issued by the Institute of Chartered Accountants of India
ASBA	Applications Supported by Blocked Amount
AY	Assessment Year
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
Category II foreign portfolio investor(s) / Category II FPIs	FPIs who are registered as “Category II foreign portfolio investors” under the SEBI FPI Regulations
Category III foreign portfolio investor(s) / Category III FPIs	FPIs who are registered as “Category III foreign portfolio investors” under the SEBI FPI Regulations
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CIN	Company Identification Number
CIT	Commissioner of Income Tax
Client ID	Client identification number of the Applicant’s beneficiary account
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.
CSR	Corporate Social Responsibility
CST	Central Sales Tax
DIN	Director Identification Number
DP	Depository Participant as defined under the Depositories Act
DP ID	Depository Participant’s identification
ECS	Electronic Clearing System
EOGM	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
FIIIs	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India
FIPB	Foreign Investment Promotion Board
FPIs	Foreign Portfolio Investors as defined under the SEBI (Foreign Portfolio Investors) Regulations, 2014
FY / Fiscal / Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated

Term	Description
GDP	Gross Domestic Product
GoI/Government	Government of India
GST	Goods & Services Tax
HNI	High Net worth Individuals
HUF	Hindu Undivided Family
IAS Rules	Indian Accounting Standards, Rules 2015
IFRS	International Financial Reporting Standards
Indian GAAP	Generally Accepted Accounting Principles in India
Ind. AS	Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013, as notified under the Companies (Indian Accounting Standard) Rules, 2015
I.T. Act	Income Tax Act, 1961, as amended from time to time
ICAI	Institute of Chartered Accountants Of India
ICSI	Institute of Company Secretaries Of India
IPO	Initial Public Offering
ISIN	International Securities Identification Number
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
MICR	Magnetic ink character recognition
MOU/ MoU	Memorandum of Understanding
NA / N. A.	Not Applicable
NAV	Net Asset Value
NECS	National Electronic Clearing Service
NEFT	National Electronic Fund Transfer
NoC	No Objection Certificate
NRE Account	Non Resident External Account
NRIs	A person resident outside India, who is a citizen of India or a person of Indian origin, and shall have the meaning ascribed to such term in the Foreign Exchange Management(Deposit) Regulations, 2000
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB / Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60.00% by NRIs including overseas trusts, in which not less than 60.00% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
p.a.	per annum
P/E Ratio	Price/Earnings Ratio
PAC	Persons Acting in Concert
PAN	Permanent Account Number
PAT	Profit after Tax
PLR	Prime Lending Rate
RBI	The Reserve Bank of India
ROE	Return on Equity
RONW	Return on Net Worth
Rupees / Rs. / ₹	Rupees, the official currency of the Republic of India
RTGS	Real Time Gross Settlement
SCRA	Securities Contract (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations,



Term	Description
	1995
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
SEBI LODR Regulations, 2015 / SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 notified on September 2, 2015
SEBI SAST Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
Sec.	Section
Securities Act	U.S. Securities Act of 1933, as amended
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
STT	Securities Transaction Tax
TIN	Taxpayers Identification Number
TDS	Tax Deducted at Source
US/United States	United States of America
USD/ US\$/ \$	United States Dollar, the official currency of the United States of America
VAT	Value added tax
VCF / Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.

## CERTAIN CONVENTIONS; PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

### Certain Conventions

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

### Financial Data

Unless stated otherwise, the financial data in this Draft Prospectus is derived from our audited financial statements for the period ended August 31, 2018 and March 31, 2018 prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI Regulations and included in this Draft Prospectus. Our Fiscal Year commences on April 1 and ends on March 31 of the following year. In this Draft 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 Draft 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 Draft 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 “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page nos. 10, 73 and 130 of this Draft Prospectus, respectively, and elsewhere in this Draft 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 Draft 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, for details please see the Chapter titled “*Definitions and Abbreviations*” on page no. 1 of this Draft Prospectus. In the Section titled “*Main Provisions of the Articles of Association of our Company*” beginning on page no. 211 of this Draft 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 Draft 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 Draft Prospectus is meaningful depends on the reader’s familiarity with and understanding of the methodologies used in compiling such data. There are 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 Draft 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 Draft 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 Plastic Products Industry in India 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, gold 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 segment in which our Company operates
- ✓ Changes in laws and regulations relating to the industries in which we operate;
- ✓ Recession in the Plastic Products Industry / market
- ✓ Volatility of 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;
- ✓ Our inability to retain the services of our senior management, key managerial personnel and capable employees;
- ✓ Changes in political and social conditions in India 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 “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page nos. 10, 73 and 130 of this Draft 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 Draft 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 Shares involves a high degree of financial risk. You should carefully consider all information in this Draft Prospectus, including the risks described below, before making an investment in our Equity Shares. The risk factors set forth below do not purport to be complete or comprehensive in terms of all the risk factors that may arise in connection with our business or any decision to purchase, own or dispose of the Equity Shares. This section addresses general risks associated with the industry in which we operate and specific risks associated with our Company. Any of the following risks, as well as the other risks and uncertainties discussed in this Draft Prospectus, could have a material adverse effect on our business and could cause the trading price of our Equity Shares to decline and you may lose all or part of your investment. In addition, the risks set out in this Draft Prospectus are not exhaustive. Additional risks and uncertainties, whether known or unknown, may in the future have material adverse effect on our business, financial condition and results of operations, or which we currently deem immaterial, may arise or become material in the future. To obtain a complete understanding of our Company, prospective investors should read this section in conjunction with the sections entitled “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations on page nos. 73 and 130 of this Draft Prospectus respectively as well as other financial and statistical information contained in this Draft Prospectus. 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.*

*This Draft Prospectus also contains forward-looking statements that involve risks and uncertainties. Our results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including events described below and elsewhere in this Draft Prospectus. Unless otherwise stated, the financial information used in this section is derived from and should be read in conjunction with restated financial information of our Company prepared in accordance with the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, including the schedules, annexure and notes thereto.*

### **Materiality**

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

1. Some events may have material impact quantitatively;
2. Some events may have material impact qualitatively instead of quantitatively.
3. Some events may not be material individually but may be found material collectively.
4. Some events may not be material at present but may be having material impact in future.

### **INTERNAL RISK FACTORS**

- 1. Our inability to deliver as per our business plan could have an adverse impact on our results from operations. Further, there can be no assurance that we will be successful in selling our manufactured products.***

Our growth plans are considerable and would put significant demands on our management team and other resources. Our Company is proposing to expand its capacities by setting up a manufacturing unit. For further details, see the section titled “Our Business – Our Strategies” on page no. 75 of this Draft Prospectus. Further any delay in commercial production may adversely impact the cash flows and profitability of our company. Our cash flow requirements will be based on cash flows generated by our business. Further, the actual expenditure incurred on our ongoing projects may be higher than current estimates owing to but not limited to, implementation delays, cost over runs or adverse market developments, which may require us to source external capital resources.

Our manufactured products after commencement of commercial production will require a larger customer base. The same is on certain assumptions as to potential for growth in the sectors in which we operate, including identified customers with a demand for the manufactured products. In the event that our assumptions are not accurate or there is any material change in the various external factors on which our assumptions are made, there can be no assurance that we will be successful in selling our manufactured products leading to high inventory. This may also result in lower capacity utilization and adversely affect our operations and financial results.

The amount of funds required to make this unit commercially operational has been estimated by our management based on quotations and internal estimates. Our Management has started the trial production at our facility. However, the process of making this unit fully operational may be affected by various external factors including but not limited to:

- Our inability to acquire and install relevant machinery and equipments.
- Our inability to pay the necessary dues to key infrastructure providers such as power, water etc. on time in order and complete the necessary formalities or requirements to ensure that these facilities are set up for use. (For details please see “*Our Business*” on page 73 of this Draft Prospectus).
- Our inability to re-kindle the local labour or develop new labour relations or hiring.
- Our inability to obtain key government approvals on time or at all.
- Our inability to procure raw materials for manufacturing of our key business products.

**2. *Stricter norms in India for companies doing business in plastic industry could affect our ability to effectively market our products, which may have an adverse effect on our business, results of operations and financial condition.***

There is an increased awareness towards controlling pollution and many economies including India have joined in the efforts to ban plastic product. In case any plastic products manufactured by us are banned in India, it could have a material and adverse effect on our business and results of operations. Applicable regulations relating to our industry have become increasingly stringent, a trend which may continue in the future. The penalties for non-compliance with these regulations can be severe, including the revocation or suspension of our business license, imposition of fines and criminal sanctions.

On March 23, 2018, Maharashtra Government banned the manufacture, usage, sale, transport, distribution, wholesale and retail sale and storage, import of plastic bags with or without handle, and disposable products made out of plastic and thermocol. Under the notification products manufactured from plastic and thermocol have been covered under the ban. As a result usage of plastic bags with a handle and without handle, disposable cups, and plates, spoons, forks, glasses, and containers is prohibited in the state. Plastic packaging used to wrap and store the product is also included in the ban. Citing the environmental risks and harm caused to wild animals from ingestion or entanglement in plastic, the government enforced the ban with immediate effect. As per the notification, violators will be fined Rs 5,000 and Rs 10,000 for the first and second-time offense. A third-time offender will have to shell out Rs 25,000 and may also face imprisonment for a period of three months. Plastic bags less than 50 microns thickness are not allowed to be used. Restriction on sale of plastic product has a direct and proportionate impact on us. The ban and the litigation shall have a negative impact on the plastic industry which could have an adverse effect on our business, results of operations, cash flows and financial condition.

**3. *We are receiving benefits from certain government subsidies, which may not be available to us in the future. Loss of these benefits in the future may result in a decrease in our margins, which could in turn result in a material adverse effect on our business, financial condition and results of operations.***

We benefit from certain Government subsidies, including the Package Scheme of Incentives, 2013 and Credit Linked Capital Subsidy scheme (CLCSS), which provide certain incentives including but not limited to Industrial Promotional Subsidy to the extent of 70 % cost of Fixed Assets (the same is to be claimed in form of yearly VAT Refund within 10 years), Electricity Duty Exemption for 15 years etc.

Further our profitability may depend on these subsidies. Any changes in these governments’ subsidies might impact our business. There can be no assurance that these benefits will continue in the future. The non-availability of these benefits could adversely affect our business, financial condition, results of operations and prospects

**4. *Our Individual Promoters Mr. Harish Sirwani and Mrs. Nidhi Sirwani do not have any experience or background in manufacturing of plastic products.***

Our business was originally being run as a proprietorship named Roni Enterprises engaged in trading of plastic products. Further, our company is incorporated with a vision to corporatize our business. We intend to undergo a backward integration by further expanding our business by manufacturing plastic products for household use. We have taken a land on lease in MIDC, Jalgaon, for the proposed manufacturing unit. Our Individual Promoters, Mr. Harish Sirwani and Mrs. Nidhi Sirwani, do not have any experience in manufacturing of plastic products. The implementation of manufacturing of household products may face initial teething problems or may not materialize at all. Owing to these conditions, we may not be able to estimate our future performance and our expansion may not yield the benefits actually intended.

5. ***We operate in an unorganized industry and face significant competition. Our inability to compete effectively, market our products relative to our competitors may lead to lower market share, and adversely affect our operations and profitability.***

Our Company operates in highly competitive markets and faces competition; however it is not possible to compute the present market share of our Company since the Indian Plastic Industry is largely an unorganized industry and there are no reliable source / report which carry this data on market share. Further, the competition in these markets is based primarily on demand creation and as a result, to remain competitive in our markets, we must continuously strive to effectively market our products. In each of our markets, we face competition primarily from the unorganized market. In the event of price competition from our competitors, we may be required to reduce the price of our products while maintaining quality standards and our Company may not always be able to do so. Some of our competitors may have greater financial resources, generate higher revenues, and therefore, be able to better respond to market changes and shifts in consumer spending patterns and changes in consumer sentiments and tastes.

They also may be in a better position than us to sustain losses in revenue due to pricing pressures. Accordingly, we cannot be certain that we will be able to compete effectively with these competitors or that we will not lose customers to these competitors. If we are not able to compete effectively, our business, results of operations and financial condition could be adversely affected.

6. ***We require to obtain, maintain and/or renew certain registrations, approvals, licenses and permission in ordinary course of our business, and if we fail to do so, in a timely manner or at all, we may be unable to fully or partially operate our businesses and our results of operations may be adversely affected.***

We require certain approvals, licenses, registrations and permissions for our operations. For further details, please refer to section titled “Government and Other Approvals” beginning on page 140 of this Draft Prospectus. While, we believe we will be able to obtain, maintain and renew such approvals or permits as required, there can be no assurance that we can do so in the timeframes anticipated by us, or at all. If we fail to obtain, maintain or renew any of these approvals or permits in a timely manner or at all, our operations and expansion plans may be interrupted, which could adversely affect our growth strategy, business and results of operations. Furthermore, our approvals and permits are subject to numerous conditions, some of which are onerous and require us to make substantial expenditures. If we fail to comply or a regulator alleges that we have not complied with these conditions, our business and results of operations could be adversely affected.

7. ***Our products will be manufactured from our sole manufacturing facility located in the Jalgaon. Any disruption or suspension in the production process in this facility can significantly impact our ability to service customer needs.***

We will be manufacturing our products from our sole manufacturing facility in Jalgaon at Plot No. F-55, Addl. MIDC Area, Ajanta Road, Jalgaon – 425 003, Maharashtra which will cater to our product’s demand. Any disruption in the operations due to supply of power outages, fire or industrial accidents at this unit could hamper or delay our ability to start or continue our manufacturing process. Any disruption or suspension in the manufacturing process in this facility can significantly impact our ability to service customer needs and relation with our customers and have a material adverse effect on our business, revenues, reputation, results of operation and financial condition

8. ***Substantial portion of our revenues have been dependent upon few clients. The loss of any one or more of our major clients would have a material effect on our business operations and profitability.***

For the period ending August 31, 2018, our top 3 clients contributed our entire sales. The loss of any significant client would have a material effect on our financial results. We cannot assure you that we can maintain the historical levels of business from these clients/distributors or that we will be able to replace these clients/distributors in case we lose any of them. Furthermore, major events affecting our clients, such as changes in government policies and bankruptcy, change of management, mergers and acquisitions in other cases could impact our business. If any of our major clients becomes bankrupt or insolvent, we may lose some or all of our business from that client and our receivable from that client would increase and may have to be written off, impacting our income and financial condition.

9. *Since our business is based on trust and identity and using the same for maintaining, acquiring and servicing our clients, it is very important for us to ensure confidentiality of our intellectual property rights. Our Company has registered trademark for our products and labels. Failure or delay in renewing the same in the future may impact the Company's rights to use them.*

Our Company has a registered trademark **RONI**<sup>®</sup> for our products and labels. Failure or delay in renewing the same in the future may impact the Company's rights to use them. The Company has device mark type trademarks registered with Registrar of Trademarks under class 21. Any failure to renew registration of the aforesaid trademarks, may impact the Company's right to use them in future. Further, there can be no assurance that third parties may not infringe or copy our trademarks. Our Company may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our trademarks, which may adversely affect our business, financial condition and results of operations. For further details, please refer to the chapter titled "Government and Other Approvals" on page no. 140 on this Draft Prospectus.

10. *Orders placed by customers may be delayed, modified, cancelled or not fully paid for by our customers, which may have an adverse effect on our business, financial condition and results of operations*

We may encounter problems in executing the orders in relation to our products, or executing it on a timely basis. Moreover, factors beyond our control or the control of our customers, including delays or failure to obtain necessary permits, authorizations, permissions and other types of difficulties or obstructions, may result in the postponement of the delivery of products or cause its cancellation. Further, the order could be cancelled or there could be changes in scope and / or scheduled delivery of the products. Accordingly, it is difficult to predict with certainty if, when, and to what extent we may be able to deliver the orders placed. Failure to deliver products on time could lead to customers delaying or refusing to pay the amount, in part or full, which may adversely affect our business

In addition, even where a delivery proceeds as scheduled, it is possible that the contracting parties may default or otherwise fail to pay amounts owed. While we have not yet experienced any material delay, reduction in scope, cancellation, execution difficulty, delay or default in payment with regard to the orders placed with us, or any material disputes with customers in respect of any of the foregoing, any such adverse event in the future could materially harm our cash flow position and income. Any delay, modification, cancellation of order by our large customers may have material adverse effect on our financial condition and results of operations.

11. *We are dependent on third party transportation providers for the delivery of our products. Accordingly, continuing increases in transportation costs or unavailability of transportation services for them, as well the extent and reliability of Indian infrastructure may have an adverse effect on our business, financial condition, results of operations and prospects.*

We use third party transportation providers for the delivery of our products. Transportation strikes could have an adverse effect on our receipt of raw materials and our ability to deliver our products to our customers. In addition, transportation costs in India, have been steadily increasing over the past several years. Continuing increases in transportation costs or unavailability of transportation services for our products may have an adverse effect on our business, financial condition, results of operations and prospects.

In addition, India's physical infrastructure is less developed than that of many developed nations, and problems with its road networks, electricity grid, communication systems or any other public facility could disrupt our normal business activity, including our supply of raw materials and the delivery of our products to customers by third-party transportation providers. Any deterioration of India's physical infrastructure would harm the national economy, disrupt the transportation of goods and supplies, and add costs to doing business in India. These problems could interrupt our business operations, which could have a material adverse effect on our results of operations and financial condition.

12. *Our Company has availed ₹92.71 lakhs 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 per the restated financial statement, has availed total sum of ₹ 92.71 lakhs as unsecured loan as on August 31, 2018, 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. Further, we will not be able to raise funds at short notice and thus result in shortage of working capital fund. For further details, please refer the

chapter “Financial Statements” on page no. 111 of this Draft Prospectus. Any demand for the repayment of such unsecured loan, may adversely affect our cash flow and financial condition.

**13. Our Company has reported certain negative cash flows from its operating and investing activities, details of which are given below. Sustained negative cash flow could impact our growth and business in the future.**

Our Company had reported certain negative cash flows from its operating and investing activities for the period ended August 31, 2018 and March 31, 2018 as per the restated financial statements and the same is summarized as under:

(₹ in lakhs)

Particulars	For the period ended	
	August 31, 2018	March 31, 2018
Cash flow from Operating Activities	(63.69)	(80.87)
Cash flow from Investing Activities	(250.47)	(59.22)
Cash flow from Financing Activities	317.03	143.71

For details, please refer “Management’s Discussion and Analysis of Financial Conditions and Results of Operations of our Company” on page no. 130 of this Draft Prospectus.

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

**14. Our Promoters play key role in our functioning and we heavily rely on their knowledge and experience in operating our business and therefore, it is critical for our business that our Promoters remain associated with us. Our success also depends upon the continued services of our promoters and our ability to attract, train and retain them.**

Our Managing Director and Promoter, Mr. Harish Sirwani, the founding member of our Company, is overseeing the Operations Department of our Company. Our Whole-time Director and Promoter Mrs. Nidhi Sirwani, the founding members of our Company, provide professional guidance to our Company and heads Finance Department of our Company.

Further, if our Promoters divert their attention to the other companies, we may not be able to function as efficiently and profitably as before. We may have to incur additional costs to replace the services of our promoters or we may not be able to do so at all, which could adversely affect our business operations and affect our ability to continue to manage and expand our business. Any inability to attract and retain talented employees or the resignation or loss of key management personnel, may have an adverse impact on our business, future financial performance and the price of our Equity Shares.

**15. Our registered office and manufacturing facility is not owned by us, we have entered into lease agreement for the same. In case of suspension or cancellation of lease by MIDC, there may be an effect on our business, results of operations and prospects.**

We do not own our registered office at Plot No. F-55, Addl. MIDC Area, Ajanta Road, Jalgaon - 425003, Maharashtra. We have entered into a lease agreement for the same with MIDC. Any defaults in complying with the terms and conditions/covenants on our part for the land acquired on lease from MIDC may be subjected to penal provisions and it may also lead to the cancellation of such lease.

Further, if we are required to relocate our registered office as a result of suspension or cancellation of lease, we may incur additional cost as a result of such relocation. If we are unable to renew the agreements pursuant to which we occupy the premises on terms and conditions acceptable to us, or at all, we may have to relocate to other places. Any failure or difficulty faced by us continuing the lease agreement may affect our business and its prospects. For further details of our Properties, please refer to section titled “Our Business” beginning on Page No. 73 of this Draft Prospectus.



- 16. Our Company's manufacturing activities are dependent on availability of skilled and unskilled labourers. In case of unavailability of such labourers and / or inability to retain such personnel, our business operations could be affected.**

Our Company has employed 9 employees on our payroll as on 31<sup>st</sup> August, 2018. These employees include employees in the top and middle management and also those employees who are part of manufacturing unit and office staff. Our operations and performance are depends on our ability to identify, attract and retain both skilled and unskilled labour. Owing to our proposed commencement of manufacturing operations, our Company may have to appoint additional employees for the smooth functioning of the manufacturing unit. In case such labour is unavailable or we are unable to identify and retain such labourers, our business could be adversely affected.

- 17. We constantly face a credit risk which may in turn affect our complete cycle adversely. Also, any customer dispute regarding our performance may amount in delay or withholding of payment to us.**

Our business cycle is heavily dependent on timely payments being received from our customers. In case that our products are not delivered on timely basis and/or the quality of the products does not fulfill the requirements of our customer, it may lead to dissatisfaction. Further it may lead to consequence of customer dispute regarding our performance or workmanship and the customer may delay or withhold payment to us, which may result in materially affecting our business.

In case of such default in payment/ unforeseeable delay in payment from any of our customers our working capital cycle will be adversely affected. This may lead to lack of competitive advantage against various other transporters leading to an adverse effect on our business operations and profitability.

- 18. The deployment of the Net Proceeds from the Issue are based on management estimates and have not been independently appraised by any bank or financial institution and is not subject to any monitoring by any independent agency and our Company's management will have flexibility in utilizing the Net Proceeds from the Issue.**

Our Company intends to primarily use the Net Proceeds from the Issue towards working capital as described in "Objects of the Issue" on page no. 53 of this Draft Prospectus. In terms of Regulation 16 of the SEBI (ICDR) Regulations, we are not required to appoint a monitoring agency since the Issue size is not in excess of ₹ 100 crores. The management of our Company will have discretion to use the Net Proceeds from the Issue, and investors will be relying on the judgment of our Company's management regarding the application of the Net Proceeds from the Issue. Our Company may have to revise its management estimates from time to time and consequently its requirements may change. Additionally, various risks and uncertainties, including those set forth in this section "Risk Factors", may limit or delay our Company's efforts to use the Net Proceeds from the Issue to achieve profitable growth in its business.

Further, pursuant to Section 27 of the Companies Act 2013, any variation in the objects would require a special resolution of the Shareholders and would be required to provide an exit opportunity to the shareholders who do not agree with our proposal to change the objects of the Issue, at a price and manner as specified in Chapter VI-A of the SEBI ICDR Regulations pursuant to the SEBI ICDR (Second Amendment) Regulations, 2016 dated February 17, 2016. Additionally, the requirement on Promoters or controlling shareholders to provide an exit opportunity to such dissenting shareholders may deter the Promoters or controlling shareholders from agreeing to the variation of the proposed utilization of our Net Proceeds, even if such variation is in our interest. Further, we cannot assure you that our Promoters or the controlling shareholders will have adequate resources at their disposal at all times to enable them to provide an exit opportunity at the price which may be prescribed by SEBI.

Accordingly, prospective investors in the Issue will need to rely upon our management's judgment with respect to the use of Net Proceeds. If we are unable to enter into arrangements for utilization of Net proceeds as expected and assumed by us in a timely manner or at all, we may not be able to derive the expected benefits from the proceeds of the Issue and our business and financial results may suffer.

- 19. Our Company has no insurance coverage and we are not protected against all material hazards, which may adversely affect our business, results of operations and financial condition.**

Our business and assets could suffer damage from fire, natural calamities, misappropriation or other causes, resulting in losses, which will not be compensated by insurance as our company has no insurance coverage. If our Company suffers a large uninsured loss, our business, financial condition and results of operations may be

adversely affected. Our business and assets could suffer damage from fire, natural calamities, misappropriation or other causes, resulting in losses, which will not be compensated by insurance. If our Company suffers a large uninsured loss, our business, financial condition and results of operations may be adversely affected.

**20. *Our Company has entered into certain related party transactions in the past and may continue to do so in the future, which may potentially involve conflicts of interest with the equity shareholders.***

Our Company has entered into certain transactions with our related parties including our Promoter, Promoter Group, Directors and their relatives. While we believe that all such transactions have been conducted on the arm's length basis, we cannot assure you that we might have obtained more favourable terms had such transactions been entered into with unrelated parties.

Furthermore, it is likely that we may enter into related party transactions in the future. We cannot assure you that such transactions, individually or in the aggregate, will always be in the best interests of our minority shareholders and will not have an adverse effect on our business, results of operations, cash flows and financial condition. For details, please refer "Financial Statements – Related Party Transactions" on page no. 127 of this Draft Prospectus.

**21. *Our success largely depends on our ability to attract and retain our Key Managerial Personnel. Any loss of our Key Managerial Personnel could adversely affect our business, operations and financial condition.***

Our Company is depending significantly on the expertise, experience, and continued efforts of our Key Managerial Personnel. If one or more members of our Key Managerial Personnel are unable or unwilling to continue in his/her present position, it may be difficult to find a replacement, and business might thereby be adversely affected. Our industry requires personnel with specific technical knowledge and experience.

Competition for Key Managerial Personnel in our industry is intense and it is possible that our Company may not be able to retain existing Key Managerial Personnel or may fail to attract/ retain new employees at equivalent positions in the future. As such, loss of Key Managerial Personnel could adversely affect our business, results of operations and financial condition. For further details on the key managerial personnel of our Company, please refer to the chapter titled "Our Management" beginning on page no. 89 of this Draft Prospectus.

**22. *In addition to normal remuneration, other benefits and reimbursement of expenses our Directors (including our Promoters) are interested in our Company to the extent of their shareholding and dividend entitlement in our Company.***

Some of our Directors (including our Promoters) are interested in our Company to the extent of their shareholding and dividend entitlement in our Company, in addition to normal remuneration, incentives or benefits and reimbursement of expenses. We cannot assure you that our Directors would always exercise their rights as Shareholders to the benefit and best interest of our Company. As a result, our Directors will continue to exercise significant control over our Company, including being able to control the composition of our board of directors and determine decisions requiring simple or special majority voting, and our other Shareholders may be unable to affect the outcome of such voting. Our Directors may take or block actions with respect to our business, which may conflict with our best interests or the interests of other minority Shareholders, such as actions with respect to future capital raising or acquisitions. We cannot assure you that our Directors will always act to resolve any conflicts of interest in our favour, thereby adversely affecting our business and results of operations and prospects.

**23. *Our Group Company, R V Gems Private Limited has incurred loss in the past.***

Our Group Company has incurred loss during the period ended March 31, 2018, details of which are as under:

(₹ in lakhs)

Name of Company	For the period ended March 31, 2018
R V Gems Private Limited	(0.49)

**24. *Our Promoters and Promoter Group will continue to retain majority shareholding in us after the Issue, which will allow them to exercise significant influence over us and potentially create conflicts of interest.***

Our Promoter and Promoter Group may beneficially own 65.40% of our post-Issue equity share capital. As a result, the Promoter Group may have the ability to control our business including matters relating to any sale of all or substantially all of our assets, the timing and distribution of dividends and the election or termination of

appointment of our officers and directors. This control could delay, defer or prevent a change in control of the Company, impede a merger, consolidation, takeover or other business combination involving the Company, or discourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of the Company even if it is in the Company's best interest. In addition, for so long as the Promoter Group continues to exercise significant control over the Company, they may influence the material policies of the Company in a manner that could conflict with the interests of our other shareholders. The Promoter Group may have interests that are adverse to the interests of our other shareholders and may take positions with which our other shareholders do not agree.

**25. *Employee misconduct, errors or fraud could expose us to business risks or losses that could adversely affect our business prospects, results of operations and financial condition.***

Employee misconduct, errors or frauds could expose us to business risks or losses, including regulatory sanctions, penalties and serious harm to our reputation. Such employee misconduct includes breach in security requirements, misappropriation of funds, hiding unauthorized activities, failure to observe our stringent operational standards and processes, and improper use of confidential information. It is not always possible to detect or deter such misconduct, and the precautions we take to prevent and detect such misconduct may not be effective. In addition, losses caused on account of employee misconduct or misappropriation of petty cash expenses and advances may not be recoverable, which we may result in write-off of such amounts and thereby adversely affecting our results of operations. Our employees may also commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions in which case, our reputation, business prospects, results of operations and financial condition could be adversely affected.

**26. *If our current or future employees were to unionize or our labour costs were to increase, our results of operations may be adversely affected.***

None of our employees is currently represented by a collective bargaining agreement and we believe that our non unionized operations have advantages over unionized competitors in providing reliable and cost-competitive customer services, including greater efficiency and flexibility.

However, we cannot assure you that our current or future employees will not unionize, or attempt to unionize in the future, that they will not otherwise seek higher wages and enhanced employee benefits. The unionization of our employees could result in an increase in wage expenses and our cost of employee benefits, limit our ability to provide certain services to our customers, cause customers to limit their use of our services due to the increased potential for strikes or other work stoppages and result in increased expenditures in connection with the collective bargaining process, any of which could have a material adverse effect on our business, financial condition and results of operations.

In addition, we enter into contracts with independent contractors to complete specified assignments and these contractors are required to source the labour necessary to complete such assignments. Although we generally do not engage these labourers directly, it is possible under Indian law that we may be held responsible for wage payments to labourers engaged by contractors should the contractors default on wage payments. Any requirement to fund such payments will adversely affect us, our business, financial condition and results of operations.

Further, there is a possibility that the labour costs increase disproportionately due to increase in wage/salary demand. In this event, if we are unable to pass on the increased costs to our customers, our business operations and financial condition may be adversely affected.

**27. *Our Company has issued Equity Shares in the last 12 months at a price which may be lower than the Issue Price.***

We have issued Equity Shares during the last 12 months preceding the date of this Draft Prospectus at a price that may be lower than the Issue Price.

Date of Allotment	No. of Equity Shares	Issue Price (₹)	Nature of Allotment	Allotted Person
April 20, 2018	1,43,946	10.00	Acquisition of Proprietorship Concern	Mr. Harish Sirwani
May 19, 2018	10,82,000	10.00	Right Issue	Mr. Harish Sirwani
				Mrs. Nidhi Sirwani
June 02, 2018	11,50,000	20.00	Right Issue	Mr. Harish Sirwani
				Mrs. Nidhi Sirwani

For further details in relation to the above issuance of Equity Shares, refer to the section titled “*Capital Structure*” on page no. 45. The Issue Price is not indicative of the price that will prevail in the open market following listing of the Equity Shares.

**28. *Any disproportionate increase in labour costs including increase in wage/salary demand, labour unrest or labour claims arising from accidents may adversely affect our business operations and financial conditions.***

Our increasing business operations may require our employee strength to increase in future. In the past our Company has not experienced any labour unrest, but there is no assurance that it will not experience the same at any time in the future. Also, there is a possibility that the labour costs increase disproportionately due to increase in wage/salary demand. In this event, if our Company is unable to pass on the increased costs to our customers, our business operations and financial conditions may be adversely affected.

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

Although we have recently procured the machinery for our proposed manufacturing operations modernization and technology up gradation is essential to reduce costs and increase the output. Our technology and machineries may become obsolete or may not be upgraded timely, hampering our operations and financial conditions and we may not have the competitive edge. Although we strive to keep our technology, equipments and machinery in line with the latest technological standards, we may be required to implement new technology or upgrade the machineries and other equipment’s employed by us. Further, the costs in upgrading our technology and modernizing the plant and machineries may be significant which could substantially affect our finances and operations.

**30. *We have not entered into any technical support service contract for the maintenance and smooth functioning of our equipment’s and machineries, which may affect our performance.***

Our manufacturing operations will involve daily use of technical equipments and machineries. They require periodic maintenance checks and technical support in an event of technical breakdown or malfunctioning. Our company has neither entered into any technical support service contract with any competent third party nor have we entered into an annual maintenance contract for any equipments. In case of breakdown of machinery we may have to take support of local technicians for getting the machinery repaired and functioning. Our failure to reduce the downtime in case such events occur may adversely affect our productivity, business and results of operations.

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

The funds that we receive would be utilized for the Objects of the Issue as has been stated in the Chapter “*Objects of the Issue*” on page no. 53 of the Draft Prospectus. The proposed schedule of implementation of the objects of the Issue is based on our management’s estimates. If the schedule of implementation is delayed for any other reason whatsoever, including any delay in the completion of the Issue, we may have to revise our business, development and working capital plans resulting in unprecedented financial mismatch and this may adversely affect our revenues and results of operations.

**32. *The requirements of being a public listed company may strain our resources and impose additional requirements.***

With the increased scrutiny of the affairs of a public listed company by shareholders, regulators and the public at large, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur in the past. We will also be subject to the provisions of the listing agreements signed with the Stock Exchanges which require us to file unaudited financial results on a quarterly basis. In order to meet our financial control and disclosure obligations, significant resources and management supervision will be required. As a result, management’s attention may be diverted from other business concerns, which could have an adverse effect on our business and operations. There can be no assurance that we will be able to satisfy our reporting obligations and/or readily determine and report any changes to our results of operations in a timely manner as other listed companies. In addition, we will need to increase the strength of our management team and hire additional legal and accounting

staff with appropriate public company experience and accounting knowledge and we cannot assure that we will be able to do so in a timely manner.

## **RISK FACTORS RELATED TO EQUITY SHARES**

**33. *Any further issuance of Equity Shares by Our Company or sales of Equity Shares by any significant shareholders may adversely affect the trading price of the Equity Shares.***

Any future issuance of Equity Shares by our Company could dilute the investors' shareholding. Any such future issuance of Equity Shares or sales of Equity Shares by any of our significant shareholders may also adversely affect the trading price of the Equity Shares, and could impact our ability to raise capital through an offering of securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares.

**34. *There is no existing market for our Equity Shares, and we do not know if one will develop. Our stock price may be highly volatile after the Issue and, as a result, you could lose a significant portion or all of your investment.***

There is no guarantee that our Equity Shares will be listed on the Stock Exchanges in a timely manner or at all and any trading closures at the Stock Exchanges may adversely affect the trading price of our Equity Shares. Prior to the Issue, there has not been a public market for the Equity Shares. Further, we cannot predict the extent to which investor interest will lead to the development of an active trading market on the Stock Exchanges or how liquid that market will become. If an active market does not develop, you may experience difficulty selling the Equity Shares that you purchased. The Issue Price is not indicative of prices that will prevail in the open market following the Issue. Consequently, you may not be able to sell your Equity Shares at prices equal to or greater than the Issue Price. The market price of the Equity Shares on the Stock Exchanges may fluctuate after listing as a result of several factors, including the following:

- Volatility in the Indian and other Global Securities Markets;
- The performance of the Indian and Global Economy;
- Risks relating to our business and industry, including those discussed in this Draft Prospectus;
- Strategic actions by us or our competitors;
- Investor perception of the investment opportunity associated with the Equity Shares and our future performance;
- Adverse media reports about us, our shareholders or Group Companies;
- Future sales of the Equity Shares;
- Variations in our quarterly results of operations;
- Differences between our actual financial and operating results and those expected by investors and analysts;
- Our future expansion plans;
- Perceptions about our future performance or the performance of transport sector companies generally;
- Performance of our competitors in the our Industry and the perception in the market about investments in the our sector;
- Significant developments in the regulation of the industry in our key locations;
- 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 and environmental regulations. There has been significant volatility in the Indian stock markets in the recent past, and our Equity Share

Price could fluctuate significantly as a result of market volatility. A decrease in the market price of the Equity Shares could cause you to lose some or all of your investment.

**35. *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, the Equity Shares at a particular point in time.***

The price of the Equity Shares will be subject to a daily circuit breaker imposed by all stock exchanges in India which does not allow transactions beyond a certain level of volatility in the price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by the SEBI on Indian stock exchanges. The percentage limit on our circuit breaker is set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The stock exchanges do not inform us of the percentage limit of the circuit breaker from time to time, and may change it without our knowledge. This

circuit breaker effectively limits upward and downward movements in the price of the Equity Shares. As a result, shareholders' ability to sell the Equity Shares, or the price at which they can sell the Equity Shares, may be adversely affected at a particular point in time.

- 36. *We may decide not to proceed with this Issue at any time before Allotment. If we decide not to proceed with the Issue after the Issue Opening Date but before Allotment, the refund of Application amounts deposited will be subject to us complying with our obligations under applicable laws.***

The Company, in consultation with the Lead Manager, reserves the right not to proceed with this Issue at any time before the Allotment. If we withdraw the Issue after the Issue Opening Date, we will be required to refund all Application amounts deposited within 6 days of the Issue Closing Date. We shall be required to pay interest at the rate of 15% per annum on the Application amounts received if refund orders are not dispatched within 6 days from the Issue Closing Date. Notwithstanding the foregoing, the Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which the Company shall apply for after Allotment and (ii) the final RoC approval.

- 37. *Any further issuance of Equity Shares by our Company or sales of Equity Shares by any significant shareholders may adversely affect the trading price of the Equity Shares.***

Any future issuance of Equity Shares by our Company could dilute the investors' shareholding. Any such future issuance of Equity Shares or sales of Equity Shares by any of our significant shareholders may also adversely affect the trading price of the Equity Shares, and could impact our ability to raise capital through an offering of securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. Upon completion of the Issue, a minimum 20% of our post-Issue paid-up capital held by our Promoters will be locked up for a period of three years and entire pre-Issue Equity Share Capital will be locked up for a period of one year from the date of allotment of Equity Shares in the Issue. For further information relating to such Equity Shares that will be locked, please refer the chapter titled "Capital Structure" beginning on page no. 45 of the Draft Prospectus.

- 38. *Our ability to pay dividends in the future may be affected by any material adverse effect on our future earnings, financial condition or cash flows.***

Our ability to pay dividends in future will depend on our earnings, financial condition and capital requirements, and that of our Subsidiary and the dividends they distribute to us. In the past, we have not made dividend payments to the Shareholders of our Company. The Company may decide to retain all future earnings, if any, for use in the operations and expansion of the business. In such situation, the Company may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and will depend on factors that our Board deems relevant, including among others, our future earnings, financial condition, cash requirements, business prospects and any other financing arrangements. We cannot state with any certainty whether we will be able to pay dividends in the future. Accordingly, realization of a gain on Shareholders' investments will depend on the appreciation of the price of the Equity Shares. There is no guarantee that our Equity Shares will appreciate in value.

- 39. *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 recognised 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.

**EXTERNAL RISK FACTORS****40. *The Companies Act, 2013 has effected significant changes to the existing Indian company law framework, which may subject us to higher compliance requirements and increase our compliance costs.***

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 notification, resulting in the corresponding provisions of the Companies Act, 1956 ceasing to have effect. The 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 Draft 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 depositors, a restriction on investment by an Indian company through more than two layers of subsidiary investment companies (subject to certain permitted exceptions), prohibitions on loans to directors and insider trading and restrictions on directors and key managerial personnel from engaging in forward dealing. Further, companies meeting certain financial thresholds are also required to constitute a committee of the board of directors for corporate social responsibility activities and ensure that at least 2% of the average net profits of the company during three immediately preceding financial years are utilized for corporate social responsibility activities. Penalties for instances of non-compliance have been prescribed under the Companies Act, 2013, which may result in inter alia, our Company, Directors and key managerial employees being subject to such penalties and formal actions as prescribed under the Companies Act, 2013, should we not be able to comply with the provisions of the New Companies Act within the prescribed timelines, and this could also affect our reputation.

To ensure compliance with the requirements of the Companies Act, 2013 within the prescribed timelines, we may need to allocate additional resources, which may increase our regulatory compliance costs and divert management attention. While we shall endeavour to comply with the prescribed framework and procedures, we may not be in a position to do so in a timely manner.

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 pronouncements or clarifications issued by the Government in the future, we may face regulatory actions or we may be required to undertake remedial steps. Additionally, some of the provisions of the Companies Act, 2013 overlap with other existing laws and regulations (such as the corporate governance norms and insider trading regulations). 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 an adverse effect on our business and results of operations.

**41. *Any changes in the regulatory framework could adversely affect our operations and growth prospects.***

Our Company is subject to various regulations and policies. For details see section titled “*Key Industry Regulations and Policies*” beginning on page no. 80 of this Draft Prospectus. Our business and prospects could be materially adversely affected by changes in any of these regulations and policies, including the introduction of new laws, policies or regulations or changes in the interpretation or application of existing laws, policies and regulations. There can be no assurance that our Company will succeed in obtaining all requisite regulatory approvals in the future for our operations or that compliance issues will not be raised in respect of our operations, either of which could have a material adverse affect on our business, financial condition and results of operations.

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

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes, including the instances mentioned below, may adversely affect our business, results of operations, financial condition and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy.

**43. *Civil disturbances, extremities of weather, regional conflicts and other political instability may have adverse affects on our operations and financial performance.***

Certain events that are beyond our control such as earthquake, fire, floods and similar natural calamities may cause interruption in the business undertaken by us. Our operations and financial results and the market price and liquidity of our equity shares may be affected by changes in Indian Government policy or taxation or social, ethnic, political, economic or other adverse developments in or affecting India.

**44. *Terrorist attacks, civil unrest and other acts of violence or war involving India and other countries could adversely affect the financial markets and our business.***

Terrorist attacks and other acts of violence or war may negatively affect the Indian markets on which our Equity Shares will trade and also adversely affect the worldwide financial markets. These acts may also result in a loss of business confidence, impede travel and other services and ultimately adversely affect our business. In addition, any deterioration in relations between India and Pakistan might result in investor concern about stability in the region, which could adversely affect the price of our Equity Shares.

India has also witnessed civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic and political events in India could have a negative impact on the value of share prices generally as well as the price of our Equity Shares. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse impact on our business and the price of our Equity Shares.

**45. *Instability in financial markets could materially and adversely affect our results of operations and financial condition.***

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

The global financial turmoil, an outcome of the sub-prime mortgage crisis which originated in the United States of America, led to a loss of investor confidence in worldwide financial markets. Indian financial markets have also experienced the contagion effect of the global financial turmoil, evident from the sharp decline in SENSEX, BSE's benchmark index. Any prolonged financial crisis may have an adverse impact on the Indian economy and us, thereby resulting in a material and adverse effect on our business, operations, financial condition, profitability and price of our Equity Shares.

**46. *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 and ability to obtain financing for capital expenditures.

**47. *Conditions in the Indian securities market and stock exchanges may affect the price and liquidity of our Equity Shares.***

Indian stock exchanges, which are smaller and more volatile than stock markets in developed economies, have in the past, experienced problems which have affected the prices and liquidity of listed securities of Indian companies. These problems include temporary exchange closures to manage extreme market volatility, broker defaults, settlement delays and strikes by brokers. In addition, the governing bodies of the Indian stock exchanges have from time to time restricted securities from trading, limited price movements and restricted margin requirements. Further, disputes have occurred on occasion between listed companies and the Indian stock exchanges and other regulatory bodies that, in some cases, have had a negative effect on market sentiment. If similar problems occur in the future, the market price and liquidity of the Equity Shares could be adversely



affected. Further, a closure of, or trading stoppage on, either of the Stock Exchanges could adversely affect the trading price of our Equity Shares.

#### PROMINENT NOTES

1. 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.
2. The Net Worth of our Company (net of revaluation reserves) is ₹403.01 lakhs and the book value of each Equity Share was ₹ 14.21 as of August 31, 2018 as per our Restated Standalone Financial Statements. For more information, please refer the Section titled “*Financial Information*” beginning on page no. 111 of this Draft Prospectus.
3. Public Issue of up to 15,00,000 Equity Shares for cash at price of ₹ [●] per share including a premium of ₹ [●] aggregating to ₹ [●] lakhs. The Issue will constitute 34.59% of the post-Issue paid-up Equity Share capital of our Company.
4. The average cost of acquisition of Equity Shares by our Promoter is.

Promoter	Average cost (₹)
Harish Sirwani	13.43
Nidhi Sirwani	14.61

5. Investors are advised to refer to the chapter titled “*Basis for Issue Price*” beginning on page no. 58 of this Draft Prospectus.
6. The details of transactions by our Company with our Group Companies or associates during the last year are disclosed under “*Annexure XXII - Statement of Related Party Transactions*” on page no. 127 of this Draft Prospectus.
7. There are no financing arrangements whereby the Promoter Group, the Directors of our Company who are the Promoters of our Company, the Directors of our Company and their relatives have financed the purchase by any other person of securities of our Company during the period of 6 (six) months immediately preceding the date of the Draft Prospectus.
8. Our Company was incorporated as “Roni Households Private Limited” on October 09, 2017 under the Companies Act, 2013 with the Registrar of Companies, Mumbai bearing Registration No. 300575. The status of our Company was changed to a public limited company and the name of our Company was changed to “Roni Households Limited” by a special resolution passed on January 19, 2018. A fresh Certificate of Incorporation consequent upon conversion was issued on March 01, 2018 by the Registrar of Companies, Mumbai. Further, pursuant to Business Takeover Agreement dated April 05, 2018, our Company acquired the business of M/s. Roni Enterprises, a proprietorship concern of one of our Promoter Mr. Harish Sirwani.

## SECTION III – INTRODUCTION

### SUMMARY OF OUR INDUSTRY

#### 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.*

#### OVERVIEW OF THE GLOBAL AND INDIAN ECONOMY

##### Global Scenario

The upswing in global investment and trade continued in the second half of 2017. At 3.8 percent, global growth in 2017 was the fastest since 2011. With financial conditions still supportive, global growth is expected to tick up to a 3.9 percent rate in both 2018 and 2019. Advanced economies will grow faster than potential in 2018 and the next year; euro area economies are set to narrow excess capacity with support from accommodative monetary policy, and expansionary fiscal policy will drive the US economy above full employment. Aggregate growth in emerging market and developing economies is projected to firm further, with continued strong growth in emerging Asia and Europe and a modest upswing in commodity exporters after three years of weak performance.

Global growth is projected to soften beyond the next couple of years. Once their output gaps close, most advanced economies are poised to return to potential growth rates well below pre-crisis averages, held back by aging populations and lackluster productivity. US growth will slow below potential as the expansionary impact of recent fiscal policy changes goes into reverse. Growth is projected to remain subpar in several emerging market and developing economies, including in some commodity exporters that continue to face substantial fiscal consolidation needs.

Economic activity in 2017 ended on a high note growth in the second half of the year was above 4 percent, the strongest since the second half of 2010, supported by a recovery in investment. Outcomes exceeded the October 2017 World Economic Outlook forecasts in the euro area, Japan, the United States, and China, and continued to improve gradually in commodity exporters. Financial conditions remain supportive, despite the recent volatility in equity markets and increases in bond yields following signs of firming inflation in advanced economies. With broad-based momentum and expectations of a sizable fiscal expansion in the United States over this year and the next, global growth is now projected at 3.9 percent for 2018–19, a 0.2 percentage point upgrade for both years relative to the October 2017 forecast.

This positive momentum will eventually slow, however, leaving many countries with a challenging medium-term outlook. Some cyclical forces will wane: financial conditions are expected to tighten naturally with the closing of output gaps and monetary policy normalization; US tax reform will subtract momentum starting in 2020, and then more strongly as full investment expensing is phased out starting in 2023; and China's transition to lower growth is expected to resume as credit growth and fiscal stimulus diminish. At the same time, while the expected recovery in investment will help raise potential output, weak productivity trends and reduced labor force growth due to population aging constrain medium-term prospects in advanced economies. The outlook is mixed across emerging market and developing economies. Prospects remain favorable in emerging Asia and Europe, but are challenging in Latin America, the Middle East and sub-Saharan Africa, where despite some recovery the medium term outlook for commodity exporters remains generally subdued, with a need for further economic diversification and adjustment to lower commodity prices. More than one-quarter of emerging market and developing economies are projected to grow by less than advanced economies in per capita terms over the next five years, and hence fall further behind in terms of living standards.

Risks around the short-term outlook are broadly balanced, but risks beyond the next several quarters are clearly to the downside. On the upside, the growth spurt in advanced economies may turn out to be stronger and more durable than in the baseline, as slack in labor markets can be larger than currently assessed. Furthermore, the ongoing recovery in investment could foster a rebound in productivity, implying higher potential growth going forward. In the United States, financial conditions could tighten faster than expected, triggered, for example, by an adjustment in market

pricing of the future path of monetary policy, higher realized or expected wage and price inflation, and/or a sudden decompression of term premiums. Tighter financial conditions in the United States would have spillovers to other economies, including through a reduction in capital flows to emerging markets. Very expansionary fiscal policy in the United States, at a time when the current account deficit is already larger than justified by fundamentals, combined with persistent excess current account surpluses in other countries, is projected to widen global imbalances. Anxiety about technological change and globalization is on the rise and, when combined with wider trade imbalances, could foster a shift toward inward-looking policies, disrupting trade and investment. Recent import restrictions announced by the United States, announced retaliatory actions by China and potential retaliation by other countries raise concerns in this regard and threaten to damage global and domestic activity and sentiment. Similarly, changes in US tax policies are expected to exacerbate income polarization, which could affect the political climate for policy choices in the future. Climate change, geopolitical tensions, and cyber security breaches pose additional threats to the subdued medium-term global outlook.

(Source: <https://www.imf.org/en/Publications/WEO/Issues/2018/03/20/world-economic-outlook-april-2018>)

### **Indian Scenario**

India has emerged as the fastest growing major economy in the world as per the Central Statistics Organisation (CSO) and International Monetary Fund (IMF) and it is expected to be one of the top three economic powers of the world over the next 10-15 years, backed by its strong democracy and partnerships.. Indian economy is expected to grow at a rate of 6.7 per cent in the year 2017-18 and in the next financial year 2018-19 the economy is expected to grow at a rate of 7.2 per cent. The improvement in India's economic fundamentals has accelerated in the year 2015 with the combined impact of strong government reforms, Reserve Bank of India's (RBI) inflation focus supported by benign global commodity prices.

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

During September 2017, eight core infrastructure industries grew by 5.2 per cent, as compared to 4.9 per cent growth in August 2017 and 5.3 per cent growth in September 2016. The growth of core industries during April-September 2017 was 3.3 per cent, as compared to 5.4 per cent growth during the same period last year.

Overall growth in the Index of Industrial Production (IIP) was 3.8 per cent in September 2017, as compared with 4.3 per cent growth in August 2017 and 5.0 per cent growth in September 2016. During April-September 2017, IIP growth was 2.5 per cent as compared to growth of 5.9 per cent during the same period last year.

Foreign exchange reserves were US\$ 398.8 billion as on October 27, 2017, as against US\$ 370 billion in March 2017. (Source: *Indian Economic Development and Growth Monthly Economic Report- www.ibef.org*)

Economic growth is projected to remain strong and India will remain the fastest growing G20 economy. The increase in public wages and pensions will support consumption. Private investment will recover gradually as excess capacity diminishes, and the landmark Goods and Services Tax and other measures to improve the ease of doing business are being implemented. However, large non-performing loans and high leverage of some companies are holding back investment. Monetary policy is projected to remain tight as inflation expectations have still not fully adjusted down. The need to reduce the relatively high public-debt-to-GDP ratio leaves little room for fiscal stimulus.

(Source: <http://www.oecd.org/eco/outlook/economic-forecast-summary-india-oecd-economic-outlook-june-2017.pdf>)

### **OVERVIEW OF GLOBAL PLASTICS INDUSTRY**

Global economic growth is generally interlinked to petrochemical consumption where plastic is an important partner. Plastic processing is the pillar of economy in most of the advanced economies.

(Source: <https://www.moneycontrol.com/news/business/startup/current-scenarioway-forward-for-indian-plastic-industry-1045326.html>)

### **Plastics Industry Multiples**

Despite recent volatility, valuation multiples continue to be near all-time highs across each of the plastic end market sectors, as well as the overall market.

- Particularly within the U.S. market, there is somewhat of a supply/demand imbalance (i.e., more interest in plastics businesses relative to the number of quality companies available for sale) contributing to the high valuation levels that continue to be prevalent in the marketplace.
- Looking at publicly traded companies within the plastics industry, medical, packaging, machinery, and automotive multiples were up during 2017, although all segments are trading at very high levels.

- Major market indices are another indicator of high valuation levels, with the Dow Jones Industrial Average, S&P 500, and Nasdaq extending their highs from 2016 with increases of 24%, 18% and 27%, respectively, in 2017.
- In addition, new lower corporate tax rates, all things equal, could lead to higher cash flows for businesses, which could help sustain or increase valuation levels for plastics companies.

