



TANVI FOODS (INDIA) LIMITED

U15433TG2007PLC053406

Our Company was incorporated as Tanvi Foods Private Limited on March 30, 2007 under the Companies Act, 1956 with the Registrar of Companies, Hyderabad bearing Registration No. 053406. The name of the Company was changed to Tanvi Foods (India) Private Limited vide special resolution dated June 10, 2009 and name change Certificate was issued on June 25, 2009 by the Registrar of Companies, Hyderabad. The status of our Company was changed to a public limited company and the name of our Company was changed to Tanvi Foods (India) Limited by a special resolution passed on September 15, 2016. A fresh Certificate of Incorporation consequent upon conversion was issued on September 22, 2016 by the Registrar of Companies, Hyderabad. The Company's Corporate Identity Number is U15433TG2007PLC053406.

Registered Office: No. 7-2-4/D, Old Canteen Building, Sanathnagar Industrial Estate, Opp: SBH Sanathnagar, Hyderabad, Telangana – 500 018.

Tel Fax No.: +91 – 40 – 2381 7299; **Email:** investors@tanvifoods.com; **Website:** www.tanvifoods.com

Contact Person: Mrs. Shilpa Kotagiri, Company Secretary and Compliance Officer.

Our Promoter: Mr. Sri Nagaveer Adusumilli

THE ISSUE

PUBLIC ISSUE OF 11,00,000 EQUITY SHARES OF ₹ 10/- EACH ("EQUITY SHARES") OF TANVI FOODS (INDIA) LIMITED ("TFL" OR THE "COMPANY") FOR CASH AT A PRICE OF ₹ 60 PER SHARE (THE "ISSUE PRICE"), AGGREGATING TO ₹ 660.00 LAKHS ("THE ISSUE") CONSISTING OF FRESH ISSUE OF 6,72,000 EQUITY SHARES AGGREGATING TO ₹ 403.20 LAKHS AND AN OFFER FOR SALE OF 4,28,000 EQUITY SHARES BY THE SELLING SHAREHOLDERS AGGREGATING TO ₹ 256.80 LAKHS ("OFFER FOR SALE"), OF WHICH 56,000 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 UP TO 10,44,000 EQUITY SHARES OF ₹ 10/- EACH IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 26.72% AND 25.36%, 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 6.00 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. 248 of this 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. 256 of this Prospectus.

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 face value of the shares is ₹ 10/- per Equity Share and the Issue Price is 6.00 times of the face value. The Issue Price (as determined by Company and the Selling Shareholders in consultation with the Lead Manager) as stated under the paragraph on "Basis for Issue Price" on page no. 67 of this Prospectus should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the equity shares of our company or regarding the price at which the 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 Prospectus under the Section "Risk Factors".**

COMPANY'S AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this 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 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 Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Each Selling Shareholder, severally and not jointly, assumes responsibility only for statements in relation to such Selling Shareholder included in this Prospectus.

LISTING

The Equity Shares offered through this Prospectus are proposed to be listed on the SME Platform of BSE Limited ("BSE"). Our Company has received an approval letter dated November 07, 2016 from BSE for listing our shares on the SME Platform of the BSE. For the purpose of this Issue, the Designated Stock Exchange will be the BSE Limited ("BSE"). A copy will be delivered for registration to the Registrar of Companies as required under Section 26 & 28 of the Companies Act, 2013.

LEAD MANAGER TO THE ISSUE

REGISTRAR 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: info@afsl.co.in
Website: www.afsl.co.in
Investor Grievance Email: feedback@afsl.co.in
Contact Person: Mr. Vimal Maniyar
SEBI Registration No.: INM000011344

BIGSHARE SERVICES PRIVATE LIMITED
E-2/3, Ansa Industrial Estate, Sakivihar Road,
Sakinaka, Andheri (E), Mumbai - 400 072.
Tel: +91 – 22 – 4043 0200;
Fax: +91 – 22 – 2847 5207
Email: ipo@bigshareonline.com;
Website: www.bigshareonline.com
Investor Grievance Email: investor@bigshareonline.com;
Contact Person: Mr. Ashok Shetty
SEBI Registration No.: INR000001385

ISSUE OPENS ON

FEBRUARY 17, 2017

ISSUE CLOSES ON

FEBRUARY 22, 2017

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

General Terms

| Term | Description |
|---|---|
| Tanvi Foods (India) Limited / TFL / The Company / Company / We / Us / Our Company | Unless the context otherwise indicates or implies refers to Tanvi Foods (India) Limited, a public limited company, incorporated under the provisions of the Companies Act, 1956 with its registered office in the Hyderabad. |
| Promoter(s) | The Promoter of our Company: <ul style="list-style-type: none"> • Mr. Sri Nagaveer Adusumilli. |
| Promoter Group | Such persons, entities and companies constituting our promoter group pursuant to Regulation 2(1)(zb) of the SEBI ICDR Regulations |
| Subsidiaries | Companies in which our company- Tanvi Foods (India) Limited has more than 50.00% shareholding: <ul style="list-style-type: none"> • Polar Cube Cold Storage Solutions Private Limited • Squarepeg Distribution Services Private Limited |