(Source: <https://www.stout.com/insights/industry-update/plastics-industry-yir-2017>)

### Main Plastic Resin Types and Their Applications in Packaging



(Source: [http://www3.weforum.org/docs/WEF\\_The\\_New\\_Plastics\\_Economy.pdf](http://www3.weforum.org/docs/WEF_The_New_Plastics_Economy.pdf))

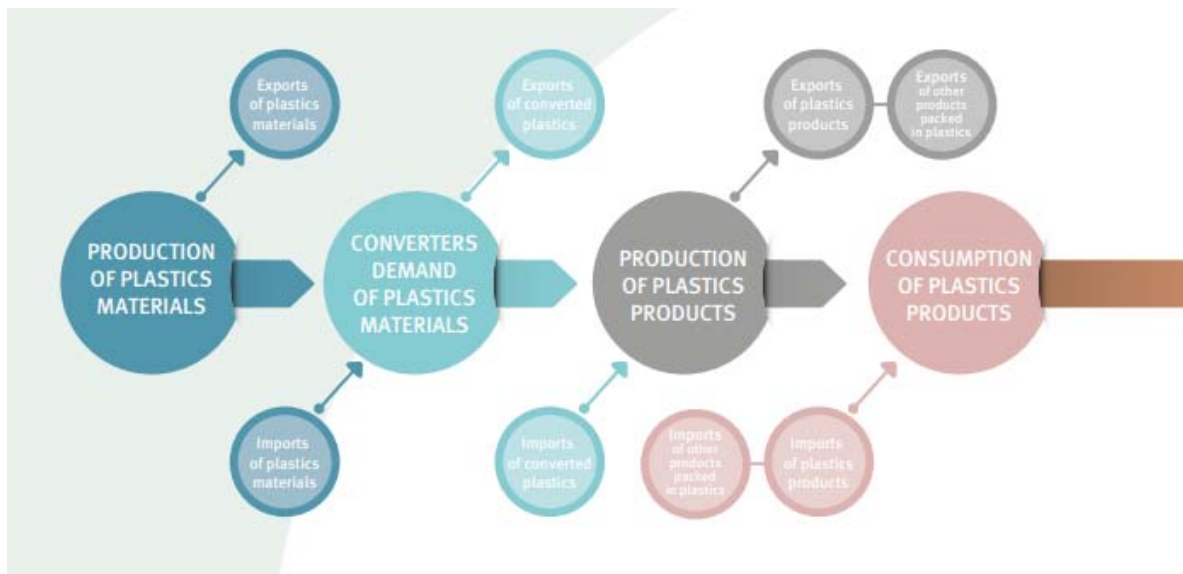
### Applications and benefits of different Plastic Products

Plastic	Applications	Benefits
PET	Food jars for jelly, jam and pickles Plastic bottles for soft drinks, water, juice Ovenable film and microwavable food trays	Excellent resistance to most solvents High impact capability and shatter resistance Clear and optically smooth surfaces
HDPE	Cereal box liners Reusable shipping containers Bottles for non-food items, such as shampoo, liquid laundry detergent, household cleaners, motor oil etc.	Relatively stiff material with useful temperature capabilities Higher tensile strength
PVC	Rigid packaging applications include blister packs and clamshells. Packaging, film and sheet, and loose-leaf binders. Flexible packaging uses include bags for bedding and medical	High impact strength Brilliant clarity Excellent processing performance
LDPE	Container lids Shrink wrap and stretch film. Squeezable bottles (e.g., honey and mustard).	Excellent resistance to acids, bases and vegetable oils Toughness, flexibility and relative transparency
PP	Medicine bottles Bottle caps and closures Bottles for catsup and syrup.	Low moisture vapor transmission Inertness toward acids, alkalis and most solvents
PS	Protective foam packaging for furniture, electronics and other delicate items. Packing compact disc cases and aspirin bottles	Low thermal conductivity and excellent insulation properties Excellent moisture barrier for short shelf life products

(Source: [ficci.in/spdocument/20690/plastic-packaging-report.pdf](https://www.ficci.in/spdocument/20690/plastic-packaging-report.pdf))

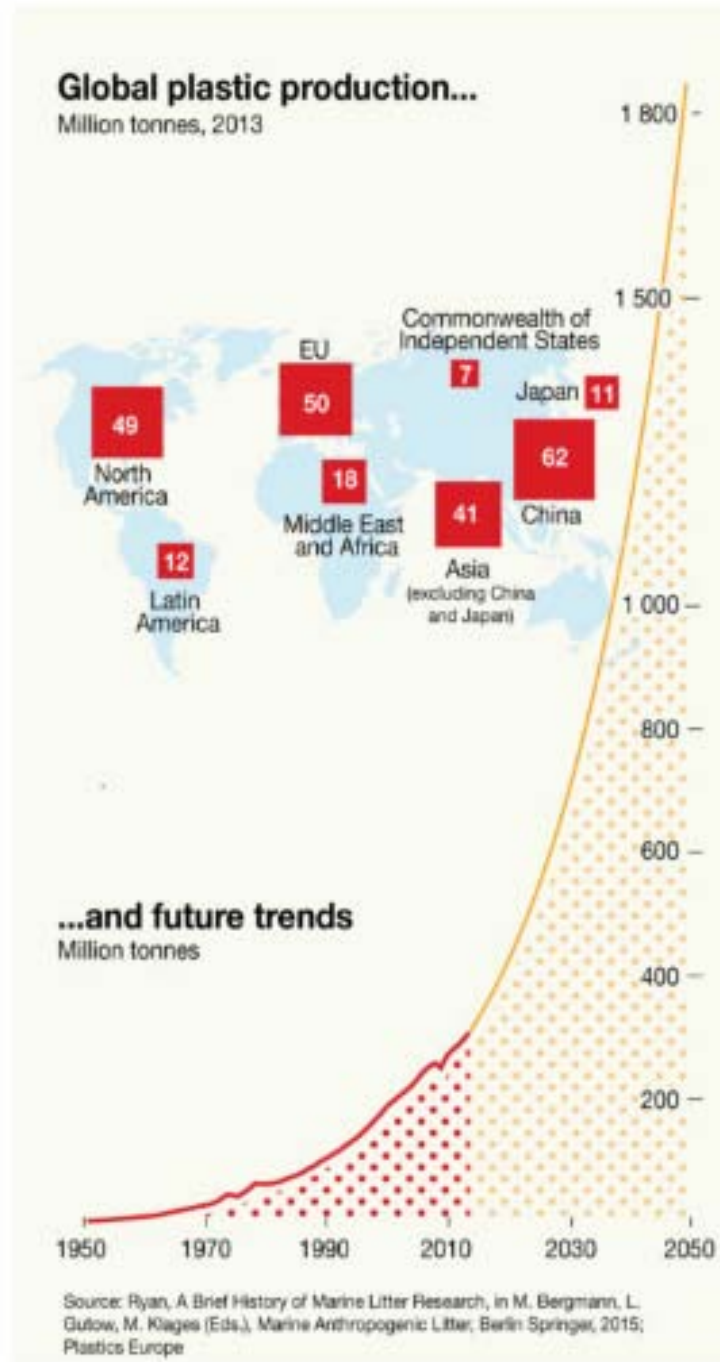
**Life Cycle**

In order to understand the life cycle of plastics products it is important to understand that not all plastics products are the same and not all have the same service life. Some plastic products have a shelf life of less than one year, some others of more than 15 years and some have a lifespan of 50 years or even more.



(Source: [https://www.plasticseurope.org/application/files/5715/1717/4180/Plastics\\_the\\_facts\\_2017\\_FINAL\\_for\\_website\\_one\\_page.pdf](https://www.plasticseurope.org/application/files/5715/1717/4180/Plastics_the_facts_2017_FINAL_for_website_one_page.pdf))

**Future Trends in Production**



Projected global plastics production to 2050

Source: UN GRID-Arendal

(Source: <https://www.darrinqualman.com/global-plastics-production/>)

**Road Ahead**

Global plastics market is projected to grow at a CAGR of 7.03% from 2017 to 2025, as per Orian Research. Plastics are used in a variety of industries: construction, packaging, appliance, automobile, textile, transportation, and many others. A large number of manufacturers supply many different products to numerous end-users for a multitude of applications. The major drivers for plastics market would be its low cost, flexibility of use, easy manufacturing capabilities, growing construction in Asia-Pacific region among others. Thus, plastics can be regarded as synthetic or semi-synthetic organic

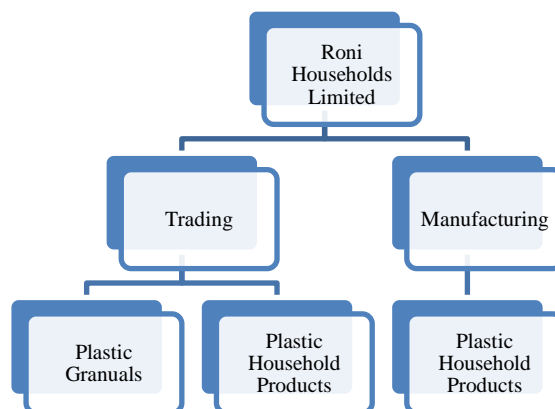
solids which can be transformed into several useful products. Also, the paradigm shift of technology to recycle plastics for end-use applications provide significant opportunities to the entire supply chain of the plastics market.

(Source: <http://www.plastemart.com/news-plastics-information/global-plastics-market-to-register-cagr-of-7-03-from-2017-to-2025/44014>)

### SUMMARY OF OUR BUSINESS

Our business was originally being run as a proprietorship named Roni Enterprises. Further, our company is incorporated on 9<sup>th</sup> October 2017, as a private limited company under the name ‘Roni Household Private Limited’ under the provisions of the Companies Act, 2013 with the Registrar of Companies, Mumbai with a vision to corporatize our business. A Business Takeover Agreement dated April 5, 2018 has been entered into to give effect to the takeover of the business of Roni Enterprise (Proprietor Harish Sirwani). On March 01, 2018, our Company was converted into public limited company and the name of our company changed to ‘Roni Household Limited’.

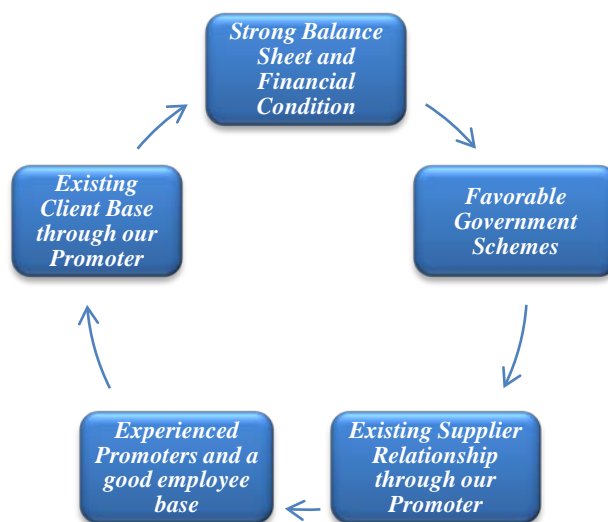
Our Company currently trades in plastic granules and plastic household products which includes tub, buckets, ghamela etc. We intend to further expand our business by manufacturing plastic products for household use. We have taken a land on lease in MIDC Jalgaon for the proposed manufacturing unit. For further details, please refer to the “Property/Land details” of this chapter on page no. 79 of this Draft Prospectus. A part of our proposed manufacturing unit has been set up on the leased land. Trial manufacturing process for small part of our proposed capacity has recently commenced.



Our Company plans to leverage its promoter networks in the Trading community of Jalgaon and strong balance sheet situation to increase its presence in the plastic products. Our Company is in the process of building a quality and innovation focused trading and manufacturing vertical as well as developing a strong team to cater to its proposed increased operational needs.

Since our company was recently incorporated we have not completed a full financial year, however we have reported a robust operating performance for 6 months period ended March 31,2018 wherein our sales, EBIDTA and Profit after Tax were ₹ 429.70 lakhs, ₹ 10.58 lakhs and 7.80 lakhs respectively.

### STRENGTHS





**1. Strong Balance Sheet and Financial Condition**

Though, we have been recently incorporated, we performed reasonably well with strong revenue and balance sheet position. As on August 31, 2018, the owned net worth of the company (i.e. equity plus free reserves) was Rs. 403.01 lakhs. Our Company is a low debt well capitalized company. Hence, we can procure the goods by making upfront payments and take benefit of cash discount or can buy in bulk and hold inventory for longer periods thereby improving our profitability. We believe that we have the ability to leverage our balance sheet to take advantage of a favorable business cycle or market opportunity.

**2. Favorable Government Schemes**

The land taken on lease for the proposed unit by our company is situated at MIDC, Jalgaon which is a industrially backward area (D Area). The government motivates growing industries in such areas through various incentive schemes. We are availing benefit under these schemes such as Package Scheme of Incentives 2013 and Credit Linked Capital Subsidy scheme (CLCSS). Benefits under these schemes include industrial promotion subsidy to the extent of 70% of cost of Fixed Assets, Power Tariff subsidy, Interest subsidy, Technology up-gradation subsidy etc.

**3. Existing Supplier Relationship through our Promoter - Mr. Harish Sirwani.**

Our existing supplier relationship protects the business with terms of supply and pricing of the products, the quality of the products offered etc. We being a small and medium size organization, rely on personal relationships with suppliers. Our company enjoys existing relationship with our suppliers. Further, we also leverage the past experience of our management in maintaining effective supplier relationship.

**4. Experienced Promoters and a good employee base.**

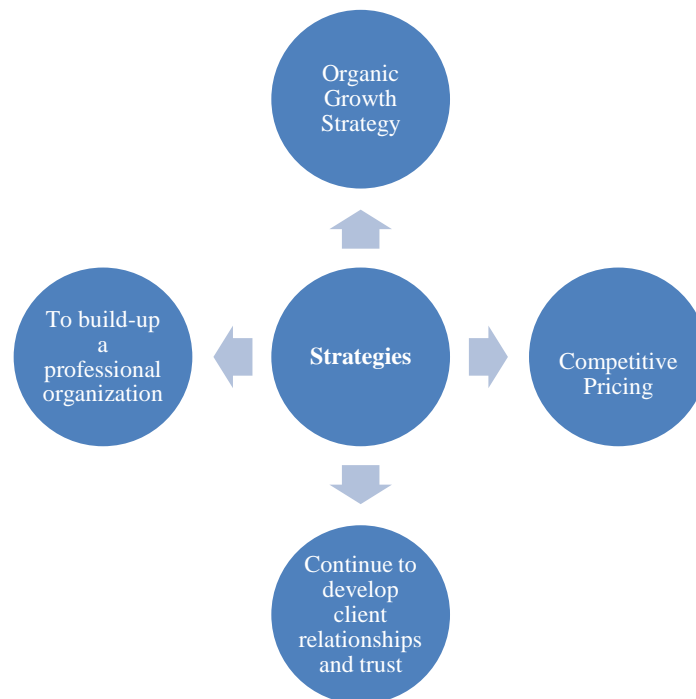
Our Promoter Director, Mr. Harish Sirwani has significant industry experience and has been instrumental in the consistent growth of our group. He is ably supported by our staff and other co-directors. For further details regarding the experience and qualifications of our management team please see “*Our Management*” beginning on page no. 89 of this Draft Prospectus. We believe that the knowledge and experience of our promoter and management will enables us to identify new opportunities, rapidly respond to market conditions, adapt to changes in the business landscape and competitive environment and enhances the growth in the business.

**5. Existing Client Base through our Promoter**

Since our promoter- Mr Harish Sirwani was already active in the trading business of plastic products whether directly or indirectly, we are successful in building a strong client base for our business. Our existing relationships help us to get repeat business from our customers. This has helped us to maintain a long term working relationship with our customers and improve our customer retention strategy. We have strong existing client relationships which generates multiple repeat orders. We believe that our existing relationship with our clients represents a competitive advantage in gaining new clients and increasing our business.

## STRATEGIES

The key elements of our strategies are as follows:



### 1. *Organic Growth Strategy*

We intend to further expand business by manufacturing plastic products for household use such as tub, buckets, ghamela, basket, patla etc. Our Company has taken a land on lease in MIDC, Jalgaon, for setting up the manufacturing unit. Further. A part of our proposed manufacturing unit has been set up on the leased land. Trial manufacturing process for small part of our proposed capacity has recently commenced. For further details, please refer to the “*Property/Land details*” of this chapter on page no. 79 of this Draft Prospectus. Further, Our Company believes that expanding our scope to manufacturing our products will be aided by our existing customer base and long standing trade relations. We intend to tap various geographical markets which will be possible only once we have a broad product base.

### 2. *Improving Debt – Equity Ratio*

Our Company has obtained unsecured loans from Directors from time to time. These loans were utilized for working capital requirement and are repayable on demand. We intend to repay these loans to improvise our debt equity ratio and also this will help our company to obtain vehicle loans, term loans for expansion which will improve our operational efficiency.

Further, repayment of unsecured loans will reduce burden of repayment of loans repayable on demand and enhance our Financial Stability and reduce long term liabilities.

### 3. *Competitive Pricing:*

Price is an important aspect of a business' marketing mix and changing the price can drastically affect the marketing tactics necessary for success. To remain aggressive and capitalize a good market share, we believe in offering competitive prices to our customers. This helps us to sustain the cut-throat competition and withhold a strong position in the market. Further it helps us to prevent loss in company's market share.

### 4. *Continue to develop client relationships and trust*

We plan to grow our business primarily by growing our customer relationships and trust. We believe that increased customer relationships and trust will add stability to our business. We seek to build on existing relationships and

also focus on bringing into our portfolio more clients. We believe that our business is a by-product of relationship and trust. Long-term relations are built on trust and continuous meeting with the requirements of the customers.

**5. *To build-up a professional organization***

As an organization, we believe in transparency and commitment in our work and with our customers. We have an experienced team for taking care of our day to day operations. We will consistently put efforts among its group of experienced employees to transform them into an outstanding team of empowered professionals which helps in further accelerating the wheels of development of the Organization.

**SUMMARY OF FINANCIAL INFORMATION**

**Annexure I**  
**STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED**

*(₹ in lakhs)*

Particulars	As at August 31, 2018	As at March 31, 2018
<b>EQUITY AND LIABILITIES</b>		
<b>1.Shareholder's fund</b>		
a) Equity Share Capital	283.59	51.00
b)Reserves and surplus	119.41	7.80
<b>Total Shareholders Fund (1)</b>	<b>403.01</b>	<b>58.80</b>
<b>2.Current liabilities</b>		
a) Short-term borrowings	67.14	92.71
b) Trade payables	85.27	191.23
c) Short-term provisions	0.57	0.53
d) Other Current Liabilities	1.91	4.77
<b>Total(2)</b>	<b>154.90</b>	<b>289.24</b>
<b>TOTAL(1+2)</b>	<b>557.90</b>	<b>348.04</b>
<b>ASSETS</b>		
<b>1.Non - Current Assets</b>		
a) Fixed Assets		
i.) Tangible assets	38.51	2.02
ii) Capital Work in Progress	45.66	57.12
b) Deferred Tax Assets	0.31	0.83
c) Other Non Current Assets	224.73	-
<b>Total (1)</b>	<b>309.21</b>	<b>59.97</b>
<b>2.Current Assets</b>		
a) Inventories	98.88	55.19
b) Trade Receivables	105.21	210.69
c) Cash and Cash equivalents	6.48	3.61
d) Other current assets	38.13	18.58
<b>Total(2)</b>	<b>248.70</b>	<b>288.07</b>
<b>TOTAL(1+2)</b>	<b>557.90</b>	<b>348.04</b>

**Annexure II**  
**STATEMENT OF PROFIT AND LOSS ACCOUNT, AS RESTATED**

(₹ in lakhs)

Particulars	For Period Ended	
	August 31, 2018	March 31, 2018
<b>INCOME:</b>		
Revenue from Operations(Net)	73.87	429.70
Other Income	-	-
<b>Total income</b>	<b>73.87</b>	<b>429.70</b>
<b>EXPENSES:</b>		
Cost Of Material Traded	67.32	408.57
Employee benefits expense	2.41	5.00
Depreciation and amortization expense	0.72	0.08
Other Expenses	1.25	5.54
<b>Total expenses</b>	<b>71.70</b>	<b>419.20</b>
<b>Net Profit / (Loss) before Tax</b>	<b>2.18</b>	<b>10.50</b>
<b>Less: Tax expense</b>		
Current tax	0.04	3.53
Deferred tax (assets)/ liabilities	0.52	(0.83)
<b>Total Tax Expense</b>	<b>0.56</b>	<b>2.70</b>
<b>Net Profit / ( Loss ) after tax</b>	<b>1.62</b>	<b>7.80</b>

**Annexure III**  
**CASH FLOW STATEMENT, AS RESTATED**

(₹ in lakhs)

Particulars	For Period Ended	
	August 31, 2018	March 31, 2018
<b>Cash Flow From Operating Activities</b>		
<b>Net Profit Before Tax</b>	<b>2.18</b>	<b>10.50</b>
Adjustments for :		
Depreciation/Amortisation	0.72	0.08
<b>Operating Profit Before Working Capital Adjustments</b>	<b>2.89</b>	<b>10.58</b>
<b>Adjustment for Changes in Working Capital</b>		
Other Current Liabilities	(2.86)	4.77
Trade payable	(105.96)	191.23
Inventories	(43.69)	(55.19)
Trade Receivables	105.48	(210.69)
Other Current Assets	(19.55)	(18.58)
<b>Cash Flow Generated from Operations</b>	<b>(63.69)</b>	<b>(77.87)</b>
Income Tax and Fringe Benefit Tax Paid	-	3.00
<b>Net Cash flow from Operating activities (A)</b>	<b>(63.69)</b>	<b>(80.87)</b>
<b>Cash Flow From Investing Activities</b>		
(Purchase)/Sale of Fixed Assets including Capital WIP	(25.74)	(59.22)
Changes in Other Non Current Assets	(224.73)	-
<b>Net Cash Flow from Investing Activities (B)</b>	<b>(250.47)</b>	<b>(59.22)</b>
<b>Cash Flow From Financing Activities</b>		
Increase / (Decrease) Short term borrowings	(25.57)	92.71
Proceeds from Share Capital (including Share Premium)	342.59	51.00
<b>Net Cash Flow from Financing Activities (C)</b>	<b>317.03</b>	<b>143.71</b>
<b>Net Increase/ ( Decrease) in Cash and Cash Equivalents (A + B + C)</b>	<b>2.87</b>	<b>3.61</b>
Cash & Cash equivalent at the beginning of the year	3.61	-
<b>Cash &amp; Cash Equivalent at the end of the year</b>	<b>6.48</b>	<b>3.61</b>

## THE ISSUE

### PRESENT ISSUE IN TERMS OF THIS DRAFT PROSPECTUS

<b>Equity Shares Offered<sup>(1)</sup>:</b> Present Issue of Equity Shares by our Company <sup>(2)</sup> :	Upto 15,00,000 Equity Shares of ₹ 10 each for cash at a price of ₹ [●] per share aggregating ₹ [●] lakhs.
<b>Which Comprises:</b>	
<b>Issue Reserved for the Market Maker</b>	Upto 84,000 Equity Shares of ₹ 10 each for cash at a price of ₹ [●] per share aggregating ₹ [●] lakhs
<b>Net Issue to the Public</b>	Upto 14,16,000 Equity Shares of ₹ 10 each for cash at a price of ₹ [●] per share aggregating ₹ [●] lakhs
	<b>Of which<sup>(3)</sup>:</b>
	Upto 7,08,000 Equity Shares of ₹ 10 each at a price of ₹ [●] per Equity Share will be available for allocation for Investors of up to ₹ 2.00 lakhs
	Upto 7,08,000 Equity Shares of ₹ 10 each at a price of ₹ [●] per Equity Share will be available for allocation for Investors of above ₹ 2.00 lakhs
<b>Equity Shares outstanding prior to the Issue</b>	28,35,946 Equity Shares
<b>Equity Shares outstanding after the Issue</b>	Upto 43,35,946 Equity Shares
<b>Objects of the Issue</b>	Please see the chapter titled “ <i>Objects of the Issue</i> ” beginning on page no. 53 of this Draft Prospectus

<sup>(1)</sup> 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 no. 153 of this Draft Prospectus.

<sup>(2)</sup> The present Issue has been authorized pursuant to a resolution of our Board dated September 27, 2018 and by Special Resolution passed under Section 62(1)(c) of the Companies Act, 2013 at an Extra Ordinary General Meeting of our shareholders held with a shorter notice on September 28, 2018.

<sup>(3)</sup> Allocation to all categories shall be made on a proportionate basis subject to valid Applications received at or above the Issue Price. 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 affected in accordance with applicable laws, rules, regulations and guidelines.

For further details please refer to the chapter titled “Issue Structure” beginning on page no. 159 of this Draft Prospectus.

## GENERAL INFORMATION

Our Company was incorporated as “*Roni Households Private Limited*” on October 09, 2017 under the Companies Act, 2013 with the Registrar of Companies, Mumbai bearing Registration No. 300575. The status of our Company was changed to a public limited company and the name of our Company was changed to “*Roni Households Limited*” by a special resolution passed on January 19, 2018. A fresh Certificate of Incorporation consequent upon conversion was issued on March 01, 2018 by the Registrar of Companies, Mumbai. Further, pursuant to Business Takeover Agreement dated April 05, 2018, our Company acquired the business of M/s. Roni Enterprises, a proprietorship concern of one of our Promoter Mr. Harish Sirwani.

The Corporate Identity Number of our Company is U25207MH2017PLC300575.

For further details, please refer to the chapter titled “*History and Certain Corporate Affairs*” beginning on page no. 85 of this Draft Prospectus.

### Brief Company and Issue Information

<b>Registered Office</b>	<b>Address:</b> Plot No. F - 55, Addl. MIDC Area, Ajanta Road, Jalgaon - 425003, Maharashtra <b>Tel No:</b> +91 77965 42369 <b>Email:</b> info@ronihouseholds.com <b>Website:</b> www.ronihouseholds.com
<b>Date of Incorporation</b>	October 09, 2017
<b>Company Registration No.</b>	300575
<b>Company Identification No.</b>	U25207MH2017PLC300575
<b>Address of Registrar of Companies</b>	Everest, 100, Marine Drive, Mumbai – 400 002. <b>Tel No.:</b> +91 22 2281 2627/ 2202 0295 /2284 6954 <b>Fax No.:</b> +91 22 2281 1977
<b>Issue Programme</b>	Issue Opens on: [●] Issue Closes on: [●]
<b>Designated Stock Exchange</b>	SME Platform of BSE Limited
<b>Chief Financial Officer</b>	Mrs. Nidhi Sirwani <b>Address:</b> Plot No. F - 55, Addl. MIDC Area, Ajanta Road, Jalgaon - 425003, Maharashtra <b>Tel No:</b> +91 77965 42369 <b>Email:</b> info@ronihouseholds.com
<b>Company Secretary &amp; Compliance Officer</b>	Mr. Mehul Shah <b>Address:</b> Plot No. F - 55, Addl. MIDC Area, Ajanta Road, Jalgaon - 425003, Maharashtra <b>Tel No:</b> +91 77965 42369 <b>Email:</b> info@ronihouseholds.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.
Mr. Harish Sirwani	Chairman & Managing Director	07844075
Mrs. Nidhi Sirwani	Whole-time Director	07941219
Mr. Manohar Sirwani	Non - Executive Director	07844076
Mr. Arvind Pande	Non - Executive Independent Director	08238902
Mr. Shailesh Bajaj	Non - Executive Independent Director	08054342

For further details pertaining to the educational qualification and experience of our Directors, for details please refer to the chapter titled “*Our Management*” beginning on page no. 89 of this Draft Prospectus.

*Note: Investors can contact the Company Secretary and Compliance Officer and/ 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 unblocking of funds. All grievances relating to the Application 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 blocked on application and designated branch or the collection centre of the SCSB/ Designated Intermediary, where the Application Form was submitted by the Applicants.

### Details of Key Intermediaries pertaining to this Issue and Our Company

#### LEAD MANAGER TO THE ISSUE



#### **ARYAMAN FINANCIAL SERVICES LIMITED**

60, Khatau Building, Ground Floor, Alkesh Dinesh Modi Marg

Opp. P.J. Tower (BSE Building), Fort, Mumbai - 400 001

**Tel. No.:** +91 22 6216 6999

**Fax No.:** +91 22 2263 0434

**Website:** www.afsl.co.in

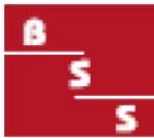
**Email:** ipo@afsl.co.in

**Investor Grievance Email:** feedback@afsl.co.in

**Contact Person:** Mrs. Jyothi Shetty

**SEBI Registration No.:** INM000011344

#### REGISTRAR TO THE ISSUE



#### **BIGSHARE SERVICES PRIVATE LIMITED**

1<sup>st</sup> Floor, Bharat Tin Works Building, Opp. Vasant Oasis

Makwana Road, Marol, Andheri (East), Mumbai - 400 059

**Tel. No.:** +91 22 6263 8200

**Fax No.:** +91 22 6263 8299

**Email:** ipo@bigshareonline.com

**Investor Grievance Email:** investor@bigshareonline.com

**Website:** www.bigshareonline.com

**Contact Person:** Mr. Srinivas Dornala

**SEBI Registration No.:** INR000001385

#### LEGAL COUNSEL TO THE ISSUE

#### **JPS LEGAL**

504, Gold Crest Business Centre

Above Westside, L.T. Road, Borivali (West)

Mumbai- 400092, Maharashtra, India

**Tel:** +91 22 2893 7321

**Fax:** +91 22 2893 7321

**Email:** jimit.shah@jpslegal.co.in

#### STATUTORY AUDITOR OF THE COMPANY / PEER REVIEW AUDITOR

#### **M/s. Raju & Prasad, Chartered Accountants**

Flat No. 7, Krunal Apartment

Ganpati Nagar, Jalgaon - 425 001

**Tel No.:** 9967738900/8291295199

**Email:** [advani.roshni@gmail.com](mailto:advani.roshni@gmail.com)

**Contact Person:** CA Roshini Advani

#### BANKERS TO OUR COMPANY

[•]

#### BANKERS TO THE ISSUE

[•]

**SELF CERTIFIED SYNDICATE BANKS**

The lists 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 THIS ISSUE**

The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the website of the Stock Exchange, at BSE Limited, as updated from time to time.

**REGISTRAR TO ISSUE AND SHARE TRANSFER AGENTS**

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

**COLLECTING DEPOSITORY PARTICIPANTS**

The list of the CDPs eligible to accept Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the website of BSE Limited, as updated from time to time.

The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Application Forms from the Designated Intermediaries will be available on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) and updated from time to time.

**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 ₹ 10,000 lakhs and hence our Company has not appointed a monitoring agency for this issue.

Pursuant to Regulation 32(3) of the SEBI (LODR) Regulations, 2015, our Company shall on a half yearly basis disclose to the Audit Committee the uses and application of the Net Proceeds. Until such time as any part of the Net Proceeds remains unutilized, our Company will disclose the utilization of the Net Proceeds under separate heads in our Company's balance sheet(s) clearly specifying the amount of and purpose for which Net Proceeds have been utilized so far, and details of amounts out of the Net Proceeds that have not been utilized so far, also indicating interim investments, if any, of such unutilized Net Proceeds. In the event that our Company is unable to utilize the entire amount that we have currently estimated for use out of the Net Proceeds in a fiscal, we will utilize such unutilized amount in the next fiscal.

Further, in accordance with Regulation 32(1)(a) of the SEBI (LODR) Regulations, 2015, our Company shall furnish to the Stock Exchanges on a half yearly basis, a statement indicating material deviations, if any, in the utilization of the Net Proceeds for the objects stated in this Draft Prospectus.

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

Our Company has received written consent from the Peer Review Auditor/ Statutory Auditor namely, M/s. Raju & Prasad, Chartered Accountants to include their names as required under section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Prospectus and as “Expert” as defined under section 2(38) of the Companies Act, 2013 in respect of the reports on the Restated Financial Statements dated September 29, 2018 and the Statement of Tax Benefits dated September 29, 2018 issued by them respectively, included in this Draft Prospectus and such consents has not been withdrawn as on the date of this Draft Prospectus.

However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

## ISSUE PROGRAMME

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

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

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

Applications and any revision to the same shall be accepted **only between 10.00 a.m. and 5.00 p.m. (IST)** during the Issue Period (except for the Issue Closing Date). On the Issue Closing Date, the Applications and any revision to the same shall be accepted between **10.00 a.m. and 3.00 p.m. (IST)** or such extended time as permitted by the Stock Exchanges, in case of Applications by Retail Individual Applicants after taking into account the total number of applications received up to the closure of timings and reported by the Lead Manager to the Stock Exchanges. It is clarified that Applications not uploaded on the electronic system would be rejected. Applications will be accepted only on Working Days, i.e., all trading days of the Stock Exchange excluding Sundays and Bank holidays.

Due to limitation of time available for uploading the Applications on the Issue Closing Date, the Applicants are advised to submit their Applications one day prior to the Issue Closing Date and in any case, no later than 3.00 p.m. (IST) on the Issue Closing Date. All times mentioned in this Draft Prospectus are Indian Standard Times. Applicants are cautioned that in the event a large number of Applications are received on the Issue Closing Date, as is typically experienced in public issuing, some Applications may not get uploaded due to lack of sufficient time. Such Applications that cannot be uploaded will not be considered for allocation under the Issue. Applications will be accepted only on Business Days. Neither our Company nor the Lead Manager is liable for any failure in uploading the Applications due to faults in any software/hardware system or otherwise.

In accordance with the SEBI Regulations, QIBs and Non-Institutional Applicants are not allowed to withdraw or lower the size of their Applications (in terms of the quantity of the Equity Shares or the Applications Amount) at any stage. Retail Individual Applicants can revise or withdraw their Applications prior to the Issue Closing Date. Except Allocation to Retail Individual Investors, Allocation in the Issue will be on a proportionate basis.

In case of discrepancy in the data entered in the electronic book vis-a-vis the data contained in the physical or the electronic Application Form, for a particular Applicant, the details as per the file received from the Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-a-vis the data contained in the physical or electronic Application Form, for a particular ASBA Applicant, the Registrar to the Issue shall ask the relevant SCSB or the member of the Syndicate for rectified data.

## UNDERWRITING

This Issue is 100% Underwritten. Our Company has entered into an Underwriting Agreement dated September 29, 2018 with the Underwriters for the Equity Shares proposed to be issued through the Issue. 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 given their consent for inclusion of their name in the Draft Prospectus as Underwriters and have indicated their intention to underwrite the following number of specified securities being issued through this Issue:

Details of the Underwriter	No. of Shares Underwritten	Amt Underwritten (₹ in lakhs)	% of the Total Issue Size Underwritten
<b>Aryaman Financial Services Ltd.</b> 60, Khatau Building, Ground Floor Alkesh Dinesh Modi Marg Opp. P.J. Tower (BSE Building) Fort, Mumbai 400 001 <b>Tel. No.:</b> +91 22 6216 6999 <b>Fax No.:</b> +91 22 2263 0434 <b>Email:</b> <a href="mailto:ipo@afsl.co.in">ipo@afsl.co.in</a>	Upto 14,16,000	[●]	[●]%
<b>Aryaman Capital Markets Ltd.</b> 60, Khatau Building, Ground Floor Alkesh Dinesh Modi Marg Opp. P.J. Tower (BSE Building) Fort, Mumbai 400 001 <b>Tel. No.:</b> +91 22 6216 6999 <b>Fax No.:</b> +91 22 2263 0434 <b>Email:</b> <a href="mailto:aryacapm@gmail.com">aryacapm@gmail.com</a>	Upto 84,000	[●]	[●]%
<b>Total</b>	<b>Upto 15,00,000</b>	<b>[●]</b>	<b>100.00%</b>

As per Regulation 106 P (2) of SEBI (ICDR) Regulations, 2009, the Lead Manager 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.

## WITHDRAWAL OF THE ISSUE

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

## MARKET MAKER



### **Aryaman Capital Markets Ltd.**

60, Khatau Building, Ground Floor, Alkesh Dinesh Modi Marg

Opp. P.J. Tower (BSE Building), Fort, Mumbai 400 001

**Tel. No.:** +91 22 6216 6999

**Fax No.:** +91 22 2263 0434

**Email:** [aryacapm@gmail.com](mailto:aryacapm@gmail.com)

**Contact Person:** Mr. Harshad Dhanawade

**SEBI Registration No.:** INZ000004739

**Market Maker Reg. No.:** SMEMM0651421122012

## Details of the Market Making Arrangement for this Issue:

Our Company and the Lead Manager, Aryaman Financial Services Limited have entered into an agreement dated September 29, 2018 with Aryaman Capital Markets Ltd., a Market Maker registered with the SME Platform of BSE Limited in order to fulfil the obligations of Market Making and ACML has given its consent for inclusion of its name in the Draft Prospectus as Market Maker.

The Market Maker shall fulfil 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 issue 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 SME Platform of BSE Limited 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 particulars point of time.

10. **Risk containment measures and monitoring for Market Maker:** SME Platform of BSE 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:** SME Platform of BSE 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.
12. The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties / fines / suspension for any type of misconduct/ manipulation/ other irregularities by the Market Maker from time to time.
13. **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 ₹ 25,000 lakhs, the applicable price bands for the first day shall be:
  - a. 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.
  - b. 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.
  - c. 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 Sales Price)
1.	Upto 50	9
2.	50 to 75	8
3.	75 to 100	6
4.	Above 100	5

**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 Draft Prospectus is set forth below:

(₹ in lakhs, except share data)

Sr. No.	Particulars	Aggregate Value at Nominal Value	Aggregate Value at Issue Price
<b>A</b>	<b>Authorised Share Capital</b>		
	4,50,00,000 Equity Shares of face value of ₹ 10 each	4,500.00	-
<b>B</b>	<b>Issued, Subscribed and Paid-up Share Capital before the Issue</b>		
	28,35,946 Equity Shares of face value of ₹ 10 each	283.59	-
<b>C</b>	<b>Present Issue in terms of this Draft Prospectus<sup>(1)</sup></b>		
	Issue of 15,00,000 Equity Shares of ₹ 10 each at a price of ₹ [●] per equity Share	150.00	[●]
	Which comprises:		
	84,000 Equity Shares of ₹ 10 each at a price of ₹ [●] per Equity Share reserved as Market Maker Portion	8.40	[●]
	Net Issue to Public of 14,16,000 Equity Shares of ₹ 10 each at a price of ₹ [●] per Equity Share to the Public	141.60	[●]
	Of which <sup>(2)</sup> :		
	7,08,000 Equity Shares of ₹ 10 each at a price of ₹ [●] per Equity Share will be available for allocation for Investors of up to ₹ 2.00 lakhs	70.80	[●]
	7,08,000 Equity Shares of ₹ 10 each at a price of ₹ [●] per Equity Share will be available for allocation for Investors of above ₹ 2.00 lakhs	70.80	[●]
<b>D</b>	<b>Equity Share Capital after the Issue</b>		
	43,35,946 Equity Shares of ₹ 10 each		433.59
<b>E</b>	<b>Securities Premium Account</b>		
	Before the Issue (as on date of this Draft Prospectus)		110.00
	After the Issue		[●]

<sup>(1)</sup> The present Issue has been authorized pursuant to a resolution of our Board of Directors dated September 27, 2018 and by Special Resolution passed under Section 62(1)(c) of the Companies Act, 2013 at an Extra Ordinary General Meeting of our shareholders held with a shorter notice on September 28, 2018.

<sup>(2)</sup> Allocation to all categories shall be made on a proportionate basis, subject to valid Applications received at or above the Issue Price. 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 affected in accordance with applicable laws, rules, regulations and guidelines.

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

### Changes in Authorized Share Capital

Since incorporation, the capital structure of our Company has been altered in the following manner:

- The initial authorised share capital of ₹ 3,00,00,000 divided into 30,00,000 Equity Shares of ₹ 10 each was increased to ₹ 4,50,00,000 divided into 45,00,000 Equity Shares of ₹ 10 each, pursuant to resolution of shareholders passed at the EGM held on September 28, 2018.

## NOTES TO THE CAPITAL STRUCTURE

### 1) Share Capital History of our Company:

#### a) Equity Share Capital

#### a. 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 (₹)
Upon Incorporation	5,10,000	10	10	Subscription to MoA	Cash	5,10,000	51,00,000	0.00
April 20, 2018 <sup>(1)</sup>	1,43,946	10	10	Pursuant to acquisition of business of M/s. Roni Enterprises pursuant to Business Takeover Agreement	Other than Cash	6,53,946	65,39,460	0.00
May 19, 2018 <sup>(2)</sup>	10,82,000	10	10	Right Issue	Cash	17,35,946	1,73,59,460	0.00
June 02, 2018 <sup>(3)</sup>	11,00,000	10	20	Right Issue	Cash	28,35,946	2,83,59,460	1,10,00,000.00

<sup>(1)</sup> Pursuant to Business Takeover Agreement dated April 05, 2018, our Company acquired the business of M/s. Roni Enterprises (Proprietorship concern of Mr. Harish Sirwani), by issue of 1,43,946 Equity shares of face value of ₹10 each to Mr. Harish Sirwani.

<sup>(2)</sup> Pursuant to Board of Directors Meeting held on April 25, 2018, our company has issued Equity Shares on Right basis in the ratio of 2:1. Certain part of consideration is financed through loans received from Promoters and certain part is financed through Cash.

<sup>(3)</sup> Pursuant to Board of Directors Meeting held on May 22, 2018, our company has issued 11,00,000 partly paid Equity Shares on Right basis in the ratio of 1:1 of which ₹1 per share (₹0.50 towards Face Value and ₹0.50 towards Premium) was paid on application. Subsequently, the said Equity Shares were made fully paid up vide Board Resolution dated August 28, 2018.

#### b. Our Company has not issued any Equity Shares for consideration other than cash except for the Equity Shares as mentioned under:

Date of Allotment	No. of Equity Shares	FV (₹)	Issue Price (₹)	Nature of Allotment	Allotted Person	Benefits Accrued to the Company
April 20, 2018 <sup>(1)</sup>	1,43,946	10	10	Pursuant to acquisition of business of M/s. Roni Enterprises pursuant to Business Takeover Agreement	Mr. Harish Sirwani	Expansion of capital

<sup>(1)</sup> Pursuant to Business Takeover Agreement dated April 05, 2018, our Company acquired the business of M/s. Roni Enterprises (Proprietorship concern of Mr. Harish Sirwani), by issue of 1,43,946 Equity shares of face value of ₹10 each to Mr. Harish Sirwani.

#### b) No shares have been allotted in terms of any scheme approved under sections 391-394 of the Companies Act, 1956.



- c) No bonus shares have been issued out of Revaluation Reserves.
- d) No shares have been issued at a price lower than the Issue Price within the last one year from the date of the Draft Prospectus except as mentioned below:

Date of Allotment	Name of the Allottees	Number of Shares	Face Value (₹)	Issue Price (₹)	Reasons	Promoter / Promoter Group
April 20, 2018 <sup>(1)</sup>	Mr. Harish Sirwani	1,43,946	10	10	Acquisition of M/s. Roni Enterprises	Yes
May 19, 2018 <sup>(2)</sup>	Mr. Harish Sirwani	7,56,400	10	10	Right Issue	Yes
	Mrs. Nidhi Sirwani	3,25,600				Yes
June 02, 2018 <sup>(3)</sup>	Mr. Harish Sirwani	6,00,000	10	20	Right Issue	Yes
	Mrs. Nidhi Sirwani	5,00,000				Yes

<sup>(1)</sup> Pursuant to Business Takeover Agreement dated April 05, 2018, our Company acquired the business of M/s. Roni Enterprises (Proprietorship concern of Mr. Harish Sirwani), by issue of 1,43,946 Equity shares of face value of ₹10 each to Mr. Harish Sirwani.

<sup>(2)</sup> Pursuant to Board of Directors Meeting held on April 25, 2018, our company has issued Equity Shares on Right basis in the ratio of 2:1. Certain part of consideration is financed through loans received from Promoters and certain part is financed through Cash.

<sup>(3)</sup> Pursuant to Board of Directors Meeting held on May 22, 2018, our company has issued Equity Shares on Right basis in the ratio of 1:1.

e) Shareholding of our Promoter

Date of Allotment / Transfer	Nature of Transaction	Consideration	No. of Shares	F.V (₹)	Issue / Transfer Price (₹)	Cumulative no. of Shares	% of Pre-Issue Paid Up Capital	% of Post-Issue Paid Up Capital	Lock in Period
<b>Mr. Harish Sirwani</b>									
On Incorporation	Subscription to MOA	Cash	2,49,900	10	10	2,49,900	8.81%	5.76%	1 Year
April 20, 2018 <sup>(1)</sup>	Pursuant to acquisition of business of M/s. Roni Enterprises pursuant to Business Takeover Agreement	Other than Cash	1,43,946	10	10	3,93,846	5.08%	3.32%	1 Year
May 19, 2018 <sup>(2)</sup>	Right Issue	Cash	7,56,400	10	10	11,50,246	26.67%	17.44%	1 Year
June 02, 2018 <sup>(3)</sup>	Right Issue	Cash	4,60,000	10	20	17,50,246	21.16%	13.84%	3 Years
			1,40,000						1 Year
<b>Mrs. Nidhi Sirwani</b>									
On Incorporation	Subscription to MOA	Cash	2,60,050	10	10	2,60,100	9.17%	6.00%	1 Year
			50						-
December 18, 2017	Transfer	Cash	(50)	10	10	2,60,050	0.00%	0.00%	1 Year
May 19, 2018 <sup>(2)</sup>	Right Issue	Cash	3,25,600	10	10	5,85,650	11.48%	7.51%	1 Year
June 02, 2018 <sup>(3)</sup>	Right Issue	Cash	4,20,000	10	20	10,85,650	17.63%	11.53%	3 Years
			80,000						1 Year

<sup>(1)</sup> Pursuant to Business Takeover Agreement dated April 05, 2018, our Company acquired the business of M/s. Roni Enterprises (Proprietorship concern of Mr. Harish Sirwani), by issue of 1,43,946 Equity shares of face value of ₹10 each to Mr. Harish Sirwani.

<sup>(2)</sup> Pursuant to Board of Directors Meeting held on April 25, 2018, our company has issued Equity Shares on Right basis in the ratio of 2:1. Certain part of consideration is financed through loans received from Promoters and certain part is financed through Cash.

(3) Pursuant to Board of Directors Meeting held on May 22, 2018, our company has issued Equity Shares on Right basis in the ratio of 1:1.

Notes:

- None of the shares belonging to our Promoter have been pledged till date.
  - The entire Promoter shares shall be subject to lock-in from the date of allotment of the equity shares issued through this Draft Prospectus for periods as per applicable Regulations of the SEBI (ICDR) Regulations. For details please see Note no. 2 of “Notes to Capital Structure” on page no. 46 of this Draft Prospectus.
  - All the shares held by our Promoter, were fully paid-up on the respective dates of acquisition of such shares.
- f) Except as mentioned below, none of the members of the Promoter, Promoter Group, Directors and their immediate relatives have purchased or sold any Equity shares of our Company within the last six months from the date of the Draft Prospectus:

Date of Transfer	Name of Transferor	Name of Transferee	No. of Shares (F.V. ₹ 10)	Price (₹)	Nature of Transaction	Nature of Consideration
December 18, 2017	Mrs. Nidhi Sirwani	Mr. Manohar Sirwani	10	10	Transfer	Cash
		Mrs. Rajan Sirwani	10	10		
		Mr. Shailesh Bajaj	10	10		
		Mr. Jitendra Lulla	10	10		
		Mr. Pankaj Malu	10	10		

- g) 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 the Draft Prospectus.

## 2) Promoter Contribution and other Lock-In details:

### i. Details of Promoter 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 Promoter shall be considered as promoter contribution (“**Promoter Contribution**”) and locked-in for a period of three years from the date of Allotment. The lock-in of the Promoter 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 <sup>(1)</sup>	As a % of Post Issue Share Capital
Mr. Harish Sirwani	4,60,000	10.61%
Mrs. Nidhi Sirwani	4,20,000	9.69%
<b>Total</b>	<b>8,80,000</b>	<b>20.30%</b>

<sup>(1)</sup> 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, please refer Note no. 1(f) under “Notes to Capital Structure” on page no. 46 of this Draft Prospectus.

We confirm that in compliance with regulation 33 of SEBI ICDR Regulations, 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 by the Promoter during the preceding one year, at a price lower than the price at which Equity Shares are being issued 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 Promoter and offered for minimum 20% Promoter 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 Promoter Contribution subject to lock-in.

The minimum Promoter Contribution has been brought to the extent of not less than the specified minimum lot and from the persons defined as Promoter under the SEBI (ICDR) Regulations, 2009. The Promoter 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.

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

ii. *Details of Shares locked-in for one year*

- Pursuant to Regulation 37 of the SEBI (ICDR) Regulations, in addition to the Promoter Contribution to be locked-in for a period of 3 years, as specified above, the entire Pre-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 Promoter 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 Draft Prospectus, none of the Equity Shares held by our Promoter 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 Promoter, which are locked in as per Regulation 36 of the SEBI (ICDR) Regulations, may be transferred to and amongst our Promoter/ 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 Promoter, 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.

3) **Pre-Issue and Post Issue Shareholding of our Promoter and Promoter Group**

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

Category of Promoter	Pre Issue		Post Issue	
	No. of Shares	%	No. of Shares	%
<b>1. Promoter</b>				
Mr. Harish Sirwani	17,50,246	61.72%	17,50,246	40.37%
Mrs. Nidhi Sirwani	10,85,650	38.28%	10,85,650	25.04%
<b>2. Promoter Group (as defined by SEBI (ICDR) Regulations)</b>				
Mr. Manohar Sirwani	10	Negligible	10	Negligible
Mrs. Rajani Sirwani	10	Negligible	10	Negligible
<b>Total Promoter &amp; Promoter Group Holding</b>	<b>28,35,916</b>	<b>100.00%</b>	<b>28,35,916</b>	<b>65.40%</b>
<b>Total Paid up Capital</b>	<b>28,35,946</b>	<b>100.00%</b>	<b>43,35,946</b>	<b>100.00%</b>

4) **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 Draft Prospectus are:

Sr. No.	Particulars	No. of Shares	% of Pre- Issue Share Capital
1.	Mr. Harish Sirwani	17,50,246	61.72%
2.	Mr. Nidhi Sirwani	10,85,650	38.28%
3.	Mr. Manohar Sirwani	10	Negligible
4.	Mrs. Rajani Sirwani	10	Negligible
5.	Mr. Shailesh Bajaj	10	Negligible
6.	Mr. Jitendra Lulla	10	Negligible
7.	Mr. Pankaj Malu	10	Negligible
<b>Total</b>		<b>28,35,946</b>	<b>100.00%</b>

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

Sr. No.	Particulars	No. of Shares	% of Pre- Issue Share Capital
1.	Mr. Harish Sirwani	17,50,246	61.72%
2.	Mr. Nidhi Sirwani	10,85,650	38.28%
3.	Mr. Manohar Sirwani	10	Negligible
4.	Mrs. Rajani Sirwani	10	Negligible
5.	Mr. Shailesh Bajaj	10	Negligible
6.	Mr. Jitendra Lulla	10	Negligible
7.	Mr. Pankaj Malu	10	Negligible
<b>Total</b>		<b>28,35,946</b>	<b>100.00%</b>

c) The top ten Shareholders of our Company two years prior to date of this Draft Prospectus: Our Company has been recently incorporated in the year 2017 and it has not completed two years since incorporation.

- 5) Neither the Company, nor its Promoter, Directors or the Lead Manager have entered into any buyback and/or standby arrangements for purchase of Equity Shares of the Company with any person.
- 6) 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 no. 89 of this Draft Prospectus.
- 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 no. 161 of this Draft Prospectus. 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, as amended from time to time.
- 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 Promoter 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.
- 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 Promoter to the persons who receive allotments, if any, in this Issue.

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- 12) As on date of this Draft Prospectus, there are no outstanding financial instruments or any other rights that would entitle the existing Promoter or shareholders or any other person any option to receive Equity Shares after the Issue.
  - 13) 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.
  - 14) 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 Draft Prospectus the entire pre-issue share capital of the Company has been made fully paid up.
  - 15) Except as disclosed in the Draft 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.
  - 16) 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 Draft Prospectus.
  - 17) As on date of this Draft 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.
  - 18) Our Company shall ensure that transactions in the Equity Shares by our Promoter and our Promoter Group between the date of this Draft Prospectus and the Issue Closing Date shall be reported to the Stock Exchange within 24 hours of such transaction.
  - 19) The Lead Manager and its associates do not directly or indirectly hold any shares of the Company.
  - 20) Our Promoter, Promoter Group, Group Companies will not participate in the Issue.
  - 21) Our Company has Seven (7) shareholders, as on the date of this Draft Prospectus.
  - 22) Our Company has not revalued its assets and we do not have any revaluation reserves till date.
  - 23) Our Company has not made any public issue (including any rights issue to the public) since its incorporation.

#### 24) Shareholding pattern of our Company

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

Category (I)	Category of Share-holder (II)	No. of Share-holder (III)	No. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares Underlying Depository Receipts (VI)	Total Nos. Shares held (VII) = (IV) + (V) + (VI)	Share holding as a % of total No. of Shares (calculated As per SCRR, 1957)(VIII) As a % of (A+B+C2)	Number of Voting Rights held in each Class of securities (IX)				No of Underlying Outstanding Convertible securities (incl. Warrants) (X)	Share Holding as a % assuming Full convertible securities (as a % of Diluted Share Capital)(XI)=(VII)+(X) As a % of (A+B+C2)	Number of Locked In shares (XII)		No. of shares Pledged Or Otherwise encumbered (XIII)		No. of Equity shares held in De-mat form (XIV)
								No of voting Right			Total As a % of (A+B+C)			No (a)	As a % of total shares held (b)	No (a)	As a % of total shares held (b)	
								Class-Equity	Class	Total								
(A)	Promoter & Promoter Group	4	28,35,916	-	-	28,35,916	100.00%	28,35,916	-	28,35,916	100.00%	-	100.00%	-	-	-	-	-
(B)	Public	3	30	-	-	30	0.00%	30	-	30	0.00%	-	0.00%	-	-	-	-	-
(C)	Non Promoter Non Public																	
(C1)	Shares Underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total</b>	<b>7</b>	<b>28,35,946</b>	<b>-</b>	<b>-</b>	<b>28,35,946</b>	<b>100.00%</b>	<b>28,35,946</b>	<b>-</b>	<b>28,35,946</b>	<b>100.00%</b>	<b>-</b>	<b>100.00%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

25) There are no Public Shareholders holding more than 1% of the pre-issue paid-up capital of our Company.

## SECTION IV – PARTICULARS OF THE ISSUE

### OBJECTS OF THE ISSUE

The objectives of the issue are to raise funds for:

- (a) Working Capital Requirements
- (b) Repayment of Unsecured loan;
- (c) Funding expenditure for General Corporate Purposes

Further, our Company expects that the listing of the Equity Shares on the stock exchange will enhance our visibility and our brand image among our existing and potential stakeholders.

The Main Objects clause as set out in the Memorandum of Association enables our Company to undertake its existing activities and the activities for which funds are being raised by our Company through the Present Issue.

#### Issue Proceeds

Particulars	Amt. (₹ in lakhs)
Gross Proceeds from the Issue	[●]
Less: Issue Expenses	[●]
<b>Net Proceeds from the Issue</b>	<b>[●]</b>

#### Requirement of Funds and utilization of Issue proceeds

The fund requirements described below are based on internal management estimates and our Company's current business plan and have not been appraised by any bank, financial institution.

We intend to utilize the Net Proceeds of the Issue ("Net Proceeds") of ₹ [●] lakhs for financing the objects as set forth below:

Sr. No.	Particulars	Amt. (₹ in lakhs)
1.	Repayment of Unsecured Loan	125.23
2.	Working Capital Requirements	[●]
3.	Funding expenditure for General Corporate Purposes	[●]
<b>Total</b>		<b>[●]</b>

\* The above utilization of funds is expected to complete in FY 2018-19.

#### Means of Finance

The entire fund requirements are to be financed from the Net Issue Proceeds, and there is no requirement to make firm arrangements of finance under Regulation 4(2)(g) of the SEBI Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the Issue.

In case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in this Issue.

If surplus funds are unavailable or in case of cost overruns, we expect that the shortfall will be met from internal accruals and/or entering into funding arrangements as required. Any variation in the objects of the Issue shall be undertaken in accordance with the terms of the Companies Act and the rules framed thereunder.

In case of delays in raising funds from the Issue, our Company may deploy certain amounts towards any of the above mentioned Objects through a combination of Internal Accruals or Unsecured / Bridge Loans and in such case the Funds raised shall be utilized towards recouping of Internal Accruals. However, we confirm that except as mentioned below no unsecured / bridge financing has been availed as on date for the above mentioned objects, which is subject to being repaid from the Issue Proceeds.