Company related Terms

| Term | Description |
|--|---|
| Articles / Articles of Association | Unless the context otherwise requires, refers to the Articles of Association of Tanvi Foods (India) Limited. |
| Auditor of the Company (Statutory Auditor) | M/s. GV & Co., Chartered Accountants, having their office at Flat No. 1005, 10th Floor, Minar Apartments, Deccan Towers, Basheerbagh, Hyderabad- 500 029 |
| Audit Committee | The Audit Committee constituted by our Board of Directors on September 24, 2016. |
| Board of Directors / Board | The Board of Directors of Tanvi Foods (India) Limited, including all duly constituted Committees thereof. |
| Companies Act | Unless specified otherwise, this would imply to the provisions of the Companies Act, 2013 (to the extent notified) and /or Provisions of Companies Act, 1956 w.r.t. the sections which have not yet been replaced by the Companies Act, 2013 through any official notification. |
| Companies Act, 1956 | The Companies Act, 1956, as amended from time to time |
| Companies Act, 2013 | The Companies Act, 2013 published on August 29, 2013 and applicable to the extent notified by MCA till date. |
| Company Secretary and Compliance Officer | Mrs. Shilpa Kotagiri |
| Depositories Act | The Depositories Act, 1996, as amended from time to time |
| Director(s) | Director(s) of Tanvi Foods (India) 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 |
| HUF | Hindu Undivided Family |
| IFRS | International Financial Reporting Standards |
| Indian GAAP | Generally Accepted Accounting Principles in India |
| MOA / Memorandum of Association | Memorandum of Association of Tanvi Foods (India) Limited. |
| Non Residents | A person resident outside India, as defined under FEMA. |
| NRIs / Non Resident Indians | A person resident outside India, as defined under FEMA and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000. |
| Person or Persons | Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, Company, partnership, limited liability Company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires. |

| Term | Description |
|------------------------------|--|
| Registered Office | The Registered Office of our company which is located at: No.7-2-4/D, Old Canteen Building, Sanathnagar Industrial Estate, Opp: SBH Sanathnagar, Hyderabad, Telangana – 500 018. |
| Registrar of Companies / RoC | Registrar of Companies, Hyderabad situated at 2nd Floor, Corporate Bhawan, GSI Post, Tattianaram Nagole, Bandlaguda, Hyderabad - 500 068. |
| SEBI | Securities and Exchange Board of India constituted under the SEBI Act, 1992 |
| SEBI Act | Securities and Exchange Board of India Act, 1992, as amended from time to time |
| SEBI Takeover Regulations | Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended from time to time. |
| SICA | Sick Industrial Companies (Special Provisions) Act, 1985 |
| Stock Exchange | Unless the context requires otherwise, refers to, the BSE Limited. |

Issue Related Terms

| Term | Description |
|---|--|
| Allotment | The transfer of the Equity Shares pursuant to the Issue to the successful applicants |
| Allottees | The successful applicant to whom the Equity Shares are being / have been Allotted. |
| 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 |
| Applicant | Any prospective investor who makes an application for Equity Shares in terms of this Prospectus |
| Application Form | The Form in terms of which the applicant shall apply for the Equity Shares of the Company |
| Application Supported by Blocked Amount/ ASBA | An application, whether physical or electronic, used by ASBA Applicant to make an Application authorizing an SCSB to block the Application Amount in the specified Bank Account maintained with such SCSB. ASBA is mandatory for 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 Applicant(s) | Any prospective investor who makes an Application pursuant to the terms of the Prospectus and the 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. 43 of this Prospectus |
| Banker(s) to the Issue | The banks which are Clearing Members and registered with SEBI as Banker to an Issue with whom the Escrow Agreement is entered and in this case being Axis Bank Limited. |
| 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. 256 of this Prospectus. |
| Business Day | Monday to Friday (except public holidays) |
| BSE | BSE Limited |
| Category III FPI | Investors including endowments, charitable societies, charitable trusts, foundations, corporate bodies, trust, individuals and family offices which are not eligible for registration under Category I and II under the SEBI (Foreign Portfolio Investors) Regulations, 2014. |
| CAN / Confirmation of Allocation Note | The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which will be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange. |
| Controlling Branches | Such Branches of the SCSBs which co-ordinate Applications by the Applicants with the Registrar to the Issue and the Stock Exchanges and a list of which is available at http://www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time. |
| 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 |
| 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 |