The fund requirement and deployment is based on internal management estimates and have not been appraised by any bank or financial institution. Our management, in response to the competitive and dynamic nature of the

industry, will have the discretion to revise its business plan from time to time and consequently our funding requirement and deployment of funds may also change. This may, subject to compliance with applicable laws and regulations, also include rescheduling the proposed utilization of Issue Proceeds and increasing or decreasing expenditure for a particular object vis-à-vis the utilization of Issue Proceeds.

For further details on the risks involved in our proposed fund utilization as well as executing our business strategies, please see “*Risk Factors*” beginning on page no. 10 of this Draft Prospectus.

## Details of Fund Requirements

### 1) Repayment of unsecured loan

We have from time to time availed Unsecured Loans from directors. These were primarily used for business working capital purposes and are repayable on demand. As on September 26, 2018, the amount outstanding from our directors was ₹116.14 Lakhs. For further details, see “*Financial Statements*” beginning on page no. 111 of this Draft Prospectus.

Our Company proposes to utilize an amount of ₹ 116.14 Lakhs out of the Net Proceeds towards repayment/pre-payment in part of certain borrowings/loans listed in the table below. We believe that such repayment/prepayment will help reduce our outstanding indebtedness and improve our debt-equity ratio. We believe that reducing our indebtedness will result in enhanced equity base, reduce our financial costs, improve our profitability and improve our leverage capacity. Following are the details of the loans we intend to repay from the issue proceeds. Following are the details of the loans we intend to repay from the issue proceeds:

Sr. No	Particulars	Amount (₹ in lakhs)
1.	Mr. Harish Sirwani	40.54
2.	Mrs. Nidhi Sirwani	75.60
<b>Total</b>		<b>116.14</b>

### 2) Working Capital Requirements

Our Company currently trades in plastic granules and plastic household products which includes tub, buckets, ghamela etc. We intend to further expand our business by manufacturing plastic products for household use. We have taken a land on lease in MIDC Jalgaon for the proposed manufacturing unit. A part of our proposed manufacturing unit has been set up and trial manufacturing process has started.

Our proposed manufacturing business is working capital intensive and we have proposed to use ₹ [●] lakhs out of the issue proceeds to meet the increase in working capital requirements.

The company is currently trading in plastic grannuals and plastic households products and intend to further expand its business by manufacturing plastic products for household use.; the historical audited data is not comparable with the estimated data. The details of our Company’s expected working capital requirement as at March 31, 2019 is set out in the table below:

		(₹ in lakhs)
Particulars		Fiscal 2019
<b>Current Assets</b>		
Inventories		80.51
Debtors		144.51
Other Current Assets		12.50
<b>Total Current Assets (A)</b>		<b>237.52</b>
<b>Less: Current Liabilities</b>		
Trade Payables		16.29
Other Current Liabilities		2.50
<b>Total Current Liabilities (B)</b>		<b>18.79</b>



Particulars	Fiscal 2019
<b>Working Capital Gap (A-B)</b>	<b>218.73</b>
<b>Funded By:</b>	
Bank Borrowings	<b>95.00</b>
Internal Accruals	[●]
IPO Funding	[●]

#### Justification for holding period levels

Particulars	Details
<b>Current Assets</b>	
Inventories	We procure our raw material required for manufacturing of products in bulk in advance based on estimated requirement and for trading, we procure on order to order basis and these bring down our inventory levels. Hence we have estimated the inventory levels at an average 63 days.
Trade Receivables	Being a trading and manufacturing company we normally provide goods on credit to our customers. Our sales collection tenures would differ from customer to customer. Hence we have estimated the trade receivable levels at an average of 65 days.
<b>Current Liabilities</b>	
Trade Payables	We have estimated the trade payable levels at an average of 10 days. By making early payments to the suppliers (i.e. availing lower credit periods), the company shall be able to get competitive prices for its products, thereby increasing the profitability of the Company. Thus the Company has estimated lower credit period which would in turn help in reducing the cost of goods sold and improve profitability margins.

### 3) General Corporate Purposes

We propose to deploy ₹ [●] lakhs, aggregating to [●] % of the Net Proceeds of the Fresh Issue towards general corporate purposes, including but not restricted to strategic initiatives, partnerships, joint ventures and acquisitions, meeting exigencies which our Company may face in the ordinary course of business, to renovate and refurbish certain of our existing Company owned/ leased and operated facilities or premises, towards general expenses of the company or any other purposes as may be approved by our Board.

We confirm that any Issue related expenses shall not be considered as a part of General Corporate Purpose. Further, we confirm that the amount for general corporate purposes, as mentioned in this Draft Prospectus, shall not exceed 25% of the amount raised by our Company through this Issue.

#### ISSUE RELATED EXPENSES

The total estimated Issue Expenses are ₹ [●] lakhs, which is [●] % of the total Issue Size. The details of the Issue Expenses are tabulated below:

Sr. No.	Particulars	Amount (₹ in lakhs)	% of Total Expenses	% of Total Issue size
1.	Issue Management fees including fees and reimbursements of Market Making fees (1 <sup>st</sup> year), and payment to other intermediaries such as Legal Advisors, Registrars and other out of pocket expenses.	[●]	[●]	[●]
2.	Brokerage and Selling Commission, Underwriting Commission, RTAs and CDPs <sup>(1)(2)(3)(4)</sup>	[●]	[●]	[●]
3.	Advertisement, Printing & Stationery, Marketing Expenses, etc.	[●]	[●]	[●]
4.	Listing Fees, Market Regulatory & Other Expenses	[●]	[●]	[●]
	<b>Total</b>	<b>[●]</b>	<b>[●]</b>	<b>[●]</b>

<sup>(1)</sup> The SCSBs and other intermediaries will be entitled to a commission of ₹ 10/- per every valid Application Form submitted to them and uploaded on the electronic system of the Stock Exchange by them.

- (2) *The SCSBs would be entitled to processing fees of ₹ 10/- per Application Form, for processing the Application Forms procured by other intermediaries and submitted to the SCSBs.*
- (3) *Further the SCSBs and other intermediaries will be entitled to selling commission of 0.01% of the Amount Allotted (product of the number of Equity Shares Allotted and the Issue Price) for the forms directly procured by them and uploaded on the electronic system of the Stock Exchange by them.*
- (4) *The payment towards commission and processing fees will be completed within 30 days from the date of receipt of final invoice from the respective entities.*

### **Appraisal and Bridge Loans**

The Objects of the Issue and deployment of Issue funds have not been appraised by any banks, financial institutions or agency. Further, our Company has not raised any bridge loans from any bank or financial institution as on the date of this Draft Prospectus, which are proposed to be repaid from the Net Issue Proceeds.

### **Year wise Deployment of Funds / Schedule of Implementation**

As on the date of this Draft Prospectus, no funds have been deployed on these objects. The entire Issue size is proposed to be deployed in the Financial Year 2018 – 19.

### **Monitoring of Utilization of Funds**

There is no requirement for a monitoring agency as the Fresh Issue size is less than ₹ 10,000 lakhs. Pursuant to Regulation 32(3) of the SEBI (LODR) Regulations, 2015, our Company shall on a half yearly basis disclose to the Audit Committee the uses and application of the Net Fresh Issue Proceeds. Until such time as any part of the Net Proceeds remains unutilized, our Company will disclose the utilization of the Net Proceeds under separate heads in our Company's balance sheet(s) clearly specifying the amount of and purpose for which Net Proceeds have been utilized so far, and details of amounts out of the Net Proceeds that have not been utilized so far, also indicating interim investments, if any, of such unutilized Net Proceeds.

In the event that our Company is unable to utilize the entire amount that we have currently estimated for use out of the Net Proceeds in a fiscal, we will utilize such unutilized amount in the next fiscal. Further, in accordance with Regulation 32(1)(a) of the SEBI (LODR) Regulations, 2015, our Company shall furnish to the Stock Exchanges on a half yearly basis, a statement indicating material deviations, if any, in the utilization of the Net Proceeds for the objects stated in this Draft Prospectus.

### **Interim Use of Funds**

Pending utilization of the Net Fresh Issue Proceeds for the purposes described above, our Company will deposit the Net Fresh Issue Proceeds with scheduled commercial banks included in schedule II of the RBI Act. Our Company confirms that it shall not use the Net Fresh Issue Proceeds for buying, trading or otherwise dealing in shares of any listed company or for any investment in the equity markets.

### **Variation in Objects**

In accordance with Section 27 of the Companies Act, 2013, our Company shall not vary the objects of the Issue without our Company being authorized to do so by the Shareholders by way of a special resolution. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details as required under the Companies Act. The notice in respect of such resolution to Shareholders shall simultaneously be published in the newspapers, one in English and one in Regional language of the jurisdiction where our Registered Office is situated. The Shareholders who do not agree to the above stated proposal, our Promoter or controlling Shareholders will be required to provide an exit opportunity to such dissenting Shareholders, at a price as may be prescribed by SEBI, in this regard.

### **Other Confirmations**

No part of the Net Proceeds of the Fresh Issue will be paid by our Company as consideration to our Promoter, our board of Directors, our Key Management Personnel or Group Companies except in the normal course of business and in compliance with applicable law.

## BASIC TERMS OF THE ISSUE

### Terms of the Issue

The Equity Shares, now being issued, are subject to the terms and conditions of this Draft 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.

### Approval for the Issue

The present Issue has been authorized pursuant to a resolution of our Board dated September 27, 2018 and by Special Resolution passed under Section 62(1)(c) of the Companies Act, 2013 at an Extra-Ordinary General Meeting of our shareholders held with a shorter notice on September 28, 2018.

### Other Details

<b>Face Value</b>	The Equity Shares having a face value of ₹ 10 each are being issued in terms of this Draft Prospectus. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.
<b>Issue Price</b>	The Equity Shares pursuant to this Draft Prospectus are being issued at a price of ₹ [●] each.
<b>Market Lot and Trading Lot</b>	The Market lot and Trading lot for the Equity Share is [●] and in multiples of [●] thereafter; subject to a minimum allotment of [●] Equity Shares to the successful applicants.
<b>Terms of Payment</b>	Applications should be for a minimum of [●] equity shares and in multiples of [●] equity shares thereafter. The entire Issue Price of the equity shares of ₹ [●] per share 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 / unblocked to the applicants.
<b>Ranking of the Equity Shares</b>	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

The requirement for 90% minimum subscription in terms of Regulation 14 of the ICDR Regulations is not applicable to the Issue. In terms of Regulation 106P(1) of the ICDR Regulations, the Issue is not restricted to any minimum subscription level and is 100% underwritten. Further, pursuant to Regulation 106R of the ICDR Regulations, our Company shall ensure that the number of prospective allottees to whom Equity Shares will be allotted shall not be less than 50.

If we do 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, we shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after we become liable to pay the amount, we shall pay interest prescribed under the applicable provisions 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 ₹ [●] per Equity Shares and is [●] times of the face value. Investors should read the following basis with the sections titled “Risk Factors” and “Financial Information” and the chapter titled “Our Business” beginning on page nos. 10, 111 and 73 respectively, of this Draft 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:

- ✓ Strong Balance Sheet and Financial Condition
- ✓ Favourable Government Schemes
- ✓ Existing Supplier Relationship through our Promoter - Mr. Harish Sirwani
- ✓ Experienced Promoters and a good employee base.
- ✓ Existing Client Base through our Promoter

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 no. 74 of this Draft Prospectus.

### Quantitative Factors

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

#### 1) Earnings per Share (EPS)

Particulars	Basic and Diluted EPS (in ₹)
For the period ended March 31, 2018*	0.89

\*Not annualised

For the period ended August 31, 2018, EPS was ₹ 0.07 (not annualised)

#### Notes:

1. Basic EPS has been calculated as per the following formula:

$$\text{Basic EPS (₹)} = \frac{\text{Net profit / (loss) as restated, attributable to Equity Shareholders}}{\text{Weighted average number of Equity Shares outstanding during the year / period}}$$

2. Diluted EPS has been calculated as per the following formula:

$$\text{Diluted EPS (₹)} = \frac{\text{Net profit / (loss) as restated, attributable to Equity Shareholders}}{\text{Diluted Weighted average number of Equity Shares outstanding during the year / period}}$$

3. Earnings per share calculations are in accordance with Accounting Standard 20 “Earnings per Share” prescribed by the Companies (Accounting Standard) Rules, 2006

#### 2) Price Earnings Ratio (P/E) in relation to the Issue price of ₹ [●] per share of ₹ 10 each

Particulars	
P/E ratio based on Basic and Diluted EPS as at March 31, 2018	[●]

Industry P/E	
Highest – EPC Inds	81.7
Lowest – Jasch Inds	12.1
Industry Average	28.1

(Source: Capital Market, Vol. XXXIII/16, September 24 – October 07, 2018; Segment: Plastic Products)

### 3) Return on Net Worth (RoNW)

For the period ended	RoNW (%)
For the period ended March 31, 2018	13.26%

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

$$\text{RoNW} = \frac{\text{Net profit /loss after tax, as restated}}{\text{Net worth excluding preference share capital and revaluation reserve}}$$

- 4) Minimum Return on Net Worth (RoNW) after the Issue needed to maintain the Pre – Issue Basic & Diluted EPS of ₹ 0.89 for the period ended March 31, 2018 (based on Restated Financials) at the Issue Price of ₹ [●] is [●] %.

### 5) Net Asset Value (NAV)

Financial Year	Standalone
NAV as at August 31, 2018	₹14.21
NAV as at March 31, 2018	₹11.53
NAV after Issue	₹ [●]
Issue Price	₹ [●]

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

$$\text{NAV} = \frac{\text{Net worth excluding preference share capital and revaluation reserve}}{\text{Outstanding number of Equity shares outstanding during the year / period}}$$

### 6) Comparison with Industry peers

We believe that there is no other listed company which is specifically comparable to us w.r.t. our business model and size.

- 7) The Company and the Selling Shareholder in consultation with the Lead Manager believes that the Issue price of ₹ [●] 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 Draft 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 [●] times of the face value i.e. ₹ [●] per share.

**STATEMENT OF TAX BENEFITS**

To  
The Board of Directors,  
**Roni Households Limited**  
Plot No. F-55, Addl. MIDC Area  
Ajanta Road, Jalgaon -425003

Dear Sirs,

**Sub: Statement of Possible Special Tax Benefits available to Roni Households Limited and its shareholders prepared in accordance with the requirements under Schedule VIII – Clause (VII) (L) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended (the ‘Regulations’)**

We hereby report that the enclosed annexure prepared by Roni Households Limited, states the possible special tax benefits available to Roni Households Limited (‘the Company’) and the shareholders of the Company under the Income Tax Act, 1961 (‘Act’), presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the special tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the company may or may not choose to fulfill.

The benefits discussed in the enclosed Annexure cover only special tax benefits available to the Company and do not cover any general tax benefits available to the Company. Further, the preparation of enclosed statement and the contents stated therein is the responsibility of the Company’s management. We are informed that, this Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering of equity shares (“the Issue”) by the Company.

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

- a) The Company or its Equity Shareholders will continue to obtain these benefits in future; or
- b) The conditions prescribed for availing the benefits have been / would be met with.

The contents of the enclosed statement 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.

Our views are based on facts and assumptions indicated to us and the existing provisions of tax law and its interpretations, which are subject to change or modification from time to time by subsequent legislative, regulatory, administrative, or judicial decisions. Any such changes, which could also be retrospective, could have an effect on the validity of our views stated herein. We assume no obligation to update this statement on any events subsequent to its Issue, which may have a material effect on the discussions herein.

This report including enclosed annexure is intended solely for your information and for the inclusion in the Draft Prospectus/ Prospectus or any other Issue related material in connection with the proposed initial public issue of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

**For M/s. Raju & Prasad Chartered Accountants,**  
**Chartered Accountants**  
(Firm Registration No. 003475S)

**CA Roshni Advani**  
**Partner**  
Membership No: 116727  
Place: Jalgaon  
Date: September 29, 2018

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**ANNEXURE TO THE STATEMENT OF TAX BENEFITS**

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

**YOU SHOULD CONSULT YOUR OWN TAX ADVISORS CONCERNING THE INDIAN TAX IMPLICATIONS AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN YOUR PARTICULAR SITUATION.**

**A. SPECIAL TAX BENEFITS TO THE COMPANY**

NIL

**B. SPECIAL TAX BENEFITS TO THE SHAREHOLDER**

NIL

**Note:**

1. All the above statements are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.
2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.
3. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Issue.
4. We have not commented on the taxation aspect under any law for the time being in force, as applicable, of any country other than India. Each investor is advised to consult its own tax consultant for taxation in any country other than India.

## SECTION V – ABOUT THE 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.*

### OVERVIEW OF THE GLOBAL AND INDIAN ECONOMY

#### Global Scenario

The upswing in global investment and trade continued in the second half of 2017. At 3.8 percent, global growth in 2017 was the fastest since 2011. With financial conditions still supportive, global growth is expected to tick up to a 3.9 percent rate in both 2018 and 2019. Advanced economies will grow faster than potential in 2018 and the next year; euro area economies are set to narrow excess capacity with support from accommodative monetary policy, and expansionary fiscal policy will drive the US economy above full employment. Aggregate growth in emerging market and developing economies is projected to firm further, with continued strong growth in emerging Asia and Europe and a modest upswing in commodity exporters after three years of weak performance.

Global growth is projected to soften beyond the next couple of years. Once their output gaps close, most advanced economies are poised to return to potential growth rates well below pre-crisis averages, held back by aging populations and lackluster productivity. US growth will slow below potential as the expansionary impact of recent fiscal policy changes goes into reverse. Growth is projected to remain subpar in several emerging market and developing economies, including in some commodity exporters that continue to face substantial fiscal consolidation needs.

Economic activity in 2017 ended on a high note growth in the second half of the year was above 4 percent, the strongest since the second half of 2010, supported by a recovery in investment. Outcomes exceeded the October 2017 World Economic Outlook forecasts in the euro area, Japan, the United States, and China, and continued to improve gradually in commodity exporters. Financial conditions remain supportive, despite the recent volatility in equity markets and increases in bond yields following signs of firming inflation in advanced economies. With broad-based momentum and expectations of a sizable fiscal expansion in the United States over this year and the next, global growth is now projected at 3.9 percent for 2018–19, a 0.2 percentage point upgrade for both years relative to the October 2017 forecast.

This positive momentum will eventually slow, however, leaving many countries with a challenging medium-term outlook. Some cyclical forces will wane: financial conditions are expected to tighten naturally with the closing of output gaps and monetary policy normalization; US tax reform will subtract momentum starting in 2020, and then more strongly as full investment expensing is phased out starting in 2023; and China's transition to lower growth is expected to resume as credit growth and fiscal stimulus diminish. At the same time, while the expected recovery in investment will help raise potential output, weak productivity trends and reduced labor force growth due to population aging constrain medium-term prospects in advanced economies. The outlook is mixed across emerging market and developing economies. Prospects remain favorable in emerging Asia and Europe, but are challenging in Latin America, the Middle East and sub-Saharan Africa, where despite some recovery the medium term outlook for commodity exporters remains generally subdued, with a need for further economic diversification and adjustment to lower commodity prices. More than one-quarter of emerging market and developing economies are projected to grow by less than advanced economies in per capita terms over the next five years, and hence fall further behind in terms of living standards.

Risks around the short-term outlook are broadly balanced, but risks beyond the next several quarters are clearly to the downside. On the upside, the growth spurt in advanced economies may turn out to be stronger and more durable than in the baseline, as slack in labor markets can be larger than currently assessed. Furthermore, the ongoing recovery in investment could foster a rebound in productivity, implying higher potential growth going forward. In the United States, financial conditions could tighten faster than expected, triggered, for example, by



an adjustment in market pricing of the future path of monetary policy, higher realized or expected wage and price inflation, and/or a sudden decompression of term premiums. Tighter financial conditions in the United States would have spillovers to other economies, including through a reduction in capital flows to emerging markets. Very expansionary fiscal policy in the United States, at a time when the current account deficit is already larger than justified by fundamentals, combined with persistent excess current account surpluses in other countries, is projected to widen global imbalances. Anxiety about technological change and globalization is on the rise and, when combined with wider trade imbalances, could foster a shift toward inward-looking policies, disrupting trade and investment. Recent import restrictions announced by the United States, announced retaliatory actions by China and potential retaliation by other countries raise concerns in this regard and threaten to damage global and domestic activity and sentiment. Similarly, changes in US tax policies are expected to exacerbate income polarization, which could affect the political climate for policy choices in the future. Climate change, geopolitical tensions, and cyber security breaches pose additional threats to the subdued medium-term global outlook.

(Source: <https://www.imf.org/en/Publications/WEO/Issues/2018/03/20/world-economic-outlook-april-2018>)

### **Indian Scenario**

India has emerged as the fastest growing major economy in the world as per the Central Statistics Organisation (CSO) and International Monetary Fund (IMF) and it is expected to be one of the top three economic powers of the world over the next 10-15 years, backed by its strong democracy and partnerships. Indian economy is expected to grow at a rate of 6.7 per cent in the year 2017-18 and in the next financial year 2018-19 the economy is expected to grow at a rate of 7.2 per cent. The improvement in India's economic fundamentals has accelerated in the year 2015 with the combined impact of strong government reforms, Reserve Bank of India's (RBI) inflation focus supported by benign global commodity prices.

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

During September 2017, eight core infrastructure industries grew by 5.2 per cent, as compared to 4.9 per cent growth in August 2017 and 5.3 per cent growth in September 2016. The growth of core industries during April-September 2017 was 3.3 per cent, as compared to 5.4 per cent growth during the same period last year.

Overall growth in the Index of Industrial Production (IIP) was 3.8 per cent in September 2017, as compared with 4.3 per cent growth in August 2017 and 5.0 per cent growth in September 2016. During April-September 2017, IIP growth was 2.5 per cent as compared to growth of 5.9 per cent during the same period last year.

Foreign exchange reserves were US\$ 398.8 billion as on October 27, 2017, as against US\$ 370 billion in March 2017. (Source: [Indian Economic Development and Growth Monthly Economic Report- www.ibef.org](http://www.ibef.org/indian-economic-development-and-growth-monthly-economic-report))

Economic growth is projected to remain strong and India will remain the fastest growing G20 economy. The increase in public wages and pensions will support consumption. Private investment will recover gradually as excess capacity diminishes, and the landmark Goods and Services Tax and other measures to improve the ease of doing business are being implemented. However, large non-performing loans and high leverage of some companies are holding back investment. Monetary policy is projected to remain tight as inflation expectations have still not fully adjusted down. The need to reduce the relatively high public-debt-to-GDP ratio leaves little room for fiscal stimulus.

(Source: <http://www.oecd.org/eco/outlook/economic-forecast-summary-india-oecd-economic-outlook-june-2017.pdf>)

### **OVERVIEW OF GLOBAL PLASTICS INDUSTRY**

Global economic growth is generally interlinked to petrochemical consumption where plastic is an important partner. Plastic processing is the pillar of economy in most of the advanced economies.

(Source: <https://www.moneycontrol.com/news/business/startup/current-scenarioway-forward-for-indian-plastic-industry-1045326.html>)

### **Plastics Industry Multiples**

Despite recent volatility, valuation multiples continue to be near all-time highs across each of the plastic end market sectors, as well as the overall market:

- Particularly within the U.S. market, there is somewhat of a supply/demand imbalance (i.e., more interest in plastics businesses relative to the number of quality companies available for sale) contributing to the high valuation levels that continue to be prevalent in the marketplace.
- Looking at publicly traded companies within the plastics industry, medical, packaging, machinery, and automotive multiples were up during 2017, although all segments are trading at very high levels.
- Major market indices are another indicator of high valuation levels, with the Dow Jones Industrial Average, S&P 500, and Nasdaq extending their highs from 2016 with increases of 24%, 18% and 27%, respectively, in 2017.
- In addition, new lower corporate tax rates, all things equal, could lead to higher cash flows for businesses, which could help sustain or increase valuation levels for plastics companies.  
(Source: <https://www.stout.com/insights/industry-update/plastics-industry-yir-2017>)

### Main Plastic Resin Types and Their Applications in Packaging

 PET		Water and soft drink bottles, salad domes, biscuit trays, salad dressing and peanut butter containers
 HDPE		Milk bottles, freezer bags, dip tubs, crinkly shopping bags, ice cream containers, juice bottles, shampoo, chemical and detergent bottles
 PVC		Cosmetic containers, commercial cling wrap
 LDPE		Squeeze bottles, cling wrap, shrink wrap, rubbish bags
 PP		Microwave dishes, ice cream tubs, potato chip bags, and dip tubs
 PS		CD cases, water station cups, plastic cutlery, imitation "crystal glassware", video cases
 EPS		Foamed polystyrene hot drink cups, hamburger take-away clamshells, foamed meat trays, protective packaging for fragile items
 OTHERS		Water cooler bottles, flexible films, multi-material packaging

(Source: [http://www3.weforum.org/docs/WEF\\_The\\_New\\_Plastics\\_Economy.pdf](http://www3.weforum.org/docs/WEF_The_New_Plastics_Economy.pdf))

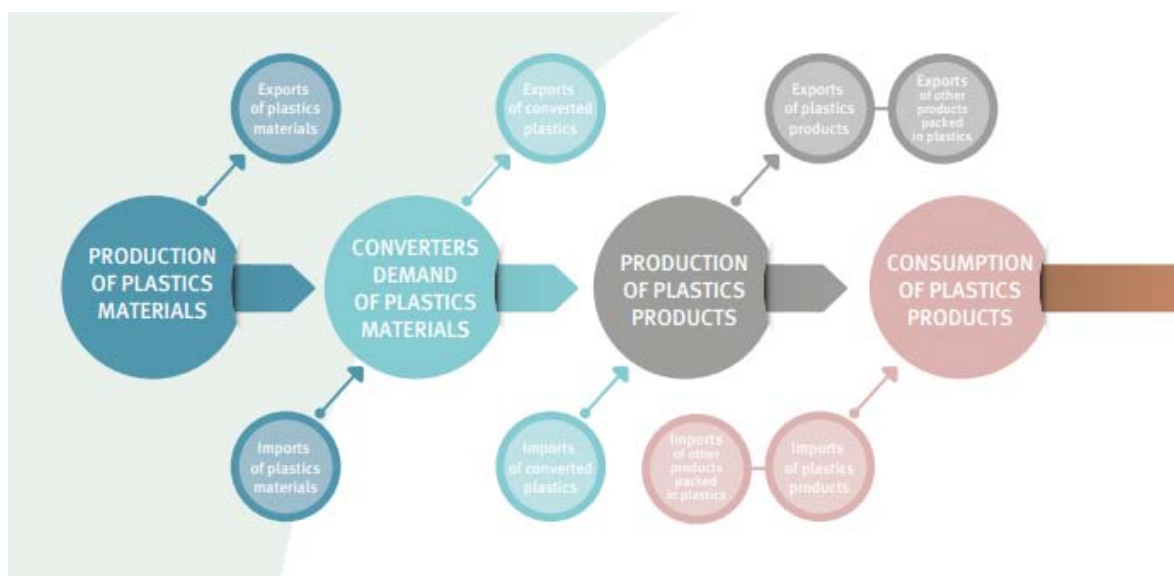
## Applications and benefits of different Plastic Products

Plastic	Applications	Benefits
<b>PET</b>	Food jars for jelly, jam and pickles Plastic bottles for soft drinks, water, juice Ovenable film and microwavable food trays	Excellent resistance to most solvents High impact capability and shatter resistance Clear and optically smooth surfaces
<b>HDPE</b>	Cereal box liners Reusable shipping containers Bottles for non-food items, such as shampoo, liquid laundry detergent, household cleaners, motor oil etc.	Relatively stiff material with useful temperature capabilities Higher tensile strength
<b>PVC</b>	Rigid packaging applications include blister packs and clamshells. Packaging, film and sheet, and loose-leaf binders. Flexible packaging uses include bags for bedding and medical	High impact strength Brilliant clarity Excellent processing performance
<b>LDPE</b>	Container lids Shrink wrap and stretch film. Squeezable bottles (e.g., honey and mustard).	Excellent resistance to acids, bases and vegetable oils Toughness, flexibility and relative transparency
<b>PP</b>	Medicine bottles Bottle caps and closures Bottles for catsup and syrup.	Low moisture vapor transmission Inertness toward acids, alkalis and most solvents
<b>PS</b>	Protective foam packaging for furniture, electronics and other delicate items. Packing compact disc cases and aspirin bottles	Low thermal conductivity and excellent insulation properties Excellent moisture barrier for short shelf life products

(Source: [ficci.in/spdocument/20690/plastic-packaging-report.pdf](https://www.ficci.in/spdocument/20690/plastic-packaging-report.pdf))

## Life Cycle

In order to understand the life cycle of plastics products it is important to understand that not all plastics products are the same and not all have the same service life. Some plastic products have a shelf life of less than one year, some others of more than 15 years and some have a lifespan of 50 years or even more.



(Source: [https://www.plasticseurope.org/application/files/5715/1717/4180/Plastics\\_the\\_facts\\_2017\\_FINAL\\_for\\_website\\_one\\_page.pdf](https://www.plasticseurope.org/application/files/5715/1717/4180/Plastics_the_facts_2017_FINAL_for_website_one_page.pdf))

## Future Trends in Production



Projected global plastics production to 2050

Source: UN GRID-Arendal

(Source: <https://www.darrinqualman.com/global-plastics-production/>)

## Road Ahead

Global plastics market is projected to grow at a CAGR of 7.03% from 2017 to 2025, as per Orian Research. Plastics are used in a variety of industries: construction, packaging, appliance, automobile, textile, transportation, and many others. A large number of manufacturers supply many different products to numerous end-users for a multitude of applications. The major drivers for plastics market would be its low cost, flexibility of use, easy manufacturing capabilities, growing construction in Asia-Pacific region among others. Thus, plastics can be regarded as synthetic or semi-synthetic organic solids which can be transformed into several useful products. Also, the paradigm shift of technology to recycle plastics for end-use applications provide significant opportunities to the entire supply chain of the plastics market.

(Source: <http://www.plastemart.com/news-plastics-information/global-plastics-market-to-register-cagr-of-7-03-from-2017-to-2025/44014>)

## OVERVIEW OF INDIAN PLASTICS INDUSTRY

### Introduction

The Indian plastics industry made a promising beginning in 1957 with the production of polystyrene. Thereafter, significant progress has been made, and the industry has grown and diversified rapidly. The industry spans the

country and hosts more than 2,000 exporters. It employs about 4 million people and comprises more than 30,000 processing units, 85-90 percent of which are small and medium-sized enterprises.

- Export of plastic products from India increased by 17.1 per cent to US\$ 8.85 billion in 2017-2018 as compared to US\$ 7.56 billion in 2016-17.
- Exports of plastic raw materials stood at US\$ 3.24 billion in 2017-18
- During 2017-18, major importers of Indian plastic products were US (US\$ 1.11 billion), China (US\$ 728.31 million), UAE (US\$ 440.81 million), Italy (US\$ 403.94 million), Germany (US\$ 367.02 million), Turkey (US\$ 334.18 million), UK (US\$ 318.25 million), Bangladesh (US\$ 257.14 million) and Nepal (US\$ 205.82 million)
- The Indian plastics industry produces and exports a wide range of raw materials, plastic-moulded extruded goods, polyester films, moulded / soft luggage items, writing instruments, plastic woven sacks and bags, polyvinyl chloride (PVC), leather cloth and sheeting, packaging, consumer goods, sanitary fittings, electrical accessories, laboratory / medical surgical ware, tarpaulins, laminates, fishnets, travelware, and others.
- The Indian plastics industry offers excellent potential in terms of capacity, infrastructure and skilled manpower. It is supported by a large number of polymer producers, and plastic process machinery and mould manufacturers in the country.
- Among the industry's major strengths is the availability of raw materials in the country. Thus, plastic processors do not have to depend on imports. These raw materials, including polypropylene, high-density polyethylene, low-density polyethylene and PVC, are manufactured domestically.

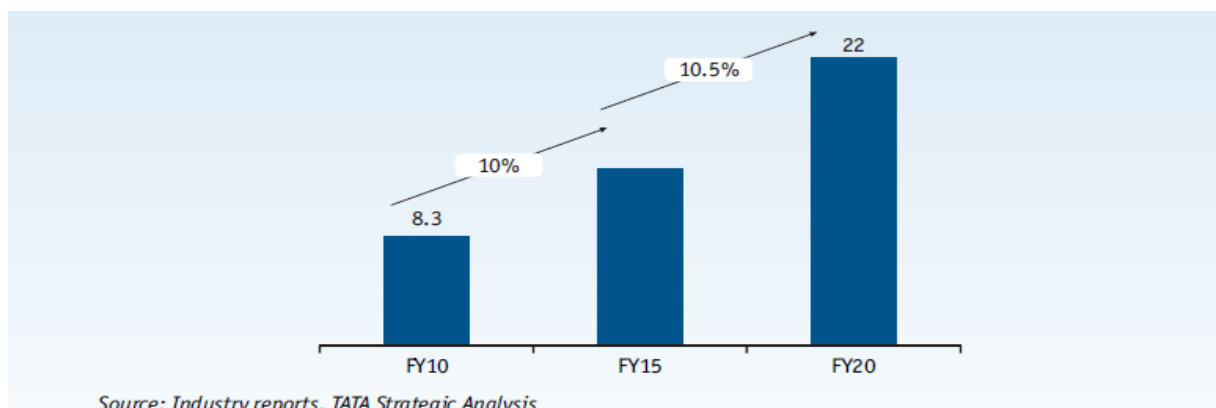
(Source: <https://www.ibef.org/exports/plastic-industry-india.aspx>)

### Market Overview

The plastics processing industry has grown at a CAGR of 10% in volume terms from 8.3 MMTPA in FY10 to 13.4 MMTPA in FY15 and is expected to grow at a CAGR of approximately 10.5% from FY15 to FY20 to reach 22 MMTPA (Refer Figure).

In value terms, the plastic processing industry has grown at a CAGR of 11% from INR 35,000 Cr. in FY05 to INR 100,000 Cr. in FY15.

### Plastic Processing in India



Source: Industry reports, TATA Strategic Analysis

(Source: [ficci.in/spdocument/20872/report-Plastic-infrastructure-2017-ficci.pdf](https://www.ficci.in/spdocument/20872/report-Plastic-infrastructure-2017-ficci.pdf))

### Structure of the Indian Plastic Industry

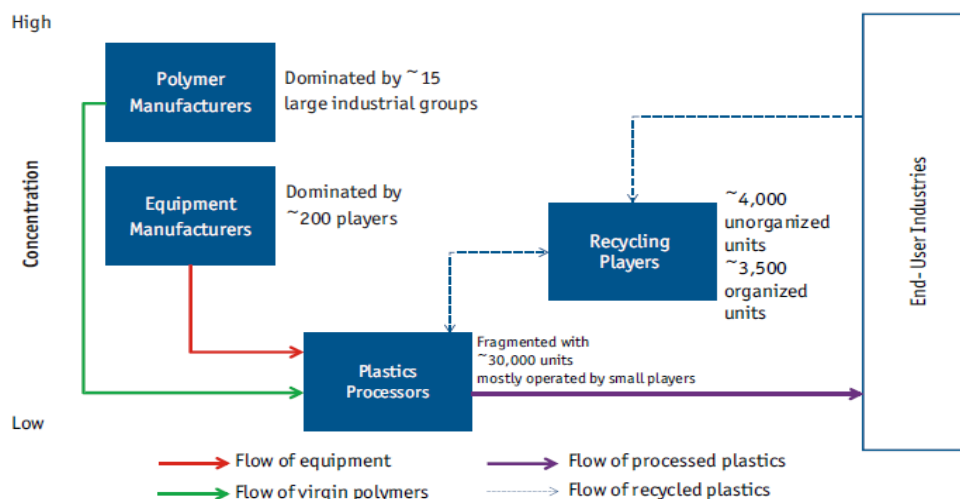
The entire chain in the Plastic industry can be classified into:

- Upstream sector: Manufacturing of polymers
- Downstream sector: Conversion of polymers into plastic articles

The upstream polymer manufacturers have commissioned globally competitive size plants with imported state-of-art technology from the world leaders. The upstream petrochemical industries have also witnessed consolidation to remain globally competitive.

The downstream plastic processing industry is highly fragmented and consists of micro, small and medium units. There are over 30,000 registered plastic processing units of which about 75% are in the small-scale sector. The small-scale sector, however, accounts for only about 25% of polymer consumption. The industry also consumes recycled plastic, which constitutes about 30% of total consumption.

### Structure of the Indian Plastic Industry



Source: CRISIL, Plastindia Foundation, Kanvic, TSMG Analysis

There is a good scope for innovative products which will further contribute to growth of the sector in years to come. The packaging industry has witnessed a complete replacement of old age products with the new ones. With India's population similar to China's, but polymer demand at only one-fifth of China's, the Indian subcontinent's plastics industry has a good potential for growth. Improving standards of living have led to an increase in consumption of a wide range of consumer goods from packaged foods to automobiles. Investments in infrastructure and agriculture are also further fueling the demand of plastics and related products in India. While the outlook for plastics processing in the Indian subcontinent is positive, the industry still faces many challenges in terms of inadequate infrastructure & environmental myths.

(Source: <http://ficci.in/spdocument/20872/report-Plastic-infrastructure-2017-ficci.pdf>)

### Market Segmentation

**Table 1: Classification of plastic products by type of process**

Plastic products	Extrusion	Films and Sheets, Fibre and Filaments Pipes, Conduits and profiles, Miscellaneous applications
	Injection moulding	Industrial Injection Moulding, Household Injection Moulding and Thermo-ware/ Moulded luggage
	Blow moulding	Bottles, containers, Toys and Housewares
	Roto moulding	Large circular tanks such as water tanks

Source: CIPET

(Source: <http://ficci.in/spdocument/20396/Knowledge-Paper-ps.pdf>)

The Indian plastic industry is making significant contribution to the economic development and growth of various key sectors in the country which includes Automotive, Construction, Electronics, Healthcare, Textiles, and FMCG. The developments in the plastic machinery sector are coupled with developments in the petrochemical sector, both of which support the plastic processing sector. This has facilitated plastic processors to build capacities for the service of both the domestic market and the markets overseas. Today, the plastic processing sector comprises over 30,000 units involved in producing a variety of items, gaining notable importance in different spheres of activity with per capita consumption increasing. The plastic processing industry has the potential to contribute in bringing foreign investments and thus India's vision of becoming a manufacturing hub.

(Source: <http://ficci.in/PressRelease/2681/press-release-ficci-Sustainable-Infrastructure-with-Plastics.pdf>)

### **Recent Developments**

India is ready to have 18 plastic parks and Government will be investing Rs 40 crore (US\$ 6.2 million) to increase the domestic production of plastics. This will achieve environmentally sustainable growth and increase employment.

### **PLASTICS EXPORT PROMOTION COUNCIL**

The Plastics Export Promotion Council (PLEXCONCIL) is the apex government body responsible for the promotion of plastic exports. PLEXCONCIL members comprise large-/medium-/small-scale manufacturers and exporters. The council supports exporters by participating in international trade fairs, exploring new markets, organising buyer- seller meets both in India and overseas, and engaging in various other promotion and need-based activities.

(Source: <https://www.ibef.org/exports/plastic-industry-india.aspx>)

### **Consumption**

The Indian plastic industry is among the fastest growing ones. According to a 2017 knowledge paper by FICCI, a business and industry lobby, Indian plastic processing industry saw compounded annual growth rate of 10% between 2010 and 2015. Annual plastic consumption is expected to increase from 12 million tonnes to 20 million tonnes by 2020.

(Source: <http://ficci.in/ficci-in-news-page.asp?nid=14553>)

### **Exports**

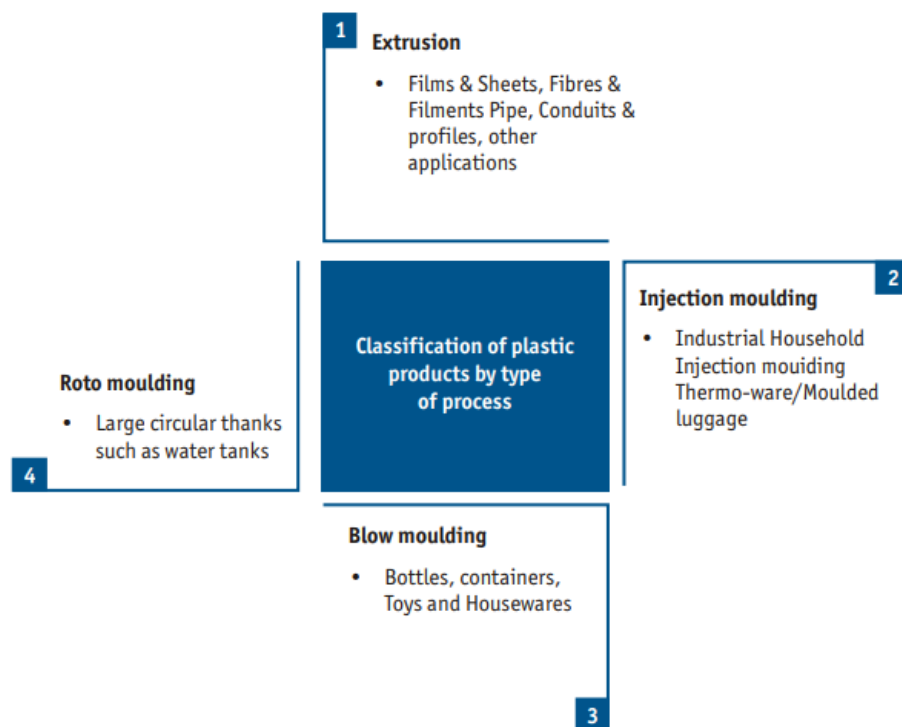
The export promotion strategies evolved since 1955, the year when PLEXCONCIL was born, have fetched rich dividends, which is exhibited in the form of high export growth rates. From a meagre export turnover of 16.5 million US Dollars worth of exports in 1955-56, the exports from the Indian plastic industry has reached over 8.8 billion US Dollars in 2017-2018 and has targeted to reach 10.6 billion US Dollars by 2018-2019.

In its pursuit to achieve export excellence, various export promotional activities are undertaken by PLEXCONCIL. These include participation in international trade fairs; sponsoring delegations to target markets; inviting business delegations from the overseas to India; organizing buyer-seller meets both in India and the overseas etc. and servicing the needs of its members.

Products from the Indian plastic industry are exported to over 150 countries round the globe with the major trading partners being the European Union, USA, China, UAE, Saudi Arabia, Turkey, Nigeria, Indonesia, Egypt etc.

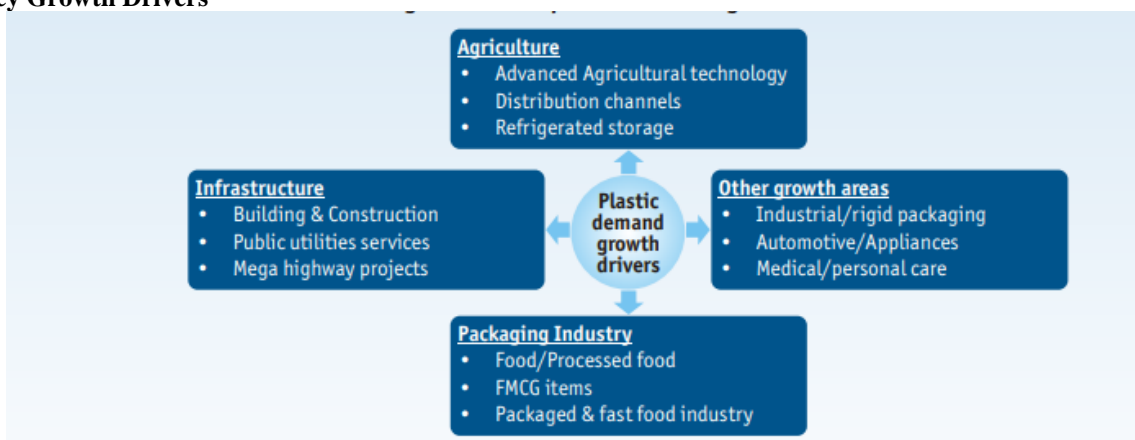
(Source: <http://plexconcil.co.in/about.htm>)

## Processes in Plastic Industry



(Source: <http://ficci.in/spdocument/20872/report-Plastic-infrastructure-2017-ficci.pdf>)

## Key Growth Drivers



(Source: <http://ficci.in/spdocument/20872/report-Plastic-infrastructure-2017-ficci.pdf>)

## Challenges

Indian Plastic industry continues to face challenges like disposal of waste plastics, dated technology and irrational customs duties. Disposal of waste plastics is a major problem in India, considering that of the 15,000 MT of plastic wastes that gets generated in India every day about 6,000 MT remains littered and uncollected. The Government and recycling industry both have an important role to play in tackling these challenges, as the plastics industry seeks sustainable solutions. Going ahead, recycling & reuse of plastics could be a foremost step towards fostering innovation and sustainability. While the industry needs to spend more on Research and Development and technological innovations to ensure recycling & reuse of wastes, the government should incentivize manufacturers focusing on waste reduction.

(Source: <http://ficci.in/spdocument/20914/Knowledge-Paper-petrochem.pdf>)



## Plastic Products

The plastic industry in India has made significant achievements since its beginning by commencing production of polystyrene in 1957. In the last decade, with the advent of new and improved products, the industry has gained greater importance with the production of better and improved quality of plastic products. The plastic industry caters to the entire spectrum of daily use items and covers almost every sphere of life such as clothing, housing, construction, furniture, automobiles, household items, agriculture, horticulture, irrigation, packaging, medical appliances, electronics and electrical items.

(Source: <http://ficci.in/spdocument/20872/report-Plastic-infrastructure-2017-ficci.pdf> )

India's Plastics industry is one of the largest in the world at an estimated market size of INR1.8t. However, due to low capital intensity and low technological barriers, the industry has remained highly fragmented. Unorganized players enjoy ~44% market share, though the organized players have gained ground in the last five years on rising brand consciousness, better quality, and growth in the organized retail sector. The industry primarily comprises of four components: Packaging, Pipes, Industrial Products, and Consumer Products. Of these, Consumer Products, Pipes, and Packaging have significant presence of unorganized players.

The Indian Plastics industry is highly fragmented. Entry barriers are low, with low capital intensity, no technological barriers, and supportive government schemes. The industry comprises of ~30,000 processing units, 85-90% of which are small and medium enterprises, employing ~4m people. Our discussions with market participants suggest that this has led to the market share of unorganized players remaining high at ~44%. The share of organized players has increased from ~45% five years ago to ~56% in FY17, led by (a) increasing brand consciousness, (b) the organized segment's ability to offer better quality and greater convenience, (c) increasing disposable income leading to enhanced purchasing power, and (d) growth of organized retail.

There are four main components of the Plastics industry: Pipes, Consumer Products, Packaging, and Industrial Products. Packaging, Industrial Products, and Pipes (partially) are B2B businesses, whereas Consumer Products and Pipes (partially) are B2C businesses. The unorganized players have a presence in both B2B and B2C segments. The INR31b B2C Consumer Products business has 80% unorganized presence. The larger INR1.5t Packaging business has 45% unorganized presence, and the INR300b Pipes segment has 40% presence of the unorganized sector. The Industrial Products segment (~INR18b) is largely organized, with a mere 10% market share of unorganized players. Furniture, houseware, and pipes (partially) are sold in the B2C chain, whereas packaging, industrial products, and pipes (partially) are sold in the B2B chain. In a short B2C chain, consumers are indifferent between organized and unorganized players, as the focus is on pricing. This is primarily due to the fact that end consumers do not get input credit for taxes paid. Other things being equal, unorganized players have lower cost, as taxes are not levied. Plastic processors 'manage' their purchases in the unorganized chain to meet with the demand of the consumers.

Indeed, as domestic plastics demand and consumption in India continues to grow at about twice the rate of India's overall economy, polymer-making is a segment of the industry moving fastest, with an expected growth rate of 8-12 percent a year through 2020. Today, the industry is upbeat, and from the market point-of-view the optimism is justified. The approximate size of the industry, according to ibef.org, is more than 2,000 exporters, 150 plastic processing machinery manufacturers and more than 30,000 processing units. Yet 85-90 percent of the sector remains small-scale. The really good news: domestic plastics consumption is expected to touch 20 million metric tonnes by 2020. And Union Petroleum and Natural Gas Minister Dharmendra Pradhan has said that India's annual per capita consumption was projected to double to 20 kg by 2022. Data on the Indian plastics industry is often inconsistent - different industry bodies report different sets of figures, in different currencies and measures. There is much scope here to reduce this inconsistency. What is certain, though, is the variety. A good indication is India plastic directory. com, a website that has created a directory of companies, firms, businesses and factories involved in the plastics life-cycle in India, in some way or the other. Entities making additives and chemicals: 414. Those making automobile plastic parts: 158. Bottles: 125. Bags, film and lay flat tubing: 977. Heaters and coolers: 110. Brushes and brooms: 109. Gift novelty items: 174. Nylon products: 92. Given the large presence of plastics processors, a large segment of the industry is devoted to the making of moulds and dies: 1,355. Polyvinyl chloride (PVC) is easily India's predominant polymer. 714 entities manufacture PVC compounds. Merely compare the number that make PE or polyethylene (27), PP or polypropylene (31) and polyurethane (53). 58% injection moulding 30% extrusion 10% blow moulding 2% others Main plastic processing technologies in India 05 There are 259 plastics raw materials suppliers. And 267 plastics raw materials producers (e.g., raw material for engineering plastics products; colours, plastics granules, PP). Resins and allied products are the preferred niche of 145 entities. Ten entities are invested in polycarbonate

products. 133 make LLDPE, LDPE, HDPE products. 116 make injection-moulded containers. 55 entities produce disposable containers. Plastic pipes, hoses and pipe fittings: 631. Plastic buckets: 44. PET bottles: 78 At least two plastics-making ways are popular: 243 produce various injection moulded articles. Blow-moulded articles, variously made: 65. Extrusion isn't in demand; only 17 entities use this process to make products. The industry has obviously been shifting contours, as more and more uses of plastics have emerged. There is a healthy catering to sectors of the economy now comfortably travelling on the plastics bandwagon. 316 entities are dedicated to electronics and electrical products. Engineering plastics products: 102. Those making household articles: 221. Composites seem a marginal attraction: only 74 entities are making fibreglass products. Industrial plastic products: 268. Medical and surgical equipment: 151. Packaging machinery: 219. If the list of entities the website provides, company by company, is to be believed, the most popular sector catered to is packaging materials: 660 entities are dedicated to making single-use plastics.

(Source: [http://envfor.nic.in/sites/default/files/press-releases/Lo\\_Book02.pdf](http://envfor.nic.in/sites/default/files/press-releases/Lo_Book02.pdf))

### Plastic Granules

Plastic granules are produced from various resins in a polycondensation process, subsequently chopped up into smaller pieces and classified according to different grains sizes.

Their applications are as follows:

- Reusable abrasive
- Paint-stripping
- Deburring
- Micro-blasting

Blasting Systems:

- Pressure blast systems
- Airless blast-cleaning equipment
- Injection blast cabinets

Typical physical properties		Available sizes	
Hardness	approx. 3,5 – 4,0 mohs	<b>MESH</b>	<b>Average grain size (mm)</b>
Grain shape	angular	12/16	1,20 – 1,70
Ignition temperature	< 500 °C	16/20	0,80 – 1,20
Specific gravity	approx. 1,5 g/cm <sup>3</sup>	20/30	0,60 – 0,80
Bulk density <small>depending on granular size</small>	approx. 0,8 – 0,9 g/cm <sup>3</sup>	20/40	0,40 – 0,80
		30/40	0,40 – 0,60
		40/60	0,25 – 0,40
		60/80	0,18 – 0,25
		<b>Metric</b>	<b>Average grain size (mm)</b>
			0,10 – 0,20
			0,15 – 0,25
			0,25 – 0,50
			0,50 – 0,80
			0,80 – 1,20
			1,20 – 1,80

Other grain sizes can be produced if required.

(Source: [www.kuhmichel.com/files/datasheet\\_plastic\\_granules.pdf](http://www.kuhmichel.com/files/datasheet_plastic_granules.pdf))

### Road Ahead

Plastics industry is assured to grow at a good rate with the major applications being in FMCG and consumer goods. There are several factors like low per-capita consumption, manufacturing focus, end use industry growth, availability of feedstock, increasing urbanization, changing lifestyle and demographic dividend, promoting growth of plastic across India.

(Source: <http://ficci.in/spdocument/20872/report-Plastic-infrastructure-2017-ficci.pdf>)

## OUR BUSINESS

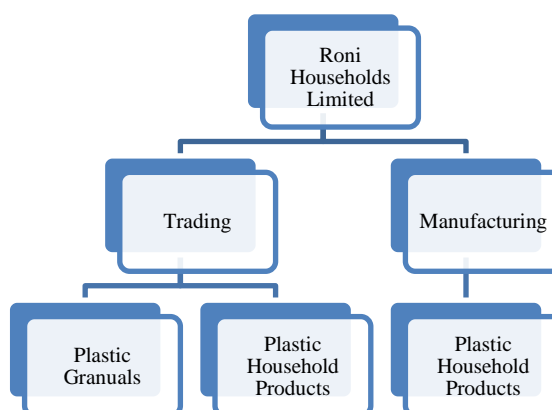
*This chapter should be read in conjunction with, and is qualified in its entirety by, the more detailed information about our Company and its financial statements, including the notes thereto, in the sections titled ‘Risk Factors’ and ‘Financial Information’ and the chapter titled ‘Management Discussion and Analysis of Financial Condition and Results of Operations’ beginning on page nos. 10, 111 and 130 respectively, of this Draft Prospectus.*

*Unless otherwise indicated, the financial information included herein is based on our Restated Financial Statements for Financial Year 2014, 2015, 2016, 2017 and 2018 included in this Draft Prospectus. For further information, see “Financial Statements” on page no. 111 of this Draft Prospectus. Unless the context otherwise requires, in this section, reference to “we”, “us”, “our”, “Company” or “Our Company” refers to Marine Electricals Limited.*

### OVERVIEW

Our business was originally being run as a proprietorship named Roni Enterprises. Further, our company is incorporated on 9<sup>th</sup> October 2017, as a private limited company under the name ‘Roni Household Private Limited’ under the provisions of the Companies Act, 2013 with the Registrar of Companies, Mumbai with a vision to corporatize our business. A Business Takeover Agreement dated April 5, 2018 has been entered into to give effect to the takeover of the business of Roni Enterprise (Proprietor Harish Sirwani). On March 01, 2018, our Company was converted into public limited company and the name of our company changed to ‘Roni Household Limited’.