| Term | | Description |
|-----------------------------|--------------------|--|
| Designated Branches | SCSB | Such Branches of the SCSBs which shall collect the Application Forms used by the Applicants applying through the ASBA process and a list of which is available on http://www.sebi.gov.in/pmd/scsb.pdf |
| Designated Date | | The date on which the funds blocked by the SCSBs are transferred from the ASBA Accounts specified by the Applicants to the Public Issue Account. |
| Designated Market Maker | 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 Locations | CDP | Such locations of the CDPs where Applicants can submit the 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 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 Exchange | Stock Exchange | SME Exchange of BSE Limited |
| Eligible NRIs | | An NRI from such a jurisdiction outside India where it is not unlawful to make an Issue or invitation under this Issue and in relation to whom the Application Form and the Prospectus will constitute an invitation to purchase the Equity Shares. |
| Equity Shares | | Equity shares of our Company of ₹ 10 each |
| Escrow Agreement | | Agreement dated November 08, 2016 entered into amongst the Company, the Lead Manager, the Selling Shareholders, the Registrar 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. |
| Foreign Investor / FPIs | Portfolio Investor | Foreign Portfolio Investor as defined under the SEBI (Foreign Portfolio Investors) Regulations, 2014. |
| Issue / Public Issue / IPO | Issue Size | This Initial Public Issue of 11,00,000 Equity Shares of ₹ 10 each for cash at a price of ₹ 60 per equity share, aggregating to ₹ 660.00 lakhs by the Company and the Selling Shareholders. |
| Issue Closing date | | The date on which the Issue closes for subscription being February 17, 2017 |
| Issue Opening date | | The date on which the Issue opens for subscription being February 22, 2017 |
| Issue Price | | The price at which the Equity Shares are being offered by our Company and the Selling Shareholders in consultation with the Lead Manager, under this Prospectus being ₹ 60. |
| Issue Proceeds | | The proceeds of the Issue. For further information about use of the Issue Proceeds please see the chapter titled “Objects of the Issue” beginning on page no. 60 of this Prospectus |
| LM / Lead Manager | | Lead Manager to the Issue, in this case being Aryaman Financial Services Limited. |
| Listing Agreement | | Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our Company and the SME Platform of BSE. |
| Market Reservation Portion | Market Maker | The reserved portion of 56,000 Equity Shares of ₹ 10 each at ₹ 60 per Equity Share aggregating to ₹ 33.60 lakhs for the Designated Market Maker in the Public Offer of our Company. |
| Market Making Agreement | Market Making | The Agreement among the Market Maker, the Lead Manager and our Company dated September 27, 2016. |
| 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 10,44,000 Equity Shares of ₹ 10 each at ₹ 60 per Equity Share aggregating to ₹ 626.40 lakhs by the Company and the Selling Shareholders. |

| Term | Description |
|---|--|
| Non-Resident | A person resident outside India, as defined under FEMA and includes Eligible NRIs, Eligible QFIs, FIIs registered with SEBI and FVCIs registered with SEBI |
| Prospectus | The Prospectus, filed with the RoC containing, inter alia, the Issue opening and closing dates and other information. |
| Public Issue Account | Account opened with Bankers to the Issue for the purpose of transfer of monies from the SCSBs from the ASBA accounts on the Designated Date. |
| Qualified Foreign Investors / QFIs | Non-resident investors other than SEBI registered FIIs or sub-accounts or SEBI registered FVCIs who meet 'know your client' requirements prescribed by SEBI |
| Qualified Institutional Buyers / QIBs | Public financial institutions as defined in Section 2(72) of the Companies Act, 2013, Foreign Portfolio Investor other than Category III Foreign Portfolio Investor, AIFs, VCFs, FVCIs, Mutual Funds, multilateral and bilateral financial institutions, scheduled commercial banks, state industrial development corporations, insurance companies registered with the IRDA, provident funds and pension funds with a minimum corpus of ₹ 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 / 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 |
| SEBI (FPI) Regulations | Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014. |
| SEBI Regulation / SEBI (ICDR) Regulations / Regulations | SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 issued by SEBI on August 26, 2009, as amended, including instructions and clarifications issued by SEBI from time to time. |
| SEBI (PFUTP) Regulations / PFUTP Regulations | SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003. |
| SEBI SAST / SEBI (SAST) Regulations | SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended. |
| 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 http://www.sebi.gov.in/pmd/scsb.pdf |
| Selling Shareholders | <ul style="list-style-type: none"> Mr. Sri Nagaveer Adusumilli, Mrs. Vasavi Adusumilli. |
| Share Escrow Agent | Share Escrow agent appointed pursuant to the Share Escrow Agreement, being Bigshare Services Private Limited |
| Share Escrow Agreement | Agreement dated November 08, 2016 entered into between the Selling Shareholders, our Company, the Escrow Agent and the Lead Manager in connection with the transfer of Equity Shares under the Issue for Sale by the Selling Shareholders and credit of such Equity Shares to the demat account of the Allottees. |
| SME Platform of BSE | The SME Platform of BSE for listing of equity shares offered under Chapter X-B of the SEBI (ICDR) Regulations which was approved by SEBI as an SME Exchange on September 27, 2011. |
| TRS / Transaction Registration Slip | The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the Applicant, as proof of registration of the Application. |
| Underwriters | Aryaman Financial Services Limited and Aryaman Capital Markets Limited. |
| Underwriting Agreement | The Agreement among the Underwriters, the Selling Shareholders and our Company dated September 27, 2016. |
| 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 |
|---------|--|
| AP | Andhra Pradesh |
| CAGR | Compound Annual Growth Rate |
| CIN | Corporate Identification Number |
| CPF | Charoen Pokphand Foods |
| CSO | Central Statistics Organization |
| CWC | Central Warehousing Corporation |
| DAC | Department of Agriculture & Cooperation |
| EBITDA | Earnings Before Interest, Tax, Depreciation & Amortization |
| EU | European Union |
| F&B | Food and Beverage |
| FCI | Food Corporation of India |
| FDI | Foreign direct investment |
| FICCI | Federation of Indian Chambers of Commerce and Industry |
| FMCG | Fast Moving Consumable Goods |
| HMNEH | Horticulture Mission for North East & Himalayan States |
| IMF | International Monetary Fund |
| INR | Indian Rupee |
| ISO | International Organization for Standardization |
| MIDH | Mission for Integrated Development of Horticulture |
| Mn | Million |
| Mn/ mn | Million |
| MNC | Multi National Corporation |
| MnMT | Million Metric Tone |
| MoFPI | Ministry of Food Processing Industries |
| MSP | Minimum Support Prices |
| MT | Metric Tone |
| NCCD | National Centre for Cold-chain Development |
| NHB | National Horticulture Board |
| NHM | National Horticulture Mission |
| PACS | Primary Agriculture Co-operative Society |
| PAN | Personnel Account Number |
| PCCSSPL | Polar Cube Cold Storage Solutions Private Limited |
| PO | Purchase order |
| QSR | Quick Service Restaurants |
| RBI | Reserve Bank of India |
| SCH | Single cross hybrid |
| SDSPL | Squarepeg Distribution Services Private Limited |
| SWC | State Warehousing Corporations |
| TFCP | Task Force on Cold-chain Projects |
| USA | United States of America |
| WDRA | Warehousing Development and Regulatory Authority |

Conventional Terms / General Terms / Abbreviations

| Term | Description |
|------|---|
| A/c | Account |
| ACS | Associate Company Secretary |
| AEs | Advanced Economies |
| AGM | Annual General Meeting |
| AS | Accounting Standards as issued by the Institute of Chartered Accountants of India |
| ASBA | Applications Supported by Blocked Amount |
| AY | Assessment Year |
| CAD | Current Account Deficit |
| CAGR | Compounded Annual Growth Rate |

| Term | Description |
|------------------------------|---|
| CDSL | Central Depository Services (India) Limited |
| CFO | Chief Financial Officer |
| CIN | Company Identification Number |
| CIT | Commissioner of Income Tax |
| DIN | Director Identification Number |
| DP | Depository Participant |
| ECS | Electronic Clearing System |
| EOGM | Extraordinary General Meeting |
| EPS | Earnings Per Share |
| FCNR Account | Foreign Currency Non Resident Account |
| FDI | Foreign Direct Investment |
| FEMA | Foreign Exchange Management Act, 1999, as amended from time to time, and the regulations framed there under |
| FIIs | Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India |
| FIPB | Foreign Investment Promotion Board |
| FY / Fiscal / Financial Year | Period of twelve months ended March 31 of that particular year, unless otherwise stated |
| GDP | Gross Domestic Product |
| GoI/Government | Government of India |
| HUF | Hindu Undivided Family |
| I.T. Act | Income Tax Act, 1961, as amended from time to time |
| ICSI | Institute of Company Secretaries Of India |
| IPO | Initial Public Offering |
| KM / Km / km | Kilo Meter |
| Merchant Banker | Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 |
| MoF | Ministry of Finance, Government of India |
| MOU | Memorandum of Understanding |
| NA | Not Applicable |
| NAV | Net Asset Value |
| NRE Account | Non Resident External Account |
| NRIs | Non Resident Indians |
| NRO Account | Non Resident Ordinary Account |
| NSDL | National Securities Depository Limited |
| OCB | Overseas Corporate Bodies |
| 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 |
| Rs. or ₹ | Rupees, the official currency of the Republic of India |
| RTGS | Real Time Gross Settlement |
| SCRA | Securities Contract (Regulation) Act, 1956, as amended from time to time |
| 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 Regulations | (ICDR) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 |
| SEBI Regulations | (SAST) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 |

| Term | Description |
|--|--|
| SEBI (LODR) Regulations, 2015 / SEBI Listing Regulations | Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 notified on September 02, 2015 |
| Sec. | Section |
| Securities Act | U.S. Securities Act of 1933, as amended |
| STT | Securities Transaction Tax |
| TIN | Taxpayers Identification Number |
| US/United States | United States of America |
| USD/ US\$/ \$ | United States Dollar, the official currency of the Unites States of America |
| VCF / Venture Capital Fund | Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India. |

CERTAIN CONVENTIONS; PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

Certain Conventions

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

Financial Data

Unless stated otherwise, the financial data in this Prospectus is derived from our audited financial statements as on and for the Fiscal Years ended March 31, 2016, 2015, 2014, 2013 and 2012 and for six months period ended September 30, 2016 prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI Regulations and included in this Prospectus. Our Fiscal Year commences on April 01 and ends on March 31 of the following year. In this Prospectus, any discrepancies in any table, graphs or charts between the total and the sums of the amounts listed are due to rounding-off.

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

Any percentage amounts, as set forth in the section titled “*Risk Factors*”, chapters titled “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page nos. 10, 85 and 203 of this Prospectus, respectively, and elsewhere in this Prospectus, unless otherwise indicated, have been calculated on the basis of our audited financial statements prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI Regulations.

Currency, Units of Presentation and Exchange Rates

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

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

Definitions

For definitions, please see the Chapter titled “*Definitions and Abbreviations*” on page no. 1 of this Prospectus. In the Section titled “*Main Provisions of Article of Association*” beginning on page no. 305 of this Prospectus, defined terms have the meaning given to such terms in the Articles of Association.