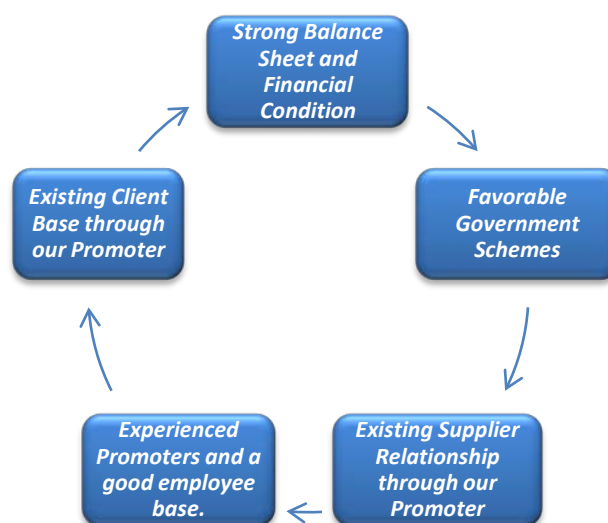
Our Company currently trades in plastic granules and plastic household products which includes tub, buckets, ghamela etc. We intend to further expand our business by manufacturing plastic products for household use. We have taken a land on lease in MIDC Jalgaon for the proposed manufacturing unit. For further details, please refer to the “Property/Land details” of this chapter on page no. 79 of this Draft Prospectus. A part of our proposed manufacturing unit has been set up on the leased land. Trial manufacturing process for small part of our proposed capacity has recently commenced.



Our Company plans to leverage its promoter networks in the Trading community of Jalgaon and strong balance sheet situation to increase its presence in the plastic products. Our Company is in the process of building a quality and innovation focused trading and manufacturing vertical as well as developing a strong team to cater to its proposed increased operational needs.

Since our company was recently incorporated we have not completed a full financial year, however we have reported a robust operating performance for 6 months period ended March 31,2018 wherein our sales, EBIDTA and Profit after Tax were ₹ 429.70 lakhs, ₹ 10.58 lakhs and 7.80 lakhs respectively.

## STRENGTHS



### 1. *Strong Balance Sheet and Financial Condition*

Though, we have been recently incorporated, we performed reasonably well with strong revenue and balance sheet position. As on August 31, 2018, the owned net worth of the company (i.e. equity plus free reserves) was Rs. 403.01 lakhs. Our Company is a low debt well capitalized company. Hence, we can procure the goods by making upfront payments and take benefit of cash discount or can buy in bulk and hold inventory for longer periods thereby improving our profitability. We believe that we have the ability to leverage our balance sheet to take advantage of a favorable business cycle or market opportunity.

### 2. *Favorable Government Schemes*

The land taken on lease for the proposed unit by our company is situated at MIDC, Jalgaon which is a industrially backward area (D Area). The government motivates growing industries in such areas through various incentive schemes. We are availing benefit under these schemes such as Package Scheme of Incentives 2013 and Credit Linked Capital Subsidy scheme (CLCSS). Benefits under these schemes include industrial promotion subsidy to the extent of 70% of cost of Fixed Assets, Power Tariff subsidy, Interest subsidy, Technology up-gradation subsidy etc.

### 3. *Existing Supplier Relationship through our Promoter - Mr. Harish Sirwani.*

Our existing supplier relationship protects the business with terms of supply and pricing of the products, the quality of the products offered etc. We being a small and medium size organization, rely on personal relationships with suppliers. Our company enjoys existing relationship with our suppliers. Further, we also leverage the past experience of our management in maintaining effective supplier relationship.

### 4. *Experienced Promoters and a good employee base.*

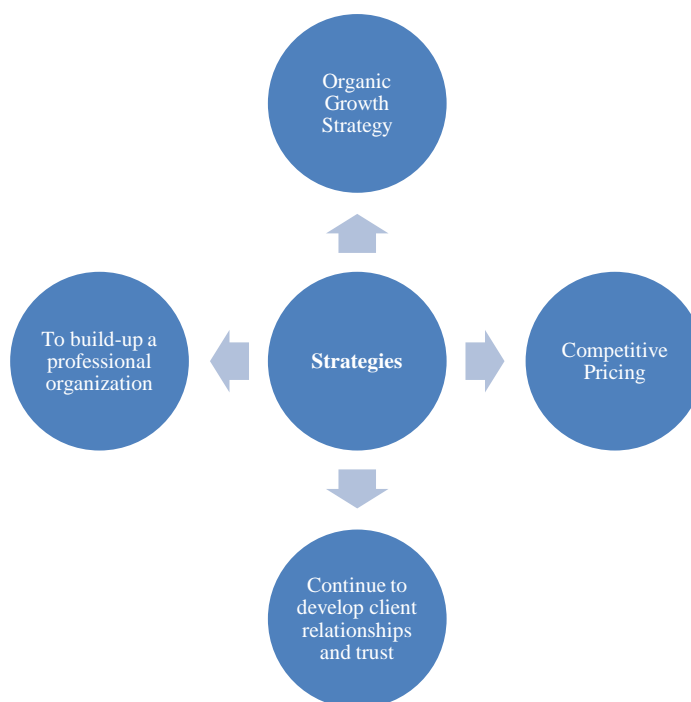
Our Promoter Director, Mr. Harish Sirwani has significant industry experience and has been instrumental in the consistent growth of our group. He is ably supported by our staff and other co-directors. For further details regarding the experience and qualifications of our management team please see “*Our Management*” beginning on page no. 89 of this Draft Prospectus. We believe that the knowledge and experience of our promoter and management will enables us to identify new opportunities, rapidly respond to market conditions, adapt to changes in the business landscape and competitive environment and enhances the growth in the business.

## 5. Existing Client Base through our Promoter

Since our promoter Mr. Harish Sirwani was already active in the trading business of plastic products whether directly or indirectly, we are successful in building a strong client base for our business. Our existing relationships help us to get repeat business from our customers. This has helped us to maintain a long term working relationship with our customers and improve our customer retention strategy. We have strong existing client relationships which generates multiple repeat orders. We believe that our existing relationship with our clients represents a competitive advantage in gaining new clients and increasing our business.

## STRATEGIES

The key elements of our strategies are as follows:



### 1. Organic Growth Strategy

We intend to further expand business by manufacturing plastic products for household use such as tub, buckets, ghamela, basket, patla etc. Our Company has taken a land on lease in MIDC, Jalgaon, for setting up the manufacturing unit. A part of our proposed manufacturing unit has been set up on the leased land. Trial manufacturing process for small part of our proposed capacity has recently commenced. For further details, please refer to the “*Property/Land details*” of this chapter on page no. 79 of this Draft Prospectus. Further, Our Company believes that expanding our scope to manufacturing our products will be aided by our existing customer base and long standing trade relations. We intend to tap various geographical markets which will be possible only once we have a broad product base.

### 2. Improving Debt – Equity Ratio

Our Company has obtained unsecured loans from Directors from time to time. These loans were utilized for working capital requirement and are repayable on demand. We intend to repay these loans to improve our debt equity ratio and also this will help our company to obtain vehicle loans, term loans for expansion which will improve our operational efficiency.

Further, repayment of unsecured loans will reduce burden of repayment of loans repayable on demand and enhance our Financial Stability and reduce long term liabilities.

### 3. *Competitive Pricing:*

Price is an important aspect of a business' marketing mix and changing the price can drastically affect the marketing tactics necessary for success. To remain aggressive and capitalize a good market share, we believe in offering competitive prices to our customers. This helps us to sustain the cut-throat competition and withhold a strong position in the market. Further it helps us to prevent loss in company's market share.

### 4. *Continue to develop client relationships and trust*

We plan to grow our business primarily by growing our customer relationships and trust. We believe that increased customer relationships and trust will add stability to our business. We seek to build on existing relationships and also focus on bringing into our portfolio more clients. We believe that our business is a by-product of relationship and trust. Long-term relations are built on trust and continuous meeting with the requirements of the customers.

### 5. *To build-up a professional organization*

As an organization, we believe in transparency and commitment in our work and with our customers. We have an experienced team for taking care of our day to day operations. We will consistently put efforts among its group of experienced employees to transform them into an outstanding team of empowered professionals which helps in further accelerating the wheels of development of the Organization.

## **DETAILS OF OUR BUSINESS**

### **Location**

#### **Registered Office and Manufacturing facility:**

Our Registered office and Proposed Manufacturing unit is located at Plot No. F-55, Addl. MIDC Area, Ajanta Road, Jalgaon -425003.

For further details of ownership / lease of the above locations, please refer to “*Our Business – Properties*” on page no. 79 of this Draft Prospectus

## **PRODUCTS AND SERVICES**

We are currently trading in the following products:

1. Plastic Granuals



## 2. Other Household Plastic products



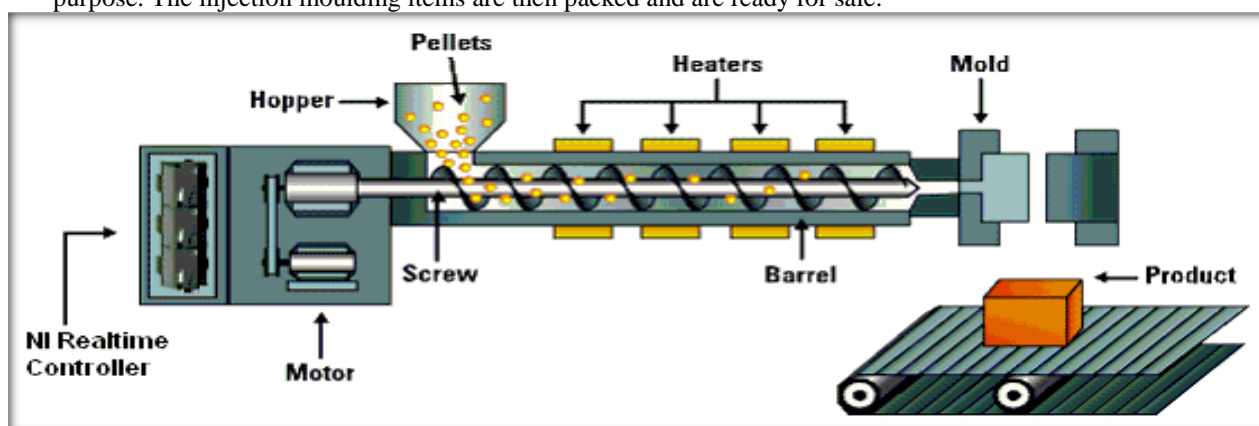
## BUSINESS PROCESSES

### 1. Trading Business Process

The trading business vertical of the company is a B2B model and operates primarily on an agency basis wherein the goods are procured from suppliers on cash or credit basis and supplied to customers on credit basis. The procurement of goods is carried out on an “order” basis as well as “demand estimation basis”.

### 2. Proposed Manufacturing Process

The basic raw material is PVC Granuals. This raw material is fed into the Feeding hopper of Injection Moulding Machine. Wherein, the raw material is heated by the heater and is converted into hard solvent and the hard solvent then injected into moulds. Water is circulated and re-circulated on moulds for cooling purpose. The injection moulding items are then packed and are ready for sale.



## PLANT & MACHINERY

The machinery required for the manufacturing is as follows:

- Injection Moulding Machine
- Moulds (Various-Bucket, Ghamela, Tub, Basket, Patla etc )
- Submersible Pumps
- Air Compressors
- Plastic Grinding Machine

## UTILITIES

### *Raw Materials*

The basic raw material required for our product manufacturing is PVC Granules which will be procured locally.

### *Water*

Our proposed commercial production process does not require much water. The water requirements of the plant will be met from borewell on the land as well as MIDC, Jalgaon.

**Power**

Our manufacturing plant has adequate power supply position from the public supply utilities. Our manufacturing unit has an approval of 67KVA from Maharashtra State Electricity Distribution Co. Ltd. The sanction is in the name of M/s. Mohit Plastic (previous lessee of our factory premises). However, we are in the process of the transfer of the same in our name.

**CAPACITY UTILIZATION**

Our company does not have any operating history with respect to capacity and capacity utilization. However, our proposed manufacturing plant will have production capacity of 4,700 kgs per day for the fiscal 2019 fiscal 2020 and fiscal 2021. Our utilized capacity will be 40%, 65% and 70% for the fiscal 2019 fiscal 2020 and fiscal 2021 respectively.

**MARKETING**

Top management and key executives of our company enjoy the confidence of specific corporate and retail clients and currently our market is only focused to a selected setup of clients. To get the feedback on the quality of products and services and to improve the same as well, we interact with our customers.

**COLLABORATIONS**

We have not entered into any technical or financial collaboration agreements with any party.

**SEASONALITY**

Our business is not seasonable in nature.

**EXPORT AND EXPORT OBLIGATIONS**

Our company does not have any operating history with respect to past exports. Further we do not have any export obligations as on the date of this Draft Prospectus.

**HUMAN RESOURCES**

Our company believes that our ability to maintain growth depends on our strength in attracting, training, motivating and retaining employees. Since the company has set up a new manufacturing unit and trial manufacturing process has started. However going forward we shall be requiring manpower for our operations and we propose to hire the same from local sources. As on August 31, 2018, we have 9 employees (including two Executive Director) on our payroll as mentioned below:

<b>Sr. No</b>	<b>Category</b>	<b>Number of Employees</b>
1.	Executive Director	2
2.	Key Managerial Personnel (KMP)	3
3.	Other Employees	4
<b>Total</b>		<b>9</b>

**QUALITY CONTROL**

Quality control will be ensured by strict adherence to work protocols, from the procurement of raw materials through the stages of production on commencement of our manufacturing activities. Work procedures and instructions are upgraded or amended based on mutually agreed quality parameters.

**COMPETITION**

Competition is faced by our business from other existing traders and manufacturers of plastic products which are dealt by us. We engage with our competitors on a regional or product line basis which is unorganized. Many of our competitors have substantially large capital base and resources than we do and offer broader range products. We believe that the principal factors affecting competition in our business include client relationships,



reputation, the abilities of employees, market focus and the relative quality and price of the services and products.

### PROPERTIES / LAND DETAILS

Details of our owned property are as below:

Property	Seller	Purchase Consideration	Purpose
Flat No. 17, 6 <sup>th</sup> Floor, Suman Residency, Mehrun Shiwar, (Zone No. 7/228) Ganpati Nagar, Jalgaon - 425003.	Mr. Kishor Jagannath Mahajan and Mr. Jagannath Kalu Mahajan	₹ 1,90,00,000	Guest House


Details of our leased property are as below:

Premises leased	Name of Lessor	Terms of Lease/ Rentals	Purpose
Plot No. F-55, Addl. MIDC Area, Ajanta Road, Jalgaon -425003, Maharashtra. <sup>(1)</sup>	Maharashtra Industrial Development Corporation	<ul style="list-style-type: none"> <li>Rent of Rs. 1 to MIDC</li> <li>₹ 35,00,000 paid to transferor (M/s. Mohit Plastic Industries).</li> <li>Differential premium of ₹ 1,85,900 paid to MIDC</li> </ul>	Registered Office and manufacturing unit

NOTE 1: Plot No. F-55, Addl. MIDC Area, Ajanta Road, Jalgaon -425003, Maharashtra was initially executed in favour of M/s. Mohit Plastic Industries (Transferor) on 1<sup>st</sup> March 1996 for 95 years which was then taken by M/s. Roni Household Limited on 4<sup>th</sup> April 2018 for remaining period.

### INTELLECTUAL PROPERTY

We have following trademark registered for our business operations:

Sr. No.	Particulars of Intellectual Property	Mark Type	Proprietor's Name	Status	Valid Upto	Application No.	Class
1.		Device	Roni Household Private Limited	Registered	December 22, 2027	3709171	21

### INSURANCE

We have not yet obtained any insurance policy. However once commercial production starts, we shall be obtaining adequate insurance coverage on the same.

## KEY REGULATIONS AND POLICIES IN INDIA

*The following description is a summary of certain sector-specific laws currently in force in India, which are applicable to our Company. The information detailed in this chapter has been obtained from publications available in the public domain. The description below may not be exhaustive, and is only intended to provide general information to investors, and is neither designed as, nor intended to substitute, professional legal advice. Judicial and administrative interpretations are subject to modification or clarification by subsequent legislative, judicial or administrative decisions. 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.*

*Our Company may be required to obtain licenses and approvals depending upon the prevailing laws and regulations as applicable. For information on regulatory approvals obtained by us, please refer "Government and Other Approvals" on page no. 140. We are required to obtain and regularly renew certain licenses / registrations / sanctions / permissions required statutorily under the provisions of various Central and State Government regulations, rules, bye laws, acts and policies.*

*Except as otherwise specified in this Draft Prospectus, taxation statutes including the Income Tax Act, 1961, Goods and Services Tax Act, 2017, The Integrated Goods and Services Tax Act, 2017 and applicable relevant state GST statutes and other miscellaneous regulations and statutes apply to us as they do to any other Indian company. The statements below are based on the current provisions of Indian law and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.*

*Following is an overview of some of the important laws and regulations, which are relevant to our business.*

### ***The Consumer Protection Act, 1986***

The Consumer Protection Act, 1986 ("CPA 1986") came into effect on December 24, 1986. The CPA 1986 reinforces the interest and rights of consumers by laying down a mechanism for speedy grievance redressal. A consumer, as defined under the CPA 1986, or a recognized consumer association, or numerous consumers having the same interest, or the Central/State Government may lodge a complaint before the district forum or any other appropriate forum under the Consumer Protection Act, *inter alia*, where:

- (i) an unfair trade practice or a restrictive trade practice has been adopted by any trader or service provider;
- (ii) the goods bought by him or agreed to be bought by him; suffer from one or more defects;
- (iii) the services hired or availed of or agreed to be hired or availed of by him suffer from deficiency in any respect;
- (iv) a trader or service provider, as the case may be, has charged for the goods or for the service mentioned in the complaint a price in excess of the price: (a) fixed by or under any law for the time being in force (b) displayed on the goods or any package containing such goods; (c) displayed on the price list exhibited by him by or under any law for the time being in force; (d) agreed between the parties;
- (v) goods which will be hazardous to life and safety when used or being offered for sale to the public, (a)in contravention of any standards relating to safety of such goods as required to be complied with, by or under any law for the time being in force;(b) if the trader could have known with due diligence that the goods so offered are unsafe to the public;
- (vi) services which are hazardous or likely to be hazardous to life and safety of the public when used, are being offered by the service provider which such person could have known with due diligence to be injurious to life and safety;

The CPA 1986 holds any producer or importer, distributor or retailer of any goods liable for any harm caused wholly or partly as a consequence of: (a) supplying any unsafe goods; (b) a product failure, defect or hazard in any goods; or (c) inadequate instructions or warnings provided to a consumer pertaining to any hazard associated with the use of the goods; irrespective of whether such harm resulted from any negligence on the part of the producer, importer, distributor or a retailer.

In case of consumer disputes, the same can be referred to the redressal forums set up by the government such as the national commission, the state commission and the district forums. When a person against whom a complaint is made fails to or omits to comply with any order made by the forum/commission, such person shall

be punishable with imprisonment for a term of not less than a month, but not exceeding three years, or a fine of not less than two thousand rupees, but not more than ten thousand rupees, or both.

The CPA 1986 is proposed to be repealed by the Consumer Protection Bill, 2018, once it comes into effect. The Consumer Protection Bill, 2018 has been introduced in Lok Sabha on January 5, 2018 and is still pending approval.

#### ***The Sale of Goods Act, 1930 (Sale of Goods Act)***

The law relating to the sale of goods is codified in the Sale of Goods Act, 1930. It defines sale and agreement to sell as a contract whereby the seller transfers or agrees to transfer the property in goods to the buyer for a price and provides that there may be a contract of sale between part owner and another and that the contract of sale may be absolute or conditional. According to the provisions of this Act, a contract of sale is made by an offer to buy or sell the goods for a price and the acceptance of such offer. The Act further provides that the contract may provide for the immediate delivery of the goods or immediate payment of the price or both or for the delivery or payment by instalments or that the delivery or payment or both shall be postponed. Provisions are made in this Act for existing or future goods, perishable goods, ascertainment of price, conditions and warranties, effects of the contract, delivery to courier, duties of seller and buyer, buyer's right of examining the goods, liability of buyer for neglecting or refusing the delivery of goods, rights of unpaid seller, suits for breach of the contract, sale, etc.

#### ***The Micro, Small and Medium Enterprises Development Act, 2006 ("MSME Act")***

MSME Act was enacted to provide for facilitating the promotion and development and enhancing the competitiveness of micro, small and medium enterprises. Any person who intends to establish (a) a micro or small enterprise, at its discretion; (b) a medium enterprise engaged in providing or rendering of services may, at its discretion; or (c) a medium enterprise engaged in manufacture or production of goods pertaining to any industry specified in the First Schedule to the Industries (Development and Regulation) Act, 1951 is required to file a memorandum before such authority as specified by the State Government or the Central Government. The form of the memorandum, the procedure of its filing and other matters incidental thereto shall be such as may be specified by the Central Government, based on the recommendations of the advisory committee. Accordingly, in exercise of this power under the MSME Act, the Ministry of Micro, Small and Medium Enterprises notification dated September 18, 2015 specified that every micro, small and medium enterprises is required to file an Industrial Entrepreneurship Memorandum in the form and manner specified in the notification.

## **INTELLECTUAL PROPERTY LAWS**

#### ***Trade Marks Act, 1999 as amended (the "Trademark Act")***

In India, trademarks enjoy protection under both statutory and common law. Indian trademark law permits registration of trademarks for goods and services. The Trademark Act statutorily protects trademarks and prevents use of fraudulent marks in India. Certification marks and collective marks can also be registered under the Trademark Act. An application for trademark registration can be made by individual or joint applicants and can be made on the basis of either use or intention to use a trademark in the future. Applications for a trademark registration can be made for in one or more international classes. Once granted, trademark registration is valid for ten years unless cancelled. The mark lapses in ten years unless renewed. The Trademark (Amendment) Act, 2010 has been enacted to amend the Trademark Act, which enables Indian nationals as well as foreign nationals to secure simultaneous protection of trademark in other jurisdictions. The amendment also seeks to simplify the law relating to transfer of ownership of trademarks by assignment or transmission and to align the law with international practice.

#### ***Patents Act, 1970 (the "Patents Act")***

The Patents Act governs the patent regime in India. Being a signatory to the Agreement on Trade Related Aspects of Intellectual Property Rights, India is required to recognise product patents as well as process patents. In addition to the broad requirement that an invention satisfy the requirements of novelty, utility and non-obviousness in order for it to avail patent protection, the Patents Act stipulates that patent protection may not be granted to certain specified types of inventions and materials even if they satisfy the above criteria. The Patents Act prohibits any person resident in India from applying for patent for an invention outside India without

making an application for the invention in India. The term of a patent granted under the Patents Act is twenty years from the date of filing of the application for the patent.

***Copyright Act, 1957 (the “Copyright Act”)***

The Copyright Act governs the law protecting copyrights in India and defines infringement and provides remedies for the same. Copyright refers to the exclusive right to do or authorize others to do certain acts in relation to original (1) literary, dramatic or musical works, not being a computer programme; (2) computer programme; (3) artistic work; (4) cinematograph film; and (5) sound recording. The object of the Copyright Act is to protect the author of a copyrighted work from any unlawful reproduction or exploitation. Copyrights subsist during the life of the author/creator of the work and 60 years thereafter in case the author is a natural person. Registration of copyrights can be done by submitting a registration form to the Copyright office. While copyright registration is not a pre-requisite for acquiring or enforcing a copyright, registration constitutes prima-facie evidence of the particulars entered therein and may expedite infringement proceedings.

***The Designs Act, 2000 (the “Designs Act”)***

The Designs Act protects any visual design of objects that are not purely utilitarian. An industrial design consists of the creation of a shape, configuration or composition of pattern or colour, or combination of pattern and colour in three-dimensional form containing aesthetic value. It provides an exclusive right to apply a design to any article in any class in which the design is registered.

**ENVIRONMENT RELATED LAWS**

Once our proposed factory unit is operational and our manufacturing activities commence, we will be subject to various environment regulations as the operation of our establishments might have an impact on the environment in which they will be situated. The basic purpose of the statutes given below is to control, abate and prevent pollution. In order to achieve these objectives, State PCB, which are vested with diverse powers to deal with water and air pollution, have been set up in each state and in the Centre. The State PCBs are responsible for setting the standards for maintenance of clean air and water, directing the installation of pollution control devices in industries and undertaking inspection to ensure that industries are functioning in compliance with the standards prescribed. These authorities also have the power of search, seizure and investigation. All industries are required to obtain consent orders from the State PCBs, which are required to be periodically renewed.

***Environment Protection Act, 1986 (“Environment Act”)***

The Environment Act is an umbrella legislation designed to provide a framework for the Central Government to coordinate activities of various state and central authorities established under previous environmental laws. The Environment Act specifies that no person carrying on any industry, operation or process shall discharge or emit or permit to be discharged or emitted any environment pollutants in excess of such standards as may be prescribed. The Environment Act empowers the Central Government to make rules for various purposes viz., to prescribe: (i) the standards of quality of air, water or soil for various areas; (ii) the maximum allowable limits of concentration of various environmental pollutants for different areas; (iii) the procedures and safeguards for the prevention of accidents which may cause environmental pollution and remedial measures for such accidents.

***Environment (Protection) Rules, 1986 (“Environment Rules”)***

In exercise of powers conferred under the Environment Act, the Central Government notified the Environment Rules. Pursuant to Environment Rules, every person who carries on an industry, operation or process requiring consent under Water (Prevention and Control of Pollution) Act, 1974 or Air (Prevention and Control of Pollution) Act, 1981 or shall submit to the concerned Pollution Control Board (“PCB”) an environmental statement for that financial year in the prescribed form.

***Air (Prevention and Control of Pollution) Act, 1981 (“Air Act”)***

The Air Act requires any individual, industry or institution responsible for emitting smoke or gases by way of use as fuel or chemical reactions, apply in a prescribed form and obtain consent from the PCB prior to commencing any activity. The PCB is required to grant, or refuse, consent within four months of receipt of the

application. The consent may contain conditions relating to specifications of pollution control equipment to be installed. Within a period of four months after the receipt of the application for consent the PCB shall, by order in writing and for reasons to be recorded in the order, grant the consent applied for subject to such conditions and for such period as may be specified in the order, or refuse consent.

#### ***Water (Prevention and Control of Pollution) Act, 1974 (“Water Act”)***

The Water Act aims at prevention and control of water pollution as well as restoration of water quality through the establishment of a central PCB and state PCBs. Under the provisions of the Water Act, any individual, industry or institution discharging industrial or domestic waste water or establishing any treatment or disposal system or the using of any new or altered outlet for the discharge of sewage is required to obtain the consent of the applicable state PCB, which is empowered to establish standards and conditions that are required to be complied with. The consent to operate is granted for a specific period after which the conditions stipulated at the time of granting consent are reviewed by the state PCB. Even before the expiry of the consent period, the state PCB is authorized to carry out random checks on any industry to verify if the standards prescribed are being complied with by the industry. In the event of non-compliance, the state PCB after serving notice to the concerned industry may close the factory or withdraw water supply to the factory or cause magistrates to pass injunctions to restrain such polluters.

### **LABOUR LAWS**

Once our proposed factory unit is operational and our manufacturing activities commence the following labour laws will be applicable to us:

1. Factories Act, 1948
2. Industrial Disputes Act, 1947
3. Employee’s Compensation Act, 1923
4. The Minimum Wages Act, 1948
5. The Payment of Wages Act, 1936
6. The Payment of Bonus Act, 1965
7. The Payment of Gratuity Act, 1972
8. Employees State Insurance Act, 1948
9. The Contract Labour (Regulation and Abolition) Act, 1970
10. The Employees Provident Funds and Miscellaneous Provisions Act, 1952
11. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
12. The Equal Remuneration Act, 1976 and Equal Remuneration Rules, 1976
13. Apprentices Act, 1961
14. Child Labour (Prohibition and Abolition) Act, 1986
15. Industrial Employment (Standing Orders) Act, 1946
16. Maharashtra Labour Welfare Fund Act, 1953
17. Trade Union Act, 1926
18. The Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979
19. The Employees Provident Funds and Miscellaneous Provisions Act, 1952
20. The Maternity Benefits Act, 1961

In order to rationalize and reform labour laws in India, the Government of India intends to frame the Code on Wages, 2017. The Code on Wages Bill, 2017 was introduced in Lok Sabha on August 10, 2017 which will subsume four existing laws, if enacted, namely, (i) the Minimum Wages Act, 1948, (ii) the Payment of Wages Act, 1936, (iii) the Payment of Bonus Act, 1965, and (iv) the Equal Remuneration Act, 1976.

### **TAX RELATED LEGISLATIONS**

#### ***Income-Tax Act, 1961 (the “IT Act”)***

The IT Act is applicable to every company, whether domestic or foreign whose income is taxable under the provisions of this 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 the like. Every such company is also required to file its returns by September 30 of each assessment year.

### ***The Central Goods and Services Tax Act, 2017 (the “GST Act”)***

Goods and Services Tax (GST) is considered to be the biggest tax reform in India since independence. It will help realize the goal of “One Nation-One Tax-One Market.” GST is expected to benefit all the stakeholders – industry, government and consumer. Goods and Services Tax (GST) is an indirect tax throughout India and was introduced as The Constitution (One Hundred and Twenty Second Amendment) Act 2017, following the passage of Constitution 122nd Amendment Bill. This Act has been made applicable with effect from 1st July 2017.

With the introduction of GST all central, state level taxes and levies on all goods and services have been subsumed within an integrated tax having two components – central GST and a state GST. Thus there will be a comprehensive and continuous mechanism of tax credits.

The Central government passed four sets of GST Act. These were Central GST Act, 2017; Integrated GST Act, 2017; Union Territory GST Act, 2017 and GST (Compensation to States) Act, 2017. The Acts were approved by the Parliament after they were introduced as the part of the Money Bill. Following the passage of GST Acts, the GST council has decided 4 tax rate slabs viz., 5%, 12%, 18% and 28% on supply of various goods and services.

India has adopted a dual GST model, meaning that taxation is administered by both the Union and State Governments. Transactions made within a single State will be levied with Central GST (CGST) by the Central Government and State GST (SGST) by the government of that State. For inter-state transactions and imported goods or services, an Integrated GST (IGST) is levied by the Central Government. GST is a consumption-based tax, therefore, taxes are paid to the State where the goods or services are consumed and not the State in which they were produced.

## **LAWS RELATING TO SPECIFIC STATE WHERE ESTABLISHMENT IS SITUATED**

### ***The Maharashtra Shops and Establishments Act, 1948 (“The Maharashtra Shops Act”)***

The Maharashtra Shops Act is applicable to the state of Maharashtra and provides for the regulation of conditions of work in shops, commercial establishments, restaurants, theatres and other establishments. The Maharashtra Shops Act is enforced by the Chief Inspector of Shops (CIS) and various inspectors under the supervision and control of Deputy/Assistant Labour Commissioners of the concerned District, who in turn function under the supervision of Labour Commissioner.

### ***The Maharashtra State Tax on Professions, Trades, Callings and Employments Acts, 1975***

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

### ***Other Regulations***

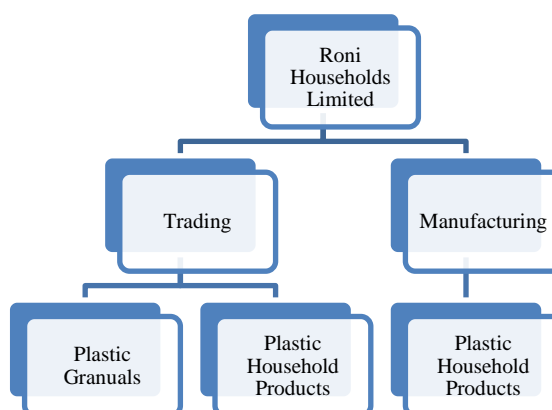
In addition to the above, our Company is also required to comply with the provisions of Companies Act, 1956, to the extent applicable, the Companies Act, 2013 and other applicable statutes imposed by the Centre or the State for its day-to-day operations.

## HISTORY AND CERTAIN CORPORATE MATTERS

Our Company was incorporated as “Roni Households Private Limited” on October 09, 2017 under the Companies Act, 2013 with the Registrar of Companies, Mumbai bearing Registration No. 300575. The status of our Company was changed to a public limited company and the name of our Company was changed to “Roni Households Limited” by a special resolution passed on January 19, 2018. A fresh Certificate of Incorporation consequent upon conversion was issued on March 01, 2018 by the Registrar of Companies, Mumbai. Further, pursuant to Business Takeover Agreement dated April 05, 2018, our Company acquired the business of M/s. Roni Enterprises, a proprietorship concern of one of our Promoter Mr. Harish Sirwani.

The Company’s Corporate Identity Number is U25207MH2017PLC300575.

Our Company currently trades in plastic granules and plastic household products which includes tub, buckets, ghamela etc. We intend to further expand our business by manufacturing plastic products for household use. We have taken a land on lease in MIDC Jalgaon for the proposed manufacturing unit. For further details, please refer to the “*Property/Land details*” of this chapter on page no. 79 of this Draft Prospectus. A part of our proposed manufacturing unit has been set up on the leased land. Trial manufacturing process for small part of our proposed capacity has recently commenced.



Our Company plans to leverage its promoter networks in the Trading community of Jalgaon and strong balance sheet situation to increase its presence in the plastic products. Our Company is in the process of building a quality and innovation focused trading and manufacturing vertical as well as developing a strong team to cater to its proposed increased operational needs.

Since our company was recently incorporated we have not completed a full financial year, however we have reported a robust operating performance for 6 months period ended March 31, 2018 wherein our sales, EBIDTA and Profit after Tax were ₹ 429.70 lakhs, ₹ 10.58 lakhs and 7.80 lakhs respectively.

### MAJOR EVENTS

Year	Milestone
April 2018	Takeover of Proprietorship Concern pursuant to Business Takeover Agreement dated April 05, 2018
April 2018	Acquired land admeasuring 1050 Sq. Mtrs. from MIDC on lease for proposed Manufacturing Plant
August 2018	Achieved turnover of more than ₹ 70 Lakhs for 5 months period ended August 31, 2018.
September 2018	Set up part of Manufacturing Facility and beginning of trial Production.

### MAIN OBJECTS

The main object of our Company is as follows:

1. To carry on in India or elsewhere the business to manufacture, produce, process, convert, commercialize, design, develop, display, discover, mould, remould, blow, extrude, draw, dye, equip, fit up, fabricate,

manipulate, prepare, promote, remodel, service, supervise, supply, import, export, buy, sell, turn to account and to act as agent, broker, concessionaire, consultant, collaborator, consignor, jobworker, export house or otherwise to deal in all shapes, sizes, varieties, colours, capacities, modalities, specifications, descriptions & applications of systems, novelties, substitutes, households items, buckets, mugs, soap case, kitchenware, sanitaryware, toys, ropes, gift articles, building materials, cutleries, bottle, caps and seals, jars, tailoring materials, writing materials, monofilaments, pipes, furnitures, baggages, hardwares, sheets, films, laminations etc. used in industries, trade, commerce, utilities, hospitals, transport, aviation, defence, entertainment, hotels, houses, stores, agricultures, packing, electricals & electronics and other allied fields whether made of plastics, plastic scrap, HDPE PVC, LDPE, LLDPE, polymers, co-polymers, monomers, elastomers, resins, polysters and other allied materials with or without combinations of other ferrous or non-ferrous materials and to do all incidental acts and necessary for the attainment of the above objects

- To acquire and takeover, whole or part of, the business operating in the name & style of “Roni Enterprises” (Proprietorship concern of Mr. Harish Sirwani), together with all its assets, goodwill, all stock-in trade and all liabilities thereof, either existing or new engaged in the business which the Company is authorized to carry on for consideration of the said sum to be paid to the seller either in cash or shares or partly by shares and partly by cash.

#### CHANGES IN REGISTERED OFFICE OF OUR COMPANY

Date of Change	Change of the Registered Office		Reason for Change
	From	To	
On Incorporation	P N 4, CTS 5379, Ganapati Nagar, Jalgaon - 425001, Maharashtra		Incorporation
September 15, 2018	P N 4, CTS 5379, Ganapati Nagar, Jalgaon - 425001, Maharashtra	Plot No. F - 55, Adl. MIDC Area, Ajanta Road, Jalgaon - 425003, Maharashtra	Administrative Convenience

#### 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	Nature of Amendment
January 19, 2018	Alteration in Memorandum of Association pursuant of change from Private Limited to Public Limited Company
March 29, 2018	Inserting the following Clause as Clause III A (2): <i>“To acquire and takeover, whole or part of, the business operating in the name &amp; style of “Roni Enterprises” (Proprietorship concern of Mr. Harish Sirwani), together with all its assets, goodwill, all stock-in trade and all liabilities thereof, either existing or new engaged in the business which the Company is authorized to carry on for consideration of the said sum to be paid to the seller either in cash or shares or partly by shares and partly by cash.”</i>
September 28, 2018	The Increase in the Authorised Capital from ₹ 3,00,00,000/- (Rupees Three Crores Only) divided into 30,00,000 (Thirty Lakh Only) Equity Shares of ₹ 10/- (Rupees Ten Only) each to ₹ 4,50,00,000/- (Rupees Four Crores Fifty Lakh Only) divided into 45,00,000 (Forty Five Lakh Only) Equity Shares of ₹ 10/- (Rupees Ten Only) each.

#### HOLDING COMPANY

Our Company does not have a holding company.

#### SUBSIDIARIES

As on the date of this Draft Prospectus, we do not have any subsidiary company(s).



**CHANGES IN THE ACTIVITIES OF OUR COMPANY IN THE LAST FIVE (5) YEARS**

Our Company was incorporated in October, 2017, and since incorporation our Company is engaged in the business of trading plastic granules and household plastic products. However, recently our Company ventured into in-house manufacturing of household plastic products at its Manufacturing Facility in Jalgaon.

**RAISING OF CAPITAL IN THE FORM OF EQUITY OR DEBT**

Except as disclosed in the chapter titled “*Capital Structure*” on page no. 45 of this Draft Prospectus, our Company has not raised any capital in the form of equity or debt.

**DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS/ BANKS AND CONVERSION OF LOANS INTO EQUITY**

There have been no defaults or rescheduling of borrowings with the financial institutions / banks / debenture holders (if any). Except as stated in the chapter titled “*Capital Structure*” on page no. 45 of this Draft Prospectus, none of our outstanding loans have been converted into Equity Shares.

**STRIKE, LOCK-OUTS, ETC.**

There have been no instances of any strikes, lockouts or instances of labour unrest in Our Company.

**TIME & COST OVERRUN**

There have been no time/cost overruns pertaining to our business operations.

**THE AMOUNT OF ACCUMULATED PROFIT/ (LOSSES) NOT ACCOUNTED FOR BY OUR COMPANY**

Except as stated in “*Risk Factors*” and “*Financial Statements*” on page no. 10 and 111 respectively, there are no accumulated profits or losses of either the Company that are not accounted for by our Company in the Restated Financial Statements.

**REVALUATION OF ASSETS**

Our Company has not revalued its assets since incorporation, as on the date of this Draft Prospectus.

**JOINT VENTURES**

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

**SHAREHOLDERS’ AGREEMENT**

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

**DETAILS REGARDING ACQUISITION OF BUSINESS / UNDERTAKINGS, MERGERS, AMALGAMATIONS**

Our Company has acquired the Proprietorship Concern of Mr. Harish Sirwani viz. M/s. Roni Enterprises, which was engaged in the business of trading plastic granules and household plastic products w.e.f. April 01, 2015, pursuant to Business Takeover Agreement dated April 05, 2018. Except as mentioned above, our Company have not acquired any other business or undertaken any mergers, amalgamation, revaluation of assets since incorporation.

**STRATEGIC AND FINANCIAL PARTNERS**

We do not have any Strategic and Financial partners as on the date of this Draft 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 Draft 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, one (1) Non Executive Director and two (2) Non Executive Independent Directors. Further, we have one women director on our Board. The present composition of our Board and its committees is in accordance with the corporate governance requirements, to the extent applicable to our Company, provided under the Companies Act 2013 and SEBI Listing Regulations, to the extent applicable. The following table sets forth the details of our Board of Directors as on the date of this Draft Prospectus:

Name, Current Designation, Address, Occupation, Term and DIN	Nationality	Age	Other Directorships
<p><b>Mr. Harish Sirwani</b> <i>Chairman &amp; Managing Director</i></p> <p><b>Address:</b> 4, Ganpati Nagar, Jalgaon – 425 001, Maharashtra.</p> <p><b>Date of appointment as Director:</b> October 09, 2017</p> <p><b>Date of appointment as Chairman &amp; Managing Director:</b> August 28, 2018</p> <p><b>Term:</b> Appointed for a period of five years from August 28, 2018 to August 27, 2023.</p> <p><b>Occupation:</b> Business</p> <p><b>DIN:</b> 07844075</p>	Indian	33Years	RV Gems Private Limited
<p><b>Mrs. Nidhi Sirwani</b> <i>Whole-time Director &amp; Chief Financial Officer</i></p> <p><b>Address:</b> 4, Ganpati Nagar, Jalgaon – 425 001, Maharashtra.</p> <p><b>Date of appointment as Director:</b> October 09, 2017</p> <p><b>Date of appointment as Whole-time Director:</b> August 28, 2018</p> <p><b>Term:</b> Appointed for a period of five years from August 28, 2018 to August 27, 2023, liable to retire by rotation.</p> <p><b>Occupation:</b> Business</p> <p><b>DIN:</b> 07941219</p>	Indian	32Years	RV Gems Private Limited
<p><b>Mr. Manohar Sirwani</b> <i>Non-Executive Director</i></p> <p><b>Address:</b> 4, Ganpati Nagar, Jalgaon – 425 001, Maharashtra.</p> <p><b>Date of appointment as Non-executive Director:</b> July 15, 2018</p> <p><b>Term:</b> Liable to retire by rotation</p>	Indian	61Years	NIL

Name, Current Designation, Address, Occupation, Term and DIN	Nationality	Age	Other Directorships
<b>Occupation:</b> Business <b>DIN:</b> 07844076			
<b>Mr. Arvind Pande</b> <i>Non Executive Independent Director</i>  <b>Address:</b> Plot No.12, Raver Road, MIDC Area, Savda, Jalgaon - 425 502, Maharashtra.  <b>Date of Appointment as Non Executive Independent Director:</b> September 27, 2018  <b>Term:</b> Appointed until next General Meeting  <b>Occupation:</b> Business  <b>DIN:</b> 08238902	Indian	34 Years	Nil
<b>Mr. Shailesh Bajaj</b> <i>Non Executive Independent Director</i>  <b>Address:</b> Plot No. 33, Ganesh Nagar, Jalgaon – 425001, Maharashtra.  <b>Date of Appointment as Non Executive Independent Director:</b> September 27, 2018  <b>Term:</b> Appointed until next General Meeting  <b>Occupation:</b> Business  <b>DIN:</b> 08054342	Indian	32 Years	Nil

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

Notes:

- 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 the Draft 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 recognized stock exchange in India during the term of their directorship in such company.
- None of the Directors is categorized as a wilful defaulter, as defined under SEBI (ICDR) Regulations.

#### **BRIEF BIOGRAPHIES OF OUR DIRECTORS**

##### **Mr. Harish Sirwani**

Mr. Harish Sirwani, aged 33 years, is the Managing Director of our Company. He is one of the founding members of our Company. He holds Master Degree in Business Administration from North Maharashtra

University, Jalgaon. Post qualification, he started his own venture, a proprietorship concern viz. “M/s. Roni Enterprises” (which was takeover by the Company in 2018) to trade in plastic granules and household items. Later in 2017, as a growth strategy he founded Roni Households Limited with his wife Mrs. Nidhi Sirwani to trade plastic granules and household items on a larger scale. Further, in 2017, he also founded RV Gems Private Limited, a Company founded with the object of manufacturing jewellery, with his wife Mrs. Nidhi Sirwani. Currently, he is overseeing the Operations Department of our Company.

**Mrs. Nidhi Sirwani**

Mrs. Nidhi Sirwani, aged 32 years, is the Whole-time Director and Chief Financial Officer of our Company. She is one of the founding members of our Company. She is an associate member of The Institute of Chartered Accountants of India. She had undergone 3 years of management training under N S Doshi & Co. and Jayesh Lalwani & Co. Before joining our Company in 2017, to provide professional guidance, she practiced in the field of taxation and audit for around 8 years. She is also a founding member of RV Gems Private Limited, a Company which was established with the object of manufacturing jewellery, with her husband Mr. Harish Sirwani. Currently, she is heading the Finance Department of our Company.

**Mr. Manohar Sirwani**

Mr. Manohar Sirwani, aged 61 years, is the Non-Executive Director of our Company. He holds Masters Degree in Commerce Field from Pune University. He owns a showroom in Jalgaon in the name & style of “Hira Saari Centre” for dealing in textile products, since last 35 years.

**Mr. Arvind Pande**

Mr. Arvind Pande, aged 34 years, is the Non-Executive Independent Director of our Company. He holds Masters Degree in Business Administration from North Maharashtra University, Jalgaon. Post qualification he started his own venture of mobile network distribution in Jalgaon.

**Mr. Shailesh Bajaj**

Mr. Shailesh Bajaj, aged 32 years, is the Non-Executive Independent Director of our Company. He holds MBA (Finance) Degree from Atharva College of Engineering. Post qualification he joined a wholesale mobile distribution entity in Jalgaon.

**RELATIONSHIP BETWEEN DIRECTORS**

Except as stated below, none of the Directors of the Company are related to each other:

1. Mr. Harish Sirwani and Mrs. Nidhi Sirwani are Husband & Wife
2. Mr. Harish Sirwani is son of Mr. Manohar Sirwani
3. Mrs. Nidhi Sirwani is daughter-in-law of Mr. Manohar Sirwani.

**Borrowing Powers of our Board of Directors**

Our Company at its Extra-Ordinary General Meeting held on January 30, 2018 passed a resolution authorizing the 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.

## REMUNERATION OF EXECUTIVE DIRECTORS

### Mr. Harish Sirwani, Chairman & Managing Director

The remuneration of our Chairman & Managing Director, Mr. Harish Sirwani as per resolution passed in the Extra Ordinary General Meeting held on September 15, 2018, for a period of three years, is detailed hereunder:

Basic Salary : ₹ 1.15 lakhs per month

#### Perquisites & Allowances:

Leave travel allowance : ₹ 0.10 lakhs per month

Medical allowance : ₹ 0.10 lakhs per month

Conveyance : ₹ 0.10 lakhs per month

Phone allowance : ₹ 0.05 lakhs per month

Remuneration paid to Mr. Harish Sirwani for FY 2017-18: Nil

### Mrs. Nidhi Sirwani, Whole-time Director

The remuneration of our Whole-time Director, Mrs. Nidhi Sirwani as per resolution passed in the Extra Ordinary General Meeting held on September 15, 2018 for a period of three years, is detailed hereunder:

Basic Salary : ₹ 1.15 lakhs per month

#### Perquisites & Allowances:

Leave travel allowance : ₹ 0.10 lakhs per month

Medical allowance : ₹ 0.10 lakhs per month

Conveyance : ₹ 0.10 lakhs per month

Phone allowance : ₹ 0.05 lakhs per month

Remuneration paid to Mrs. Nidhi Sirwani for FY 2017-18: ₹ 4.00 Lakhs.

### Compensation to the Non Executive Directors and Non Executive Independent Director

Pursuant to a resolution passed at the meeting of the Board of the Company on August 28, 2018 the Non-Executive Directors including Independent Director will be paid ₹ 1,000 for attending every Board and Committee Meeting of the Company.

Remuneration paid to our Non-Executive Directors and Non Executive Independent Director in Fiscal 2018: Nil

### Shareholding of Directors

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

Name of Directors	No. of Equity Shares held	% of Pre-Issue Paid Up Capital
Mr. Harish Sirwani	17,50,246	61.71%
Mrs. Nidhi Sirwani	10,85,650	38.28%
Mr. Manohar Sirwani	10	Negligible
Mr. Shailesh Bajaj	10	Negligible
<b>Total Holding of Directors</b>	<b>28,35,916</b>	<b>100.00%</b>
<b>Total Paid up Capital</b>	<b>28,35,946</b>	<b>100.00%</b>

### 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 Promoter, 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. Mr. Harish Sirwani and Mrs. Nidhi Sirwani may be interested to the extent of loans advanced by them to our Company.

Except as stated in this section titled “*Our Management*” and the section titled “*Annexure XXII - Related Party Transactions*” beginning on page nos. 89 and 127 of this Draft Prospectus respectively, our Directors do not have any other interest in our business.

Except as disclosed in “*Properties*” within the section titled “*Our Business*” on page no. 73 of this Draft Prospectus, our Directors have no interest in any property acquired by our Company within two years of the date of this Draft Prospectus. Further, except as disclosed in “*Properties*” within the section titled “*Our Business*” on page no. 73 of this Draft Prospectus, our Company has not taken any property on lease from our Promoter within two years of the date of this Draft 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.	Mr. Shailesh Bajaj	January 01, 2018	Appointment as Independent Director
2.	Mr. Manohar Sirwani	July 15, 2018	Appointment as Non Executive Director
3.	Mr. Shailesh Bajaj	July 15, 2018	Resignation as Independent Director
4.	Mr. Harish Sirwani	August 28, 2018	Change in Designation as Managing Director*
5.	Mrs. Nidhi Sirwani	August 28, 2018	Change in Designation as Whole-time Director
6.	Mr. Arvind Pande	September 27, 2018	Appointment as Additional Non Executive Independent Director
7.	Mr. Shailesh Bajaj	September 27, 2018	Appointment as Additional Non Executive Independent Director

\* Appointed as Chairman vide Board Resolution dated September 27, 2018

### Corporate Governance

The provisions of the SEBI (LODR) Regulations, 2015 with respect to corporate governance will be applicable to us immediately upon the listing of our Equity Shares with the Stock Exchanges. We are in compliance with the requirements of the applicable regulations, including the SEBI (LODR) Regulations, 2015, the SEBI Regulations and the Companies Act, in respect of corporate governance including constitution of the Board and committees thereof. The corporate governance framework is based on an effective independent Board, separation of the Board’s supervisory role from the executive management team and constitution of the Board Committees, as required under law.

Our Board has been constituted in compliance with the Companies Act and SEBI (LODR) Regulations, 2015. The Board functions either as a full board or through various committees constituted to oversee specific functions. Our executive management provides our Board detailed reports on its performance periodically.

Currently, our Board has Five (5) Directors comprising of two (2) Executive Directors and one (1) Non-Executive Director and two (2) Non Executive Independent Directors. We have one (1) women Director on our Board.

### Committees of our Board

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 constituted by our Directors by a board resolution dated September 29, 2018 pursuant to section 177 of the Companies Act, 2013. The Audit Committee comprises:

Name of the Member	Nature of Directorship	Designation in Committee
Mr. Shailesh Bajaj	Non Executive Independent Director	Chairman
Mr. Arvind Pande	Non Executive Independent Director	Member
Mr. Nidhi Sirwani	Whole-time 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 one hundred and twenty days 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.

## **2. Stakeholder's Relationship Committee**

The Stakeholder's Relationship Committee of our Board was constituted by our Directors pursuant to section 178 (5) of the Companies Act, 2013 by a board resolution dated September 29, 2018. The Stakeholder's Relationship Committee comprises:

<b>Name of the Member</b>	<b>Nature of Directorship</b>	<b>Designation in Committee</b>
Mr. Shailesh Bajaj	Non Executive Independent Director	Chairman
Mr. Harish Sirwani	Chairman & Managing Director	Member
Mrs. Nidhi Sirwani	Whole-time 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 investors 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.

## **3. Nomination and Remuneration Committee**

The Nomination and Remuneration Committee of our Board was constituted by our Directors pursuant to section 178 of the Companies Act, 2013 by a board resolution dated September 29, 2018.

The Nomination and Remuneration Committee currently comprises:

<b>Name of the Member</b>	<b>Nature of Directorship</b>	<b>Designation in Committee</b>
Mr. Manohar Sirwani	Non Executive Director	Chairman
Mr. Shailesh Bajaj	Non Executive Independent Director	Member
Mr. Arvind Pande	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*

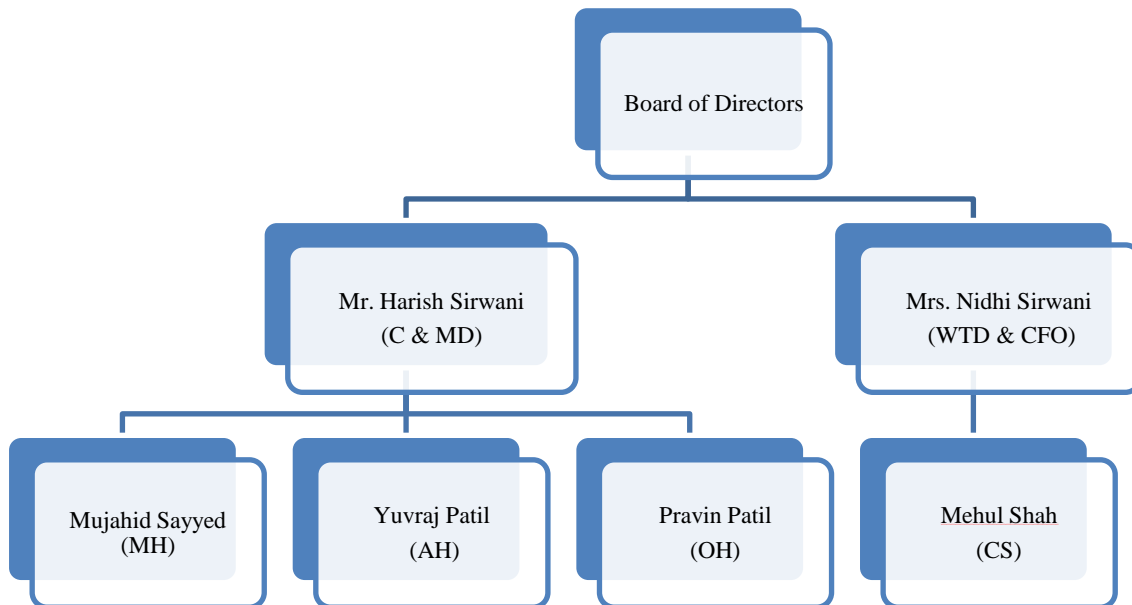
The quorum necessary for a meeting of the Nomination and Remuneration Committee shall be two members or one third of the members, whichever is greater. The Committee is required to meet at least once a year.

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 8 and 9 of the SEBI (Prohibition of Insider Trading) Regulations, 2015 will be applicable to our Company immediately upon the listing of its Equity Shares on the Stock Exchange. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 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 offer.

Our Board 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 Organization Structure****Terms & Abbreviations:**

C	-	Chairman
CFO	-	Chief Financial Officer
CS & CO	-	Company Secretary and Compliance Officer
MH	-	Marketing Head
AH	-	Admin Head
OH	-	Operation Head
MD	-	Managing Director
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 Appointment	Qualification	Name of Previous Employer(s)	Total years of Experience (approximately)
Mr. Harish Sirwani	Managing Director	October 09, 2017 <sup>(1)</sup>	Master of Business Administration)	Proprietor of M/s. Roni Enterprises	10 Years
Mrs. Nidhi Sirwani	Chief Financial Officer	September 01, 2018 <sup>(2)</sup>	Chartered Accountant	<ul style="list-style-type: none"> <li>• N S Doshi &amp; Co.</li> <li>• Jayesh Lalwani &amp; Co.</li> <li>• Practiced in the field of taxation &amp; Audit</li> </ul>	12 Years
Mr. Mehul Shah	Company Secretary & Compliance Officer	October 01, 2018	Company Secretary	<ul style="list-style-type: none"> <li>• Ulhas Shetty &amp; Co.</li> <li>• C. Mahendra Exports Limited</li> <li>• Visijan Exports Private Limited</li> <li>• Piramal Infrastructure Private Limited</li> <li>• Piramyd Retail and Merchandising Private Limited</li> </ul>	3.5 Years
Mr. Mujahid Sayyed	Marketing Head	July 01, 2018	Undergraduate	-	N.A
Mr. Yuvraj Patil	Admin Head	July 01, 2018	Undergraduate	<ul style="list-style-type: none"> <li>• Pawar medical</li> <li>• Maharashtra Jeevan Prodhikaran (Water Department)</li> </ul>	38 Years
Mr. Pravin Patil	Operation Head	July 01, 2018	Undergraduate	<ul style="list-style-type: none"> <li>• Blue Star Engineer</li> <li>• Darshan Plastic</li> <li>• Smithshilp Plastic</li> <li>• R-Vision Plastic Industries Private Limited</li> </ul>	18 Years

<sup>(1)</sup> Originally appointed as the First Director on October 09, 2017 and was re-designated as the Managing Director w.e.f. August 28, 2018

<sup>(2)</sup> Our Company recently reorganised by acquiring the proprietorship concern i.e. M/s. Roni Enterprises and therefore all our KMPs are newly appointed and hence no remunerations is given for last financial years.

### **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, except:

1. Mr. Harish Sirwani who is Promoter and Managing Director;
2. Mrs. Nidhi Sirwani who is the Promoters and Whole-time Director.

### **Relationship amongst the Key Managerial Personnel**

None of the aforementioned KMP's are related to each other, except Mr. Harish Sirwani and Mrs. Nidhi Sirwani who are related to each other as husband and wife. Also, none of them have been selected pursuant to any arrangement / understanding with major shareholders / customers / suppliers.

### **Shareholding of Key Managerial Personnel**

Except as mentioned below, none of our KMP's holds any shares of our Company as on the date of this Draft Prospectus.

Sr. No.	Name of the Shareholder	No. of Shares Held
1.	Mr. Harish Sirwani	17,50,246
2.	Mrs. Nidhi Sirwani	10,85,650

### **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. Moreover, Mr. Harish Sirwani and Mrs. Nidhi Sirwani may be interested to the extent of loans advanced by them to our Company, in capacity of Director.

### **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 Draft Prospectus**

Except as disclosed below, there has been no change in KMPs in past three years from the date of this Draft Prospectus:

Name of Employee	Designation & Functional Area	Date of Appointment / Date of Change in Designation
Mr. Harish Sirwani	Managing Director	August 28, 2018

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<b>Name of Employee</b>	<b>Designation &amp; Functional Area</b>	<b>Date of Appointment / Date of Change in Designation</b>
Mrs. Nidhi Sirwani	Chief Financial Officer	September 01, 2018
Ms. Mehul Shah	Company Secretary and Compliance Officer	October 01, 2018
Mr. Mujahid Sayyed	Marketing Head	July 01, 2018
Mr. Pravin Patil	Operation Head	July 01, 2018
Mr. Yuvraj Patil	Admin Head	July 01, 2018


## OUR PROMOTERS AND PROMOTER GROUP

### The Promoters of our Company are:

1. Mr. Harish Sirwani
2. Mrs. Nidhi Sirwani

### The details of our Individual Promoters are provided below:

Mr. Harish Sirwani	
	<b>PAN:</b> BBCPS9203F
	<b>Passport No.:</b> N1222380
	<b>Driver's License:</b> MH1920090017530
	<b>Voter's ID No.:</b> N.A
	<b>Aadhaar:</b> 4346 3676 2924
	<b>Bank A/c No.:</b> 034792000000484
	<b>Name of Bank &amp; Branch:</b> Yes Bank, Jalgaon , Maharashtra
	<b>Other Interests:</b> RV Gems Private Limited

Mrs. Nidhi Sirwani	
	<b>PAN:</b> EDAPS1978E
	<b>Passport No.:</b> N2935053
	<b>Driver's License:</b> N.A
	<b>Voter's ID No.:</b> N.A.
	<b>Aadhaar:</b> 6036 0387 6330
	<b>Bank A/c No.:</b> 034798800000074
	<b>Name of Bank &amp; Branch:</b> Yes Bank, Jalgaon , Maharashtra
	<b>Other Interests:</b> RV Gems Private Limited

*For additional details on the age, background, personal address, educational qualifications, experience, positions / posts, other ventures and Directorships held in the past, please see the chapter titled "Our Management" beginning on page no. 89 of this Draft Prospectus.*

*For details of the build-up of our Promoters shareholding in our Company, please see "Capital Structure – Notes to Capital Structure" on page no. 46 of this Draft Prospectus.*

### Other Undertakings and Confirmations

We confirm that the Permanent Account Number, Bank Account number and Passport number of our Promoters shall be submitted to the Stock Exchange at the time of filing of the Draft Prospectus with the Stock Exchange.

Our Promotes and the members of our Promoter Group 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 in the past or are currently pending against them. Our Promoters are not 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.



**Interests of Promoters**

None of our Promoters / Directors have any interest in our Company except to the extent of compensation payable / paid and reimbursement of expenses (if applicable) and to the extent of any equity shares held by them or their relatives and associates or held by the companies, firms and trusts in which they are interested as director, member, partner, and / or trustee, and to the extent of benefits arising out of such shareholding. However, our Promoters / Directors namely Mr. Harish Sirwani and Mrs. Nidhi Sirwani may be interested to the extent of loans advanced by them to our Company. For further details on the interest of our promoters in our Company, please see the chapters titled “*Capital Structure*”, “*Financial Information*” and “*Our Management*” beginning on page nos. 45, 111 and 89 of this Draft Prospectus.

Except as stated otherwise in this Draft Prospectus, we have not entered into any contract, agreements or arrangements 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.

For Further details on the related party transaction, to the extent of which our Company is involved, please see “*Annexure XXII - Statement of Related Party Transaction*” on page no. 127 of this Draft Prospectus.

**Common Pursuits of Promoters**

There are no Common Pursuits between our Company and our Promoters. Further, as on the date of this Draft Prospectus, our Promoters have no interest in any venture that is involved in activities similar to those conducted by our Company.

Our Company will adopt necessary procedures and practices as permitted by law to address any conflict situation as and when they arise.

**Companies with which the Promoters has disassociated in the last three years**

Except as mentioned below, our Promoters have not disassociated themselves from any companies, firms or entities during the last three years preceding the date of the Draft Prospectus:

Sr. No.	Name of the Promoter	Name of the Entity	Date of Cessation / Disassociation
1.	Mr. Harish Sirwani	Amend Multitrade Private Limited	September 18, 2017
2.	Mr. Harish Sirwani	Roni Enterprises*	April 01, 2018

\*Roni Enterprises (Proprietorship Concern of Mr. Harish Sirwani) has been taken over by our Company.

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

Except as stated in “*Annexure XXII – Statement of Related Party Transactions*” under the chapter “*Financial Statements*” on page no. 127 of this Draft Prospectus, there has been no other payment of benefits to our Promoters during the two years preceding the date of this Draft Prospectus.

**Interest of Promoters in the Promotion of our Company**

Our Company is currently promoted by the promoters in order to carry on its present business. 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.

**Interest of Promoters in the Property of our Company**

Our Promoters have confirmed that they do not have any interest in any property acquired by our Company within two years preceding the date of the Draft Prospectus or proposed to be acquired by our Company as on the date of

this Draft Prospectus. For details, please see “*Our Business - Properties*” and “*Annexure XXII - Related Party Transactions*” on page nos. 79 and 127 respectively, of this Draft 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. For details please see chapters titled “*Our Management*” and “*Capital Structure*” beginning on page nos. 89 and 45 respectively of this Draft Prospectus.

Except as mentioned in this section and the chapters titled “*Capital Structure*”, “*Our Business*”, “*History and Certain Corporate matters*” and “*Annexure XXII – Statement of Related Party Transactions*” on page nos. 45, 73, 85 and 127 of this Draft Prospectus, respectively, our Promoters do not have any interest in our Company other than as Promoters.

### **Related Party Transactions**

Except as stated in the “*Annexure XXII – Statement of Related Party Transactions*” on page no. 127 of this Draft Prospectus, our Company has not entered into related party transactions with our Promoters.

### **Shareholding of the Promoter Group in our Company**

For details of shareholding of members of our Promoter Group as on the date of the Draft Prospectus, please see the chapter titled “*Capital Structure – Notes to Capital Structure*” beginning on page no. 46 of this Draft Prospectus.

### **Other Confirmations**

Our Company has neither made any payments in cash or otherwise to our Promoters or to firms or companies in which our Promoters are interested as members, directors or promoters nor have our Promoters been offered any inducements to become directors or otherwise to become interested in any firm or company, in connection with the promotion or formation of our Company otherwise than as stated in the “*Annexure XXII – Statement of Related Party Transactions*” on page no. 127 of this Draft Prospectus.

### **Outstanding Litigation**

There are 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 page nos. 10 and 137 of this Draft Prospectus.

## **OUR PROMOTER GROUP**

In addition to the Promoters named above, the following natural persons and entities form part of our Promoter Group in terms of Regulation 2 (1) (zb) (ii) of the SEBI (ICDR) Regulation, 2009.

### **A. Natural Persons who are Part of the Promoter Group**

<b>Name of the Promoter</b>	<b>Name of the Relative</b>	<b>Relationship with the Promoter</b>
Mr. Harish Sirwani	Mr. Manohar Sirwani	Father
	Mrs. Rajani Sirwani	Mother
	Mrs. Nidhi Sirwani	Wife
	Mrs. Mona Mandhan	Sister
	Master Ronak Sirwani	Son
	Mr. Bhagwandas Lalwani	Wife’s Father
	Mrs. Laxmi Lalwani	Wife’s Mother
	Mr. Lucky Lalwani	Wife’s Brother(s)

Name of the Promoter	Name of the Relative	Relationship with the Promoter
	Mrs. Bharti Lalwani	Wife's Sisters(s)

Name of the Promoter	Name of the Relative	Relationship with the Promoter
Mrs. Nidhi Sirwani	Mr. Bhagwandas Lalwani	Father
	Mrs. Laxmi Lalwani	Mother
	Mr. Harish Sirwani	Husband
	Mr. Lucky Lalwani	Brother(s)
	Mrs. Bharti Lalwani	Sister (s)
	Master Ronak Sirwani	Son(s)
	Mr. Manohar Sirwani	Husband's Father
	Mrs. Rajani Sirwani	Husband's Mother
	Mrs. Mona Sirwani	Husband's Sister (s)

***B. Companies / Corporate Entities forming part of the Promoter Group***

As per Regulation 2(1)(zb)(iv) of the SEBI (ICDR) Regulations, 2009, the following Companies / Trusts / Partnership firms / HUFs or Sole Proprietorships shall form part of our Promoter Group:

Sr. No.	Name of Promoter Group Entity/Company
1.	RV Gems Private Limited

## OUR GROUP COMPANY

In accordance with the provisions of SEBI (ICDR) Regulations, for the purpose of identification of Group Companies, our Company has considered companies as covered under the applicable Accounting Standards, being Accounting Standard 18 issued by the Institute of Chartered Accountants of India (“AS 18”) as per the Restated Financial Statements and other companies as per the policy adopted by our Board of Directors. Our Board of Directors have considered a company as Group Company if (i) such company forms part of the Promoter Group or (ii) Companies forming part of the “*Related Party Transactions*” of Restated Financial Statements. Based on the above, only RV Gems Private Limited (“RGPL”) is forming part of our Group Company.

Further, our Board has approved that other than RGPL there are no companies which are considered material by the Board, based on the above materiality clause, to be identified as a Group Company.

### DETAILS OF OUR GROUP COMPANY:

#### 1. RV Gems Private Limited (‘RGPL’)

<b>Incorporation</b>	RGPL was incorporated on October 09, 2017 as ‘ <i>RV Gems Private Limited</i> ’ under the Companies Act, 2013.
<b>Registration Number</b>	300553
<b>Registered Office</b>	P N 4, CTS 5379, Ganapati Nagar, Jalgaon - 425 002, Maharashtra
<b>Nature of Business</b>	RGPL was formed with the object to carry on in India or elsewhere the business to manufacture, produce, process, prepare, commercialise, cut, polish, set, design, display, exchange, examine, finish, grind, grade, assort, import, export, buy, sell, resale, demonstrate, market and to act as agent, broker, indentor, liasioner, adatias, representative, C & F agents, export house, valuer, sales promoter, supplier, provider, merchants, stockists, distributor, wholesaler, retailer or otherwise to deal in all shapes, sizes, varieties, description, specifications, applications & designs of rough, raw, cut, uncut, polished or processed, natural & man made precious semiprecious & natural stones such as diamonds, ruby, pearls, gemstones, blue sapphires, cat's eye stone, coral, topaz, opal, zircon, tourmaline, jade, spinel ruby, aquamarine, turquoise, peidot, agate, garnet, corundum, amethyst, malachite, citrine, alexandrite, smoky quartz, lapis lazuli, rock crystal, onyx, moon stone, jasper, blood stone, gold stone, bismuth, jet, diopside, tiger eye, sunstone, spinal, jews stone, load stoner, sardonex, touch stone, amber and their ornaments, jewelleryes, articles, goods, or things, made in the combination of gold, silver, platinum, or other metals, and alloys thereof and for the purpose to act as goldsmith, silversmith, jewelers, gem merchants, electroplaters, polishers, purifiers, and to do all incidental acts and things necessary for the attainment of above objects.
<b>Registrar of Companies</b>	Registrar of Companies, Mumbai

#### *Board of Directors*

- Mr. Harish Sirwani
- Mrs Nidhi Sirwani

#### *Interest of our Promoters / Promoter Group*

Our Promoters hold 100.00% Equity Shares of RGPL.

#### *Financial Performance*

The brief financial details of RGPL derived from its Audited Financial Statements, for the year ended March 31, 2018, are set forth below:

(₹ in lakhs)

Particulars	As at March 31, 2018
Equity Share Capital (FV ₹ 10/-)	1.00
Retained Earnings	(0.49)
Net-worth	0.51
Income including other income	0.00
Profit/ (Loss) after tax	(0.49)
Earnings per share (FV ₹ 10/-) (Basic/Diluted)	(4.94)
Net asset value per share	5.06

*There are no significant notes of the auditors in relation to the aforementioned financial statements.*

**Other disclosures:**

- The equity shares of RGPL are not listed on any stock exchange;
- RGPL is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 nor is under winding up;
- RGPL has a positive net-worth but has made loss in the immediately preceding year.
- No application has been made to RoC for striking off the name of RGPL;
- RGPL is not prohibited from accessing the capital markets for any reasons by the SEBI or any other authorities.

There are no defaults in meeting any statutory/ bank/ institutional dues. No proceedings have been initiated for economic offences against the Company.

**DETAILS OF LOSS MAKING GROUP COMPANY:**

For details pertaining to loss making Group Company, please refer the para titled “RV Gems Private Limited” in the chapter “Our Group Company” on page no. 106 of this Draft Prospectus.

**NATURE AND EXTENT OF THE INTEREST OF THE GROUP COMPANY IN OUR COMPANY**

**In the promotion of our Company**

Our Group Company do not have any interest in the promotion of our Company.

**In the properties acquired by our Company**

Our Group Company do not have any interest in the properties acquired by our Company within the two years of the date of filing this Draft Prospectus or proposed to be acquired by our Company, except as disclosed in the chapter titled “Our Business” on page no. 73 of this Draft Prospectus.

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

Our Group Company do not have any interest in our Company in relation to transactions for acquisition of land, construction of building and supply of machinery, except as disclosed in the chapter titled “Our Business” on page no. 73 of this Draft Prospectus.

**Payment of amount or benefits to our Group Company during the last two years**

Except as disclosed in the section “Financial Information – Annexure XXII - Related Party Transactions” beginning on page no. 127 of this Draft Prospectus, no amount or benefits were paid or were intended to be paid to our Group Company since the incorporation of our Company except to the extent of their shareholding and the dividend payable, if any and other distributions in respect of the Equity Shares held by them.

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### **Common Pursuits of our Group Company**

Our Group Company is currently not engaged in the same line of business or have any common pursuits as our Company.

Further, our Company will adopt necessary procedures and practices as permitted by law to address any conflicting situation as and when they arise.

### **Related business transactions within the Group Company and its significance on the financial performance of our Company**

For details, please see the chapter titled “*Financial Statements- Annexure XXII - Related Party Transactions*” beginning on page no. 127 of this Draft Prospectus.

### **Sale/ purchase between Group Company (exceeding 10% in aggregate of the total sales or purchases of our Company)**

For details, please see the chapter titled “*Financial Statements- Annexure XXII - Related Party Transactions*” beginning on page no. 127 of this Draft Prospectus.

### **Defunct Group Company**

Our Group Company is not defunct and no application has been made to the registrar of companies for striking off the name of our Group Company during the five years preceding the date of this Draft Prospectus.

### **Outstanding Litigations**

For details relating to the material legal proceedings involving our Group Company, refer the chapter titled “*Outstanding Litigations and Material Developments*” beginning on page no. 137 of this Draft Prospectus.

### **Other Confirmations**

Our Group Company have further confirmed that it has not been declared as wilful defaulter and there has been no violation of securities laws, committed by it, in the past and no proceedings pertaining to such penalties are pending against them except as stated under chapters “*Risk Factors*”, “*Our Group Company*” and “*Outstanding Litigations and Material Developments*” beginning on page nos. 10, 106 and 137 of this Draft Prospectus, respectively. Additionally, our Group Company has not been restrained from accessing the capital markets for any reasons by the SEBI or any other authorities except as stated under chapters “*Risk Factors*”, “*Our Group Company*” and “*Outstanding Litigations and Material Developments*” beginning on page nos. 10, 106 and 137 of this Draft Prospectus, respectively.

**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 Draft 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.

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## **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.



## SECTION VI – FINANCIAL INFORMATION

### FINANCIAL STATEMENTS

To,  
The Board of Directors  
**Roni Households Limited**  
Plot No. F-55, Addl. MIDC Area  
Ajanta Road, Jalgaon -425003

We have examined Financial Statements and Other Financial Information of Roni Households Limited ('the Company') taking into consideration the terms of reference and terms of our engagement agreed upon with you in connection with the proposed IPO of Equity Shares of the Company and the Guidance Note on Reports in Company Prospectuses (Revised 2016) issued by the Institute of Chartered Accountants of India.

The said Restated Financial Statements and other Financial Information have been prepared for the purposes of inclusion in the Draft Prospectus / Prospectus (collectively hereinafter referred to as "Offer Document") in connection with the proposed Initial Public Offer ("IPO") of the Company in accordance with the requirements of:

1. Sub-clauses (i) and (iii) of clause (b) of sub-section (1) of section 26 of the Companies Act, 2013 as amended and;
2. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (the 'SEBI Regulations') and the related clarifications issued by the Securities and Exchange Board of India ('SEBI'); as amended to date;
3. We have examined the accompanied 'Restated Statement of Profit and Loss' (**Annexure – II**) for the period ended 31<sup>st</sup> March, 2018, 31<sup>st</sup> August, 2018 and the 'Restated Statement of Assets and Liabilities' (**Annexure – I**) as on those date, forming Part of the 'Financial Information' dealt with by this Report, detailed below. Both read together with the Significant Accounting Policies (**Annexure – IV**) thereon, which are the responsibility of the Company's management. The information have been extracted from the financial statements for the period ended on 31<sup>st</sup> March, 2018, 31<sup>st</sup> August, 2018 audited by us, being the Statutory Auditors of the Company for the respective periods and approved by the Board of Directors. The Financial information for the periods ended 31<sup>st</sup> March, 2018, 31<sup>st</sup> August, 2018 is re-audited by us.
4. In terms of Schedule VIII, Clause IX (9) of the SEBI (ICDR) Regulations, 2009 and other provisions relating to accounts of Roni Household Limited, we, Raju & Prasad Chartered Accountants, Chartered Accountants, have been subjected to the peer review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the Peer Review Board of the ICAI.
5. Based on our examination, we further report that:
  - a. The Restated Statement of Assets and Liabilities of the Company as 31<sup>st</sup> March, 2018 and 31<sup>st</sup> August, 2018, examined by us, as set out in **Annexure I** to this examination report are after making adjustments and regrouping as in our opinion were appropriate and more fully described in the statement of significant accounting policies in **Annexure IV**.
  - b. The Restated Statement of Profit and Loss of the Company for the period ended 31<sup>st</sup> March, 2018 and 31<sup>st</sup> August, 2018 examined by us, as set out in **Annexure II** to this examination report are after making adjustments and regrouping as in our opinion were appropriate and more fully described in the statement of significant accounting policies in **Annexure IV**.
  - c. The Restated Statement of Cash Flows of the Company for the period ended 31<sup>st</sup> March, 2018 and 31<sup>st</sup> August, 2018 examined by us, as set out in **Annexure III** to this examination report are after making adjustments and regrouping as in our opinion were appropriate and more fully described in the statement of significant accounting policies in **Annexure IV**.
  - d. The Restated Financial Statements have been made after incorporating adjustments for :

- i. The changes, if any, in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per the changed accounting policy for all the reporting period /years.
      - ii. Prior period and other material amounts in the respective financial years to which they relate.
    - e. Such Financial statements do not require any corrective adjustments on account of :
      - i. Other remarks/comments in the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub - section (4A) of section 227 of the act, on financial statements of the company as at and for the period ended January 31, 2018
      - ii. Extra-ordinary items that need to be disclosed separately in the accounts requiring adjustments.
6. At the request of the company, we have also examined the following financial information("Other Financial Information") proposed to be included in the offer document prepared by the management and approved by the board of directors of the company and annexed to this report:
  - i) Statement of Share Capital, as restated (Annexure - VI)
  - ii) Statement of Reserves & Surplus, as restated (Annexure - VII)
  - iii) Statement of Short Term Borrowings, as restated (Annexure- VIII)
  - iv) Statement of Trade Payable, as restated (Annexure- IX)
  - v) Statement of Short Term Provisions, as restated (Annexure- X)
  - vi) Statement of Other Current Liabilities, as restated (Annexure- XI)
  - vii) Statement of Fixed Assets, as restated (Annexure- XII)
  - viii) Statement of Deferred Tax, as restated (Annexure – XIII)
  - ix) Statement of Non Current Assets, as restated (Annexure – XIV)
  - x) Statement of Inventories, as restated (Annexure – XV)
  - xi) Statement of Trade Receivables, as restated (Annexure - XVI)
  - xii) Statement of Cash and Cash Equivalents, as restated (Annexure - XVII)
  - xiii) Statement of Other Current Assets, as restated (Annexure - XVIII)
  - xiv) Statement of Revenue from Operations, as restated (Annexure – XIX)
  - xv) Statement of Capitalization, as restated (Annexure – XX)
  - xvi) Statement of Accounting Ratios, as restated (Annexure – XXI)
  - xvii) Statement of Related Party Transactions, as restated (Annexure – XXII)
  - xviii) Statement Of Dividend Declared, As Restated (Annexure XXIII)
  - xix) Statement Of Contingent Liabilities, As Restated (Annexure XXIV)
  - xx) Statement of Tax Shelter, as restated (Annexure XXV)
7. In our opinion, the Restated Financial Statements and the other Financial Information set forth in Annexure I to XXV read with the significant accounting policies and notes to the restated financial statements have been prepared in accordance with section 26 of Companies Act, 2013 and the SEBI Regulations and the Guidance Note on the reports in Company Prospectus (Revised 2016) issued by the Institute of Chartered Accountants of India (ICAI).
8. Consequently the financial information has been prepared after making such regroupings and adjustments as were, in our opinion, considered appropriate to comply with the same. As a result of these regrouping and adjustments, the amount reported in the financial information may not necessarily be the same as those appearing in the respective audited financial statements for the relevant years.
9. This report should not in any way construed as a reissuance or redrafting of any of the previous audit report issued by us nor should this report be construed as new opinion on any of the financial statement referred to therein.
10. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
11. This report is intended solely for your information and for inclusion in the Offer document in connection

with the Company's proposed IPO of equity shares and is not to be used, referred to or distributed for any other purpose without our prior written consent.

**For M/s. Raju & Prasad Chartered Accountants,  
Chartered Accountants**  
(Firm Registration No. 003475S)

**CA Roshni Advani**  
**Partner**  
Membership No: 116727

Place: Jalgaon  
Date: September 29, 2018

**Annexure I**  
**STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED**

(₹ in lakhs)

Particulars	As at	
	August 31, 2018	March 31, 2018
<b>EQUITY AND LIABILITIES</b>		
<b>1.Shareholder's fund</b>		
a) Equity Share Capital	283.59	51.00
b)Reserves and surplus	119.41	7.80
<b>Total Shareholders Fund (1)</b>	<b>403.01</b>	<b>58.80</b>
<b>2.Current liabilities</b>		
a) Short-term borrowings	67.14	92.71
b) Trade payables	85.27	191.23
c) Short-term provisions	0.57	0.53
d) Other Current Liabilities	1.91	4.77
<b>Total(2)</b>	<b>154.90</b>	<b>289.24</b>
<b>TOTAL(1+2)</b>	<b>557.90</b>	<b>348.04</b>
<b>ASSETS</b>		
<b>1.Non - Current Assets</b>		
a) Fixed Assets		
i.) Tangible assets	38.51	2.02
ii) Capital Work in Progress	45.66	57.12
b) Deferred Tax Assets	0.31	0.83
c) Other Non Current Assets	224.73	-
<b>Total (1)</b>	<b>309.21</b>	<b>59.97</b>
<b>2.Current Assets</b>		
a) Inventories	98.88	55.19
b) Trade Receivables	105.21	210.69
c) Cash and Cash equivalents	6.48	3.61
d) Other current assets	38.13	18.58
<b>Total(2)</b>	<b>248.70</b>	<b>288.07</b>
<b>TOTAL(1+2)</b>	<b>557.90</b>	<b>348.04</b>

**Annexure II**  
**STATEMENT OF PROFIT AND LOSS ACCOUNT, AS RESTATED**

(₹ in lakhs)

Particulars	For Period Ended	
	August 31, 2017	August 31, 2018
<b>INCOME:</b>		
Revenue from Operations(Net)	73.87	429.70
Other Income	-	-
<b>Total income</b>	<b>73.87</b>	<b>429.70</b>
<b>EXPENSES:</b>		
Cost Of Material Traded	67.32	408.57
Employee benefits expense	2.41	5.00
Depreciation and amortization expense	0.72	0.08
Other Expenses	1.25	5.54
<b>Total expenses</b>	<b>71.70</b>	<b>419.20</b>
<b>Net Profit / (Loss) before Tax</b>	<b>2.18</b>	<b>10.50</b>
<b>Less: Tax expense</b>		
Current tax	0.04	3.53
Deferred tax (assets)/ liabilities	0.52	(0.83)
<b>Total Tax Expense</b>	<b>0.56</b>	<b>2.70</b>
<b>Net Profit / ( Loss ) after tax</b>	<b>1.62</b>	<b>7.80</b>

**Annexure III**  
**CASH FLOW STATEMENT, AS RESTATED**

(₹ in lakhs)

Particulars	For Period Ended	
	August 31, 2018	August 31, 2018
<b>Cash Flow From Operating Activities</b>		
<b>Net Profit Before Tax</b>	<b>2.18</b>	<b>10.50</b>
Adjustments for :		
Depreciation/Amortisation	0.72	0.08
<b>Operating Profit Before Working Capital Adjustments</b>	<b>2.89</b>	<b>10.58</b>
<b>Adjustment for Changes in Working Capital</b>		
Other Current Liabilities	(2.86)	4.77
Trade payable	(105.96)	191.23
Inventories	(43.69)	(55.19)
Trade Receivables	105.48	(210.69)
Other Current Assets	(19.55)	(18.58)
<b>Cash Flow Generated from Operations</b>	<b>(63.69)</b>	<b>(77.87)</b>
Income Tax and Fringe Benefit Tax Paid	-	3.00
<b>Net Cash flow from Operating activities (A)</b>	<b>(63.69)</b>	<b>(80.87)</b>
<b>Cash Flow From Investing Activities</b>		
(Purchase)/Sale of Fixed Assets including Capital WIP	(25.74)	(59.22)
Changes in Other Non Current Assets	(224.73)	-
<b>Net Cash Flow from Investing Activities (B)</b>	<b>(250.47)</b>	<b>(59.22)</b>
<b>Cash Flow From Financing Activities</b>		
Increase / (Decrease) Short term borrowings	(25.57)	92.71
Proceeds from Share Capital (including Share Premium)	342.59	51.00
<b>Net Cash Flow from Financing Activities (C)</b>	<b>317.03</b>	<b>143.71</b>
<b>Net Increase/ (Decrease) in Cash and Cash Equivalents ( A + B + C )</b>	<b>2.87</b>	<b>3.61</b>
Cash & Cash equivalent at the beginning of the year	3.61	-
<b>Cash &amp; Cash Equivalent at the end of the year</b>	<b>6.48</b>	<b>3.61</b>

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**ANNEXURE IV****SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:****1. Corporate Information**

The Roni Households Limited (The company) is engaged in trading of various plastic granules and plastic household products. It had been incorporated as private Limited Company dated 09<sup>th</sup> October 2017 and by passing special resolution in Extra Ordinary General meeting by Members of The company dated 19<sup>th</sup> January 2018 applied for conversion from Private Limited Company into public Limited Company and got certificate of conversion From Roni Households Private limited (Private Limited Company) to Roni Households Limited (Public Limited Company) dated 1<sup>st</sup> March 2018.

**1.2 Significant Accounting Policies****a. Basis of preparation**

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention.

The Financial Statement relate to the period April 01, 2018 to August 31, 2018 and has been prepared solely for the purpose of disclosure in Red Herring Prospectus, Self Prospectus and Prospectus in accordance with SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time and in accordance with the Guidance Note on Reports or Certificates for Special Purpose (Revised 2016) issued by the Institute of Chartered Accountants of India.

**b. Use of estimates**

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

**c. Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature reported amounts of assets and liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reported period. Differences between the actual results and estimates are recognized in the period in which the results are known / materialize.

**1.3 Cash and cash equivalents (for purposes of cash flow statement)**

Cash comprises cash on hand and demand deposit with banks. Cash equivalents are short term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into loan amounts of cash and which are subject to insignificant risk of changes in values.

**1.4 Property, Plant & Equipment and intangible assets**

- i. Tangible Fixed Assets are stated at cost of acquisition or construction (net of GST) less accumulated depreciation and impairment losses. The cost of assets comprises of its purchase price and any directly attributable cost of bringing the assets to their location and working condition upto the date of its intended use.
- ii. Intangible assets are stated at cost less accumulated amortization. Cost includes directly attributable expenditure for making the assets for its intended use.

- iii. Capital Work-in-progress is stated at cost which includes expenses incurred during construction period, interest on amount borrowed for acquisition / construction of qualifying assets and other expenses incurred in connection with project implementation in so far as such expenses relate to the period prior to the commencement of commercial production.

### **1.5 Component Accounting**

Due to application of Schedule II to the Companies Act, 2013, the company identifies and determines cost of each component/ part of the asset separately, if the component/ part have a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset. These components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset.

### **1.6 Depreciation and Amortization**

Depreciation on Tangible Fixed Assets is provided on prorata basis for the period of use, on written down method at the rates determined based on useful lives of respective assets as prescribed in the Schedule II of the Companies Act, 2013.

### **1.7 Impairment**

The carrying amounts of Tangible Fixed Assets are reviewed at each balance sheet date to determine, if there is any indication of impairment based on external/internal factors. An impairment loss is recognized wherever the carrying amount of Tangible Fixed Assets exceeds its recoverable amount which represents greater of the “net selling price” and “value in use” of the respective assets. The impairment loss recognized in prior accounting period is reversed if there has been an improvement in recoverable amount.

### **1.8 Lease**

Lease payments under an operating lease are recognized as expense in the Statement of Profit and Loss as per terms of lease agreement.

### **1.9 Revenue Recognition**

#### **i. Sale of goods:**

Revenue is recognized to the extent it is probable that the economic benefits will flow to the company and that the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer. The company collects GST on behalf of the government and, therefore these are not economic benefits flowing to the company. Hence, they are excluded from revenue. Excise duty deducted from revenue (gross) is the amount that is included in the revenue (gross) and not the entire amount of liability arising during the years.

Claims / Refunds not ascertainable with reasonable certainty are accounted for, on final settlement and are recognized as revenue on certainty of receipt on prudent basis.

#### **ii. Rendering of services:**

Revenue from sale of services are recognized when the services are rendered.

#### **iii. Other Income**

Dividend income on investments is recognized when the right to receive dividend is established. Interest income is recognized on a time proportionate basis taking into account the amounts invested and the rate of



interest. For all financial instruments measured at amortized cost, interest income is recorded using the Effective interest rate method to the net carrying amount of the financial assets.

## **2. Government Grants**

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

Government grants related to revenue are recognized on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs which they are intended to compensate. Such grants are deducted in reporting the related expense. When the grant relates to an asset, it is recognized as income over the expected useful life of the asset.

### **2.1 Investments**

- i. 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. The portion of long term investments expected to be realized within twelve months after the reporting date are disclosed under current investments.
- ii. On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees & duties.
- iii. Long-Term Investments are stated at cost. Provision for diminution is made if the decline in value, in the opinion of the management, is other than temporary in nature.

### **2.2 Inventories**

Inventories of traded goods are valued at cost or net realizable value whichever is lower.

Net Realizable Value is the estimated selling price in the ordinary course less the estimated cost of completion and the estimated costs necessary to make the sale.

### **2.3 Borrowing Cost**

Borrowing cost directly attributable to the acquisition or construction of qualifying assets is capitalized until the time all substantial activities necessary to prepare the qualifying assets for their use are complete. A qualifying asset is the one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are recognized as expenses in the period in which they are incurred.

### **2.4 Taxes**

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961.

Deferred Income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i. e. the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of MAT under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

## 2.5 Foreign Currency Transactions and Derivatives

Foreign Currency Transactions and balances:

- i. Initial recognition: Foreign Currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.
- ii. Conversion: Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date.
- iii. Exchange differences: The company accounts for exchange differences arising on translation/ settlement of foreign currency monetary items as below:
  1. Exchange differences arising on long-term foreign currency monetary items related to acquisition of a fixed asset are capitalized and depreciated over the remaining useful life of the asset.
  2. All other exchange differences are recognized as income or as expenses in the period in which they arise.
- iv. Forward exchange contracts entered into to hedge foreign currency risk of an existing asset/ liability. The premium or discount arising at the inception of forward exchange contract is amortized and recognized as an expense/ income over the life of the contract. Exchange differences on such contracts, are recognized in the statement of profit and loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such forward exchange contract is also recognized as income or as expense for the period. None of the foreign exchange contracts are taken for trading or speculation purpose.

## 2.6 Earnings Per Share:

Basic Earnings Per Share (EPS) is computed by dividing the net profit or loss for the year attributable to Equity Shareholders by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by dividing the net profit or loss for the year attributable to Equity Shareholders by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the result are anti-dilutive.

## 2.7 Employee Benefits

All employees' benefits due wholly within a year of rendering services are classified as short term benefits. These benefits like salaries, wages, short term compensation absences, expected cost of bonus, ex-gratia are recognized as expenses on accrual basis of undiscounted amounts in the Profit and Loss Account.

## 2.8 Provision, Contingent Liabilities and Contingent Assets

A provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. The expense relating to any provision is presented in the statement of profit and loss, net of any reimbursement.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that

cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are neither recognized nor disclosed in the financial statements.

**Annexure V**  
**NOTES TO ACCOUNTS**

**1. Managerial Remuneration**

(₹ in lakhs)

Particulars	For Period Ended	
	August 31, 2018	March 31, 2018
Professional Fees	-	4.00

**2. Remuneration to Auditors**

(₹ in lakhs)

Particulars	For Period Ended	
	August 31, 2018	March 31, 2018
Audit Fees	0.15	0.75

**3. Deferred Tax**

(₹ in lakhs)

Particulars	For Period Ended	
	August 31, 2018	March 31, 2018
<b>Deferred tax (liabilities)/assets arising on account of timing difference in:</b>		
Opening Balance	(0.83)	-
Depreciation	0.30	0.03
Preliminary Expenses	0.22	(0.86)
<b>Closing Balance</b>	<b>(0.31)</b>	<b>(0.83)</b>

- The company has not received any intimation from supplier 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 period end together with interest payable as required under the said Act have not furnished.
- 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.
- Previous period's figures have been regrouped and reclassified whenever necessary to confirm to the current period classification.
- There are no Auditor's Qualification in any of the audited Financial Statements as at and for the periods ended March 31, 2018 and August 31, 2018.

**Annexure VI**  
**STATEMENT OF SHARE CAPITAL, AS RESTATED**

(₹ in lakhs)

Particulars	As at August 31, 2018	As at March 31, 2018
<b>Authorised Share Capital :</b>		
30,00,000 Equity Shares of ₹ 10/- each	300.00	300.00
<b>Total</b>		
<b>Issued Subscribed and Paid Up Capital :</b>		
28,35,946 Equity Shares of ₹ 10/- each (Fully Paid Up Shares)	283.59	-
5,10,000 Equity Shares of ₹ 10/- each (Fully Paid Up Shares)	-	51.00
<b>Total</b>	<b>283.59</b>	<b>51.00</b>

**Reconciliation of number of shares outstanding:**

Particulars	As at August 31, 2018	As at March 31, 2018
<b>Equity Shares</b>		
At the beginning of the period	5,10,000	-
Add:- Addition during the period	2,325,946	5,10,000
Less: Shares bought back during the period	-	-
<b>Outstanding at the end of the period</b>	<b>2,835,946</b>	<b>5,10,000</b>

**Annexure VII**  
**STATEMENT OF RESERVES AND SURPLUS**

(₹ in lakhs)

Particulars	As at August 31, 2018	As at March 31, 2018
<b>A. Securities Premium</b>		
Opening Balance	-	-
Add : Addition during the period	110.00	-
<b>Closing Balance</b>	<b>110.00</b>	<b>-</b>
<b>B. Surplus</b>		
Opening balance of Statement of Profit & Loss	7.80	-
Add / (Less): Additions during the period	1.61	7.80
Less: Amount Utilised for Issue of Bonus Shares during the period	-	-
<b>Closing Balance</b>	<b>9.41</b>	<b>7.80</b>
<b>Total</b>	<b>119.41</b>	<b>7.80</b>

**Annexure VIII**  
**STATEMENT OF SHORT TERM BORROWINGS, AS RESTATED**

(₹ in lakhs)

Particulars	As at August 31, 2018	As at March 31, 2018
<b>Secured Loan</b>	-	-
<b>Unsecured</b>		
From Directors	67.14	92.71
<b>Total</b>	<b>67.14</b>	<b>92.71</b>

**Annexure IX**  
**STATEMENT OF TRADE PAYABLE, AS RESTATED**

(₹ in lakhs)

Particulars	As at August 31, 2018	As at March 31, 2018
<b>Trade Payable</b>		
<b>Unsecured, considered goods</b>		
Promoter/Promoter group	-	-
Others	85.27	191.23
<b>Total</b>	<b>85.27</b>	<b>191.23</b>

**Annexure X**  
**STATEMENT OF SHORT TERM PROVISIONS, AS RESTATED**

(₹ n lakhs)

Particulars	As at August 31, 2018	As at March 31, 2018
Income Tax Provision	0.57	0.53
<b>Total</b>	<b>0.57</b>	<b>0.53</b>

**Annexure XI**  
**STATEMENT OF OTHER CURRENT LIABILITIES, AS RESTATED**

(₹ in lakhs)

Particulars	As at August 31, 2018	As at March 31, 2018
Expenses Payable	1.37	4.27
Trade Payables for Goods & Services	0.54	0.50
<b>Total</b>	<b>1.91</b>	<b>4.77</b>

**Annexure XII**  
**STATEMENT OF FIXED ASSETS, AS RESTATED**

(₹ in lakhs)

Particulars	As at August 31, 2018	As at March 31, 2018
<b>Leased land</b>		
Opening Balance	-	-
Addition during the period	26.66	-
Depreciation during the period	-	-
Reduction during the period	-	-
Opening Accumulated Depreciation	-	-
<b>Closing Balance</b>	<b>26.66</b>	<b>-</b>
<b>Computer</b>		
Opening Balance	0.70	-
Addition during the period	0.04	0.70
Depreciation during the period	0.18	0.02

Particulars	As at August 31, 2018	As at March 31, 2018
Reduction during the period	-	-
Opening Accumulated Depreciation	0.02	-
<b>Closing Balance</b>	<b>0.54</b>	<b>0.68</b>
<b>Building</b>		
Opening Balance	-	-
Addition during the period	10.50	-
Depreciation during the period	0.39	-
Reduction during the period	-	-
Opening Accumulated Depreciation	-	-
<b>Closing Balance</b>	<b>10.11</b>	<b>-</b>
<b>Electrical Installations and Equipment</b>		
Opening Balance	1.15	-
Addition during the period	-	1.15
Depreciation during the period	0.12	0.05
Reduction during the period	-	-
Opening Accumulated Depreciation	0.05	-
<b>Closing Balance</b>	<b>0.98</b>	<b>1.10</b>
<b>Furniture</b>		
Opening Balance	0.24	-
Addition during the period	-	0.24
Depreciation during the period	0.03	0.01
Reduction during the period	-	-
Opening Accumulated Depreciation	0.01	-
<b>Closing Balance</b>	<b>0.21</b>	<b>0.23</b>
<b>Total Tangible Assets</b>	<b>39.30</b>	<b>2.10</b>
<b>Total Depreciation Charged during the period</b>	<b>0.72</b>	<b>0.08</b>
<b>Total Opening Accumulated Depreciation on Tangible Assets</b>	<b>0.08</b>	<b>-</b>
<b>WDV Tangible Asset</b>	<b>38.51</b>	<b>2.02</b>
<b>Work In Progress</b>	<b>45.66</b>	<b>57.12</b>

**Annexure XIII**  
**STATEMENT OF DEFERRED TAX, AS RESTATED**

(₹ in lakhs)

Particulars	As at August 31, 2018	As at March 31, 2018
Deferred Tax Assets	0.31	0.83
<b>Total</b>	<b>0.31</b>	<b>0.83</b>

**Annexure XIV**  
**STATEMENT OF OTHER NON CURRENT ASSETS, AS RESTATED**

(₹ in lakhs)

Particulars	As at August 31, 2018	As at March 31, 2018
Advance for Capital Assets	224.73	-
<b>Total</b>	<b>224.73</b>	<b>-</b>

**Annexure XV**  
**STATEMENT OF INVENTORIES, AS RESTATED**

(₹ in lakhs)

Particulars	As at August 31, 2018	As at March 31, 2018
Raw Materials, Finished goods and WIP	98.88	55.19
<b>Total</b>	<b>98.88</b>	<b>55.19</b>

**Annexure XVI**  
**STATEMENT OF TRADE RECEIVABLES, AS RESTATED**

(₹ in lakhs)

Particulars	As at August 31, 2018	As at March 31, 2018
<b>Outstanding for less than Six Months</b>		
Promoter/ Promoter Group	-	-
Others	-	-
<b>Outstanding for more than Six Months</b>		
Promoter/ Promoter Group	-	-
Others	105.21	210.69
<b>Total</b>	<b>105.21</b>	<b>210.69</b>

**Annexure XVII**  
**STATEMENT OF CASH & CASH EQUIVALENTS, AS RESTATED**

(₹ in lakhs)

Particulars	As at August 31, 2018	As at March 31, 2018
<b>Cash and Cash equivalents</b>		
Balances with banks (Current Account)	4.59	3.60
Cash in Hand	1.89	0.01
<b>Total</b>	<b>6.48</b>	<b>3.61</b>

**Annexure XVIII**  
**STATEMENT OF OTHER CURRENT ASSETS, AS RESTATED**

(₹ in lakhs)

Particulars	As at August 31, 2018	As at March 31, 2018
Prepaid Expenses	9.00	9.00
Advance to supplier	13.09	-
Duties and Taxes Receivable	16.04	9.58
<b>Total</b>	<b>38.13</b>	<b>18.58</b>

**Annexure XIX**  
**STATEMENT OF REVENUE FROM OPERATIONS, AS RESTATED**

(₹ in Lakhs)

Particulars	For Period Ended August 31, 2018	For Period Ended March 31, 2018
Revenue from Sale of Traded Goods	73.87	429.69
<b>Total</b>	<b>73.87</b>	<b>429.69</b>

**Annexure XX**  
**STATEMENT OF CAPITALIZATION, AS RESTATED**

(₹ in lakhs)

Particular	Pre Issue (as at August 31, 2018)	Post Issue
<b>Debt</b>		
Long Term Debt	-	[●]
Short Term Debt	67.14	[●]
<b>Total Debts (A)</b>	<b>67.14</b>	[●]
<b>Equity (Shareholder's funds)</b>		
Equity share capital	283.59	[●]
Reserve and Surplus	119.41	[●]
<b>Total Equity (B)</b>	<b>403.01</b>	[●]
<b>Long Term Debt / Equity Shareholder's funds</b>	-	[●]
<b>Total Debts / Equity Shareholder's funds (A/B)</b>	<b>0.17</b>	[●]

**Note:**

- The above has been computed on the basis of Restated Financials of the Company.



**Annexure XXI**  
**STATEMENT OF ACCOUNTING RATIOS, AS RESTATED**

(₹ in Lakhs)

Particulars	For Period Ended August 31, 2018	For Period Ended March 31, 2018
Restated Net Profit as per P&L Account	1.62	7.80
Actual Number of Equity Shares outstanding at the end of the period	2835946	510000
Equivalent Weighted Avg number of Equity Shares at the end of the period	2397612	874744
Reserves & Surplus	119.41	7.80
Net Worth	403.01	58.80
Basic & Diluted Earnings Per Share	0.07	0.89
Return on Net worth (%)	0.40%	13.26%
Net Assets Value per Equity Share	14.21	11.53
Nominal Value per Equity share (Rs.)	10.00	10.00

\* Not Annualised

Notes to Accounting Ratios:

1) The Ratios have been computed as follows:

a) Basic Earnings Per Share (₹)	$\frac{\text{Net Profit After Tax as restated}}{\text{Weighted Average Number of Equity Shares outstanding during the period}}$
b) Return on Net worth (%)	$\frac{\text{Net Profit after Tax as restated}}{\text{Net Worth}} \times 100$
c) Net Asset Value Per Equity Share (₹)	$\frac{\text{Net Worth}}{\text{No. of Equity shares outstanding at the end of the period}}$

2) Weighted average number of Equity Shares is the number of Equity Shares outstanding at the beginning of the period adjusted by the number of Equity Shares issued during period multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period.

3) The Calculation of Earnings Per Share (EPS) as disclosed in the Profit and Loss Account has been made in accordance with Accounting Standard (AS - 20) on Earnings Per Share issued by the Institute of Chartered Accountants of India.

4) As there is no dilutive capital in the company, Basic and Diluted EPS are similar.

5) The above Ratios have been computed on the basis of the Restated Financial Information for the respective period.

The above statements should be read with the Notes to Restated Financial Statements.

**Annexure XXII**  
**STATEMENT OF RELATED PARTY TRANSACTIONS, AS RESTATED**

As per Accounting Standard 18 on related party disclosure issue by the Institute of Chartered Accountants of India, the Company's related parties are disclosed below:

(i) Key Managerial Personnel & Relatives

For Period Ended August 31, 2018	For Period Ended March 31, 2018
Harish Sirwani	Harish Sirwani
Nidhi Sirwani	Nidhi Sirwani

(ii) Associates / Enterprises over which directors and / or their relatives has significant influence

For Period Ended August 31, 2018	For Period Ended March 31, 2018
R. V. Gems Private Limited	R. V. Gems Private Limited

(iii) Particulars of Transactions with Related Parties

**Key Management Personnel & Relatives**

(₹ in lakhs)

Particulars	For Period Ended August 31, 2018	For Period Ended March 31, 2018
<b>1) Finance</b>		
<b>a) Loans Taken</b>		
Opening Balance	92.7	-
Loan taken during the period	80.64	92.7
Repaid during the period	106.2	-
Outstanding at the end of the period	67.14	92.7
<b>b) Loans given</b>		
Opening Balance	-	-
Loans given during the period	-	-
Received during the period	-	-
Outstanding at the end of the period	-	-
<b>2) Issue of Shares</b>	342.59	51.00
<b>3) Expenses</b>		
Rent	-	-
Interest Paid	-	-
Remuneration	-	4.00
<b>4) Out standing</b>		
Receivables	-	-
Payables	-	-

**Annexure XXIII**

**STATEMENT OF DIVIDEND DECLARED, AS RESTATED**

Particulars	For Period Ended August 31, 2018	For Period Ended March 31, 2018
<b>On Equity Shares</b>		
Fully Paid up Share Capital (₹ in lakhs)	283.59	51.00
Face Value (₹)	10	10
Paid up value per share (₹)	10	10
Rate of Dividend	-	-
Total Dividend	-	-
Corporate Dividend tax on above	-	-

**Annexure XXIV**  
**STATEMENT OF CONTINGENT LIABILITIES, AS RESTATED**

(₹ in lakhs)

Particulars	For Period Ended August 31, 2018	For Period Ended March 31, 2018
Contingent Liabilities	-	-
<b>Total</b>	-	-

**Annexure XXV**  
**STATEMENT OF TAX SHELTER, AS RESTATED**

(₹ in Lakhs)

Particulars	For Period Ended August 31, 2018	For Period Ended March 31, 2018
<b>Tax Rates</b>		
<b>Income Tax Rate (%)</b>	25.75%	25.75%
<b>I. Income from Business or Profession</b>		
Restated Profit before tax as per books (A)	2.18	10.50
<b>Adjustments :</b>		
<b>Permanent Differences (B)</b>	-	-
<b>Total Permanent Differences (B)</b>	-	-
<b>Timing Differences (C)</b>		
Book Depreciation	0.72	0.08
Income Tax Depreciation Allowance	(1.90)	(0.21)
Preliminary Expenses	(0.84)	3.35
<b>Total Timing Differences (C)</b>	<b>(2.02)</b>	<b>3.22</b>
<b>Net Adjustments (D) = (B+C)</b>	<b>(2.02)</b>	<b>3.22</b>
<b>Income from Business or Profession (E) = (A+D)</b>	<b>0.16</b>	<b>13.72</b>
Losses of Previous Year	-	-
<b>Gross Total Income</b>	<b>0.16</b>	<b>13.72</b>
<b>Total Deduction under Chapter VI A</b>	-	-
<b>Taxable Income/(Loss)</b>	<b>0.16</b>	<b>13.72</b>
Income Tax on above	0.04	3.53
Tax paid as per normal or MAT	0.41	2.00
Total Tax as per Return*	-	-
Difference	-	-

\*Income tax return for the period ended March 31, 2018 is yet to be filed.

**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**

There has been no change in the Accounting Policies in the last three (3) years.

**CHANGES IN ACCOUNTING PERIOD**

There has been no change in the accounting period of the Company.

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

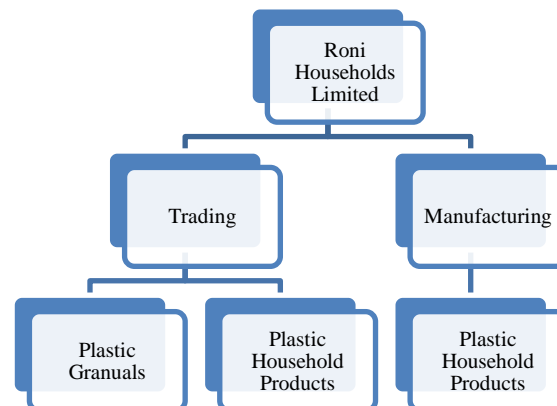
You should read the following discussion and analysis of financial condition and results of operations together with our financial statements included in this Draft Prospectus. The following discussion relates to our Company and is based on our restated financial statements. Our financial statements 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

Our business was originally being run as a proprietorship named Roni Enterprises. Further, our company is incorporated on 9<sup>th</sup> October 2017, as a private limited company under the name 'Roni Household Private Limited' under the provisions of the Companies Act, 2013 with the Registrar of Companies, Mumbai with a vision to corporatize our business. A Business Takeover Agreement dated April 5, 2018 has been entered into to give effect to the takeover of the business of Roni Enterprise (Proprietor Harish Sirwani). On March 01, 2018, our Company was converted into public limited company and the name of our company changed to 'Roni Household Limited'.

Our Company currently trades in plastic granules and plastic household products which includes tub, buckets, ghamela etc. We intend to further expand our business by manufacturing plastic products for household use. We have taken a land on lease in MIDC Jalgaon for the proposed manufacturing unit. For further details, please refer to the "Property/Land details" of this chapter on page no. 79 of this Draft Prospectus. A part of our proposed manufacturing unit has been set up on the leased land. Trial manufacturing process for small part of our proposed capacity has recently commenced.



Our Company plans to leverage its promoter networks in the Trading community of Jalgaon and strong balance sheet situation to increase its presence in the plastic products. Our Company is in the process of building a quality and innovation focused trading and manufacturing vertical as well as developing a strong team to cater to its proposed increased operational needs.

Since our company was recently incorporated we have not completed a full financial year, however we have reported a robust operating performance for 6 months period ended March 31,2018 wherein our sales, EBIDTA and Profit after Tax were ₹ 429.70 lakhs, ₹ 10.58 lakhs and 7.80 lakhs respectively.

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## **COMPETITION**

Competition is faced by our business from other existing traders and manufacturers of plastic products which are dealt by us. We engage with our competitors on a regional or product line basis which is unorganized. Many of our competitors have substantially large capital base and resources than we do and offer broader range products. We believe that the principal factors affecting competition in our business include client relationships, reputation, the abilities of employees, market focus and the relative quality and price of the services and products.

### **Significant Developments after August 31, 2018 that may affect our Future Results of Operations**

We intend to further expand our business by manufacturing plastic products for household use. We have taken a land on lease in MIDC, Jalgaon, for the proposed manufacturing unit. For further details, please refer to the “*Property/Land details*” of this chapter on page no. 79 of this Draft Prospectus. A part of our proposed manufacturing unit has been set up on the leased land and trial manufacturing process has started.