Industry and Market Data

Unless stated otherwise, the industry and market data and forecasts used throughout this Prospectus has been obtained from industry sources as well as Government Publications. Industry sources as well as Government Publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Further, the extent to which the industry and market data presented in this Prospectus is meaningful depends on the reader’s familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources.

FORWARD-LOOKING STATEMENTS

This Prospectus contains certain “forward-looking statements”. These forward-looking statements can generally be identified by words or phrases such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “project”, “will”, “will continue”, “will pursue”, “seek to” or other words or phrases of similar import. Similarly, statements that describe our Company’s strategies, objectives, plans, prospects or goals are also forward-looking statements.

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 Agro- Trading Industry in India where we have our businesses and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India and overseas which have an impact on our business activities or investments, the monetary and fiscal policies of India and other jurisdictions in which we operate, inflation, deflation, unanticipated volatility in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes, changes in competition in our industry and incidence of any natural calamities and/or acts of violence. Other important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- Changes in laws and regulations relating to the sectors/areas in which we operate;
- Increased in competition.
- Our ability to successfully implement our growth strategy and expansion plans;
- Our ability to meet our further capital expenditure requirements;
- Fluctuations in operating costs;
- Our ability to attract and retain qualified personnel;
- Changes in political and social conditions in India, the monetary and interest rate policies of India and other countries;
- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- The performance of the financial markets in India and globally;
- The occurrence of natural disasters or calamities;
- Our inability to maintain or enhance our brand recognition;
- Inability to adequately protect our trademarks;
- Changes in consumer demand;
- Failure to successfully upgrade our products and service portfolio, from time to time; and

For further discussions of factors that could cause our actual results to differ, please see 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, 85 and 203 of this Prospectus, respectively.

By their nature, certain risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Forward-looking statements speak only as of this Prospectus. Our Company, the Selling Shareholders, 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, the Selling Shareholders 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 risk. You should carefully consider all the information in the Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. To obtain a complete understanding, you should read this section in conjunction with the section titled “Our Business” beginning on page no. 85, “Industry Overview” beginning on page no. 72 and “Management's Discussion and Analysis of Financial Conditions and Results of Operations” beginning on page no. 203 and the section titled “Financial Information” beginning on page no. 137 as well as the other financial and statistical information contained in the Prospectus. The risks and uncertainties described in this section are not the only risks and uncertainties we currently face. Additional risks and uncertainties not known to us or that we currently deem immaterial may also have an adverse effect on our business, financial condition and results of operations. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations and financial condition could suffer, the price of our Equity Shares could decline, and you may lose all or part of your investment. The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risk factors where the effect is not quantifiable and hence the same has not been disclosed in such risk factors. In making an investment decision, prospective investors must rely on their own examination of the Company and the terms of the Issue, including the risks involved.

This 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 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:

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

Internal Risk Factors

1. *There are outstanding legal proceedings involving our Company. Any adverse decision in such proceedings may have a material adverse effect on our business, results of operations and financial condition.*

Our Company is party to certain legal proceedings. These legal proceedings are pending at different levels of adjudication before various courts, tribunals and forums.

Mentioned below are the details of the proceedings pending against our Company as on the date of this Prospectus along with the amount involved, to the extent ascertainable/quantifiable, based on the materiality policy for litigations, as approved by the Company in its Board meeting held on September 24, 2016.

a. *Litigations / Proceedings filed against our Company:*

| Sr. No. | Nature of Matter | No. of Matters | Amount (to the extent quantifiable) (₹ in lakhs) |
|---------|------------------|----------------|--|
| 1. | Income-tax | 1 | 35.05 |






Any developments in the proceedings, such as a change in Indian law or rulings against our Company by appellate courts or tribunals may constrain us to make provisions in our financial statements that could increase our expenses and current liabilities and the same may result in an adverse material impact on our business, goodwill, results of operations and financial condition. For further details, please refer to the chapter titled “Outstanding Litigations and Material Developments” beginning on page no. 229 of this Prospectus.

2. We have not entered into any long-term agreements with our suppliers for corn and other agro commodities and accordingly may face disruptions in supply from our current suppliers

We procure our corn and other agro commodities from various farmers / dealers PAN India. However, we have only Oral arrangements with them and no specific agreement / MoU have been entered into between our Company and our suppliers and we typically transact on an invoice basis for each order. These suppliers have accorded these arrangements based on trust, service and the ready finance provided by us. In the absence of written agreements, our suppliers can withdraw their oral understanding from us at any time. There can be no assurance that there will not be a significant disruption in the supply of these goods from current sources, including our agencies, or, in the event of a disruption, that we would be able to locate alternative suppliers of the goods of comparable quality on terms acceptable to us, or at all. This would not only affect our trading sales business but substantially affect our institutional supply business as well as packaged and prepared foods business which could in turn affect our goodwill in these markets. Identifying a suitable supplier involves a process that requires us to become satisfied with their quality control, consistency, responsiveness and service, financial stability and other ethical practices. Any delay, interruption or increased cost in the supply of these goods thereof pertaining to our products arising from a lack of long-term contracts could have an adverse effect on our ability to meet customer demand for our products and result in lower revenue from operations both in the short and long term.