## **FACTORS AFFECTING OUR RESULT OF OPERATIONS**

Except as otherwise stated in the draft prospectus and the Risk Factors given in the draft prospectus, the following important factors could cause actual results to differ materially from the expectations include, among others:

### ***Revenue Generation***

Currently, we earn our entire revenue from sale of products. However, we intend to further expand our business by manufacturing plastic products for household use. We have taken a land on lease in MIDC, Jalgaon, for the proposed manufacturing unit. For further details, please refer to the “*Property/Land details*” of this chapter on page no. 79 of this Draft Prospectus. A part of our proposed manufacturing unit has been set up on the leased land and trial manufacturing process has started. Since we continuously endeavor to provide quality products to our customers therefore, our revenues are impacted by such quality products.

### ***Our ability to successfully implement its strategy and its growth and expansion plans***

Our growth plans are considerable and would put significant demands on our management team and other resources. Any delay in implementation of our strategy and growth and expansion plans could impact our Company’s roll out schedules and cause cost and time over runs.

### ***General economic and business conditions***

As a Company with its complete operations in India, we are affected by general economic conditions in the country and in particular economic factors that affect debt syndication industry in India. India’s gross domestic product, or GDP, has been and will continue to be of importance in determining our operating results and future growth.

## RESULTS OF OUR OPERATIONS

(₹ in lakhs)

Particulars	As at August 31, 2018	% of Total Income	As at March 31, 2018	% of Total Income
<b>REVENUE:</b>				
Revenue from Operations	73.87	100.00%	429.70	100.00%
Other Income	-	-	-	-
<b>Total Revenue</b>	<b>73.87</b>	<b>100.00%</b>	<b>429.70</b>	<b>100.00%</b>
<b>EXPENSES:</b>				
Cost of Material Traded	67.32	91.13%	408.57	95.08%
Employee benefits expense	2.41	3.26%	5.00	1.16%
Depreciation and amortization expense	0.72	0.97%	0.08	0.02%
Other Expenses	1.25	1.69%	5.54	1.29%
<b>Total expenses</b>	<b>71.7</b>	<b>97.06%</b>	<b>419.20</b>	<b>97.56%</b>
<b>Net Profit / (Loss) before tax</b>	<b>2.18</b>	<b>2.95%</b>	<b>10.50</b>	<b>2.44%</b>
<b>Less: Tax expense</b>				
(i) Current tax	0.04	0.05%	3.53	0.82%
(ii) Deferred tax (assets)/ liabilities	0.52	0.70%	(0.83)	(0.19)%
<b>Total Tax Expense</b>	<b>0.56</b>	<b>0.76%</b>	<b>2.70</b>	<b>0.63%</b>
<b>Net Profit / ( Loss ) after tax</b>	<b>1.62</b>	<b>2.19%</b>	<b>7.80</b>	<b>1.82%</b>

### *Main Components of our Profit and Loss Account*

#### *Revenue*

Our total revenue comprises of revenue from operations.

#### *Revenue from Operations*

Our revenue from operations is from sale of traded goods; which constitute our entire total income for the six months period ended August 31, 2018.

#### *Expenditure*

Our total expenditure primarily consists of Cost of Material Traded, Employee Benefit Expenses, Depreciation & Amortization Expenses and Other Expenses.

#### *Cost of Material Traded*

Costs of goods traded are primarily in relation to purchases of plastic granules and plastic household products.

#### *Employee Benefit Expenses*

Expenses are in relation to salaries, wages and bonus including professional fees to directors.

#### *Depreciation and Amortization Expenses*

Depreciation and Amortization Expenses primarily consist of depreciation on the fixed assets of our Company which primarily includes Computers, Electrical Installations and Equipments and Furniture.

*Other Expenses*

Other administrative expenses primarily include audit fees, bank charges, professional fees, transportation charges, repairs and maintenance etc.

*Provision for Tax*

The provision for current taxation is computed in accordance with relevant tax regulation. Deferred tax is recognized on timing differences between the accounting and the taxable income for the year and quantified using the tax rates and laws enacted or subsequently enacted as on balance sheet date. Deferred tax assets are recognized and carried forward to the extent that there is a virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized in future.

**Review for the six months period ended August 31, 2018***Revenue*

Our total income for the six months period ended August 31, 2018 was ₹73.87 lakhs, which is entirely our revenue from operations.

*Cost of Material Traded*

Our purchase cost & direct expenses for the six months period ended August 31, 2018 were ₹67.32 lakhs which as a proportion of our total revenue was 91.13%

*Employee Benefit Expenses*

Our Employee Benefit Expenses for the six months period ended August 31, 2018 were ₹2.41 lakhs. As a proportion of our total revenue they were 3.26%.

*Depreciation and Amortization Expenses*

Our Depreciation and Amortization Expenses for the six months period ended August 31, 2018 was ₹0.72 lakhs. As a proportion of total revenue they were 0.97%.

*Other Expenses*

Our Other Expenses for the six months period ended August 31, 2018 ₹1.25 lakhs. As a proportion of our total revenue they were 1.69%.

*Profit before Tax*

Profit / (Loss) before Tax for the six months period ended August 31, 2018 was ₹2.18 lakhs. As a proportion of total revenue they were 2.95%.

*Profit after Tax*

Profit/(Loss) after Tax for the six months period August 31, 2018 was ₹1.62 lakhs. As a proportion of total income they were 2.19%.

**Review for the six months period ended March 31, 2018**

Since the company started their business operations from October 9, 2017, so income and expenses are shown in the books of accounts of the company from the period started from October 9, 2017 to March 31, 2018. Our total

income for fiscal 2018 was ₹ 429.7 lakhs. In the current period, the revenue earned from operations is ₹ 429.7 lakhs or 100.00% of the total income. There is no other income for the said period was recorded as part of total revenue.

#### *Revenue*

Our total income for the six months period ended March 31, 2018 was ₹429.7 lakhs, which is entirely our revenue from operations.

#### *Cost of Material Traded*

Our purchase cost & direct expenses for the six months period ended March 31, 2018 were ₹408.57 lakhs which as a proportion of our total revenue was 95.08%

#### *Employee Benefit Expenses*

Our Employee Benefit Expenses for the six months period ended March 31, 2018 were ₹5 lakhs. As a proportion of our total revenue they were 1.16%.

#### *Depreciation and Amortization Expenses*

Our Depreciation and Amortization Expenses for the six months period ended March 31, 2018 was ₹0.08 lakhs. As a proportion of total revenue they were 0.02%.

#### *Other Expenses*

Our Other Expenses for the six months period ended March 31, 2018 ₹5.54 lakhs. As a proportion of our total revenue they were 1.29 %.

#### *Profit before Tax*

Profit / (Loss) before Tax for the six months period ended March 31, 2018 was ₹ 10.5 lakhs. As a proportion of total revenue they were 2.44%.

#### *Profit after Tax*

Profit/(Loss) after Tax for the six months period March 31, 2018 was ₹7.8 lakhs. As a proportion of total income they were 1.82 %.

#### **Cash Flows**

(₹ in lakhs)

<b>Particulars</b>	<b>August 31, 2018</b>	<b>March 31, 2018</b>
Net Cash from Operating Activities	(63.69)	(80.87)
Net Cash from Investing Activities	(250.47)	(59.22)
Net Cash used in Financing Activities	317.03	143.71
<b>Net Increase / (Decrease) in Cash and Cash equivalents</b>	<b>2.87</b>	<b>3.61</b>

#### *Cash Flows from Operating Activities*

Net cash from operating activities in the period ended August 31, 2018 was negative ₹63.69 lakhs as compared to the PBT of ₹2.18 lakhs for the same period. This difference is primarily on account of changes in changes in inventories, trade receivables, other current assets, trade payables etc.

Net cash from operating activities in the period ended August 31, 2018 was negative ₹80.87 lakhs as compared to the PBT of ₹10.50 lakhs for the same period. This difference is primarily on account of changes in changes in inventories, trade receivables, other current assets, trade payables etc.



***Cash Flows from Investment Activities***

In period ended August 31, 2018, the net cash invested in Investing Activities was negative ₹250.47 lakhs. This was on account of change in fixed assets and other non-current assets.

In period ended August 31, 2018, the net cash invested in Investing Activities was negative ₹59.22 lakhs. This was on account of change in fixed assets.

***Cash Flows from Financing Activities***

Net cash from financing activities in period ended August 31, 2018 was ₹317.03 lakhs. This was on account of issue of share capital and change in short term borrowings

Net cash from financing activities in period ended August 31, 2018 was ₹143.71 lakhs. This was on account of issue of share capital and change in short term borrowings.

***OTHER MATTERS*****1. Unusual or infrequent events or transactions**

Except as described in this Draft Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

**2. Significant economic changes that materially affected or are likely to affect income from continuing Operations**

Other than as described in the Section titled “*Financial Information*” and chapter titled “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*”, beginning on page nos. 111 and 130 respectively of this Draft 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 page nos. 10 and 130 respectively of this Draft 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 no. 10 of this Draft 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 introduction of new services and volume of business activity carried out by the Company.

**6. Status of any publicly announced new products or business segments**

Please refer to the chapter titled “*Our Business*” beginning on page no. 73 of this Draft Prospectus.

**7. The extent to which the business is seasonal.**

Our business is not seasonal in nature.

**8. Any significant dependence on a single or few suppliers or customers**

There is dependency on a few customers and suppliers of our company.

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## SECTION VII – LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as stated below there is no (i) pending criminal litigation involving our Company, Directors, Promoters or Group Companies; (ii) actions taken by statutory or regulatory authorities involving our Company, Directors, Promoters or Group Companies; (iii) outstanding claims involving our Company, Directors, Promoters or Group Companies for any direct and indirect tax liabilities; (iv) outstanding proceedings initiated against our Company for economic offences; (v) defaults or non-payment of statutory dues by our Company; (vi) material fraud against our Company in the last five years immediately preceding the year of this Draft Prospectus; (vii) inquiry, inspection or investigation initiated or conducted under the Companies Act 2013 or any previous companies law against our Company during the last five years immediately preceding the year of this Draft Prospectus and if there were prosecutions filed (whether pending or not); (viii) fines imposed or compounding of offences for our Company in the last five years immediately preceding the year of this Draft Prospectus; (ix) litigation or legal action against our Promoters by any ministry or Government department or statutory authority during the last five years immediately preceding the year of this Draft Prospectus; (x) pending litigations involving our Company, Directors, Promoters, Group Companies or any other person, as determined to be material by the Company's Board of Directors in accordance with the SEBI (ICDR) Regulations; or (xi) outstanding dues to creditors of our Company as determined to be material by our Company's Board of Directors in accordance with the SEBI (ICDR) Regulations and dues to small scale undertakings and other creditors.*

*For the purpose of material litigation in (x) above, our Board has considered and adopted the following policy on materiality with regard to outstanding litigations to be disclosed by our Company in this Draft Prospectus:*

- (a) All litigations pertaining to the Company, its directors / promoters / group companies / subsidiaries which are in the nature of criminal, statutory / regulatory and taxation related are deemed material by the Board.*
- (b) Further the Board considers all other litigation pertaining to the Company, its directors / promoters / group companies / subsidiaries which exceeds ₹ 1,00,000 (Rupees One Lakh Only).*

*Our Company, our Promoters and/or our Directors, have not been declared as wilful defaulters by the RBI or any governmental authority, have not been debarred from dealing in securities and/or accessing capital markets by the SEBI and no disciplinary action has been taken by the SEBI or any stock exchanges against our Company, our Promoters or our Directors, that may have a material adverse effect on our business or financial position, nor, so far as we are aware, are there any such proceedings pending or threatened.*

*Unless otherwise stated, all proceedings are pending as of the date of this Draft Prospectus. All information provided below is as of the date of this Draft Prospectus.*

#### **LITIGATION INVOLVING OUR COMPANY**

Nil

#### **LITIGATION INVOLVING THE DIRECTORS**

Nil

#### **LITIGATION INVOLVING OUR PROMOTERS**

Nil

#### **LITIGATION INVOLVING OUR GROUP ENTITIES**

Nil

## TAX PROCEEDINGS

A summary of tax proceedings involving our Company, our Promoters, our Directors, or our Group Companies are stated below:

Nature of case	Number of cases	Amount involved (in ₹ lakhs)
<b><i>Company</i></b>		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
<b><i>Promoters</i></b>		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
<b><i>Directors</i></b>		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
<b><i>Group Companies</i></b>		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil

## MATERIAL FRAUDS AGAINST OUR COMPANY

There have been no material frauds committed against our Company in the five years preceding the year of this Draft Prospectus.

## PROCEEDINGS INITIATED AGAINST OUR COMPANY FOR ECONOMIC OFFENCES

There are no proceedings initiated against our Company for any economic offences.

## NON PAYMENT OF STATUTORY DUES

As on the date of the Draft Prospectus there have been no (i) instances of non-payment or defaults in payment of statutory dues by our Company, (ii) over dues to companies or financial institutions by our Company, (iii) defaults against companies or financial institutions by our Company, or (iv) contingent liabilities not paid for.

## PAST CASES WHERE PENALTIES WERE IMPOSED

There are no past cases where penalties were imposed on our Company by concerned authorities/courts.

## OUTSTANDING LITIGATION AGAINST OTHER PERSONS AND COMPANIES WHOSE OUTCOME COULD HAVE AN ADVERSE EFFECT ON OUR COMPANY

As on the date of this Draft Prospectus, there is no outstanding litigation against other persons and companies whose outcome could have a material adverse effect on our Company.

## PAST INQUIRIES, INSPECTIONS OR INVESTIGATIONS

There have been no inquiries, inspections or investigations initiated or conducted under the Companies Act 2013 or any previous company law in the last five years immediately preceding the year of the Draft Prospectus in the case of Company, Promoters, Directors. Other than as described above, there have been no prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last five years immediately preceding the year of the Draft Prospectus.

Further, there is no legal action pending or taken by any Ministry or Department of the Government or a statutory authority against the promoters during the last five years immediately preceding the year of the issue of the Draft

Prospectus and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action.

### **OUTSTANDING DUES TO CREDITORS**

As per the Materiality Policy, our Board has approved that each creditor, to whom our Company individually owes a net aggregate amount that exceeds ₹ 1,00,000 (Rupees One Lakh Only) as per the latest Restated Financial Statement, shall be considered as a material creditor of our Company. Our Board has also approved that dues owed by our Company to small scale undertakings as per the latest Restated Financial Statement shall be disclosed in a consolidated manner.

As of the period ended August 31, 2018, our Company, in its ordinary course of business, has an aggregate amount of ₹ 85.27 lakhs, which is due towards sundry and other creditors. As per the above policy, consolidated information of outstanding dues, as at August 31, 2018, owed to small scale undertakings, material dues to creditors and other dues to creditors separately, giving details of number of cases and aggregate amount for such dues is as under:

(₹ in lakhs)

<b>Particulars</b>	<b>Number of cases</b>	<b>Amount Outstanding</b>
Dues to small scale undertakings	Nil	Nil
Material dues to creditors	3	82.22
Other dues to creditors	12	3.05

Further, our Company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure, if any, in relation to amount unpaid as at the year end together with interest payable as required under the said Act have not been furnished. Our Company does not owe any small scale industries or any MSMEs any amounts exceeding ₹ 1,00,000 (Rupees One Lakh Only) which is outstanding for more than 30 days. There are no disputes with such entities in relation to payments to be made to them.

The details pertaining to net outstanding dues towards our creditors are available on the website of our Company at [www.ronihouseholds.com](http://www.ronihouseholds.com). It is clarified that such details available on our website do not form a part of this Draft Prospectus. Anyone placing reliance on any other source of information, including our Company's website, [www.ronihouseholds.com](http://www.ronihouseholds.com), would be doing so at their own risk.

### **MATERIAL DEVELOPMENTS**

Except as stated in "Management's Discussion and Analysis of Financial Condition and Results of Operation" on page no. 130, there have not arisen, since the date of the last financial statements disclosed in the Draft Prospectus, any circumstances which materially and adversely affect or are likely to affect our profitability taken as a whole or the value of our assets or our ability to pay our liabilities within the next 12 months.

## GOVERNMENT AND OTHER APPROVALS

*In view of the licenses / permissions / approvals / no-objections / certifications / registrations, (collectively “Approvals”) from the Government of India and various statutory / regulatory / governmental authorities listed below, our Company can undertake this Issue and our current business activities and to the best of our knowledge, no further Approvals from any governmental or statutory or regulatory authority or any other entity are required to undertake this Issue or continue our business activities. Unless otherwise stated, these Approvals are all valid as of the date of this Draft Prospectus. It must be distinctly understood that in granting these Approvals, the Government of India and other authority does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf.*

*The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to undertake its existing business activities. For further details in connection with the regulatory and legal framework within which we operate, please refer “Key Industrials Regulations and Policies in India” on page no. 80.*

### A. Corporate / General Authorizations

Sr.	Authorization granted	Issuing Authority	Registration No./Reference No./License No.	Date of Issue	Valid up to
1.	Certificate of Incorporation in the name of ‘Roni Households Private Limited’	Registrar of Companies, Maharashtra, Mumbai	U25207MH2017PTC300575	October 9, 2017	Valid until cancelled
2.	Certificate of Incorporation consequent upon conversion to Public Limited Company	Registrar of Companies, Maharashtra, Mumbai	U25207MH2017PLC300575	March 1, 2018	Valid until cancelled

### B. Issue Related Authorizations

1. Our Board of Directors have, pursuant to a resolution passed at its meeting held on September 27, 2018 authorized the Issue subject to the approval by the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013 and approvals by such other authorities as may be necessary.
2. The shareholders of our Company have authorized the Issue, pursuant to a special resolution under Section 62(1)(c) of the Companies Act, 2013, passed at their EGM held on September 28, 2018.
3. Our Company has obtained in-principle approval dated [●] from the BSE.
4. Our Company's International Securities Identification Number (“ISIN”) is [●].
5. Our Company has entered into a Tripartite Agreement dated [●] with NSDL and the Registrar to the Issue.
6. Our Company has entered into a Tripartite Agreement dated [●] with CDSL and the Registrar to the Issue.

### C. Business Related Approvals


Sr.	Authorization granted	Registration No./Reference No./ License No.	Applicable Act/ Regulation	Date of Issue/ Renewal	Validity
1.	Permanent Account Number (PAN)*	AAICR5657B	Income Tax Act, 1961	-	Valid until cancelled
2.	Tax Deduction Account Number* (TAN)	NSKR06278G	Income Tax Act, 1961	-	Valid until cancelled
3.	Form GST REG-06 Registration Certificate (Maharashtra)*	27AAICR5657B1ZA	Goods and Service Tax Act, 2017	April 7, 2018**	Valid until cancelled
4.	Form I-A Certificate of Registration*	27291559306P	Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975	December 8, 2017	Valid until cancelled
5.	Form II-A Certificate of Enrolment*	99103156540P	Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975	December 13, 2017	Valid until cancelled
6.	Udyog Aadhaar	MH14C0014671	The Micro, Small and Medium Enterprises Development Act, 2006	September 13, 2018	Valid until cancelled

\* Our Company has made applications to respective authorities for updating each of the aforesaid certificates to reflect its current name and/or current registered office address.

\*\* Valid from November 16, 2017.

### D. Intellectual property registrations

Our Company has been granted the registration of following trademarks as on the date of this Draft Prospectus:

Sr. No.	Trade Mark	Class	Description of Property	Trade Mark No.	Date of Application	Valid up to
1.		CLASS: 21 - plastic households item including in class 21	Trade Mark - Device	3709171	December 22, 2017	December 22, 2027

### E. Approvals applied for but not yet received / Renewals made in the usual course of business:

- For our proposed manufacturing unit situated at Plot No. F-55, Addl. MIDC Area, Ajanta Road, Jalgaon – 425 003, Maharashtra our Company has made an application to the Maharashtra Pollution Control Board for obtaining the Consent to Establish under Sections 25 and 26 of the Water (Prevention & Control of Pollution) Act, 1974; under Section 21 of the Air (Prevention & Control of Pollution) Act, 1981 and Authorisation under Rule 5 of the Hazardous Wastes (Management, Handling & Transboundary Movement) Rules 2008 for manufacturing of ‘Polythene and plastic processed products (virgin plastic)’.

### F. Material licenses / approvals for which our Company is yet to apply / Statutory Approvals / Licenses required for the proposed expansion:

- For our proposed manufacturing unit situated at Plot No. F-55, Addl. MIDC Area, Ajanta Road, Jalgaon – 425 003, Maharashtra our Company has made an application to the Directorate Industrial Safety and Health, Maharashtra State for obtaining the ‘License to work a Factory’ under the Factories Act, 1948.

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## SECTION VIII – OTHER REGULATORY AND STATUTORY DISCLOSURES

### Authority for the Issue

Our Board of Directors have vide resolution dated September 27, 2018 authorized the Issue, subject to the approval by the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013.

The shareholders have authorized the Issue, by passing a Special Resolution at the Extra-Ordinary General Meeting held on September 27, 2018 with a shorter notice in accordance with the provisions of Section 62(1)(c) of the Companies Act, 2013.

The Company has obtained approval from BSE vide letter dated [●] to use the name of BSE in this Issue 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 or any other regulatory or governmental authority.

Neither our Company, our Promoters, relatives of Promoters (as defined under Companies Act, 2013), our Directors, nor our Group Companies (if any), have been identified as wilful defaulters by the RBI or other authorities.

The listing of any securities of our Company has never been refused at any time by any of the stock exchanges in India.

### 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 Promoters and Promoter Group*” and “*Outstanding Litigations and Material Developments*” beginning on page nos. 10, 102 and 137 respectively, of this Draft Prospectus.

### Eligibility for the Issue

Our Company is an “Unlisted Company” 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) (1) of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, an issuer whose post issue face value capital does not exceed ten crores 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- Underwriting*” on page no. 42 of this Draft 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 (50), otherwise, the entire application money will be refunded / unblocked forthwith. If such money is not repaid / unblocked, then our Company and every officer in default shall be liable to repay / unblock such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40



of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

- 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 the 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 the 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 no. 43 of this Draft Prospectus.
- e) Eligibility requirements of the Stock Exchange and status thereon are given below:

<b>BSE Eligibility Requirement</b>	<b>Current Status</b>
The Post Issue Paid-up Capital of the Company (Face Value) shall not be more than ₹ 25 Crores.	The Post Issue Capital will be of ₹ 433.59 Lakhs (₹ 4.34 Crores)
Positive Networth	The Networth as on August 31, 2018 is ₹ 403.01 Lakhs
The Company / Firm (or the Firm which has been converted into the Company) should have a (combined) track record of at least 3 years. The Company / Firm (or the Firm which has been converted into the Company) should have combined Positive Cash Accruals (Earnings Before Depreciation and Tax) from Operations for at least 2 Financial Years preceding the application and its Networth should be positive.	Our Company has taken over the running business of M/s. Roni Enterprises (Proprietorship Firm of our Promoter Mr. Harish Sirwani) with effect from April 01, 2018. M/s. Roni Enterprises was in business for more than 3 years. Further the Earnings before Depreciation and Tax of M/s. Roni Enterprises for the FY 2016-17 & 2017-18 were ₹ 6.08 Lakhs & ₹ 7.48 Lakhs respectively.
It is mandatory for a Company to have a Website.	We have a Website: <a href="http://www.ronihouseholds.com">www.ronihouseholds.com</a>
It is mandatory for the Company to facilitate trading in Demat securities and enter into an agreement with both the Depositories.	We undertake to enter into Tripartite Agreement with both the Depositories, before filing of Prospectus with RoC and facilitate trading in Demat securities.
There should not be any change in the Promoters of the Company in preceding one year from date of filing the application to BSE for listing under SME segment.	Mr. Harish Sirwani and Mrs. Nidhi Sirwani are the Promoters of the Company since Incorporation and there is no change in the Promoters.
Other confirmations / requirements	We confirm the following: <ul style="list-style-type: none"> <li>• Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).</li> <li>• There is no winding up petition against our Company, which has been admitted by the Court or a Liquidator has not been appointed.</li> <li>• We are not a Finance / Broking Company.</li> </ul>

- f) 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.

**Disclosure**

The Company, the Directors, 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 SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER 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, HAVE 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 DRAFT PROSPECTUS, THE LEAD MERCHANT BANKER ARE 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 HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED [●]**

**AS PER REGULATION 106(O) OF THE SEBI ICDR REGULATIONS, ONLY THE PROSPECTUS HAS TO BE FILED WITH SEBI ALONGWITH A DUE DILIGENCE CERTIFICATE AS PER FORM A OF SCHEDULE VI OF THE SEBI ICDR REGULATIONS BY THE LEAD MANAGER. ACCORDINGLY, THIS SECTION WILL BE UPDATED AT THE TIME OF FILING THE PROSPECTUS WITH STOCK EXCHANGE AND ROC AND PROSPECTUS AND DUE DILIGENCE CERTIFICATE AS PER FORM A OF SCHEDULE VI OF THE SEBI ICDR REGULATIONS WITH SEBI.**

**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 BANKERS ANY IRREGULARITIES OR LAPSES IN THE OFFER DOCUMENT.**

**Note:**

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the RoC in terms of section 26 and 30 of the Companies Act, 2013.

**THE PROMOTER(S) / DIRECTOR(S) OF RONI HOUSEHOLDS LIMITED CONFIRM THAT NO INFORMATION / MATERIAL LIKELY TO HAVE A BEARING ON THE DECISION OF INVESTORS IN RESPECT OF THE SHARES ISSUED IN TERMS OF THIS OFFER DOCUMENT HAS BEEN SUPPRESSED WITHHELD AND / OR INCORPORATED IN THE MANNER THAT WOULD AMOUNT TO MIS-STATEMENT / MISREPRESENTATION AND IN THE EVENT OF ITS TRANSPILING AT ANY POINT IN TIME TILL ALLOTMENT / REFUND, AS THE CASE MAY BE, THAT ANY INFORMATION / MATERIAL HAS BEEN SUPPRESSED / WITHHELD AND / OR AMOUNTS TO A MIS-STATEMENT/ MISREPRESENTATION, THE PROMOTERS / DIRECTORS UNDERTAKE TO REFUND THE ENTIRE**

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**APPLICATION MONIES TO ALL SUBSCRIBERS WITHIN 7 DAYS THEREAFTER WITHOUT PREJUDICE TO THE PROVISIONS OF SECTION 34 OF THE COMPANIES ACT 2013.****Disclaimer Clause of the SME Platform of BSE**

As required, a copy of the Draft Prospectus shall be submitted to the BSE Limited (hereinafter referred to as BSE). The Disclaimer Clause as intimated by the BSE to us, post scrutiny of the Draft Prospectus, shall be included in the Prospectus prior to filing the same with RoC.

**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 Draft 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 accepts 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 September 29, 2018, the Underwriting Agreement dated September 29, 2018 entered into among the Underwriter and our Company and the Market Making Agreement dated September 29, 2018, 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 Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not issue, 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 Underwriter 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 legal guardian), 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 Draft 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 Draft Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in 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 Draft Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of the Draft 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 Regulation 106 (O) (1). However, a copy of the Prospectus shall be filed with SEBI at Plot No. C4-A, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051.

A copy of the Prospectus, along with the documents required to be filed under Section 26 of the Companies Act, 2013 will be delivered to the RoC situated at Everest, 100, Marine Drive, Mumbai – 400 002.

**Listing**

Application shall be made to SME Platform of BSE for obtaining permission for listing of the Equity Shares being issued 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 Draft Prospectus. The allotment letters shall be issued or application money shall be refunded / unblocked within eight 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 Companies Act, 2013, the SEBI (ICDR) Regulations and other applicable law.

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 6 Working Days of the Issue Closing Date.

Our Company has obtained approval from BSE vide letter dated [●] to use the name of BSE in th is Offer Document for listing of equity shares on SME Platform of BSE.

### Price Information of past issues handled by the Lead Manager

Sr. No.	Issue Name	Issue size (₹ Cr.)	Issue Price (₹)	Listing date	Opening price on listing date	+/- % change in Price on closing price, [+/- % change in closing benchmark]- 30 <sup>th</sup> calendar days from listing		+/- % change in Price on closing price, [+/- % change in closing benchmark]- 90 <sup>th</sup> calendar days from listing		+/- % change in Price on closing price, [+/- % change in closing benchmark]- 180 <sup>th</sup> calendar days from listing	
1.	Sky Gold Limited	25.56	180	03/10/2018	180.45	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
2.	Saketh Exim Limited	9.44	69	13/08/2018	69.30	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
3.	Supershakti Metaliks Limited	60.01	375	30/07/2018	377.10	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
4.	Ambani Organics Limited	9.03	66	18/07/2018	66.65	0.30%	4.47%	N.A.	N.A.	N.A.	N.A.
5.	Jakharia Fabric Limited	19.66	180	11/07/2018	181.35	5.56%	4.40%	N.A.	N.A.	N.A.	N.A.
6.	Garv Industries Limited	3.20	10	25/04/2018	10.00	-10.00%	1.23%	-10.60%	6.74%	N.A.	N.A.
7.	Giriraj Civil Developers Limited	9.00	100	02/04/2018	101.00	1.00%	4.96%	33.75%	4.92%	N.A.	N.A.
8.	Yasho Industruies Limited	28.99	100	02/04/2018	106.00	6.00%	5.78%	6.00%	6.52%	N.A.	N.A.
9.	Karda Constructions Limited	77.40	180	02/04/2018	136.00	4.03%	5.78%	-3.36%	6.52%	N.A.	N.A.
10.	Uravi T and Wedge Lamps Limited	15.00	100	28/3/2018	102.50	3.00%	5.72%	5.00%	6.48%	N.A.	N.A.

### Summary Statement of Disclosure

Financial Year	Total no. of IPOs	Total Funds Raised (₹ in Cr.)	Nos. of IPOs trading at discount - 30 <sup>th</sup> calendar day from listing day			Nos. of IPOs trading at premium - 30 <sup>th</sup> calendar day from listing day			Nos. of IPOs trading at discount - 180 <sup>th</sup> calendar day from listing day			Nos. of IPOs trading at premium - 180 <sup>th</sup> 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%
2018-19	9 <sup>(1)</sup>	242.28	-	-	1	-	-	5	-	-	-	-	-	-
2017-18	16	318.24	1	1	4	1	1	8	3	2	2	-	-	4
2016-17	10	147.26	-	1	-	1	-	8	-	1	-	2	3	4

Financial Year	Total no. of IPOs	Total Funds Raised (₹ in Cr.)	Nos. of IPOs trading at discount - 30 <sup>th</sup> calendar day from listing day			Nos. of IPOs trading at premium - 30 <sup>th</sup> calendar day from listing day			Nos. of IPOs trading at discount - 180 <sup>th</sup> calendar day from listing day			Nos. of IPOs trading at premium - 180 <sup>th</sup> 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%
2015-16	3	15.90	-	-	-	-	-	3	-	-	-	1	1	1

<sup>(1)</sup> Details indicated in 2017-18 are for the IPOs completed as on date.

**Notes:**

- a) Since the listing date of Sky Gold Limited, Saketh Exim Limited and Supershakti Metaiks Limited is/was October 03, 2018, August 13, 2018 and July 30, 2018, respectively, information related to closing price and benchmark index as on the 30<sup>th</sup> calendar day, 90<sup>th</sup> calendar day and 180<sup>th</sup> calendar day from the listing date is not available.
- b) Since the listing date of Ambani Organics Limited and Jakharia Fabric Limited was July 18, 2018 and July 11, 2018, respectively, information related to closing price and benchmark index as on the 90<sup>th</sup> calendar day and 180<sup>th</sup> calendar day from the listing date is not available.
- c) Since the listing date of Garv Industries Limited, Giriraj Civil Developers, Yasho Industries Limited, Karda Constructions Limited and Uravi T and Wedge Lamps Limited was, April 25, 2018, April 02, 2018, April 02, 2018, April 02, 2018 and March 28, 2018, respectively, information related to closing price and benchmark index as on the 180<sup>th</sup> calendar day from the listing date is not available.
- d) The respective Designated Stock Exchange for each Issue has been considered as the Benchmark index for each of the above Issues.
- e) In the event any day falls on a holiday, the price/index of the immediate preceding working day has been considered. If the stock was not traded on the said calendar days from the date of listing, the share price is taken of the immediately preceding trading day.

Source: [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) BSE Sensex and Nifty Fifty as the Benchmark Indices.

### 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 Aryaman Financial Services Limited – [www.afsl.co.in](http://www.afsl.co.in)

### Consents

Consents in writing of: (a) the Directors, the Company Secretary and Compliance Officer, the Chief Financial Officer, the Statutory Auditors and Bankers to the Company; and (b) the Lead Manager to the Issue, Registrar to the Issue, the Legal Advisors to the Issue, Banker to the Issue, Market Maker and Underwriters 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 26 and other applicable provisions 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. Raju & Prasad, Chartered Accountants, Peer Review Auditors and Statutory Auditor have provided their written consent to the inclusion of their report dated September 29, 2018 on Restated Financial Statements and on Statement of Tax Benefits, both of which may be available to the Company and its shareholders, included in this Draft 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 Draft Prospectus.

### Expert Opinion

Our Company has received written consent from the Peer Review Auditor and Statutory Auditor namely, M/s. Raju & Prasad, Chartered Accountants, to include their name as required under section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Prospectus and as “Expert” as defined under section 2(38) of the Companies Act, 2013 in respect of the respective reports issued by them on the Restated Financial Statements dated September 29, 2018 and Statement of Tax Benefits dated September 29, 2018, included in this Draft Prospectus and such consents has not been withdrawn as on the date of this Draft Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

### 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 lakhs)	% of Total Expenses	% of Total Issue size
1.	Issue Management fees including fees and reimbursements of Market Making fees (1 <sup>st</sup> year), and payment to other intermediaries such as Legal Advisors, Registrars and other out of pocket expenses.	[•]	[•]	[•]
2.	Brokerage and Selling Commission, Underwriting Commission, RTAs and CDPs <sup>(1)(2)(3)(4)</sup>	[•]	[•]	[•]
3.	Advertisement, Printing & Stationery, Marketing Expenses, etc.	[•]	[•]	[•]
4.	Listing Fees, Market Regulatory & Other Expenses	[•]	[•]	[•]
<b>Total</b>		[•]	[•]	[•]

<sup>(1)</sup> The SCSBs and other intermediaries will be entitled to a commission of ₹ 10/- per every valid Application Form submitted to them and uploaded on the electronic system of the Stock Exchange by them.

<sup>(2)</sup> The SCSBs would be entitled to processing fees of ₹ 10/- per Application Form, for processing the Application Forms procured by other intermediaries and submitted to the SCSBs.

- (3) Further the SCSBs and other intermediaries will be entitled to selling commission of 0.01% of the Amount Allotted (product of the number of Equity Shares Allotted and the Issue Price) for the forms directly procured by them and uploaded on the electronic system of the Stock Exchange by them.
- (4) The payment towards commission and processing fees will be completed within 30 days from the date of receipt of final invoice from the respective entities.

### **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 September 29, 2018, the Underwriting Agreement dated September 29, 2018 and the Market Making Agreement dated September 29, 2018 among our 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 September 29, 2018.

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 FIVE YEARS**

### **Previous Public and Rights Issues**

We have not made any public issues and rights issues to the public at large in the past in terms of SEBI (ICDR) Regulations. 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 no. 45 of this Draft 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.

### **Capital Issues in the last three (3) years by Listed Group Companies / Subsidiaries / Associates**

We do not have any Associates / Subsidiary as on date of this Draft Prospectus. Further, our Group Company has not been listed on any Stock Exchange.

## **PERFORMANCE VIS-À-VIS OBJECTS**

### **Issuer Company**

Our Company has not made any public issue (including any rights issue to the public) since its incorporation.



**Listed Group Companies / Subsidiaries / Associate Companies**

We do not have any/ Associates / Subsidiary as on date of this Draft Prospectus. Further, our Group Company has not made Public Issue in the past.

**OUTSTANDING DEBENTURES, BONDS, REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS ISSUED BY THE COMPANY**

The Company has no outstanding debentures or bonds and redeemable preference shares and other instruments as on the date of this Draft Prospectus.

**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.

**DISPOSAL OF INVESTOR GRIEVANCES****Mechanism for Redressal of Investor Grievances**

The Company has appointed Bigshare Services Private Limited, 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 September 29, 2018 constituted a Stakeholders Relationship Committee. The composition of the Stakeholders Relationship Committee is as follows:

<b>Name of the Member</b>	<b>Nature of Directorship</b>	<b>Designation in Committee</b>
Mr. Shailesh Bajaj	Non Executive Independent Director	Chairman
Mr. Harish Sirwani	Whole-time Director	Member
Mrs. Nidhi Sirwani	Managing Director	Member

For further details, please see the chapter titled "*Our Management*" beginning on page no. 89 of this Draft Prospectus.

The Company has also appointed Mr. Mehul Shah as the Company Secretary and Compliance Officer for this Issue and she may be contacted at the Corporate Office of our Company.

Mr. Mehul Shah

**Address:** Plot No. F - 55, Addl. MIDC Area, Ajanta Road, Jalgaon - 425003, Maharashtra

**Tel No:** +91 77965 42369

**Email:** info@ronihouseholds.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 the Draft Prospectus and hence there are no pending investor complaints as on the date of the Draft Prospectus.

#### **Disposal of Investor Grievances by Listed Companies under the same Management as the Company**

No company under the same management as the Company 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 not been any change in the auditors of the Company in the last three years.

#### **Capitalisation of Reserves or Profits**

Except as stated in the chapter titled "*Capital Structure*" beginning on page no. 45 of this Draft Prospectus, our Company has not capitalised our reserves or profits since incorporation.

#### **Revaluation of Assets**

We have not re-valued our assets in the last 5 years.

## SECTION IX – 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 Draft Prospectus, the 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 or such other conditions as may be prescribed by SEBI, RBI, the Government of India, the Stock Exchanges, the RoC and/or any other authorities while granting its approval for the Issue.*

*Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment.*

*Further vide the said circular, Registrar to the Issue and Depository Participants have been also authorised to collect the Application forms. Investors may visit the official websites of the concerned stock exchanges for any information on operationalisation of this facility, of form collection by Registrar to the Issue and DPs as and when the same is made available.*

#### **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 September 27, 2018 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 September 28, 2018 in accordance with the provisions of Section 62 (1) (c) 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 including dividend 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 refer the chapter titled "Main Provisions of the Articles of Association" beginning on page no. 211 of this Draft Prospectus.

#### **Mode of Payment of Dividend**

The declaration and payment of dividend will be as per the provisions of Companies Act, 2013, the Memorandum and Articles of Association, 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. Our Company shall pay dividend, if declared, to our Shareholders as per the provisions of the Companies Act, SEBI Listing Regulations and our Articles of Association. For further details, please refer the chapter titled "Dividend Policy" and "Main Provisions of Article of Association" beginning on page nos. 110 and 211 of this Draft Prospectus.

#### **Face Value and Issue Price**

The Equity Shares having a face value of ₹ 10 each are being issued in terms of this Draft Prospectus at the price of ₹ [●] per Equity 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 no. 58 of this Draft Prospectus. At any

given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

### **Compliance with the disclosure and accounting norms**

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations. Our Company shall also comply with all disclosure and accounting norms as specified by SEBI from time to time.

### **Rights of the Equity Shareholders**

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to 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*" beginning on page no. 211 of this Draft Prospectus.

### **Minimum Application Value; Market Lot and Trading Lot**

In terms of Section 29 of Companies Act, 2013, the Equity Shares shall be allotted only in dematerialised form. As per the SEBI Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar and Share Transfer Agent to the Issue:

- 1) Tripartite agreement dated [●] between our Company, NSDL and the Registrar and Share Transfer Agent to the Issue.
- 2) Tripartite agreement dated [●] between our Company, CDSL and the Registrar and Share Transfer Agent to the Issue.

Trading of the Equity Shares will happen in the minimum contract size of [●] 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 [●] Equity Share subject to a minimum allotment of [●] 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 6 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.

### Withdrawal of the Issue

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

### ISSUE PROGRAMME

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

Event	Indicative Date
Issue Opening Date	[●]
Issue Closing Date	[●]
Finalisation of Basis of Allotment with the Designated Stock Exchange	[●]
Initiation of Allotment / Refunds / Unblocking of Funds	[●]

Event	Indicative Date
Credit of Equity Shares to demat accounts of Allottees	[•]
Commencement of trading of the Equity Shares on the Stock Exchange	[•]

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

Applications and any revision to the same shall be accepted **only between 10.00 a. m. and 5.00 p. m.** (IST) during the Issue Period (except for the Issue Closing Date). On the Issue Closing Date, the Applications and any revision to the same shall be accepted only between **10.00 a. m. and 3.00 p. m.** (IST) or such extended time as permitted by the Stock Exchanges, in case of Applications by Retail Individual Applicants after taking into account the total number of applications received up to the closure of timings and reported by the Lead Manager to the Stock Exchanges. It is clarified that Applications not uploaded on the electronic system would be rejected. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

Due to limitation of time available for uploading the Applications on the Issue Closing Date, the Applicants are advised to submit their Applications one day prior to the Issue Closing Date and, in any case, no later than 3.00 p.m. (IST) on the Issue Closing Date. All times mentioned in this Draft Prospectus are Indian Standard Times. Applicants are cautioned that in the event a large number of Applications are received on the Issue Closing Date, as is typically experienced in public offerings, some Applications may not get uploaded due to lack of sufficient time. Such Applications that cannot be uploaded will not be considered for allocation under the Issue. Applications will be accepted only on Business Days. Neither our Company nor the Lead Manager is liable for any failure in uploading the Applications due to faults in any software/hardware system or otherwise.

In accordance with the SEBI Regulations, QIBs and Non-Institutional Applicants are not allowed to withdraw or lower the size of their Applications (in terms of the quantity of the Equity Shares or the Applications Amount) at any stage. Retail Individual Applicants can revise or withdraw their Applications prior to the Issue Closing Date. Except Allocation to Retail Individual Investors, Allocation in the Issue will be on a proportionate basis.

In case of discrepancy in the data entered in the electronic book *vis-a-vis* the data contained in the physical Application Form, for a particular Applicant, the details as per the file received from the Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book *vis-a-vis* the data contained in the physical or electronic Application Form, for a particular ASBA Applicant, the Registrar to the Issue shall ask the relevant SCSBs / RTAs / DPs / Stock Brokers, as the case may be, for rectified data.

### Minimum Subscription

The requirement for 90% minimum subscription in terms of Regulation 14 of the ICDR Regulations is not applicable to the Issue. In terms of Regulation 106P(1) of the ICDR Regulations, the Issue is not restricted to any minimum subscription level and is 100% underwritten. Further, pursuant to Regulation 106R of the ICDR Regulations, our Company shall ensure that the number of prospective allottees to whom Equity Shares will be allotted shall not be less than 50.

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. However, we shall ensure that the minimum subscription to be received shall be subject to allotment of minimum number of specified securities as prescribed in sub-clause (b) of clause (2) of rule 19 of Securities Contracts (Regulation) Rules, 1957 and also that the minimum number of allottees as prescribed in regulation 106R of the SEBI (ICDR) Regulations, 2009, as amended.

**Arrangements for Disposal of Odd Lots**

The trading of the Equity Shares will happen in the minimum contract size of [●] 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 Articles of Association*” beginning on page no. 211 of this Draft Prospectus.

**New Financial Instruments**

The Issuer Company is not issuing any new financial instruments through this Issue.

**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 promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), 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 promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

**Market Making**

The shares issued through this Issue are proposed to be listed on the SME Platform of BSE, 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 of shares offered through this Draft Prospectus.

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 no. 43 of this Draft Prospectus.

**Jurisdiction**

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Mumbai. 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) (1) of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, an issuer whose post issue face value capital does not exceed more than ten 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 page nos. 153 and 161 respectively, of this Draft Prospectus.

Following is the issue structure:

Public issue of 15,00,000 Equity Shares of ₹ 10 each (the "Equity Shares") for cash at a price of ₹ [●] per Equity Share (including a Share premium of ₹ [●] per Equity Share) aggregating to ₹ [●] lakhs ("the Issue") by Roni Households Limited ("RHL" or the "Company" or the "Issuer").

The Issue comprises a reservation of 84,000 Equity Shares of ₹ 10 each for subscription by the designated Market Maker ("the Market Maker Reservation Portion") and Net Issue to Public of 14,16,000 Equity Shares of ₹ 10 each ("the Net Issue"). The Issue and the Net Issue will constitute 34.59% and 32.66%, respectively of the post Issue paid up equity share capital of the company. The Issue is being made through the Fixed Price Process:

Particulars of the Issue	Net Issue to Public	Market Maker Reservation Portion
Number of Equity Shares available for allocation	14,16,000 Equity Shares	84,000 Equity Shares
Percentage of Issue Size available for allocation	94.40% of the Issue Size	5.60% of the Issue Size
Basis of Allotment	Proportionate subject to minimum allotment of [●] Equity Shares and further allotment in multiples of 800 Equity Shares each.	Firm Allotment
Mode of Application	Through ASBA Process Only	Through ASBA Process Only
Minimum Application Size	For QIB and NII:  Such number of Equity Shares in multiples of [●] Equity Shares such that the Application Value exceeds ₹ 2,00,000.  For Retail Individuals:  [●] Equity Shares	84,000 Equity Shares
Maximum Application Size	For QIB and NII:  Such number of Equity Shares in multiples of [●] Equity Shares such that the Application Size does not exceed 14,16,000 Equity Shares.  For Retail Individuals:  Such number of Equity Shares in multiples of [●] Equity Shares such that the Application Value does not exceed ₹ 2,00,000.	84,000 Equity Shares
Mode of Allotment	Dematerialized Form	Dematerialized Form
Trading Lot	[●] Equity Shares	[●] Equity Shares, However the Market Maker may buy odd lots if any in the market as required under the SEBI

Particulars of the Issue	Net Issue to Public	Market Maker Reservation Portion
		(ICDR) Regulations, 2009.
Terms of Payment	The entire Application Amount will be payable at the time of submission of the Application Form.	
Application Lot Size	[●] Equity Share and in multiples of [●] Equity Shares thereafter	

**Note:**

- 1) 50 % of the Equity Share offered are reserved for allocation to Applicants below or equal to ₹ 2.00 lakhs and the balance for higher amount Applications.
- 2) 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.
- 3) Applicants will be required to confirm and will be deemed to have represented to our Company, the Lead Manager, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares in this Issue.
- 4) SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB.

**Lot Size**

SEBI vide circular CIR/MRD/DSA/06/2012 dated February 21, 2012 (the “Circular”) standardized the lot size for Initial Public Offer proposing to list on SME exchange/platform and for the secondary market trading on such exchange/platform, as under:

Issue Price (in ₹)	Lot Size (No. of shares)
Up to 14	10,000
More than 14 up to 18	8,000
More than 18 up to 25	6,000
More than 25 up to 35	4,000
More than 35 up to 50	3,000
More than 50 up to 70	2,000
More than 70 up to 90	1,600
More than 90 up to 120	1,200
More than 120 up to 150	1,000
More than 150 up to 180	800
More than 180 up to 250	600
More than 250 up to 350	400
More than 350 up to 500	300
More than 500 up to 600	240
More than 600 up to 750	200
More than 750 up to 1000	160
Above 1000	100

Further to the Circular, at the Initial Public Offer stage the Registrar to Issue in consultation with Lead Manager, our Company and BSE shall ensure to finalize the basis of allotment in minimum lots and in multiples of minimum lot size, as per the above given table. The secondary market trading lot size shall be the same, as shall be the IPO Lot Size at the application/allotment stage, facilitating secondary market trading.

## ISSUE PROCEDURE

All Applicants should review the General Information Document for Investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI (“General Information Document”), included below under “**Part B – General Information Document**”, which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI ICDR Regulations. The General Information Document has been updated to include reference to the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014 and certain notified provisions of the Companies Act 2013, to the extent applicable to a public issue. The General Information Document would be made available with the Lead Manager and would also be made available on the websites of the Stock Exchanges and the Lead Manager before opening of Issue. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and shall not be liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that their Applications are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Draft Prospectus.

Please note that all the Applicants can participate in the Issue only through the ASBA process. All Applicants shall ensure that the ASBA Account has sufficient credit balance such that the full Application Amount can be blocked by the SCSB at the time of submitting the Application. Applicants applying through the ASBA process should carefully read the provisions applicable to such applications before making their application through the ASBA process. Please note that all Applicants are required to make payment of the full Application Amount along with the Application Form. In case of ASBA Applicants, an amount equivalent to the full Application Amount will be blocked by the SCSBs.

ASBA Applicants are required to submit ASBA Applications to the Selected Branches / Offices of the RTAs, DPs, Designated Bank Branches of SCSBs. The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <http://www.sebi.gov.in>. For details on designated branches of SCSB collecting the Application Form, please refer the above mentioned SEBI link. The list of Stock Brokers, Depository Participants (“DP”), Registrar to an Issue and Share Transfer Agent (“RTA”) that have been notified by BSE Ltd to act as intermediaries for submitting Application Forms are provided on <http://www.bseindia.com>. For details on their designated branches for submitting Application Forms, please see the above mentioned BSE website

Pursuant to the SEBI (Issue of Capital and Disclosure Requirements) (Fifth Amendment) Regulations, 2015, the ASBA process become mandatory for all investors w .e .f. January 1, 2016 and it allows the registrar, share transfer agents, depository participants and stock brokers to accept application forms.

## PART A

### FIXED PRICE ISSUE PROCEDURE

The Issue is being made in compliance with the provisions of Regulation 106 (M) (1) of Chapter XB of the SEBI (ICDR) Regulations, 2009 and through the Fixed Price Process wherein 50% of the Net Issue to Public is being offered to the Retail Individual Applicants and the balance shall be offered to Non Retail Category i.e. QIBs and Non-Institutional Applicants. However, if the aggregate demand from the Retail Individual Applicants is less than 50%, then the balance Equity Shares in that portion will be added to the non retail portion offered to the remaining investors including QIBs and NIIs and vice-versa subject to valid Applications being received from them at or above the Issue Price.

Subject to the valid Applications being received at or above the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for the Retail Portion where Allotment to each Retail

Individual Applicants shall not be less than the minimum lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under subscription, if any, in any category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the Lead Manager and the Stock Exchange.

**Investors should note that according to section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful 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 system of the stock exchanges, 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.**

## **APPLICATION FORM**

Copies of the Application Form and the abridged prospectus will be available at the offices of the Lead Manager, the Designated Intermediaries, and Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of the BSE ([www.bseindia.com](http://www.bseindia.com)), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Issue Opening Date.

All Applicants shall mandatorily participate in the Issue only through the ASBA process. ASBA Applicants must provide bank account details and authorization to block funds in the relevant space provided in the Application Form and the Application Forms that do not contain such details are liable to be rejected.

ASBA Applicants shall ensure that the Applications are made on Application Forms bearing the stamp of the Designated Intermediary, submitted at the Collection Centers only (except in case of electronic Application Forms) and the Application Forms not bearing such specified stamp are liable to be rejected.

The prescribed colour of the Application Form for various categories is as follows:

<b>Category</b>	<b>Colour<sup>(1)</sup></b>
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents and Eligible NRIs, FIIs, FVCIs, etc. applying on a repatriation basis	Blue

<sup>(1)</sup> excluding electronic Application Form

Designated Intermediaries shall submit Application Forms to SCSBs and shall not submit it to any non-SCSB bank.

## **Who Can Apply?**

- 1) Indian nationals resident in India, who are not minors (except through their 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 authorized 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) Foreign Nationals and other non-residents (subject to eligibility norms specified in SEBI FPI Regulations, 2014 and other applicable provisions)
- 13) Multilateral and bilateral development financial institutions;
- 14) State Industrial Development Corporations;
- 15) Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to trusts/societies and who are authorized under their respective constitutions to hold and invest in equity shares;
- 16) Scientific and/or industrial research organizations authorized in India to invest in equity shares;
- 17) Insurance companies registered with Insurance Regulatory and Development Authority;
- 18) Provident Funds with a minimum corpus of ₹ 250 million and who are authorised under their constitution to hold and invest in equity shares;
- 19) Pension Funds with a minimum corpus of ₹ 250 million and who are authorised under their constitution to hold and invest in equity shares;
- 20) Limited liability partnerships;
- 21) 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;
- 22) Nominated Investor and Market Maker
- 23) 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
- 24) 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. 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.

**Applications not to be made by**

1. Minors (except through their Guardians)
2. Partnership firms or their nominations
3. Overseas Corporate Bodies

**Maximum and Minimum Application Size****a) For Retail Individual Applicants:**

The Application must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Application Amount payable by the Applicant does not exceed ₹ 2,00,000. In case of revision of the Application, the Retail Individual Applicants have to ensure that the Application Amount 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 [●] Equity Shares thereafter. Application cannot be submitted for more than the Issue Size. However, the maximum application size 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 Application 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 shall not be made public during the Issue Period. In case of revision in Application, 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.

**Information for the Applicants**

- a. Our Company shall file the Draft Prospectus with the RoC at least three working days before the Issue Opening Date.
- b. Our Company shall, after registering the Prospectus with the RoC, make a pre-Issue advertisement, in the form prescribed under the ICDR Regulations, in English and Hindi national newspapers and one regional newspaper with wide circulation. In the pre-Issue advertisement, our Company and the Lead Manager shall advertise the Issue Opening Date, the Issue Closing Date. This advertisement, subject to the provisions of the Companies Act, shall be in the format prescribed in Part A of Schedule XIII of the ICDR Regulations.
- c. Copies of the Application Form and the abridged prospectus will be available at the offices of the Lead Manager, the Designated Intermediaries, and Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of the BSE ([www.bseindia.com](http://www.bseindia.com)), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Issue Opening Date.
- d. Applicants who are interested in subscribing to the Equity Shares should approach any of the Application Collecting Intermediaries or their authorized agent(s).
- e. Application should be submitted in the prescribed Application Form only. Application Forms submitted to the SCSBs should bear the stamp of the respective intermediary to whom the application form is submitted.

Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and / or the Designated Branch.

- f. The Application Form can be submitted either in physical or electronic mode, to the Application Collecting Intermediaries. Further Application Collecting Intermediary may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account.

**The Applicants should note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic system of the Stock Exchanges does not match with the PAN, DP ID and Client ID available in the database of Depositories, the Application Form is liable to be rejected.**

#### **Availability of the Prospectus and the Application Forms**

Copies of the Application Form and the abridged prospectus will be available at the offices of the Lead Manager, the Designated Intermediaries, and Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of the BSE ([www.bseindia.com](http://www.bseindia.com)), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Issue Opening Date.

#### **Participation by associates and affiliates of the Lead Manager**

The Lead Manager shall not be allowed to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Lead Manager may subscribe to Equity Shares in the Issue in non Retail Portion, where the allocation is on a proportionate basis.

#### **Applications by Mutual Funds**

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 reject the Application without assigning any reason thereof.

Applications made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Applications are made.

**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.**

**No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.**

#### **Applications by Eligible NRIs**

NRIs may obtain copies of Application Form from the offices of the Lead Manager and the Designated Intermediaries. Eligible NRI Applicants applying on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") ASBA Accounts, and eligible NRI Applicants applying on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non-Resident Ordinary ("NRO") accounts for the full Application Amount, at the time of the submission of the Application Form.

Eligible NRIs applying on non-repatriation basis are advised to use the Application Form for residents (white in colour).

Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for Non-Residents (blue in colour).

### **Applications by FPI and FIIs**

In terms of the SEBI FPI Regulations, any qualified foreign investor or FII who holds a valid certificate of registration from SEBI shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or a sub-account may participate in this Issue, in accordance with Schedule 2 of the FEMA Regulations, until the expiry of its registration with SEBI as an FII or a sub-account. An FII shall not be eligible to invest as an FPI after registering as an FPI under the SEBI FPI Regulations. Further, a qualified foreign investor who had not obtained a certificate of registration as an FPI could only continue to buy, sell or otherwise deal in securities until January 06, 2015. Hence, such qualified foreign investors who have not registered as FPIs under the SEBI FPI Regulations shall not be eligible to participate in this Issue.

In case of Applications made by FPIs, a certified copy of the certificate of registration issued by the designated depository participant under the FPI Regulations is required to be attached to the Application Form, failing which our Company reserves the right to reject any application without assigning any reason. An FII or subaccount may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Issue, until the expiry of its registration as a FII or sub-account, or until it obtains a certificate of registration as FPI, whichever is earlier. Further, in case of Applications made by SEBI-registered FIIs or sub-accounts, which are not registered as FPIs, a certified copy of the certificate of registration as an FII issued by SEBI is required to be attached to the Application Form, failing which our Company reserves the right to reject any Application without assigning any reason.

In terms of the SEBI FPI Regulations, the Issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10.00% of our post-Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10.00% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24.00% of the paid-up Equity Share capital of our Company. The aggregate limit of 24.00% may be increased up to the sectoral cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included. The existing individual and aggregate investment limits an FII or sub account in our Company is 10.00% and 24.00% of the total paid-up Equity Share capital of our Company, respectively.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with know your client' norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

FPIs who wish to participate in the Issue are advised to use the Application Form for Non-Residents (blue in colour).



**Applications by SEBI registered VCFs, AIFs and FVCIs**

The SEBI FVCI Regulations and the SEBI AIF Regulations inter-alia prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIFs.

The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

**Our Company or the Lead Manager will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.**

**There is no reservation for Eligible NRIs, FPIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.**

**Applications by Limited Liability Partnerships**

In case of Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reason thereof.

**Applications by Insurance Companies**

In case of Applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended, are broadly set forth below:

1. equity shares of a company: the least of 10.00% of the investee company's subscribed capital (face value) or 10.00% of the respective fund in case of life insurer or 10.00% of investment assets in case of general insurer or reinsurer;
2. the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
3. the industry sector in which the investee company belong to: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be.

Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

#### **Applications by Provident Funds / Pension Funds**

In case of Applications made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 250.00 million, 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.

#### **Applications by Banking Companies**

In case of Applications made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Application Form, failing which our Company reserve the right to reject any Application without assigning any reason.

The investment limit for banking companies as per the Banking Regulation Act, 1949, as amended, is 30.00% of the paid up share capital of the investee company or 30.00% of the banks' own paid up share capital and reserves, whichever is less (except in certain specified exceptions, such as setting up or investing in a subsidiary, which requires RBI approval). Further, the RBI Master Circular of July 01, 2015 sets forth prudential norms required to be followed for classification, valuation and operation of investment portfolio of banking companies.

#### **Applications by SCSBs**

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 02, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

#### **Applications under Power of Attorney**

In case of Applications made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with a minimum corpus of ₹ 250 million (subject to applicable law) and pension funds with a minimum corpus of ₹ 250 million, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the 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. In addition to the above, certain additional documents are required to be submitted by the following entities:

- a) With respect to Applications by FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form.
- 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 along with the Application Form.
- c) With respect to Applications made by provident funds with a minimum corpus of ₹ 250 million (subject to applicable law) and pension funds with a minimum corpus of ₹ 250 million, 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.

- d) With respect to Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form.
- e) Our Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application form, subject to such terms and conditions that our Company and the Lead Manager may deem fit.

**The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and Applicants are advised to ensure that any single Application from them does not exceed the applicable investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Prospectus.**

### **General Instructions**

#### **Do's:**

- 1) Check if you are eligible to apply as per the terms of this Draft Prospectus and under applicable law, rules, regulations, guidelines and approvals;
- 2) Read all the instructions carefully and complete the Application Form in the prescribed form;
- 3) Ensure that the details about the PAN, DP ID and Client ID are correct and the Applicants depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;
- 4) Ensure that your Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary;
- 5) If the first applicant is not the account holder, ensure that the Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Application Form;
- 6) Ensure that the signature of the First Applicant in case of joint Applications, is included in the Application Forms;
- 7) Ensure that the name(s) given in the Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint 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;
- 8) Ensure that you request for and receive a stamped acknowledgement of your Application;
- 9) Ensure that you have funds equal to the Application Amount in the ASBA Account maintained with the SCSB before submitting the Application Form under the ASBA process to the respective member of the SCSBs, the Registered Broker (at the Broker Centres), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
- 10) Submit revised Applications to the same Designated Intermediary, through whom the original Application was placed and obtain a revised acknowledgment;
- 11) Except for Applications (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Applications by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Applicants should mention their PAN allotted under the IT Act. The exemption for the

Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;

- 12) Ensure that the Demographic Details are updated, true and correct in all respects;
- 13) Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
- 14) Ensure that the category and the investor status is indicated;
- 15) Ensure that in case of Applications under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;
- 16) Ensure that Applications submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
- 17) Applicants should note that in case the DP ID, Client ID and the PAN mentioned in their Application Form and entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Applications are liable to be rejected. Where the Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Application Form;
- 18) Ensure that the Application Forms are delivered by the Applicants within the time prescribed as per the Application Form and the Prospectus;
- 19) Ensure that you have mentioned the correct ASBA Account number in the Application Form;
- 20) Ensure that you have correctly signed the authorisation/undertaking box in the Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Amount mentioned in the Application Form at the time of submission of the Application;
- 21) Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Application Form; and
- 22) The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

**Don'ts:**

- 1) Do not apply for lower than the minimum Application size;
- 2) Do not apply at a Price different from the Price mentioned herein or in the Application Form;
- 3) Do not pay the Application Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
- 4) Do not send Application Forms by post; instead submit the same to the Designated Intermediary only;
- 5) Do not submit the Application Forms to any non-SCSB bank or our Company;

- 6) Do not apply on an Application Form that does not have the stamp of the relevant Designated Intermediary;
- 7) Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
- 8) Do not apply for a Application Amount exceeding ₹ 2,00,000 (for Applications by Retail Individual Applicants);
- 9) 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 the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Prospectus;
- 10) Do not submit the General Index Register number instead of the PAN;
- 11) Do not submit the Application without ensuring that funds equivalent to the entire Application Amount are blocked in the relevant ASBA Account;
- 12) Do not submit Applications on plain paper or on incomplete or illegible Application Forms or on Application Forms in a colour prescribed for another category of Applicant;
- 13) Do not submit a Application in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
- 14) Do not apply if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
- 15) Do not submit more than five Application Forms per ASBA Account;

The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

#### **Issuance of a Confirmation of Allocation Note (“CAN”) and Allotment in the Issue**

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.

#### **Payment instructions**

The entire issue price of ₹ [●] per Equity Share is payable on Application. In case of allotment of lesser number of Equity Shares than the number applied, then the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Applicants.

SCSBs will transfer the amount as per the instruction received by the Registrar to the Public Issue Bank Account. The balance amount after transfer to the Public Issue Account shall be unblocked by the SCSBs.

The Applicants shall specify the bank account details in the Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal / rejection of the application or receipt of instructions from the Registrar to unblock the Application Amount. However, Not Retails Applicants shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instruction to the SCSBs to unblock the application money in the relevant back account within one day of receipt of such instruction.

The Application Amount shall remain blocked in the ASBA Account until finalisation of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public issue Account, or until withdrawal / failure of the Issue or until rejection of the application, as the case may be.

Pursuant to the SEBI (Issue of Capital and Disclosure Requirements) (Fifth Amendment) Regulations, 2015, the ASBA process become mandatory for all investors w. e. f. January 01, 2016 and it allows the registrar, share transfer agents, depository participants and stock brokers to accept application forms.

### **Electronic Registration of Applications**

1. The Application Collecting Intermediary will register the applications using the on-line facilities of the Stock Exchange.
2. The Application Collecting Intermediary will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of the next Working day from the Issue Closing Date.
3. The Application Collecting Intermediary shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the applications accepted by them, (ii) the applications uploaded by them, (iii) the applications accepted but not uploaded by them or (iv) In case the applications accepted and uploaded by any Application Collecting Intermediary other than SCSBs, the Application Form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.
4. Neither the Lead Manager nor the Company, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the applications accepted by any Application Collecting Intermediaries, (ii) the applications uploaded by any Application Collecting Intermediaries or (iii) the applications accepted but not uploaded by the Application Collecting Intermediaries.
5. The Stock Exchange will Issue an electronic facility for registering applications for the Issue. This facility will be available at the terminals of the Application Collecting Intermediaries and their authorised agents during the Issue Period. On the Issue Closing Date, the Application Collecting Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange.
6. With respect to applications by Applicants, at the time of registering such applications, the Application Collecting Intermediaries shall enter the following information pertaining to the Applicants into the on-line system:
  - Name of the Applicant;
  - IPO Name;
  - Application Form Number;
  - Investor Category;
  - PAN Number;
  - DP ID & Client ID;
  - Numbers of Equity Shares Applied for;
  - Amount;
  - Location of the Banker to the Issue or Designated Branch, as applicable;
  - Bank Account Number and
  - Such other information as may be required.
7. In case of submission of the Application by an Applicant through the Electronic Mode, the Applicant shall complete the above mentioned details and mentioned the bank account number, except the Electronic Application Form number which shall be system generated.

8. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof or having accepted the application form, in physical or electronic mode, respectively. The registration of the Application by the Application Collecting Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
9. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
10. The Application Collecting Intermediaries shall have no right to reject the applications, except on technical grounds.
11. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way deemed or construed to mean 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 or 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 Draft Prospectus; not does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchange.
12. The Application Collecting Intermediaries will be given time till 1.00 p.m. on the next working day after the Issue Closing Date to verify the PAN No., DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with the Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.
13. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for ASBA Applicants.

#### Allocation of Equity Shares

- 1) The Issue is being made through the Fixed Price Process wherein 84,000 Equity Shares shall be reserved for the Market Maker. 7,08,000 Equity Shares will be allocated on a proportionate basis to Retail Individual Applicants, subject to valid applications being received from the Retail Individual Applicants at the Issue Price. The balance of the Net Issue will be available for allocation on a proportionate basis to Non Retail Applicants.
- 2) Under-subscription, if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the Lead Manager and the Stock Exchange.
- 3) Allocation to Non-Residents, including Eligible NRIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.
- 4) In terms of SEBI Regulations, Non Retail Applicants shall not be allowed to either withdraw or lower the size of their application at any stage.
- 5) Allotment status details shall be available on the website of the Registrar to the Issue.

#### Pre-Issue Advertisement

Subject to Section 30 of the Companies Act, our Company shall, after registering the Prospectus with the RoC, publish a pre-issue advertisement, in the form prescribed by the SEBI Regulations, in one English language national daily newspaper, one Hindi language national daily newspaper and one regional language daily newspaper, each with wide circulation. In the pre- issue advertisement, we shall state the Issue Opening Date and the Issue Closing

Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule XIII of the SEBI Regulations.

### **Signing of the Underwriting Agreement and the RoC Filing**

- a) Our Company, the Lead Manager and the Market Maker have entered into an Underwriting Agreement on September 29, 2018.
- b) For terms of the Underwriting Agreement please see chapter titled “*General Information*” beginning on page no. 38 of this Draft Prospectus.
- c) We will file a copy of the Prospectus with the RoC in terms of Section 26 and all other provision applicable as per Companies Act.

### **Communications**

All future communications in connection with Applications made in this Issue should be addressed to the Registrar 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 SCSB / Designated Intermediary, where the Application was submitted and bank account number in which the amount equivalent to the Application Amount was blocked.

Applicants can contact the Compliance Officer or the Registrar in case of any pre-issue or post-issue related problems such as non-receipt of letters of Allotment, credit of allotted shares in the respective beneficiary accounts, refund orders etc. In case of ASBA Applications submitted to the Designated Branches of the SCSBs, the Applicants can contact the Designated Branches of the SCSBs.

### **Impersonation**

**Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:**

**“Any person who:**

- a) **makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or**
- b) **makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or**
- c) **otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447”**

The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

### **Undertaking by our Company**

We undertake the following:

1. If our Company does not proceed with the Issue after the Issue Opening Date but before allotment, then the reason thereof shall be given as a public notice to be issued by our Company within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the Pre-Issue advertisements



were published. The stock exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;

2. If our Company withdraw the Issue after the Issue Closing Date, our Company shall be required to file a fresh offer document with the RoC/SEBI, in the event our Company subsequently decides to proceed with the Issue;
3. The complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily;
4. All steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed are taken within six Working Days of the Issue Closing Date;
5. The funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar and Share Transfer Agent to the Issue by our Company;
6. Allotment will be made or the application money will be refunded within Six Working Days from the Offer Closing Date or such lesser time as specified by SEBI;
7. Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within six Working Days from the Offer Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
8. The certificates of the securities/refund orders to Eligible NRIs shall be dispatched within specified time;
9. No further Issue of Equity Shares shall be made till the Equity Shares offered through this Offer Document are listed or until the Application monies are refunded on account of non-listing, under-subscription etc;
10. Adequate arrangements shall be made to collect all Application Forms and that we shall not have recourse to the Offer 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**

The Board of Directors of our Company 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 under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised;
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 the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.
5. Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.

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**PART B****General Information Document for Investing in Public Issues**

This General Information Document highlights the key rules, processes and procedures applicable to public issues in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the issue. For taking an investment decision, the Applicants should rely on their own examination of the Issuer and the Issue, and should carefully read the Prospectus before investing in the Issue.

**SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)**

This document is applicable to the public issues undertaken through the Book-Building Process as well as to the Fixed Price Issues. The purpose of the “General Information Document for Investing in Public Issues” is to provide general guidance to potential Applicants in IPOs and FPOs, and on the processes and procedures governing IPOs and FPOs, undertaken in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“SEBI ICDR Regulations, 2009”).

Applicants should note that investment in equity and equity related securities involves risk and Applicant should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/or for subscribing to securities in an Issue and the relevant information about the Issuer undertaking the Issue are set out in the Prospectus filed by the Issuer with the Registrar of Companies (“RoC”). Applicants should carefully read the entire Prospectus and the Bid cum Application Form/Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Issue. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the Prospectus, the disclosures in the Prospectus shall prevail. The Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the BRLM(s) to the Issue and on the website of Securities and Exchange Board of India (“SEBI”) at [www.sebi.gov.in](http://www.sebi.gov.in)

For the definitions of capitalized terms and abbreviations used herein Applicants may see “Glossary and Abbreviations”.

**SECTION 2: BRIEF INTRODUCTION TO IPOs/FPOs****2.1 Initial public offer (IPO)**

An IPO means an offer of specified securities by an unlisted Issuer to the public for subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.

For undertaking an IPO, an Issuer is inter-alia required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI ICDR Regulations, 2009. For details of compliance with the eligibility requirements by the Issuer, Applicants may refer to the Prospectus.

**2.2 Further public offer (FPO)**

An FPO means an offer of specified securities by a listed Issuer to the public for subscription and may include Offer for Sale of specified securities to the public by any existing holder of such securities in a listed Issuer.

For undertaking an FPO, the Issuer is inter-alia required to comply with the eligibility requirements in terms of Regulation 26/ Regulation 27 of the SEBI ICDR Regulations, 2009. For details of compliance with the eligibility requirements by the Issuer, Applicants may refer to the Prospectus.

### **2.3 Other Eligibility Requirements:**

In addition to the eligibility requirements specified in paragraphs 2.1 and 2.2, an Issuer proposing to undertake an IPO or an FPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, 2009, the Companies Act, 2013, the Companies Act, 1956 (to the extent applicable), the Securities Contracts (Regulation) Rules, 1957 (the “SCRR”), industry-specific regulations, if any, and other applicable laws for the time being in force.

For details in relation to the above Applicants may refer to the Prospectus.

### **2.4 Types of Public Issues – Fixed Price Issues and Book Built Issues**

In accordance with the provisions of the SEBI ICDR Regulations, 2009, an Issuer can either determine the Issue Price through the Book Building Process (“Book Built Issue”) or undertake a Fixed Price Issue (“Fixed Price Issue”). An Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in the Prospectus (in case of a fixed price Issue) and determine the price at a later date before registering the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The Issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre- Issue advertisement was given at least five Working Days before the Bid/ Issue Opening Date, in case of an IPO and at least one Working Day before the Bid/ Issue Opening Date, in case of an FPO.

The Floor Price or the Issue price cannot be lesser than the face value of the securities.

Applicants should refer to the Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

### **2.5 ISSUE PERIOD**

The Issue may be kept open for a minimum of three Working Days (for all category of Applicants) and not more than ten Working Days. Applicants are advised to refer to the Bid cum Application Form and Abridged Prospectus or Prospectus for details of the Bid/ Issue Period. Details of Bid/ Issue Period are also available on the website of the Stock Exchange(s).

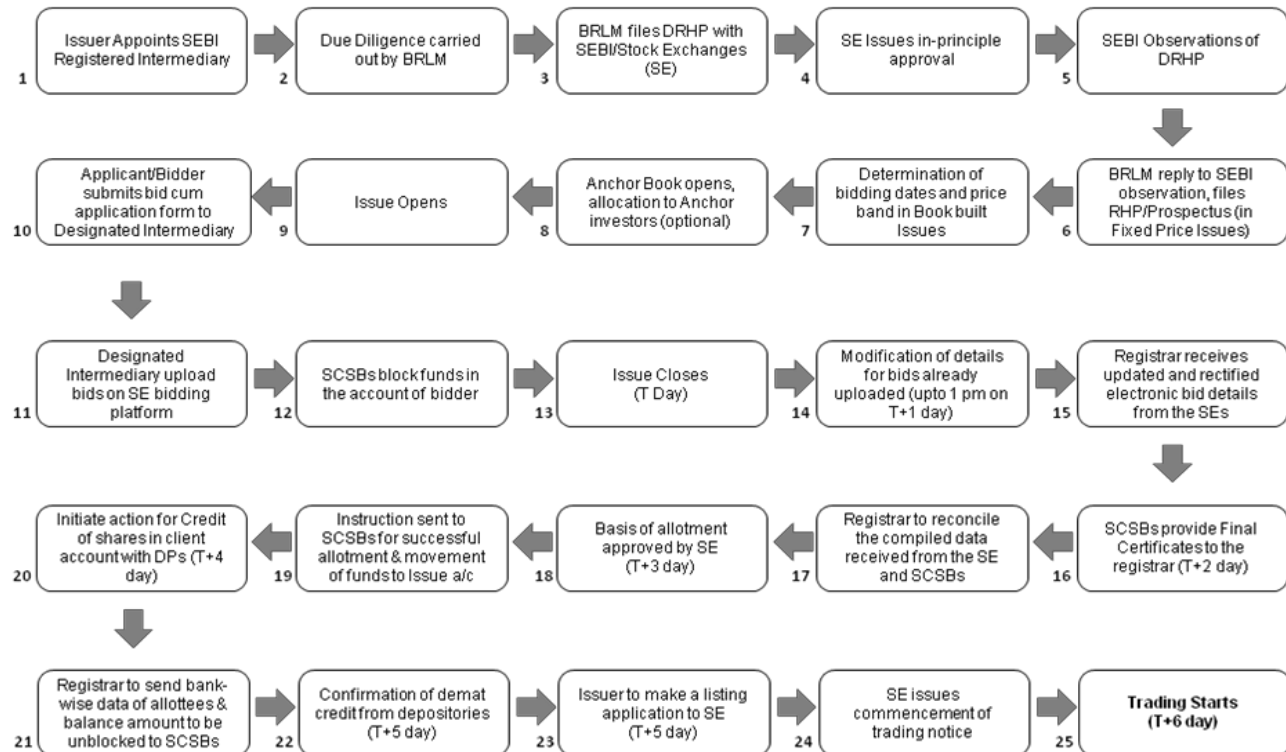
In case of a Book Built Issue, the Issuer may close the Issue Period for QIBs one Working Day prior to the Bid/ Issue Closing Date if disclosures to that effect are made in the Prospectus. In case of revision of the Floor Price or Price Band in Book Built Issues the Bid/ Issue Period may be extended by at least three Working Days, subject to the total Bid/ Issue Period not exceeding 10 Working Days. For details of any revision of the Floor Price or Price Band, Applicants may check the announcements made by the Issuer on the websites of the Stock Exchanges and the BRLM(s), and the advertisement in the newspaper(s) issued in this regard.

### **2.6 FLOWCHART OF TIMELINES**

A flow chart of process flow in Fixed Price and Book Built Issues is as follows. Applicants may note that this is not applicable for Fast Track FPOs:

In case of Issue other than Book Built Issue (Fixed Price Issue) the process at the following of the below mentioned steps shall be read as:

- i. Step 7: Determination of Issue Date and Price
- ii. Step 10: Applicant submits Bid cum Application Form with Designated Branch of SCSB.



### SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN ISSUE

**Each Applicant should check whether it is eligible to apply under applicable law.** Furthermore, certain categories of Applicants, such as NRIs, FIIs, FPIs and FVCIs may not be allowed to Bid/Apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.

Subject to the above, an illustrative list of Applicants is as follows:

- Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, in single or joint names (not more than three);
- Bids/Applications belonging to an account for the benefit of a minor (under guardianship);
- Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: “Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta”. Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals;
- Companies, corporate bodies and societies registered under applicable law in India and authorised to invest in equity shares;
- QIBs;
- NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable law;
- Indian Financial Institutions, regional rural banks, co-operative banks (subject to RBI regulations and the SEBI ICDR Regulations, 2009 and other laws, as applicable);

- FIIs and sub-accounts registered with SEBI, other than a sub-account which is a foreign corporate or foreign individual, bidding under the QIBs category;
- Sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals Bidding only under the Non Institutional Investors (“NIIs”) category;
- FPIs other than Category III foreign portfolio investors, Bidding under the QIBs category;
- FPIs which are Category III foreign portfolio investors, Bidding under the NIIs category;
- Trusts/societies registered under the Societies Registration Act, 1860, or under any other law relating to trusts/societies and who are authorised under their respective constitutions to hold and invest in equity shares;
- Limited liability partnerships registered under the Limited Liability Partnership Act, 2008; and
- Any other person eligible to Bid/Apply in the Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws.
- As per the existing regulations, OCBs are not allowed to participate in an Issue.

#### SECTION 4: APPLYING IN THE ISSUE

Book Built Issue: Bidders should only use the specified ASBA Form (or in case of Anchor Investors, the Anchor Investor Application Form) either bearing the stamp of a member of the Syndicate or any other Designated Intermediary, as available or downloaded from the websites of the Stock Exchanges. Bid cum Application Forms are available with the Book Running Lead Managers, the Designated Intermediaries at the Bidding Centres and at the registered office of the Issuer. Electronic Bid cum Application Forms will be available on the websites of the Stock Exchanges at least one day prior to the Bid/ Issue Opening Date. For further details, regarding availability of Bid cum Application Forms, Bidders may refer to the Prospectus.

Fixed Price Issue: Applicants should only use the specified cum Application Form bearing the stamp of an SCSB as available or downloaded from the websites of the Stock Exchanges. Application Forms are available with the Designated Branches of the SCSBs and at the Registered and Corporate Office of the Issuer. For further details, regarding availability of Application Forms, Applicants may refer to the Prospectus.

Applicants should ensure that they apply in the appropriate category. The prescribed color of the Bid cum Application Form for various categories of Applicants is as follows:

Category	Colour <sup>(1)</sup>
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents and Eligible NRIs, FIIs, FVCIs, etc. applying on a repatriation basis	Blue

<sup>(1)</sup> excluding electronic Application Form

Securities issued in an IPO can only be in dematerialized form in accordance with Section 29 of the Companies Act, 2013. Applicants will not have the option of getting the Allotment of specified securities in physical form. However, they may get the specified securities rematerialised subsequent to Allotment.

#### 4.1 INSTRUCTIONS FOR FILING THE BID CUM APPLICATION FORM/APPLICATION FORM

Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the Prospectus and the Bid cum Application Form/Application Form are liable to be rejected.

Instructions to fill each field of the Bid cum Application Form can be found on the reverse side of the Bid cum Application Form. Specific instructions for filling various fields of the Bid cum Application Form and sample are provided below.

A sample Bid cum Application Form is reproduced below:

<b>COMMON BID CUM APPLICATION FORM</b>	<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - R</b> Address : ..... Contact Details: ..... CIN No .....	<b>FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS</b>																								
LOGO	TO, THE BOARD OF DIRECTORS XYZ LIMITED	<table border="1" style="width:100%;"> <tr> <td style="width:50%; text-align:center;">BOOK BUILT ISSUE</td> <td style="width:50%; text-align:center;">Bid cum Application Form No. _____</td> </tr> <tr> <td style="text-align:center;">ISIN : .....</td> <td></td> </tr> </table>	BOOK BUILT ISSUE	Bid cum Application Form No. _____	ISIN : .....																					
BOOK BUILT ISSUE	Bid cum Application Form No. _____																									
ISIN : .....																										
SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/DP/RTA STAMP & CODE	<b>1. NAME &amp; CONTACT DETAILS OF SOLE / FIRST BIDDER</b>																								
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	ESCROW BANK/SCSB BRANCH STAMP & CODE	Mr. / Ms. _____																								
BANK BRANCH SERIAL NO.	SCSB SERIAL NO.	Address _____																								
		Email _____																								
		Tel. No (with STD code) / Mobile _____																								
		<b>2. PAN OF SOLE / FIRST BIDDER</b>																								
		_____																								
<b>3. BIDDER'S DEPOSITORY ACCOUNT DETAILS</b> <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL		<b>6. INVESTOR STATUS</b>																								
For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID		<input type="checkbox"/> Individual(s) - IND <input type="checkbox"/> Hindu Undivided Family* - HUF <input type="checkbox"/> Bodies Corporate - CO <input type="checkbox"/> Banks & Financial Institutions - FI <input type="checkbox"/> Mutual Funds - MF <input type="checkbox"/> Non-Resident Indians - NRI (Non-Repatriation basis) <input type="checkbox"/> National Investment Fund - NIF <input type="checkbox"/> Insurance Funds - IF <input type="checkbox"/> Insurance Companies - IC <input type="checkbox"/> Venture Capital Funds - VCF <input type="checkbox"/> Alternative Investment Funds - AIF <input type="checkbox"/> Others (Please specify) - OTH																								
<b>4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")</b>		<b>5. CATEGORY</b>																								
Bid Option:	No. of Equity Shares Bid (In Figures) (Bid: must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)																								
	8   7   6   5   4   3   2   1	Bid Price    Retail Discount    Net Price    *Cut-off (Please tick)																								
	3   2   1	3   2   1    3   2   1																								
Option 1		<input type="checkbox"/>																								
(OR) Option 2		<input type="checkbox"/>																								
(OR) Option 3		<input type="checkbox"/>																								
		<input type="checkbox"/> Retail Individual Bidder <input type="checkbox"/> Non-Institutional Bidder <input type="checkbox"/> QIB																								
<b>7. PAYMENT DETAILS</b>		PAYMENT OPTION : FULL PAYMENT <input type="checkbox"/> PART PAYMENT <input type="checkbox"/>																								
Amount paid (₹ in figures) _____ (₹ in words) _____																										
ASBA Bank A/c No. _____																										
Bank Name & Branch _____																										
<small>I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE "BIDDERS UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.</small>																										
<b>8A. SIGNATURE OF SOLE/ FIRST BIDDER</b>	<b>8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)</b>	<b>BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)</b>																								
Date : _____	I/We authorize the SCSB to do all acts as are necessary to make the Application in the line																									
	1) _____																									
	2) _____																									
	3) _____																									
TEAR HERE																										
LOGO	<b>XYZ LIMITED</b> <b>INITIAL PUBLIC ISSUE - R</b>	<table border="1" style="width:100%;"> <tr> <td style="width:50%; text-align:center;">Acknowledgement Slip for Broker/SCSB/DP/RTA</td> <td style="width:50%; text-align:center;">Bid cum Application Form No. _____</td> </tr> <tr> <td colspan="2" style="text-align:center;">PAN of Sole / First Bidder _____</td> </tr> </table>	Acknowledgement Slip for Broker/SCSB/DP/RTA	Bid cum Application Form No. _____	PAN of Sole / First Bidder _____																					
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PAN of Sole / First Bidder _____																										
DPID / CLID	_____	_____																								
Amount paid (₹ in figures)	Bank & Branch	Stamp & Signature of SCSB Branch																								
ASBA Bank A/c No.																										
Received from Mr./Ms. _____																										
Telephone / Mobile	Email																									
TEAR HERE																										
<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - R</b>	<table border="1" style="width:100%;"> <tr> <td style="width:33%;">Option 1</td> <td style="width:33%;">Option 2</td> <td style="width:33%;">Option 3</td> </tr> <tr> <td>No. of Equity Shares</td> <td></td> <td></td> </tr> <tr> <td>Bid Price</td> <td></td> <td></td> </tr> <tr> <td>Amount Paid (₹)</td> <td></td> <td></td> </tr> <tr> <td>ASBA Bank A/c No. _____</td> <td></td> <td></td> </tr> <tr> <td>Bank &amp; Branch _____</td> <td></td> <td></td> </tr> </table>	Option 1	Option 2	Option 3	No. of Equity Shares			Bid Price			Amount Paid (₹)			ASBA Bank A/c No. _____			Bank & Branch _____			<table border="1" style="width:100%;"> <tr> <td style="width:50%; text-align:center;">Stamp &amp; Signature of Broker / SCSB / DP / RTA</td> <td style="width:50%; text-align:center;">Name of Sole / First Bidder _____</td> </tr> <tr> <td colspan="2" style="text-align:center;"><b>Acknowledgement Slip for Bidder</b></td> </tr> <tr> <td colspan="2" style="text-align:center;">Bid cum Application Form No. _____</td> </tr> </table>	Stamp & Signature of Broker / SCSB / DP / RTA	Name of Sole / First Bidder _____	<b>Acknowledgement Slip for Bidder</b>		Bid cum Application Form No. _____	
Option 1	Option 2	Option 3																								
No. of Equity Shares																										
Bid Price																										
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ASBA Bank A/c No. _____																										
Bank & Branch _____																										
Stamp & Signature of Broker / SCSB / DP / RTA	Name of Sole / First Bidder _____																									
<b>Acknowledgement Slip for Bidder</b>																										
Bid cum Application Form No. _____																										

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**4.1.1 FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE / FIRST BIDDER / APPLICANT**

- a. Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.
- b. **Mandatory Fields:** Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/mobile number fields are optional. Applicants should note that the contact details mentioned in the Bid cum Application Form/Application Form may be used to dispatch communications (including letters notifying the unblocking of the bank accounts of Applicants) in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Bid cum Application Form may be used by the Issuer, the Designated Intermediaries and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.
- c. **Joint Bids/Applications:** In the case of Joint Applications, the Applications should be made in the name of the Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Applicant would be required in the Bid cum Application Form/Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders. All communications may be addressed to such Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.
- d. **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:**

- **makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or**
- **makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or**
- **otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”**

The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

- e. **Nomination Facility to Applicant:** Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of Allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Applicants should inform their respective DP.

**4.1.2 FIELD NUMBER 2: PAN NUMBER OF SOLE/FIRST APPLICANT**

- a) PAN (of the sole/first Applicant) provided in the Bid cum Application Form/Application Form should be exactly the same as the PAN of the person(s) in whose name the relevant beneficiary account is held as per the Depositories' records.
- b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Bids/Applications on behalf of the Central or State Government, Bids/Applications by officials appointed by the courts and Bids/Applications by Applicants residing in Sikkim

(“PAN Exempted Applicants”). Consequently, all Applicants, other than the PAN Exempted Applicants, are required to disclose their PAN in the Bid cum Application Form/Application Form, irrespective of the Bid/Application Amount. Bids/Applications by the Applicants whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.

- c) The exemption for the PAN Exempted Applicants is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.
- d) Bid cum Application Forms which provide the General Index Register Number instead of PAN may be rejected.
- e) Applications by Applicants whose demat accounts have been ‘suspended for credit’ are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as “Inactive demat accounts” and Demographic Details are not provided by depositories

#### **4.1.3 FIELD NUMBER 3: APPLICANTS DEPOSITORY ACCOUNT DETAILS**

- a) Applicants should ensure that DP ID and the Client ID are correctly filled in the Bid cum Application Form/Application Form. The DP ID and Client ID provided in the Bid cum Application Form/Application Form should match with the DP ID and Client ID available in the Depository database, **otherwise, the Bid cum Application Form/Application Form is liable to be rejected.**
- b) Applicants should ensure that the beneficiary account provided in the Bid cum Application Form/Application Form is active.
- c) Applicants should note that on the basis of the DP ID and Client ID as provided in the Bid cum Application Form/Application Form, the Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for unblocking of ASBA Account or for other correspondence(s) related to an Issue.
- d) Applicants are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Applicants’ sole risk.

#### **4.1.4 FIELD NUMBER 4: BID OPTIONS**

- a) Price or Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) may be disclosed in the Prospectus by the Issuer. The Issuer is required to announce the Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) by way of an advertisement in at least one English, one Hindi and one regional newspaper, with wide circulation, at least five Working Days before Bid/ Issue Opening Date in case of an IPO, and at least one Working Day before Bid/ Issue Opening Date in case of an FPO.
- b) The Bidders may Bid at or above Floor Price or within the Price Band for IPOs/FPOs undertaken through the Book Building Process. In the case of Alternate Book Building Process for an FPO, the Bidders may Bid at Floor Price or any price above the Floor Price (For further details Bidders may refer to (Section 5.6 (e))
- c) **Cut-Off Price:** Retail Individual Investors or Employees or Retail Individual Shareholders can Bid at the Cut-off Price indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process. Bidding at the Cut-off Price is prohibited for QIBs and NIIs and such Bids from QIBs and NIIs may be rejected.
- d) **Minimum Application Value and Bid Lot:** The Issuer in consultation with the BRLMs may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the



range of ₹ 10,000 to ₹ 15,000. The minimum Bid Lot is accordingly determined by an Issuer on basis of such minimum application value.

- e) **Allotment:** The Allotment of specified securities to each RII shall not be less than the minimum Bid Lot, subject to availability of shares in the RII category, and the remaining available shares, if any, shall be Allotted on a proportionate basis. For details of the Bid Lot, Bidders may refer to the Prospectus or the advertisement regarding the Price Band published by the Issuer.

#### 4.1.4.1 MAXIMUM AND MINIMUM BID SIZE

- a) The Bidder may Bid for the desired number of Equity Shares at a specific price. Bids by Retail Individual Investors, Employees and Retail Individual Shareholders must be for such number of shares so as to ensure that the Bid Amount less Discount (as applicable), payable by the Bidder does not exceed ₹ 2,00,000.
- b) In case the Bid Amount exceeds ₹ 2,00,000 due to revision of the Bid or any other reason, the Bid may be considered for allocation under the Non-Institutional Category (with it not being eligible for Discount), then such Bid may be rejected if it is at the Cut-off Price.
- c) For NRIs, a Bid Amount of up to ₹ 2,00,000 may be considered under the Retail Category for the purposes of allocation and a Bid Amount exceeding ₹ 2,00,000 may be considered under the Non-Institutional Category for the purposes of allocation.
- d) Bids by QIBs and NIIs must be for such minimum number of shares such that the Bid Amount exceeds ₹ 2,00,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the Bid cum Application Form and the Prospectus, or as advertised by the Issuer, as the case may be. Non-Institutional Investors and QIBs are not allowed to Bid at Cut off Price.
- e) RII may revise or withdraw their bids until Bid/ Issue Closing Date. QIBs and NII's cannot withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after Bidding and are required to pay the Bid Amount upon submission of the Bid.
- f) In case the Bid Amount reduces to ₹ 2,00,000 or less due to a revision of the Price Band, Bids by the Non-Institutional Investors who are eligible for allocation in the Retail Category would be considered for allocation under the Retail Category.
- g) For Anchor Investors, if applicable, the Bid Amount shall be least ₹ 10 crores. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors. Bids by various schemes of a Mutual Fund shall be aggregated to determine the Bid Amount. A Bid cannot be submitted for more than 60% of the QIB Category under the Anchor Investor Portion. Anchor Investors cannot withdraw their Bids or lower the size of their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after the Anchor Investor Bid/ Issue Period and are required to pay the Bid Amount at the time of submission of the Bid. In case the Anchor Investor Issue Price is lower than the Issue Price, the balance amount shall be payable as per the pay-in-date mentioned in the revised CAN. In case the Issue Price is lower than the Anchor Investor Issue Price, the amount in excess of the Issue Price paid by the Anchor Investors shall not be refunded to them.
- h) A Bid cannot be submitted for more than the Issue size.
- i) The maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under the applicable laws.
- j) The price and quantity options submitted by the Bidder in the Bid cum Application Form may be treated as optional bids from the Bidder and may not be cumulated. After determination of the Issue Price, the number of Equity Shares Bid for by a Bidder at or above the Issue Price may be considered for Allotment and the rest of

the Bid(s), irrespective of the Bid Amount may automatically become invalid. This is not applicable in case of FPOs undertaken through Alternate Book Building Process (For details of Bidders may refer to (Section 5.6 (e))

#### **4.1.4.2 MULTIPLE BIDS**

- a. Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of three Bids at different price levels in the Bid cum Application Form and such options are not considered as multiple Bids.

Submission of a second Bid cum Application Form to either the same or to another Designated Intermediary and duplicate copies of Bid cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

- b. Bidders are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple Bids:

1. All Bids may be checked for common PAN as per the records of the Depository. For Bidders other than Mutual Funds and FII sub-accounts, Bids bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected.
2. For Bids from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Bidders, the Bid cum Application Forms may be checked for common DP ID and Client ID. Such Bids which have the same DP ID and Client ID may be treated as multiple Bids and are liable to be rejected.

- c. The following Bids may not be treated as multiple Bids:

1. Bids by Reserved Categories Bidding in their respective Reservation Portion as well as bids made by them in the issue portion in public category.
2. Separate Bids by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Bids clearly indicate the scheme for which the Bid has been made.
3. Bids by Mutual Funds, and sub-accounts of FIIs (or FIIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.
4. Bids by Anchor Investors under the Anchor Investor Portion and the QIB Category.

#### **4.1.5 FIELD NUMBER 5: CATEGORY OF BIDDERS**

- a. The categories of Bidders identified as per the SEBI ICDR Regulations, 2009 for the purpose of Bidding, allocation and Allotment in the Issue are RIIs, NIIs and QIBs.
- b. Up to 60% of the QIB Category can be allocated by the Issuer, on a discretionary basis subject to the criteria of minimum and maximum number of Anchor Investors based on allocation size, to the Anchor Investors, in accordance with SEBI ICDR Regulations, 2009, with one-third of the Anchor Investor Portion reserved for domestic Mutual Funds subject to valid Bids being received at or above the Issue Price. For details regarding allocation to Anchor Investors, Bidders may refer to the Prospectus.
- c. An Issuer can make reservation for certain categories of Applicants as permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, Applicants may refer to the Prospectus.
- d. The SEBI ICDR Regulations, 2009, specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation Applicant may refer to the Prospectus.

**4.1.6 FIELD NUMBER 6: INVESTOR STATUS**

- a. Each Applicant should check whether it is eligible to apply under applicable law and ensure that any prospective Allotment to it in the Issue is in compliance with the investment restrictions under applicable law.
- b. Certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to Bid/Apply in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.
- c. Applicants should check whether they are eligible to apply on non -repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Bid cum Application Form and Non-Resident Bid cum Application Form.
- d. Applicants should ensure that their investor status is updated in the Depository records.

**4.1.7 FIELD NUMBER 7: PAYMENT DETAILS**

- a. The full Bid Amount (net of any Discount, as applicable) shall be blocked based on the authorisation provided in the Bid cum Application Form. If the Discount is applicable in the Issue, the RIIs should indicate the full Bid Amount in the Bid cum Application Form and the funds shall be blocked for Bid Amount net of Discount. Only in cases where the Prospectus indicates that part payment may be made, such an option can be exercised by the Bidder. In case of Bidders specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less Discount offered, if any.
- b. Bidders who Bid at Cut-off Price shall deposit the Bid Amount based on the Cap Price.
- c. All Bidders (except Anchor Investors) can participate in the Issue only through the ASBA mechanism.
- d. Bid Amount cannot be paid in cash, through money order or through postal order.

**4.1.7.1 Instructions for Anchor Investors:**

- a. Anchor Investors may submit their Bids with a Book Running Lead Manager.
- b. Payments should be made either by RTGS, NEFT or cheque/ 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 Anchor Investor Application Form is submitted. Cheques/bank drafts drawn on banks not participating in the clearing process may not be accepted and applications accompanied by such cheques or bank drafts are liable to be rejected.
- c. If the cheque or demand draft accompanying the Bid cum Application Form is not made favoring the Escrow Account, the Bid is liable to be rejected.
- d. The Escrow Collection Banks shall maintain the monies in the Escrow Account for and on behalf of the Anchor Investors until the Designated Date.
- e. Anchor Investors are advised to provide the number of the Anchor Investor Application Form and PAN on the reverse of the cheque or bank draft to avoid any possible misuse of instruments submitted.

**4.1.7.2 Payment instructions for Bidders (other than Anchor Investors)**

- a) Bidders may submit the Bid cum Application Form either
  - 1) in physical mode to the Designated Branch of an SCSB where the Applicants have ASBA Account, or

- 
- 2) in electronic mode through the internet banking facility offered by an SCSB authorizing blocking of funds that are available in the ASBA account specified in the Bid cum Application Form, or
  - 3) in physical mode to any Designated Intermediary.
- b) Bidders must specify the Bank Account number in the Bid cum Application Form. The Bid cum Application Form submitted by Bidder and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, may not be accepted.
  - c) Bidders should ensure that the Bid cum Application Form is also signed by the ASBA Account holder(s) if the Bidder is not the ASBA Account holder;
  - d) Bidders shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.
  - e) From one ASBA Account, a maximum of five Bids cum Application Forms can be submitted.
  - f) Bidders bidding through a member of the Syndicate should ensure that the Bid cum Application Form is submitted to a member of the Syndicate only at the Specified Locations. Bidders should also note that Bid cum Application Forms submitted to the Syndicate at the Specified Locations may not be accepted by the member of the Syndicate if the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has not named at least one branch at that location for the members of the Syndicate to deposit Bid cum Application Forms (a list of such branches is available on the website of SEBI at <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>).
  - g) Bidders bidding through a Registered Broker, RTA or CDP should note that Bid cum Application Forms submitted to them may not be accepted, if the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has not named at least one branch at that location for the Registered Brokers, RTA or CDP, as the case may be, to deposit Bid cum Application Forms.
  - h) Bidders bidding directly through the SCSBs should ensure that the Bid cum Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.
  - i) Upon receipt of the Bid cum Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form.
  - j) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and for application directly submitted to SCSB by investor, may enter each Bid option into the electronic bidding system as a separate Bid.
  - k) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Bids on the Stock Exchange platform and such bids are liable to be rejected.
  - l) Upon submission of a completed Bid cum Application Form each Bidder may be deemed to have agreed to block the entire Bid Amount and authorized the Designated Branch of the SCSB to block the Bid Amount specified in the Bid cum Application Form in the ASBA Account maintained with the SCSBs.
  - m) The Bid Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Bid, as the case may be.

- n) SCSBs bidding in the Issue must apply through an Account maintained with any other SCSB; else their Bids are liable to be rejected.

#### **4.1.7.2.1 Unblocking of ASBA Account**

- a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Bid, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Bid, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected Bids, if any, along with reasons for rejection and details of withdrawn or unsuccessful Bids, if any, to enable the SCSBs to unblock the respective bank accounts.
- b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful Bidder to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.
- c) In the event of withdrawal or rejection of the Bid cum Application Form and for unsuccessful Bids, the Registrar to the Issue may give instructions to the SCSB to unblock the Bid Amount in the relevant ASBA Account within six Working Days of the Bid/ Issue Closing Date.

#### **4.1.7.3 Discount (if applicable)**

- a) The Discount is stated in absolute rupee terms.
- b) Bidders applying under RII category, Retail Individual Shareholder and employees are only eligible for discount. For Discounts offered in the Issue, Bidders may refer to the Prospectus.
- c) The Bidders entitled to the applicable Discount in the Issue may block an amount i.e. the Bid Amount less Discount (if applicable).

Bidder may note that in case the net amount blocked (post Discount) is more than two lakh Rupees, the Bidding system automatically considers such applications for allocation under Non-Institutional Category. These applications are neither eligible for Discount nor fall under RII category.

#### **4.1.8 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS**

- a) Only the First Applicant is required to sign the Bid cum Application Form/Application Form. Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.
- b) If the ASBA Account is held by a person or persons other than the Applicant, then the Signature of the ASBA Account holder(s) is also required.
- c) The signature has to be correctly affixed in the authorisation/undertaking box in the Bid cum Application Form/Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form/Application Form.
- d) Applicants must note that Bid cum Application Form/Application Form without signature of Applicant and/or ASBA Account holder is liable to be rejected.

#### **4.1.9 ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

- a) Bidders should ensure that they receive the Acknowledgement Slip duly signed and stamped by the Designated Intermediary, as applicable, for submission of the Bid cum Application Form.

- b) All communications in connection with Bids/Applications made in the Issue should be addressed as under:
- 1) In case of queries related to Allotment, non-receipt of Allotment Advice, credit of Allotted Equity shares, refund orders, the Applicants should contact the Registrar to the Issue.
  - 2) In case of Bids submitted to the Designated Branches of the SCSBs, the Applicants should contact the relevant Designated Branch of the SCSB.
  - 3) In case of queries relating to uploading of Bids by a Syndicate Member, the Applicants should contact the relevant Syndicate Member.
  - 4) In case of queries relating to uploading of Bids by a Registered Broker, the Applicants should contact the relevant Registered Broker
  - 5) In case of Bids submitted to the RTA, the Applicants should contact the relevant RTA.
  - 6) In case of Bids submitted to the DP, the Applicants should contact the relevant DP.
  - 7) Applicant may contact our Company Secretary and Compliance Officer or BRLM(s) in case of any other complaints in relation to the Issue.
- c) The following details (as applicable) should be quoted while making any queries –
- 1) full name of the sole or First Applicant, Bid cum Application Form number, Applicants' DP ID, Client ID, PAN, number of Equity Shares applied for, amount paid on application;
  - 2) name and address of the Designated Intermediary, where the Bid was submitted; or
  - 3) In case of Bids other than from Anchor Investors, ASBA Account number in which the amount equivalent to the Bid Amount was blocked.
- d) In case of Anchor Investor bids cheque or draft number and the name of the issuing bank thereof.

For further details, Applicant may refer to the Prospectus and the Bid cum Application Form.

#### **4.2 INSTRUCTIONS FOR FILING THE REVISION FORM**

- a. During the Bid/ Issue Period, any Applicant (other than QIBs and NIIs, who can only revise their bid upwards) who has registered his or her interest in the Equity Shares at a particular price level is free to revise his or her Bid within the Price Band using the Revision Form, which is a part of the Bid cum Application Form.
- b. RII may revise their bids or withdraw their Bids till the Bid/ Issue Close Date.
- c. Revisions can be made in both the desired number of Equity Shares and the Bid Amount by using the Revision Form.
- d. The Applicant can make this revision any number of times during the Bid/ Issue Period. However, for any revision(s) in the Bid, the Applicants will have to use the services of the same Designated Intermediary through which such Applicant had placed the original Bid. Applicants are advised to retain copies of the blank Revision Form and the Bid(s) must be made only in such Revision Form or copies thereof.

A sample revision form is reproduced below:

<b>COMMON BID REVISION FORM</b>	<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - R</b> Address : ..... Contact Details: ..... CIN No .....	<b>FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs, AND ELIGIBLE NRI, APPLYING ON A NON-REPATRIATION BASIS</b>				
LOGO	TO, THE BOARD OF DIRECTORS XYZ LIMITED	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="text-align:center;">BOOK BUILT ISSUE</td> <td style="text-align:center;">Bid cum Application Form No. _____</td> </tr> <tr> <td style="text-align:center;">ISIN : .....</td> <td></td> </tr> </table>	BOOK BUILT ISSUE	Bid cum Application Form No. _____	ISIN : .....	
BOOK BUILT ISSUE	Bid cum Application Form No. _____					
ISIN : .....						
<b>SYNDICATE MEMBER'S STAMP &amp; CODE</b>	<b>BROKER/SCSB/DP/RTA STAMP &amp; CODE</b>	<b>1. NAME &amp; CONTACT DETAILS OF SOLE / FIRST BIDDER</b>				
		Mr. / Ms. _____ Address _____ Tel. No (with STD code) / Mobile _____ Email _____				
<b>SUB-BROKER'S / SUB-AGENT'S STAMP &amp; CODE</b>	<b>ESCROW BANK/SCSB BRANCH STAMP &amp; CODE</b>	<b>2. PAN OF SOLE / FIRST BIDDER</b>				
		_____				
<b>BANK BRANCH SERIAL NO.</b>	<b>SCSB SERIAL NO.</b>	<b>3. BIDDER'S DEPOSITORY ACCOUNT DETAILS</b>				
		NSDL <input type="checkbox"/> CDSL <input type="checkbox"/> <small>For NSDL, enter 8 digit DP ID followed by 8 digit Client ID / For CDSL, enter 16 digit Client ID</small>				
<b>PLEASE CHANGE MY BID</b>						
<b>4. FROM (AS PER LAST BID OR REVISION)</b>						
<b>Bid Options:</b>	<b>No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised)</b> (In Figures)	<b>Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only)</b> (In Figures)				
	8   7   6   5   4   3   2   1	Bid Price   Retail Discount   Net Price   "Cut-off" (Please tick)				
Option 1						
(OR) Option 2						
(OR) Option 3						
<b>5. TO (Revised Bid) (Only Retail Individual Bidders can Bid at "Cut-off")</b>						
<b>Bid Options:</b>	<b>No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised)</b> (In Figures)	<b>Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only)</b> (In Figures)				
	8   7   6   5   4   3   2   1	Bid Price   Retail Discount   Net Price   "Cut-off" (Please tick)				
Option 1						
(OR) Option 2						
(OR) Option 3						
<b>6. PAYMENT DETAILS</b>						
Additional Amount Paid (₹ in figures) _____ (₹ in words) _____		<b>PAYMENT OPTION : FULL PAYMENT <input type="checkbox"/> PART PAYMENT <input type="checkbox"/></b>				
ASBA Bank A/c No. _____ Bank Name & Branch _____						
<small>I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID REVISION FORM AND THE ATTACHED ABBREVED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE "BIDDERS UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILING UP THE BID REVISION FORM GIVEN OVERLEAF.</small>						
<b>7A. SIGNATURE OF SOLE / FIRST BIDDER</b>	<b>7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS)</b> <small>I/We authorize the SCSB to do all acts as are necessary to make the Application in the issue:</small>	<b>BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)</b>				
Date : _____	1) _____ 2) _____ 3) _____					
TEAR HERE						
LOGO	<b>XYZ LIMITED</b> BID REVISION FORM - INITIAL PUBLIC ISSUE - R	<b>Acknowledgement Slip for Broker/SCSB/ DP/RTA</b>				
		Bid cum Application Form No. _____				
DPID / CLID	PAN of Sole / First Bidder					
Additional Amount Paid (₹)	Bank & Branch	Stamp & Signature of SCSB Branch				
ASBA Bank A/c No.						
Received from Mr./Ms.						
Telephone / Mobile	Email					
TEAR HERE						
<b>XYZ LIMITED - BID REVISION FORM - INITIAL PUBLIC ISSUE - R</b>	Option 1   Option 2   Option 3	Stamp & Signature of Broker / SCSB / DP / RTA				
No. of Equity Shares		Name of Sole / First Bidder				
Bid Price		<b>Acknowledgement Slip for Bidder</b>				
Additional Amount Paid (₹)						
ASBA Bank A/c No.		Bid cum Application Form No. _____				
Bank & Branch						

Instructions to fill each field of the Revision Form can be found on the reverse side of the Revision Form. Other than instructions already highlighted at paragraph 4.1 above, point wise instructions regarding filling up various fields of the Revision Form are provided below:

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**4.2.1 FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER/APPLICANT, PAN OF SOLE/FIRST BIDDER/APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/APPLICANT**

Bidders/Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3. 4.2.2

**FIELD 4 & 5: BID OPTIONS REVISION 'FROM' AND 'TO'**

- a. Apart from mentioning the revised options in the Revision Form, the Applicant must also mention the details of all the bid options given in his or her Bid cum Application Form or earlier Revision Form. For example, if a Applicant has Bid for three options in the Bid cum Application Form and such Applicant is changing only one of the options in the Revision Form, the Applicant must still fill the details of the other two options that are not being revised, in the Revision Form. The members of the Syndicate, the Registered Brokers and the Designated Branches of the SCSBs may not accept incomplete or inaccurate Revision Forms.
- b. In case of revision, Bid options should be provided by Applicants in the same order as provided in the Bid cum Application Form.
- c. In case of revision of Bids by RIIs, Employees and Retail Individual Shareholders, such Applicants should ensure that the Bid Amount, subsequent to revision, does not exceed ₹ 200,000. In case the Bid Amount exceeds ₹ 200,000 due to revision of the Bid or for any other reason, the Bid may be considered, subject to eligibility, for allocation under the Non-Institutional Category, not being eligible for Discount (if applicable) and such Bid may be rejected if it is at the Cut-off Price. The Cut-off Price option is given only to the RIIs, Employees and Retail Individual Shareholders indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process.
- d. In case the total amount (i.e., original Bid Amount plus additional payment) exceeds ₹ 200,000, the Bid will be considered for allocation under the Non-Institutional Category in terms of the Prospectus. If, however, the RII does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the RII and the RII is deemed to have approved such revised Bid at Cut-off Price.
- e. In case of a downward revision in the Price Band, RIIs and Bids by Employees under the Reservation Portion, who have bid at the Cut-off Price could either revise their Bid or the excess amount paid at the time of Bidding may be unblocked in case of Bidders.