3. We may not be able to use all our intellectual properties in the future

We utilise the following intellectual properties in our business:

| Sr. No. | IP | Particulars | Legal Status |
|---------|---|--|---|
| 1. |  | Main Brand Being use in all packaged goods as well as some of logistics vehicles | Application made |
| 2 |  | Corporate logo for subsidiary which carries out third party transportation business | Application made |
| 3. |  | Corporate Logo of the company used in all our corporate communications such as letter heads etc. | Application made |
| 4. |  | Use in retail sale counter such as kiosk at multiplex for sales of corn items* | Registered in the name of M/s. Sri Sai Agencies |
| 5. |  | This logo is not used currently by the company; however we may use this in the future. | Registered in the name of our company. |

* This logo is registered in the name of proprietary concern of our promoter - Mr. Sri Nagaveer Adusumilli The same is also used in the restaurant by this name which is operated in the proprietary concern's name and we do not accrue any revenue from the same.

As explained above; substantial portion of the IPs we currently use in business; are unregistered and our inability to use these IPs in the future due to objections from other players or other such delays in registration could cause substantial expenses in rebranding as well as reduce our sales and operational profits. For details of our Intellectual properties and legality status please refer “Our Business” and “Government and other Key Approvals” beginning on page nos. 85 and 222 of this Prospectus.

4. Fluctuating prices of corn and green peas prices may affect our operations

We procure fresh corn and green peas mainly from domestic markets PAN India at the existing market rates. These commodities are further either sold in loose form or packed and sold in form of frozen corn /peas or prepared into food items such as Corn Samosa etc.

The prices of these materials are subject to rapid fluctuations owing to changes in production, demand-supply forces and consumption pattern which are not within our control. Due to the perishable nature of the products, we may not be able to pass the increased prices of our products to the consumers leading to reduced margins or possibility of losses, thereby having adverse impact on our business, financial conditions and results of operations.

5. We enjoy certain indirect tax related policy benefits in our business. Any changes in regulations or applicable tax laws would materially affect our operations and growth prospects.

Our business is subject to various regulations and policies. For details of the applicable key industry regulations and policies please refer chapter titled “Key Industry Regulations and Policies” beginning on page no. 102 of this

Prospectus. Our business model could be materially 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 as well as changes in direct or indirect tax regime applicable to us. For e.g. Currently; substantial portion our sales represent sales of fresh corn which is an agro commodities; and does not bear any indirect taxes such as VAT etc. Further as per notification no. 25/2012/Service Tax; our third party transportation services income are currently exempt from service tax. There can be no assurance that we will continue to obtain benefits of government policies or that change in government policies and tax regimes such as GST would not impact our business adversely.

6. The acquisition of other companies, businesses or technologies in the future could result in operating difficulties, integration issues and other adverse consequences due to our limited past experience in acquiring businesses.

We have acquired 100% stake in Polar Cube Cold Storage Solutions Private Limited (PCCSSPL) and Squarepeg Distribution Services Private Limited (SDSPL) in the year 2015-16, thus making both these companies our subsidiaries. This enabled us to consolidate our transportation and cold room services business within one entity.

To foster our growth, we may consider making additional acquisitions in the future to expand our business. However, we have limited experience in acquiring businesses, and any acquisitions we undertake could limit our ability to integrate an acquired business and may create unforeseen operating difficulties and expenditures, including potentially dilutive issuances of the Equity Shares, incurrence of debt, contingent liabilities or amortization expenses or write-offs of goodwill, difficulties in integrating the operations, technologies, research and development activities, personnel and distribution, marketing and promotion activities of acquired businesses and ineffectiveness or incompatibility of acquired technologies.

Further; when we acquire businesses we may have to pay a certain amount of premium to the outgoing management / shareholders for synergic benefits that we may accrue compared to standalone valuations of those firms / businesses / companies. For e.g. we have acquired PCCSSPL and SDSPL at a price above their respective book values considering the premium payable to managements for goodwill and other such non book factors. Even though we have obtained third party valuation reports prior to acquiring these companies; and we may in the future also obtain valuation reports for acquisitions we may undertake; however; valuations are subjective in nature and one cannot be sure of correctness of the same.

Our inability to identify suitable acquisition opportunities or adequately priced acquisitions, entering into agreement with such parties or obtain the necessary financing to make such acquisitions could adversely affect our future growth. Moreover, the costs of identifying and consummating acquisitions may be significant. Also, acquired assets or businesses may not generate the financial results we expect. We may also have to obtain approvals and licenses from the relevant government authorities for the acquisitions and to comply with any applicable laws and regulations, which could result in increased costs and delay. We cannot assure you that we will be able to achieve the strategic objective for such an acquisition. Furthermore, if an acquisition generates insufficient revenues or if we are unable to manage our expanded business operations efficiently, our consolidated results of operations could be materially and adversely affected.