**4.2.3 FIELD 6: PAYMENT DETAILS**

- a) All Applicants are required to make payment of the full Bid Amount (less Discount, if applicable) along with the Bid Revision Form. In case of Applicants specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less discount offered, if any.
- b) Applicant may Offer instructions to block the revised amount based on cap of the revised Price Band (adjusted for the Discount (if applicable) in the ASBA Account, to the same Designated Intermediary through whom such Applicant had placed the original Bid to enable the relevant SCSB to block the additional Bid Amount, if any.
- c) In case the total amount (i.e., original Bid Amount less discount (if applicable) plus additional payment) exceeds ₹ 200,000, the Bid may be considered for allocation under the Non-Institutional Category in terms of the Prospectus. If, however, the Applicant does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for may be adjusted downwards for the purpose of Allotment, such that additional amount is required blocked and the Applicant is deemed to have approved such revised Bid at the Cut-off Price.



- d) In case of a downward revision in the Price Band, RIIs, Employees and Retail Individual Shareholders, who have bid at the Cut-off Price, could either revise their Bid or the excess amount paid at the time of Bidding may be unblocked.

#### **4.2.4 FIELDS 7: SIGNATURES AND ACKNOWLEDGEMENTS**

Bidders/Applicants may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

#### **4.3 INSTRUCTIONS FOR FILING APPLICATION FORM IN ISSUES MADE OTHER THAN THROUGH THE BOOK BUILDING PROCESS (FIXED PRICE ISSUE)**

##### **4.3.1 FIELDS 1, 2, 3 NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER/APPLICANT, PAN OF SOLE/FIRST BIDDER/APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/APPLICANT**

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

##### **4.3.2 FIELD 4: PRICE, APPLICATION QUANTITY & AMOUNT**

- a. The Issuer may mention Price or Price Band in the Prospectus. However a Prospectus registered with RoC contains one price or coupon rate (as applicable).
- b. Minimum Application Value and Bid Lot: The Issuer in consultation with the Lead Manager to the Issue (LM) may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹ 10,000 to ₹ 15,000. The minimum Lot size is accordingly determined by an Issuer on basis of such minimum application value.
- c. Applications by RIIs, Employees and Retail Individual Shareholders, must be for such number of shares so as to ensure that the application amount payable does not exceed ₹ 200,000.
- d. Applications by other investors must be for such minimum number of shares such that the application amount exceeds ₹ 200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the application form and the Prospectus, or as advertised by the Issuer, as the case may be.
- e. An application cannot be submitted for more than the Issue size.
- f. The maximum application by any Applicant should not exceed the investment limits prescribed for them under the applicable laws.
- g. Multiple Applications: An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or other SCSB and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.
- h. Applicants are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple applications:
  1. All applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds and FII sub-accounts, Bids bearing the same PAN may be treated as multiple applications by a Applicant and may be rejected.
  2. For applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. In any such applications which have the same DP ID and Client ID, these may be treated as multiple applications and may be rejected.

- i. The following applications may not be treated as multiple Bids:
  1. Applications by Reserved Categories in their respective reservation portion as well as that made by them in the Issue portion in public category.
  2. Separate applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Applications clearly indicate the scheme for which the Bid has been made.
  3. Applications by Mutual Funds, and sub-accounts of FIIs (or FIIs and its subaccounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

#### **4.3.3 FIELD NUMBER 5: CATEGORY OF APPLICANTS**

- a) The categories of applicants identified as per the SEBI ICDR Regulations, 2009 for the purpose of Bidding, allocation and Allotment in the Issue are RIIs, individual applicants other than RII's and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).
- b) An Issuer can make reservation for certain categories of Applicants permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, applicants may refer to the Prospectus.
- c) The SEBI ICDR Regulations, 2009 specify the allocation or Allotment that may be made to various categories of applicants in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation applicant may refer to the Prospectus.

#### **4.3.4 FIELD NUMBER 6: INVESTOR STATUS**

Applicants should refer to instructions contained in paragraphs 4.1.6.

#### **4.3.5 FIELD 7: PAYMENT DETAILS**

- a) All Applicants (other than Anchor Investors) are required to make use ASBA for applying in the Issue
- b) Application Amount cannot be paid in cash, through money order, cheque or through postal order or through stock invest.

##### **4.3.5.1 Payment instructions for Applicants**

- a) Applicants may submit the Application Form in physical mode to the Designated Intermediaries.
- b) Applicants must specify the Bank Account number in the Application Form. The Application Form submitted by an Applicant and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, will not be accepted.
- c) Applicants should ensure that the Application Form is also signed by the ASBA Account holder(s) if the Applicant is not the ASBA Account holder;
- d) Applicants shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.
- e) From one ASBA Account, a maximum of five Bids cum Application Forms can be submitted.
- f) Applicants bidding directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.

- g) Upon receipt of the Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form.
- h) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Application Amount mentioned in the Application Form and may upload the details on the Stock Exchange Platform.
- i) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Applications on the Stock Exchange platform and such Applications are liable to be rejected.
- j) Upon submission of a completed Application Form each Applicant may be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount specified in the Application Form in the ASBA Account maintained with the SCSBs.
- k) The Application Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Application, as the case may be.
- l) SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB; else their Applications are liable to be rejected.

#### **4.3.5.2 Unblocking of ASBA Account**

- a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Application, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Application, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected Applications, if any, along with reasons for rejection and details of withdrawn or unsuccessful Applications, if any, to enable the SCSBs to unblock the respective bank accounts.
- b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful Application to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.
- c) In the event of withdrawal or rejection of the Application Form and for unsuccessful Applications, the Registrar to the Issue may give instructions to the SCSB to unblock the Application Amount in the relevant ASBA Account within six Working Days of the Issue Closing Date.

#### **4.3.5.3 Discount (if applicable)**

- a) The Discount is stated in absolute rupee terms.
- b) RIIs, Employees and Retail Individual Shareholders are only eligible for discount. For Discounts offered in the Issue, applicants may refer to the Prospectus.
- c) The Applicants entitled to the applicable Discount in the Issue may make payment for an amount i.e. the Application Amount less Discount (if applicable).

#### **4.3.6 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS & CKNOWLEDGEMENT AND FUTURE COMMUNICATION**

Applicants should refer to instructions contained in paragraphs 4.1.8 & 4.1.9.

#### 4.4 SUBMISSION OF BID CUM APPLICATION FORM/REVISION FORM/APPLICATION FORM

##### 4.4.1 Bidders/Applicants may submit completed Bid cum application form/Revision Form in the following manner:-

Mode of Application	Submission of Bid cum Application Form
Anchor Investors Application Form	To the Book Running Lead Managers at the Specified Locations mentioned in the Bid cum Application Form
All Applications (other than Anchor Investors)	To members of the Syndicate in the Specified Locations or Registered Brokers at the Broker Centres or the RTA at the Designated RTA Location or the DP at the Designated DP Location To the Designated Branches of the SCSBs where the ASBA Account is maintained

- Applicants should submit the Revision Form to the same Designated Intermediary through which such Applicant had placed the original Bid.
- Upon submission of the Bid cum Application Form, the Applicant will be deemed to have authorized the Issuer to make the necessary changes in the Prospectus and the Bid cum Application Form as would be required for filing Prospectus with the RoC and as would be required by the RoC after such filing, without prior or subsequent notice of such changes to the relevant Applicant.
- Upon determination of the Issue Price and filing of the Prospectus with the RoC, the Bid cum Application Form will be considered as the application form.

#### SECTION 5: ISSUE PROCEDURE IN BOOK BUILT ISSUE

Book Building, in the context of the Issue, refers to the process of collection of Bids within the Price Band or above the Floor Price and determining the Issue Price based on the Bids received as detailed in Schedule XI of SEBI ICDR Regulations, 2009. The Issue Price is finalised after the Bid/ Issue Closing Date. Valid Bids received at or above the Issue Price are considered for allocation in the Issue, subject to applicable regulations and other terms and conditions.

##### 5.1 SUBMISSION OF BIDS

- During the Bid/ Issue Period, Applicants may approach any of the Designated Intermediaries to register their Bids. Anchor Investors who are interested in subscribing for the Equity Shares should approach the Book Running Lead Manager, to register their Bid.
- In case of Applicants (excluding NIIs and QIBs) Bidding at Cut-off Price, the Applicants may instruct the SCSBs to block Bid Amount based on the Cap Price less Discount (if applicable).
- For Details of the timing on acceptance and upload of Bids in the Stock Exchanges Platform Applicants are requested to refer to the Prospectus.

##### 5.2 ELECTRONIC REGISTRATION OF BIDS

- The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the issue.
- On the Bid/ Issue Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges.

- c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 1:00 pm on the day following the Bid/ Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/ Issue Period after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing.

### **5.3 BUILD UP OF THE BOOK**

- a) Bids received from various Applicants through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchanges' on a regular basis. The book gets built up at various price levels. This information may be available with the BRLMs at the end of the Bid/ Issue Period.
- b) Based on the aggregate demand and price for Bids registered on the Stock Exchanges Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchanges may be made available at the Bidding centres during the Bid/ Issue Period.

### **5.4 WITHDRAWAL OF BIDS**

- a) RIIs can withdraw their Bids until Bid/ Issue Closing Date. In case a RII wishes to withdraw the Bid during the Bid/ Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.
- b) The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

### **5.5 REJECTION & RESPONSIBILITY FOR UPLOAD OF BIDS**

- a) The Designated Intermediaries are individually responsible for the acts, mistakes or errors or omission in relation to:
1. the Bids accepted by the Designated Intermediaries,
  2. the Bids uploaded by the Designated Intermediaries, and
  3. the Bid cum application forms accepted but not uploaded by the Designated Intermediaries.
- b) The BRLMs and their affiliate Syndicate Members, as the case may be, may reject Bids if all the information required is not provided and the Bid cum Application Form is incomplete in any respect.
- c) The SCSBs shall have no right to reject Bids, except in case of unavailability of adequate funds in the ASBA account or on technical grounds.
- d) In case of QIB Bidders, only the (i) SCSBs (for Bids other than the Bids by Anchor Investors); and (ii) BRLMs and their affiliate Syndicate Members (only in the Specified Locations) have the right to reject bids. However, such rejection shall be made at the time of receiving the Bid and only after assigning a reason for such rejection in writing.
- e) All bids by QIBs, NIIs & RIIs Bids can be rejected on technical grounds listed herein.

#### **5.5.1 GROUNDS FOR TECHNICAL REJECTIONS**

Bid cum Application Forms/Application Form can be rejected on the below mentioned technical grounds either at the time of their submission to any of the Designated Intermediaries, or at the time of finalisation of the Basis of Allotment. Bidders/Applicants are advised to note that the Bids/Applications are liable to be rejected, inter-alia, on the following grounds, which have been detailed at various places in this GID:-

- 
- a) Bid/Application by persons not competent to contract under the Indian Contract Act, 1872, as amended, (other than minors having valid Depository Account as per Demographic Details provided by Depositories);
  - b) Bids/Applications by OCBs; and
  - c) In case of partnership firms, Bid/Application for Equity Shares made in the name of the firm. However, a limited liability partnership can apply in its own name;
  - d) In case of Bids/Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents not being submitted along with the Bid cum application form/Application Form;
  - e) Bids/Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
  - f) Bids/Applications by persons in the United States excluding persons who are a U.S. QIB (as defined in the Prospectus);
  - g) Bids/Applications by any person outside India if not in compliance with applicable foreign and Indian laws;
  - h) PAN not mentioned in the Bid cum Application Form/Application Form, except for Bids/Applications by or on behalf of the Central or State Government and officials appointed by the court and by the investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participant;
  - i) In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;
  - j) Bids/Applications for lower number of Equity Shares than the minimum specified for that category of investors;
  - k) Bids/Applications at a price less than the Floor Price and Bids/Applications at a price more than the Cap Price;
  - l) Bids/Applications at Cut-off Price by NIIs and QIBs;
  - m) The amounts mentioned in the Bid cum Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
  - n) Bids/Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
  - o) Submission of more than five Bid cum Application Forms/Application Form as through a single ASBA Account;
  - p) Bids/Applications for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the Prospectus;
  - q) Multiple Bids/Applications as defined in this GID and the Prospectus;
  - r) Bid cum Application Forms/Application Forms are not delivered by the Bidders/Applicants within the time prescribed as per the Bid cum Application Forms/Application Form, Bid/ Issue Opening Date advertisement and as per the instructions in the Prospectus and the Bid cum Application Forms;
  - s) Inadequate funds in the bank account to block the Bid/Application Amount specified in the Bid cum Application Form/Application Form at the time of blocking such Bid/Application Amount in the bank account;
  - t) In case of Anchor Investors, Bids/Applications where sufficient funds are not available in Escrow Accounts as per final certificate from the Escrow Collection Banks;
  - u) Where no confirmation is received from SCSB for blocking of funds;

- v) Bids/Applications by Bidders (other than Anchor Investors) not submitted through ASBA process;
- w) Bids/Applications submitted to a BRLM at locations other than the Specified Cities and Bid cum Application Forms/Application Forms, under the ASBA process, submitted to the Escrow Collecting Banks (assuming that such bank is not a SCSB where the ASBA Account is maintained), to the issuer or the Registrar to the Issue;
- x) Bids/Applications not uploaded on the terminals of the Stock Exchanges; and
- y) Bids/Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form.

## 5.6 BASIS OF ALLOCATION

- a) The SEBI ICDR Regulations, 2009 specify the allocation or Allotment that may be made to various categories of Applicants in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the Prospectus. For details in relation to allocation, the Applicant may refer to the Prospectus.
- b) Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLMs and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations, 2009. Unsubscribed portion in QIB Category is not available for subscription to other categories.
- c) In case of under subscription in the Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Applicants may refer to the Prospectus.
- d) Illustration of the Book Building and Price Discovery Process Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes Bidding by Anchor Investors.

Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹ 20 to ₹ 24 per share, Issue size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

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

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The Issuer in consultation with the BRLMs, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below ₹ 22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

### e) Alternate Method of Book Building

In case of FPOs, Issuers may opt for an alternate method of Book Building in which only the Floor Price is specified for the purposes of bidding (“**Alternate Book Building Process**”).

The Issuer may specify the Floor Price in the Prospectus or advertise the Floor Price at least one Working Day prior to the Bid/ Issue Opening Date. QIBs may Bid at a price higher than the Floor Price and the Allotment to the QIBs is made on a price priority basis. The Bidder with the highest Bid Amount is allotted the number of Equity Shares Bid for and then the second highest Bidder is Allotted Equity Shares and this process continues until all the Equity Shares have been allotted. RIIs, NIIs and Employees are Allotted Equity Shares at the Floor Price and Allotment to these categories of Bidders is made proportionately. If the number of Equity Shares Bid for at a price is more than available quantity then the Allotment may be done on a proportionate basis. Further, the Issuer may place a cap either in terms of number of specified securities or percentage of issued capital of the Issuer that may be Allotted to a single Bidder, decide whether a Bidder be allowed to revise the bid upwards or downwards in terms of price and/or quantity and also decide whether a Bidder be allowed single or multiple bids.

## **SECTION 6: ISSUE PROCEDURE IN FIXED PRICE ISSUE**

**Applicants may note that there is no Bid cum Application Form in a Fixed Price Issue.** As the Issue Price is mentioned in the Fixed Price Issue therefore on filing of the Prospectus with the RoC, the Application so submitted is considered as the Application Form.

Applicants may only use the specified Application Form for the purpose of making an Application in terms of the Prospectus which may be submitted through the Designated Intermediary.

Applicants may submit an Application Form either in physical form to the any of the Designated Intermediaries or in the electronic form to the SCSB or the Designated Branches of the SCSBs authorising blocking of funds that are available in the bank account specified in the Application Form only (“ASBA Account”). The Application Form is also made available on the websites of the Stock Exchanges at least one day prior to the Bid/Issue Opening Date.

In a fixed price Issue, allocation in the net issue to the public category is made as follows: minimum fifty per cent to Retail Individual Investors; and remaining to (i) individual investors other than Retail Individual Investors; and (ii) other Applicants including corporate bodies or institutions, irrespective of the number of specified securities applied for. The unsubscribed portion in either of the categories specified above may be allocated to the Applicants in the other category.

For details of instructions in relation to the Application Form, Applicants may refer to the relevant section of the GID.

## **SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT**

The Allotment of Equity Shares to Applicants other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Applicants may refer to Prospectus. No Retail Individual Investor will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue (excluding any Offer for Sale of specified securities). However, in case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

### **7.1 ALLOTMENT TO RIIs**

Bids received from the RIIs at or above the Issue Price may be grouped together to determine the total demand under this category. If the aggregate demand in this category is less than or equal to the Retail Category at or above the Issue Price, full Allotment may be made to the RIIs to the extent of the valid Bids. If the aggregate demand in this category is greater than the allocation to in the Retail Category at or above the Issue Price, then the maximum number of RIIs who can be Allotted the minimum Bid Lot will be computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot (“**Maximum RII Allottees**”). The Allotment to the RIIs will then be made in the following manner:

- a. In the event the number of RIIs who have submitted valid Bids in the Issue is equal to or less than Maximum RII Allottees, (i) all such RIIs shall be Allotted the minimum Bid Lot; and (ii) the balance available Equity



Shares, if any, remaining in the Retail Category shall be Allotted on a proportionate basis to the RIIs who have received Allotment as per (i) above for the balance demand of the Equity Shares Bid by them (i.e. who have Bid for more than the minimum Bid Lot).

- b. In the event the number of RIIs who have submitted valid Bids in the Issue is more than Maximum RII Allottees, the RIIs (in that category) who will then be Allotted minimum Bid Lot shall be determined on the basis of draw of lots.

## **7.2 ALLOTMENT TO NIIs**

Bids received from NIIs at or above the Issue Price may be grouped together to determine the total demand under this category. The Allotment to all successful NIIs may be made at or above the Issue Price. If the aggregate demand in this category is less than or equal to the Non-Institutional Category at or above the Issue Price, full Allotment may be made to NIIs to the extent of their demand. In case the aggregate demand in this category is greater than the Non-Institutional Category at or above the Issue Price, Allotment may be made on a proportionate basis up to a minimum of the Non-Institutional Category.

## **7.3 ALLOTMENT TO QIBs**

For the Basis of Allotment to Anchor Investors, Applicants may refer to the SEBI ICDR Regulations, 2009 or Prospectus. Bids received from QIBs Bidding in the QIB Category (net of Anchor Portion) at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment may be undertaken in the following manner:

- a. In the first instance allocation to Mutual Funds for up to 5% of the QIB Category may be determined as follows:
  - (i) In the event that Bids by Mutual Fund exceeds 5% of the QIB Category, allocation to Mutual Funds may be done on a proportionate basis for up to 5% of the QIB Category;
  - (ii) In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Category then all Mutual Funds may get full Allotment to the extent of valid Bids received above the Issue Price; and
  - (iii) Equity Shares remaining unsubscribed, if any and not allocated to Mutual Funds may be available for Allotment to all QIBs as set out at paragraph 7.4(b) below;

In the second instance, Allotment to all QIBs may be determined as follows: (i) In the event of oversubscription in the QIB Category, all QIBs who have submitted Bids above the Issue Price may be Allotted Equity Shares on a proportionate basis for up to 95% of the QIB Category; (ii) Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis along with other QIBs; and (iii) Under-subscription below 5% of the QIB Category, if any, from Mutual Funds, may be included for allocation to the remaining QIBs on a proportionate basis.

## **7.4 ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)**

- a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Issue Price will be at the discretion of the issuer in consultation with the Investor and the BRLMs, subject to compliance with the following requirements:
  1. not more than 60% of the QIB Category will be allocated to Anchor Investors;
  2. one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and
  3. allocation to Anchor Investors shall be on a discretionary basis and subject to:
    - a maximum number of two Anchor Investors for allocation up to ₹ 10 crores;

- a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 10 crores and up to ₹ 250 crores subject to minimum Allotment of ₹ 5 crores per such Anchor Investor; and
  - a minimum number of five Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 250 crores, and an additional 10 Anchor Investors for every additional ₹ 250 crores or part thereof, subject to minimum Allotment of ₹ 5 crores per such Anchor Investor.
- b) A physical book is prepared by the Registrar on the basis of the Anchor Investor Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the issuer in consultation with the BRLMs, selected Anchor Investors will be sent a CAN and if required, a revised CAN.
- c) **In the event that the Issue Price is higher than the Anchor Investor Issue Price:** Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Issue Price and the Anchor Investor Issue Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors.
- d) **In the event the Issue Price is lower than the Anchor Investor Issue Price:** Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

#### **7.5 BASIS OF ALLOTMENT FOR QIBs (OTHER THAN ANCHOR INVESTORS), NIIs AND RESERVED CATEGORY IN CASE OF OVER-SUBSCRIBED ISSUE**

In the event of the Issue being over-subscribed, the Issuer may finalise the Basis of Allotment in consultation with the Designated Stock Exchange in accordance with the SEBI ICDR Regulations, 2009.

The allocation may be made in marketable lots, on a proportionate basis as explained below:

- a. Bidders may be categorized according to the number of Equity Shares applied for;
- b. The total number of Equity Shares to be Allotted to each category as a whole may be arrived at on a proportionate basis, which is the total number of Equity Shares applied for in that category (number of Bidders in the category multiplied by the number of Equity Shares applied for) multiplied by the inverse of the over-subscription ratio;
- c. The number of Equity Shares to be Allotted to the successful Bidders may be arrived at on a proportionate basis, which is total number of Equity Shares applied for by each Bidder in that category multiplied by the inverse of the over-subscription ratio;
- d. In all Bids where the proportionate Allotment is less than the minimum Bid Lot decided per Bidder, the Allotment may be made as follows: the successful Bidders out of the total Bidders for a category may be determined by a draw of lots in a manner such that the total number of Equity Shares Allotted in that category is equal to the number of Equity Shares calculated in accordance with (b) above; and each successful Bidder may be Allotted a minimum of such Equity Shares equal to the minimum Bid Lot finalised by the Issuer;
- e. If the proportionate Allotment to a Bidder is a number that is more than the minimum Bid lot but is not a multiple of one (which is the marketable lot), the decimal may be rounded off to the higher whole number if that decimal is 0.5 or higher. If that number is lower than 0.5 it may be rounded off to the lower whole number. Allotment to all Bidders in such categories may be arrived at after such rounding off; and
- f. If the Equity Shares allocated on a proportionate basis to any category are more than the Equity Shares Allotted to the Bidders in that category, the remaining Equity Shares available for Allotment may be first

adjusted against any other category, where the Allotted Equity Shares are not sufficient for proportionate Allotment to the successful Bidders in that category. The balance Equity Shares, if any, remaining after such adjustment may be added to the category comprising Bidders applying for minimum number of Equity Shares.

## **7.6 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES**

- a) Designated Date: On the Designated Date, the Escrow Collection Banks shall transfer the funds represented by allocation of Equity Shares to Anchor Investors from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Issue Account with the Bankers to the Issue. The balance amount after transfer to the Public Issue Account shall be transferred to the Refund Account. Payments of refund to the Bidders applying in the Anchor Investor Portion shall be made from the Refund Account as per the terms of the Escrow Agreement and the Prospectus. On the Designated Date, the Registrar to the Issue shall instruct the SCSBs to transfer funds represented by allocation of Equity Shares from ASBA Accounts into the Public Issue Account.
- b) Issuance of Allotment Advice: Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. Applicants are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue. Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Applicants who have been Allotted Equity Shares in the Issue.
- c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.
- d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) credit of shares to the successful Applicants Depository Account will be completed within six Working Days of the Bid/ Issue Closing Date. The Issuer also ensures the credit of shares to the successful Applicant's depository account is completed within two Working Days from the date of Allotment.

## **SECTION 8: INTEREST AND REFUNDS**

### **8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING**

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within six Working Days of the Bid/ Issue Closing Date. The Registrar to the Issue may give instructions for credit to Equity Shares the beneficiary account with CDPs, and dispatch the Allotment Advice within six Working Days of the Bid/ Issue Closing Date

### **8.2 GROUNDS FOR REFUND**

#### **8.2.1 NON RECEIPT OF LISTING PERMISSION**

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in Prospectus. The Designated Stock Exchange may be as disclosed in the Prospectus with which the Basis of Allotment may be finalised.

If the Issuer fails to make application to the Stock Exchange(s) or obtain permission for listing of the Equity Shares, in accordance with the provisions of Section 40 of the Companies Act, 2013, the Issuer shall be punishable with a fine which shall not be less than ₹ 5 lakhs but which may extend to ₹ 50 lakhs and every officer of the Issuer who is in default shall be punishable with imprisonment for a term which may extend to one year or with fine which shall not be less than ₹ 50,000 but which may extend to ₹ 3 lakhs, or with both.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith take steps to refund, without interest, all moneys received from Applicants.

If such money is not refunded to the Bidders within the prescribed time after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of such period, be liable to repay the money, with interest at such rate, as disclosed in the Prospectus.

### **8.2.2 NON RECEIPT OF MINIMUM SUBSCRIPTION**

If the Issuer does not receive a minimum subscription of 90% of the Net Issue (excluding any Issue for sale of specified securities), including devolvement to the Underwriters, the Issuer may forthwith, take steps to unblock the entire subscription amount received within six Working Days of the Bid/ Issue Closing Date and repay, without interest, all moneys received from Anchor Investors. In case the Issue is in the nature of Issue for Sale only, then minimum subscription may not be applicable. In case of under-subscription in the Issue, the Equity Shares in the Fresh Issue will be issued prior to the sale of Equity Shares in the Offer for Sale.

If there is a delay beyond the prescribed time after the Issuer becomes liable to pay or unblock the amount received from Bidders, then the Issuer and every director of the Issuer who is an officer in default may on and from expiry of 15 Days, be jointly and severally liable to repay the money, with interest at the rate of 15% per annum in accordance with the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended

### **8.2.3 MINIMUM NUMBER OF ALLOTTEES**

The Issuer may ensure that the number of prospective Allottees to whom Equity Shares may be allotted may not be less than 1,000 failing which the entire application monies may be refunded forthwith.

### **8.2.4 IN CASE OF ISSUES MADE UNDER COMPULSORY BOOK BUILDING**

In case an Issuer not eligible under Regulation 26(1) of the SEBI ICDR Regulations, 2009 comes for an Issue under Regulation 26(2) of SEBI (ICDR) Regulations, 2009 but fails to Allot at least 75% of the Net Issue to QIBs, in such case full subscription money is to be refunded.

## **8.3 MODE OF REFUND**

- a) **In case of Bids/Applications (other than Anchor Investors):** Within six Working Days of the Bid/ Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Bid/Application and also for any excess amount blocked on Bidding/Application.
- b) **In case of Anchor Investors:** Within six Working Days of the Bid/ Issue Closing Date, the Registrar to the Issue may dispatch the refund orders for all amounts payable to unsuccessful Anchor Investors.
- c) In case of Anchor Investors, the Registrar to the Issue may obtain from the depositories, the Applicants' bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Anchor Investors in their Anchor Investor Application Forms for refunds. Accordingly, Anchor Investors are advised to immediately update their details as appearing on the records of their depositories. Failure to do so may result in delays in dispatch of refund orders or refunds through electronic transfer of funds, as applicable, and any such delay may be at the Anchor Investors' sole risk and neither the Issuer, the Registrar to the Issue, the Escrow Collection Banks, or the Syndicate, may be liable to compensate the Anchor Investors for any losses caused to them due to any such delay, or liable to pay any interest for such delay. Please note that refunds shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank.

### **8.3.1 Electronic mode of making refunds for Anchor Investors**

The payment of refund, if any, may be done through various electronic modes as mentioned below:

- a) **NEFT** - Payment of refund may be undertaken through NEFT wherever the branch of the Anchor Investors' bank is NEFT enabled and has been assigned the Indian Financial System Code ("IFSC"), which can be linked to the MICR of that particular branch. The IFSC Code may be obtained from the website of RBI as at a date prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Anchor Investors have registered their nine digit MICR number and their bank account number while opening and operating the demat account, the same may be duly mapped with the IFSC Code of that particular bank branch and the payment of refund may be made to the Anchor Investors through this method. In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in this section;
- b) **Direct Credit** - Anchor Investors having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account;
- c) **RTGS** - Anchor Investors having a bank account at any of the centers notified by SEBI where clearing houses are managed by the RBI, may have the option to receive refunds, if any, through RTGS; and

Please note that refunds through the abovementioned modes shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank.

For details of levy of charges, if any, for any of the above methods, Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centers, etc. Anchor Investors may refer to Prospectus.

#### 8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer may pay interest at the rate of 15% per annum 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 Applicants or instructions for unblocking of funds in the ASBA Account are not dispatched within the 6 working days of the Bid/ Issue Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 15 days from the Bid/ Issue Closing Date, if Allotment is not made.

#### SECTION 9: GLOSSARY AND ABBREVIATIONS

Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time.

Term	Description
Allotment/Allot/Allotted	The allotment of Equity Shares pursuant to the Issue to successful Applicants
Allotment Advice	Note or advice or intimation of Allotment sent to the Applicants who have been Allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchanges
Allottee	An Applicant to whom the Equity Shares are Allotted
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in SEBI ICDR Regulations, 2009 and the Prospectus.
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Prospectus
Anchor Investor Portion	Up to 60% of the QIB Category which may be allocated by the Issuer in consultation with the BRLMs, to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion is reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to Anchor Investors

Term	Description
Application Form	The form in terms of which the Applicant should make an application for Allotment in case of issues other than Book Built Issues, includes Fixed Price Issue
Application Supported by Blocked Amount/ASBA	An application, whether physical or electronic, used by Applicants, other than Anchor Investors, to make a Bid and authorising an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB to the extent of the Bid Amount of the Applicant
Banker(s) to the Issue / Escrow Collection Bank(s) / Collecting Banker	The banks which are clearing members and registered with SEBI as Banker to the Issue with whom the Escrow Account(s) for Anchor Investors may be opened ,and as disclosed in the Prospectus and Bid cum Application Form of the Issuer
Basis of Allotment	The basis on which the Equity Shares may be Allotted to successful Applicants under the Issue
Bid	An indication to make an Issue during the Bid/ Issue Period by a prospective Bidder pursuant to submission of Bid cum Application Form or during the Anchor Investor Issue Period by the Anchor Investors, to subscribe for or purchase the Equity Shares of the Issuer at a price within the Price Band, including all revisions and modifications there to. In case of issues undertaken through the fixed price process, all references to a Bid should be construed to mean an Application
Bid Amount	The highest value of the optional Bids indicated in the Bid cum Application Form and payable by the Applicant up on submission of the Bid(except for Anchor Investors), less discounts (if applicable). In case of issues undertaken through the fixed price process, all references to the Bid Amount should be construed to mean the Application Amount
Bid/ Issue Closing Date	Except in the case of Anchor Investors (if applicable), the date after which the Designated Intermediaries may not accept any Bids for the Issue, which may be notified in an English national daily, a Hindi national daily and a regional language news paper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants may refer to the Prospectus for the Bid/ Issue Closing Date
Bid/ Issue Opening Date	The date on which the Designated Intermediaries may start accepting Bids for the Issue, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants may refer to the Prospectus for the Bid/ Issue Opening Date
Bid/ Issue Period	Except in the case of Anchor Investors (if applicable),the period between the Bid/ Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants (other than Anchor Investors) can submit their Bids, inclusive of any revisions thereof. The Issuer may consider closing the Bid/ Issue Period for QIBs one working day prior to the Bid/ Issue Closing Date in accordance with the SEBI ICDR Regulations, 2009. Applicants may refer to the Prospectus for the Issue Period
Bid cum Application Form	An application form, whether physical or electronic, used by Bidders, other than Anchor Investors, to make a Bid and which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Applicant	Any prospective investor who makes a Bid pursuant to the terms of the Prospectus and the Bid cum Application Form. In case of issues undertaken through the fixed price process, all references to a Applicant should be construed to mean an Applicant
Book Built Process / Book Building Process / Book Building Method	The book building process as provided under SEBI ICDR Regulations, 2009, in terms of which the Issue is being made

Term	Description
Broker Centres	Broker centres notified by the Stock Exchanges, where Applicants can submit the Bid cum Application Forms to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchanges.
BRLM(s) / Book Running Lead Manager(s) / Lead Manager / LM	The Book Running Lead Manager to the Issue as disclosed in the Prospectus and the Bid cum Application Form of the Issuer. In case of issues undertaken through the fixed price process, all references to the Book Running Lead Manager should be construed to mean the Lead Manager or LM
Business Day	Monday to Saturday (except 2nd & 4th Saturday of a month and public holidays)
CAN / Confirmation of Allotment Note	The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which may be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange
Cap Price	The higher end of the Price Band, above which the Issue Price and the Anchor Investor Issue Price may not be finalised and above which no Bids may be accepted
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account
Collecting Depository Participant or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Cut-off Price	Issue Price, finalised by the Issuer in consultation with the Book Running Lead Manager(s), which can be any price within the Price Band. Only RIIs, Retail Individual Shareholders and employees are entitled to Bid at the Cut-off Price. No other category of Applicants are entitled to Bid at the Cut-off Price
DP	Depository Participant
DP ID	Depository Participant's Identification Number
Depositories	National Securities Depository Limited and Central Depository Services (India) Limited
Demographic Details	Details of the Applicants including the Applicant's address, name of the Applicant's father/husband, investor status, occupation and bank account details
Designated Branches	Such branches of the SCSBs which may collect the Bid cum Application Forms used by Applicants (exc Anchor Investor) and a list of which is available on <a href="http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html">http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html</a>
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the Bid cum Application Forms to Collecting Depository Participants.  The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid cum Application Forms are available on the respective websites of the Stock Exchanges ( <a href="http://www.bseindia.com">www.bseindia.com</a> and <a href="http://www.nseindia.com">www.nseindia.com</a> )
Designated Date	The date on which funds are transferred by the Escrow Collection Bank(s) from the Escrow Account and the amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, after the Prospectus is filed with the RoC, following which the board of directors may Allot Equity Shares to successful Applicants in the Fresh Issue may give delivery instructions for the transfer of the Equity Shares constituting the Offer for Sale
Designated Intermediaries / Collecting Agent	Syndicate Members, Sub-Syndicate/Agents, SCSBs, Registered Brokers, Brokers, the CDPs and RTAs, who are authorized to collect Bid cum Application Forms from the Bidders, in relation to the Issue

Term	Description
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the Bid cum Application Forms to RTAs.  The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Bid cum Application Forms are available on the respective websites of the Stock Exchanges ( <a href="http://www.bseindia.com">www.bseindia.com</a> and <a href="http://www.nseindia.com">www.nseindia.com</a> )
Designated Stock Exchange	The designated stock exchange as disclosed in the Prospectus of the Issuer
Discount	Discount to the Issue Price that may be provided to Applicants in accordance with the SEBI ICDR Regulations, 2009.
Draft Prospectus	The Draft Prospectus filed with SEBI in case of Fixed Price Issues and which may mention a price or a Price Band
Employees	Employees of an Issuer as defined under SEBI ICDR Regulations, 2009 and including, in case of a new company, persons in the permanent and full time employment of the promoting companies excluding the promoter and immediate relatives of the promoter. For further details, Applicant may refer to the Draft Prospectus
Equity Shares	Equity Shares of the Issuer
Escrow Account	Account opened with the Escrow Collection Bank(s) and in whose favour the Anchor Investors may issue cheques or demand drafts or transfer money through NEFT or RTGS in respect of the Bid Amount when submitting a Bid
Escrow Agreement	Agreement to be entered into among the Issuer, the Registrar to the Issue, the Book Running Lead Manager(s), the Syndicate Member(s), the Escrow Collection Bank(s) and the Refund Bank(s) for collection of the Bid Amounts from Anchor Investors and where applicable, remitting refunds of the amounts collected to the Anchor Investors on the terms and conditions thereof
Escrow Collection Bank(s)	Refer to definition of Banker(s) to the Issue
FCNR Account	Foreign Currency Non-Resident Account
First Applicant	The Applicant whose name appears first in the Bid cum Application Form or Revision Form
FII(s)	Foreign Institutional Investors as defined under the SEBI (Foreign Institutional Investors) Regulations, 1995 and registered with SEBI under applicable laws in India
Fixed Price Issue / Fixed Price Process / Fixed Price Method	The Fixed Price process as provided under SEBI ICDR Regulations, 2009, in terms of which the Issue is being made
Floor Price	The lower end of the Price Band, at or above which the Issue Price and the Anchor Investor Issue Price may be finalised and below which no Bids may be accepted, subject to any revision thereto
FPIs	Foreign Portfolio Investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
FPO	Further public offering
Foreign Venture Capital Investors or FVCIs	Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI (Foreign Venture Capital Investors) Regulations, 2000
IPO	Initial public offering
Issuer/Company	The Issuer proposing the initial public offering/further public offering as applicable
Maximum RII Allottees	The maximum number of RIIs who can be Allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot.
MICR	Magnetic Ink Character Recognition - nine-digit code as appearing on a cheque leaf
Mutual Fund	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996



Term	Description
Mutual Funds Portion	5% of the QIB Category (excluding the Anchor Investor Portion) available for allocation to Mutual Funds only, being such number of equity shares as disclosed in the Prospectus and Bid cum Application Form
NEFT	National Electronic Fund Transfer
NRE Account	Non-Resident External Account
NRI	NRIs from such jurisdictions outside India where it is not unlawful to make an Issue or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares
NRO Account	Non-Resident Ordinary Account
Net Issue	The Issue less reservation portion
Non-Institutional Investors or NIIs	All Applicants, including sub accounts of FIIs registered with SEBI which are foreign corporates or foreign individuals and FPIs which are Category III foreign portfolio investors, that are not QIBs or RIBs and who have Bid for Equity Shares for an amount of more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Category	The portion of the Issue being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the Prospectus and the Bid cum Application Form
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, FPIs and FVCIs registered with SEBI
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
Offer	Public issue of Equity Shares of the Issuer including the Offer for Sale if applicable
Other Investors	Investors other than Retail Individual Investors in a Fixed Price Issue. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for
Issue Price	The final price, less discount (if applicable) at which the Equity Shares may be Allotted to Bidders other than Anchor Investors, in terms of the Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Issue Price The Issue Price may be decided by the Issuer in consultation with the Book Running Lead Manager(s)
PAN	Permanent Account Number allotted under the Income Tax Act, 1961
Price Band	Price Band with a minimum price, being the Floor Price and the maximum price, being the Cap Price and includes revisions thereof. The Price Band and the minimum Bid lot size for the Issue may be decided by the Issuer in consultation with the Book Running Lead Manager(s) and advertised, at least five working days in case of an IPO and one working day in case of FPO, prior to the Bid/ Issue Opening Date, in English national daily, Hindi national daily and regional language at the place where the registered office of the Issuer is situated, newspaper each with wide circulation
Pricing Date	The date on which the Issuer in consultation with the Book Running Lead Manager(s), finalise the Issue Price
Prospectus	The prospectus to be filed with the RoC in accordance with Section 26 of the Companies Act, 2013 after the Pricing Date, containing the Issue Price, the size of the Issue and certain other information
Public Issue Account	An account opened with the Banker to the Issue to receive monies from the Escrow Account and from the ASBA Accounts on the Designated Date

Term	Description
QIB Category	The portion of the Issue being such number of Equity Shares to be Allotted to QIBs on a proportionate basis
Qualified Institutional Buyers or QIBs	As defined under SEBI ICDR Regulations, 2009
RTGS	Real Time Gross Settlement
Refund Account(s)	The account opened with Refund Bank(s), from which refunds to Anchor Investors, if any, of the whole or part of the Bid Amount may be made
Refund Bank(s)	Refund bank(s) as disclosed in the Prospectus and Bid cum Application Form of the Issuer
Refunds through electronic transfer of funds	Refunds through Direct Credit, NEFT, RTGS or ASBA, as applicable
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Registered Broker	Stock Brokers registered with the Stock Exchanges having nationwide terminals, other than the members of the Syndicate
Registrar to the Issue /RTO	The Registrar to the Issue as disclosed in the Prospectus and Bid cum Application Form
Reserved Category / Categories	Categories of persons eligible for making application/Bidding under reservation portion
Reservation Portion	The portion of the Issue reserved for such category of eligible Applicants as provided under the SEBI ICDR Regulations, 2009
Retail Individual Investors/RIIs	Investors who applies or bids for a value of not more than ₹ 200,000 (including HUFs applying through their karta and eligible NRIs and does not include NRIs other than Eligible NRIs.
Retail Individual Shareholders	Shareholders of a listed Issuer who applies or bids for a value of not more than ₹ 200,000.
Retail Category	The portion of the Issue being such number of Equity Shares available for allocation to RIIs which shall not be less than the minimum Bid Lot, subject to availability in RII category and the remaining shares to be Allotted on proportionate basis.
Revision Form	The form used by the Bidders, including ASBA Bidders, in an issue through Book Building Process to modify the quantity of Equity Shares and/or bid price indicated therein in any of their Bid cum Application Forms or any previous Revision Form(s)
RoC	The Registrar of Companies
SEBI	The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992
SEBI ICDR Regulations, 2009	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
Self Certified Syndicate Bank(s) or SCSB(s)	A bank registered with SEBI, which offers the facility of ASBA and a list of which is available on <a href="http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html">http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html</a>
Specified Locations	Bidding centres where the Syndicate shall accept Bid cum Application Forms, a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/">http://www.sebi.gov.in/</a> and updated from time to time
Stock Exchanges / SE	The stock exchanges as disclosed in the Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Issue are proposed to be listed
Syndicate	The Book Running Lead Manager(s) and the Syndicate Member
Syndicate Agreement	The agreement to be entered into among the Issuer, and the Syndicate in relation to collection of Bid cum Application Forms by Syndicate Members
Syndicate Member(s) / SM	The Syndicate Member(s) as disclosed in the Prospectus
Underwriters	The Book Running Lead Manager(s) and the Syndicate Member(s)

<b>Term</b>	<b>Description</b>
Underwriting Agreement	The agreement amongst the Issuer, and the Underwriters to be entered into on or after the Pricing Date
Working Day	Any day, other than 2nd and 4th Saturday of the month, Sundays or public holidays, on which commercial banks in Mumbai are open for business, provided however, with reference to (a) announcement of Price Band; and (b) Bid/ Issue Period, "Working Days" shall mean all days, excluding Saturdays, Sundays and public holidays, which are working days for commercial banks in India.

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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. The government bodies responsible for granting foreign investment approvals are FIPB and the RBI.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“DIPP”), issued consolidated FDI Policy, which with effect from August 28, 2017 consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP that were in force and effect as on August 28, 2017. The Government proposes to update the consolidated circular on FDI Policy once every year and therefore, the Consolidation FDI Policy will be valid until the DIPP issues an updated circular.

The transfer of shares by an Indian resident to a Non-Resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the Consolidated FDI Policy and transfer does not attract the provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI/RBI.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue.

**The Equity Shares offered in the Issue have not been and will not be registered under the Securities Act, and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold (i) within the United States to persons reasonably believed to be “qualified institutional investors” (as defined in Rule 144A under the Securities Act) pursuant to Rule 144A under the Securities Act or other applicable exemption under the Securities Act and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and the applicable laws of the jurisdictions where such offers and sales occur. The above information is given for the benefit of the Applicants. Our Company, the Selling Shareholders 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 Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them.**

## **SECTION X – 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 and the SEBI Regulations, 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 March 29, 2018.

### ***Public Company***

2. The company is a Public Company within the meaning of section 2(71) of the Companies Act, 2013.

### ***Share capital and variation of rights***

3. (i) The Authorized Share Capital of the Company shall be as laid down in Memorandum of Association of the Company.

(ii) Subject to the provisions of the Companies Act 2013 and the applicable Rules made thereunder, the Company / Board shall have power to issue / allot shares, whether on preferential basis or otherwise, from time to time and the shares shall be under the control of the Directors who may allot or otherwise dispose off the same to such persons, on such terms and conditions and at such times as the Directors think fit.

4. (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.

5. (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 company may issue new share certificates pursuant to consolidation or sub division of share certificate(s) upon written request received from shareholder together with production and surrender of respective original share certificate(s). Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.

(iii) The provisions of Articles (5) and (6) shall mutatis mutandis apply to debentures of the company.

6. 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.
7. (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.
8. (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.
9. 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.
10. 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*

11. (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.
  - (iii) The fully paid shares shall be free from all lien and that in the case of partly paid shares the Company's lien shall be restricted to monies called or payable at a fixed time in respect of such shares.
12. 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.
13. (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.
14. (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*

15. (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) by giving not less than 15 days notice for payment and each member shall pay the amount of every call so made on him to the persons and at the times and places appointed by the Board of Directors.
- (ii) A call may be revoked or postponed at the discretion of the Board.
16. 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.
17. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
18. (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.
19. (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.
20. 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 but shall not confer a right to dividend or to participate in profits.

### *Transfer of shares*

21. (i) The Company shall use a Common form of transfer. 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.
22. The Board may, subject to the right of appeal conferred by section 58 decline to register—
- (a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
- (b) any transfer of shares on which the company has a lien.
23. 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.
24. 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.
25. Subject to the provisions of Section 59 of Companies Act, 2013, the Board may decline to register any transfer of Shares on such grounds as it think fit in the benefit of the company (notwithstanding that the proposed transferee be already a Member), but in such case it shall, within two (2) months from the date the instrument of transfer was lodged with the Company, send to the transferee and the transferor notice of the refusal to register such transfer giving reasons for such refusal. Provided that registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever.

### *Transmission of Shares*

26. (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.
27. (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.

28. (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.

29. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

#### *Forfeiture of Shares*

30. 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.

31. 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.

32. 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.

33. (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.

34. (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.

35. (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.
36. 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*

37. 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. The Authorised Share Capital shall be as per the clause V (a) of Memorandum of Association of the company.
38. Subject to the provisions of section 61, the company may, by ordinary resolution,—
- (a) increase its authorized share capital by such amount as it thinks expedient.
- (b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (c) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
- (d) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
- (e) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.
39. 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.

40. 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.

*Capitalisation of profits*

41. (i) The company in general meeting may, upon the recommendation of the Board resolve—
- (a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the profit and loss account, Securities Premium Accounts 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.
42. (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.

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*Dematerialisation of Securities*

**43. (i) For the purpose of this Article:-**

**Beneficial Owner:** Beneficial Owner shall have the meaning assigned thereto in section 2(1)(a) of the Depositories Act, 1996.

**Depositories Act:** Depositories Act shall mean the Depositories Act, 1996 and includes any statutory modification or re-enactment thereof for the time being in force.

**Depository:** Depository shall mean a Depository as defined in section 2(1)(e) of the Depositories Act, 1996.

**Member:** Member shall mean a duly registered holder from time to time of the security of the company and includes every person whose name is entered as beneficial owner in the records of the Depository.

**Security:** Security shall mean such security as may be specified by SEBI.

- (ii) **Dematerialisation of Securities:** Notwithstanding anything on the contrary contained in this Article, the company shall be entitled to dematerialise its securities and to offer securities in a dematerialised form and further to rematerialise the securities held on depository pursuant to the Depositories Act, 1996 or any amendment thereof.
- (iii) **Option to hold securities in physical form or with depository:** Every person holding securities of the company through allotment or otherwise shall have the option to receive and hold the same in the dematerialised form with a depository.
- (iv) **Beneficial Owner may opt out of a Depository:** Every person holding securities of the company with a depository, being the beneficial owner thereof, may at any time opt out of the depository in the manner provided under the provisions of the Depositories Act and the Rules, if any, prescribed there under and on fulfilment of the conditions prescribed by the company from time to time, company shall issue the relevant security certificates to the beneficial owner thereof.
- (v) **Securities in Depositories to be in fungible form:** All securities held by a depository shall be dematerialised and shall be in fungible form. Nothing contained in Sections 153, 153A, 153B, 187B, 187C and 372A of the Companies Act, shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.
- (vi) **Rights of depository and beneficial owners:** A depository shall be deemed to be the registered owner for the purposes of affecting the transfer of ownership of securities on behalf of the beneficial owners and shall not have any voting rights or any other rights in respect of the securities held by it.
- (vii) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all rights and benefits and be subject to all the liabilities in respect of his/her securities, which are held by a depository.
- (viii) **Transfer of securities:** Transfer of security held in a depository will be governed by the provisions of the Depository Act, 1996. Nothing contained in Section 56 of the Companies Act, 2013 or these Articles shall apply to a transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.
- (ix) **Register and Index of beneficial owners:** The Register and Index of beneficial owners maintained by a depository under the Depositories Act, 1996 shall be deemed to be the Register and Index of Members and Security holders for the purpose of these Articles.

- (x) **Other matters:** Notwithstanding anything contained in these Articles, the provision of Depositories Act, 1996 relating to dematerialisation of securities including any modification(s) or re-enactment thereof and Rules/Regulations made there under shall prevail accordingly.
- (xi) Notwithstanding anything contained in the Act or the Articles, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the company by means of electronic mode or by delivery of floppies or disks.

#### *Nomination*

44. Notwithstanding anything contained in Articles, every holder of shares(s) or debenture(s) of the Company may, at any time, nominate, in the prescribed manner, a person to whom these share(s) shall vest in the event of his death and the provisions of Section 109A and Section 109B of the Companies Act, 1956 shall apply in respect of such nomination.

The provisions of this Article shall apply mutatis mutandis to a depository of money with the Company as per the provisions of the Act.

#### *Buy-Back of Shares*

45. 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*

46. All general meetings other than Annual General Meeting shall be called extraordinary general meeting.
47. (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*

48. (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.
49. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.
50. 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.
51. 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*

52. (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***

- 53.** 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.
- 54.** A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
- 55.** (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.
- 56.** 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.
- 57.** Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
- 58.** 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.
- 59.** (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***

- 60.** The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.
- 61.** An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
- 62.** 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***

**63.** The minimum number of Directors shall be 3 and maximum number of directors shall be 15.

The First Directors of the Company are:

- I. HARISH SIRWANI
- II. NIDHI SIRWANI

**64.** (i) Subject to the provisions of the Act, the Company may pay any remuneration, as determined by the Board of Directors / General Meeting to all or any of its Directors for the services rendered by them / him in day to day management of the affairs of the company or any other type of services, whether professional in nature or not, for any of the purposes of the company, either by a fixed sum on monthly or annual basis and / or perquisites and / or a percentage of the profits or otherwise as may be determined by the Board or the members in General Meeting.

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.

**65.** The Board may pay all expenses incurred in getting up and registering the company.

**66.** 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.

**67.** 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.

**68.** 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.

**69.** (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***

**70.** (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

- (ii) Subject to the Articles herein, a director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.
- (iii) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
- (iv) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.
- 71.** 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.
- 72.** (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.
- 73.** (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.
- 74.** (i) 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.
- 75.** A committee may elect a Chairperson of its meetings.
- 76.** 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.
- 77.** (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.
- 78.** 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.
- 79.** 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***

- 80.** 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.

81. 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.

#### ***Managing Director***

82. The business of the Company may be carried on by the Managing Director(s) who may be appointed by the Board of Directors / members in their General Meeting, from time to time who shall fix the terms, qualifications, remuneration, duties, authorities and powers. The Board may from time to time and subject to the provisions of the Act delegate to the Managing Director(s) such of their powers and duties and subject to such limitations and conditions as they may deem fit. The Board may from time to time, revoke, withdraw, alter or vary all or any of the powers conferred on him or dismiss him from office and appoint another in his place.
83. Subject to the provisions of section 179 and 180 of the Companies Act, 2013, the Managing Director of the Company, if any, shall be empowered to carry on the day to day business affairs of the Company. He shall have the general control, management and superintendence of the business of the Company with power to appoint and to dismiss employees and to enter into contracts on behalf of the Company in the ordinary course of business and to do and perform all other acts, deeds and things which in the ordinary course of business may be considered necessary/proper or in the interest of the Company.

#### ***The Seal***

84. (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***

85. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
86. 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.
87. (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.
88. (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.

- 89.** 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.
- 90.** (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.
- (ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent
- 91.** 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.
- 92.** 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.
- 93.** No dividend shall bear interest against the company.
- 94.** No unclaimed Dividend shall be forfeited before the claim becomes barred by law, and unclaimed Dividends shall be dealt with in accordance with the applicable provisions of the Act

#### *Accounts*

- 95.** (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*

- 96.** 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.
- 97.** 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.
- 98.** The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

**Indemnity**

- 99.** 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.

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**SECTION XI – OTHER INFORMATION****MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION**

The copies of the following contracts which have been entered 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 Draft Prospectus) which are or may be deemed material have been attached to the copy of the Draft 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 the 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 September 29, 2018 between our Company and the Lead Manager.
2. Memorandum of Understanding dated September 29, 2018 between our Company and the Registrar to the Issue.
3. Escrow Agreement [●] between our Company, the Lead Manager, Banker to the Issue and the Registrar to the Issue.
4. Market Making Agreement dated September 29, 2018 between our Company, the Lead Manager and the Market Maker.
5. Underwriting Agreement dated September 29, 2018 between our Company, the Lead Manager and the Market Maker.
6. Tripartite agreement between the NSDL, our Company and the Registrar dated [●].
7. Tripartite agreement between the CDSL, our Company and the Registrar dated [●].

**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 Certificates of Incorporation of Roni Households Limited
3. Resolution of the Board of Directors meeting dated September 27, 2018 authorizing the Issue.
4. Shareholders' resolution passed at the Extra-Ordinary General Meeting dated September 28, 2018 authorizing the Issue.
5. Peer Review Auditor's report for Restated Financials dated September 29, 2018 included in this Draft Prospectus.
6. The Statement of Tax Benefits dated September 29, 2018 from our Statutory Auditor.
7. Consent of our Directors, CFO, CS, Statutory Auditor, Peer Review Auditor, Banker to the Company<sup>(1)</sup>, Banker to the Issue<sup>(1)</sup>, Lead Manager, Legal Advisor to the Issue, Registrar to the Issue, Market Maker and Underwriters as referred to in their specific capacities.  
<sup>(1)</sup> Will be obtained prior to filing of Prospectus
8. Due Diligence Certificate(s) dated [●] of the Lead Manager to be submitted to SEBI along with the filing of the Prospectus.

9. Approval from BSE vide letter dated [●] to use the name of BSE in this Offer Document for listing of Equity Shares on the SME Platform of the BSE.

Any of the contracts or documents mentioned in this Draft 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.

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**DECLARATION**

We, 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 Draft 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, 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 Draft Prospectus are true and correct.

**SIGNED BY THE DIRECTORS OF OUR COMPANY:**

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**Mr. Harish Sirwani**  
Chairman & Managing Director

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**Mrs. Nidhi Sirwani**  
Whole-Time Director

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**Mr. Manohar Sirwani**  
Non-Executive Non Independent Director

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**Mr. Arvind Pande**  
Independent Director

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**Mr. Shailesh Bajaj**  
Independent Director

**SIGNED BY THE CHIEF FINANCIAL OFFICER**

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**Mrs. Nidhi Sirwani**  
Chief Financial Officer

**SIGNED BY THE COMPANY SECRETARY AND COMPLIANCE OFFICER**

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**Mr. Mehul Shah**  
Company Secretary & Compliance Officer

Date: October 03, 2018

Place: Jalgaon