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

Our funding requirements and the deployment of the proceeds of the Issue are based on management estimates and our current business plan. The fund requirements and intended use of proceeds have not been appraised by bank or financial institution and are based on our estimates. In view of the competitive and dynamic nature of our business, we may have to revise our expenditure and fund requirements as a result of variations including in the cost structure, changes in estimates and other external factors, which may not be within the control of our management. In the event of an increase in expenditure and increased fund requirements, we will seek to meet these increased requirements by surplus funds, if any, available in respect of the other purposes for which funds are being raised in this Issue. If such surplus funds are unavailable, we will seek to meet these increased requirements through our internal accruals and additional debt. This may entail rescheduling, revising or cancelling the planned expenditure and fund requirement and increasing or decreasing the expenditure for a particular purpose from its planned expenditure at the discretion of our board. In addition, schedule of implementation as described herein are based on management's current expectations and are subject to change due to various factors some of which may not be in our control. The deployment of the funds towards the objects of the issue is entirely at the discretion of the Board of Directors and is not subject to monitoring by

external independent agency. However, the deployment of funds is subject to monitoring by our Audit Committee. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials.

8. *Seasonality affects our operations and business.*

We deal in agro commodities; mainly fresh corn and green peas. Such perishable products require certain season or weather conditions to grow and the same are consumed in certain other seasons also. Further some of third party distribution items may also be seasonal in nature. Hence; our business operations may be subject to seasonality and our quarterly or six monthly results may not be fully comparable to that extent. Also, our cold storage business is seasonal due the above mentioned reasons. Due to perishable nature of the products we deal in, seasonality and weather conditions do affect our business. Even though, we do take preventive measures for the same like planning procurement schedules, storing products in cold storage chambers, etc., we can never be fully sure of being able to manage seasonal aspects which are inherent in our business. Inability to manage these aspects could result in losses and affect our results of operations and financial conditions.

9. *Our Company has entered into loan agreements with Banks and NBFC which contain restrictive covenants.*

As on March 31, 2016 and September 30, 2016, our Company has outstanding secured loans of ₹ 1,068.12 lakhs and ₹ 1,154.01 lakhs from Banks and NBFCs as per Restated Standalone Financials. As per our current financing arrangements with them, we are subject to certain restrictive covenants which require us to obtain their prior consent before undertaking certain corporate actions such as starting of new activities, change in capital structure, disposal of major fixed assets, etc. Our inability to manage the covenants of the lenders and continue to grow our business could lead to slower than required growth and operational efficiencies in the future.

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

Our Promoter and Directors may be deemed to be interested to the extent of the Equity Shares held by them, or their relatives or our Group Entities, and benefits deriving from their directorship and shareholding in our Company. Our Promoter are interested in the transactions entered into between our Company and themselves as well as between our Company and our Group Entities. For further details, please refer to the chapters titled “Our Business” and “Our Promoter and Promoter Group”, beginning on page nos. 85 and 132 respectively and the chapter titled “Annexure XXV - Related Party Transactions” on page no. 197 under chapter titled “Financial Statements” beginning on page no. 197 of this Prospectus.

11. *We do not own the registered office and other premises from which we operate. Any dispute in relation to the lease of our premises would have a material adverse effect on our business and results of operations.*

We do not own the premises on which our registered office is situated. Our Company operates from rented and leased premises at various locations. Further, the lease agreements for all the properties are not registered. If any of the owners of these premises do not renew the agreements or renews such agreements on terms and conditions that are unfavourable to our Company, it may suffer a disruption in our operations or we may have to pay increased rentals which could have a material adverse effect on our business, financial condition and results of operations. For more information, please refer chapter titled “Our Business” on page no. 85 of this Prospectus.

12. *There exists certain conflict of interest between our company and our promoter*

One of our promoter group entities; namely the proprietary concern of Mr. Sri Nagaveer Adusumilli operating under the name and style of M/s. Sri Sai Agencies operated a restaurant outlet servicing corn based food items. This restaurant is also using "Corn Club" as its brand and logo; which we further use in the retail kiosks we set up in Multiplexes.

Even though we currently do not have restaurant business as part of our business model; and hence this proprietary business does not specifically compete with our existing lines of business; however' our main object allows us to operate a restaurant and if in the future our company wishes to enter this segment; we may be constrained due to this potential conflict of interest.

Further; we share "Corn Club" logo with this proprietary concern's and we do not own this logo. If we are unable to retain rights to this logo; we may be adversely affected.

13. We have issued Equity Shares during the last year at a price that may be below the Issue Price.

We have issued certain Equity Shares in the last twelve months, at a price that may be lower than the Issue Price. Details of such issuances are given in the table below:

| Date of Allotment | Name of the Allottees | Number of Shares | Issue Price (₹) | Nature of Allotment |
|-------------------|----------------------------|------------------|-----------------|---|
| December 02, 2015 | Smt. P. Sarada | 2,20,013 | 17 | Allotted against acquisition of 100% stake in PCCSSPL |
| | Smt. M. Sravanthi | 2,20,013 | | |
| December 02, 2015 | Mr. Adusumilli Sri Nagveer | 2,52,711 | 17 | Allotted against acquisition of 100 % stake in SDSPL |
| | Mrs. Adusumilli Vasavi | 2,038 | | |

For Further details of equity shares issued, please refer to the section titled “*Capital Structure*” beginning on page no. 50 of the this Draft Prospectus

14. We require number of approvals, licenses, registrations and permits for our business and are required to comply with certain rules, regulations and conditions to operate our business and failure to obtain, retain or renew such approvals and licences in a timely manner or to comply with the requisite rules, regulations and conditions may adversely affect our operations.

We require several statutory and regulatory permits, licenses and approvals to operate our business, some of which our Company has either received, applied for or is in the process of application. Many of these approvals are granted for fixed periods of time and need renewal from time to time. While we believe that we will be able to obtain the required permits and approvals as and when required there can be no assurance that the relevant authorities will issue any or all requisite permits or approvals in the time frame anticipated by us, or at all. Non-renewal of the permits and licenses would adversely affect our Company’s operations, thereby having a material adverse effect on our business, results of operations and financial condition. Further, some of our permits, licenses and approvals are subject to several conditions and we cannot provide any assurance that we will be able to continuously meet such conditions or be able to prove compliance with such conditions to the statutory authorities, which may lead to the cancellation, revocation or suspension of relevant permits, licenses or approvals.

Further, due to changes in business module or expansion of our processing facilities we may be required to obtain certain additional government permits for e.g. Due to increase in the number of workers employed, the facility of the company has become a "factory" within the meaning of the Factories Act, 1948 and consequent to the same the company recently obtained registration as a factory under the said Act. However there is no change in the activity carried on by the Company yet. If the activity / or nature of activity changes, we may have to obtain certain additional licenses, permits or approval to this regard.

Any failure by us to apply in time, to renew, maintain or obtain the required permits, licenses or approvals, or the cancellation, suspension or revocation of any of the permits, licenses or approvals may result in the interruption of our operations and may have a material adverse effect on the business and financial condition. For further details, please refer to the chapters titled “*Key Regulations and Policies*” and “*Government and Other Key Approvals*” beginning on pages no. 102 and 222 respectively, of this Prospectus.

15. We have high working capital requirements for our business operations. In case of our inability to obtain the requisite additional working capital facilities from the proposed IPO proceeds, our internal accruals/cash flows would be adversely affected, and consequently our operations, revenue and profitability.

Our business requires a substantial amount of working capital for our business operations. We would require additional working capital facilities in the future to satisfy our working capital need which is proposed to be met through the IPO proceeds. In case of our inability to obtain the requisite additional working capital finance, our internal accruals/cash flows would be adversely affected to that extent, and consequently affect our operations, revenue and profitability.

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

As on date, we have not made any alternate arrangements for meeting our working capital requirements for the Objects of the Issue. We meet our capital requirements through our owned funds, internal accruals and debt. Any shortfall in our net owned funds, internal accruals and our inability to raise debt would result in us being unable to meet our capital requirements, which in turn will negatively affect our financial condition and results of operations. Further we have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this issue or any shortfall in the issue proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details please refer to the chapter titled “Objects of the Issue” beginning on page no. 60 of this Prospectus.

17. We have not made any provisions for decline in value of our Investments

As on September 30, 2016 and March 31, 2016, for both the periods, we hold investments in Unquoted Equity Instruments aggregating to ₹ 118.11 lakhs as per Restated Standalone Financial Statements. We have not made any provision for the decline in value of these investments and hence as and when these investments are liquidated, we may book losses based on the actual value we can recover for these investments and if lower than the cost, the same could adversely affect our results of operations.

18. We are dependent on our Individual Promoter, Mr. Sri Nagaveer Adusumilli for his expertise and market goodwill. Our separation, if any, from our Promoter may adversely affect our business.

We are dependent on our Individual Promoter, Mr. Sri Nagaveer Adusumilli for his expertise and market goodwill and our separation from our Promoter may adversely affect our business. Being a SME company; we have been promoter driven till date and may continue to do so until we grow enough to retain services of high quality senior management. Our separation, if any, with our Promoter prior to being able to find adequate replacement for any reasons whatsoever shall adversely affect our business and results of operations.

19. We have contingent liabilities, which if materialize could adversely affect our financial condition

The contingent liabilities of our Company not provided for, as certified by auditor are as under Restated Standalone Financials:

(₹ in Lakhs)

| Particulars | September 30, 2016 | As at March 31, | | | | |
|--|--------------------|-----------------|------|------|------|------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| Letters of Credits, Bank Guarantees & Bills discounted | - | - | - | - | - | - |
| Estimated Amount of contracts to be executed on capital accounts (net of advances) | - | - | - | - | - | - |
| Capital Commitments towards expansion of Processing Activity | - | - | - | - | - | - |
| Statutory claims against Company | 35.05 | 35.05 | - | - | - | - |
| Sales Tax Claim against SCN | - | - | - | - | - | - |
| Total | 35.05 | 35.05 | - | - | - | - |

In the event the above contingent liability gets crystallized, our financial condition may be adversely affected. For further information, please refer “Annexure XXVII - Contingent Liability” under Chapter titled “Financial Statements” beginning on page 199 of this Prospectus.

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

The details of Cash flows of the Company are as under Restated Standalone Financials:

(₹ in lakhs)

| Particulars | As at September 30, 2016 | Year ended March 31, | | | | |
|---------------------------------------|--------------------------|----------------------|----------|----------|----------|---------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| Net Cash from Operating Activities | 192.60 | 174.32 | (27.22) | (341.57) | (285.26) | (85.89) |
| Net Cash from Investing Activities | (148.85) | (58.90) | (348.07) | (98.80) | 231.21 | 59.77 |
| Net Cash used in Financial Activities | (43.93) | (115.72) | 381.17 | 444.94 | 53.67 | 23.34 |

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

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

Our Company has entered into certain transactions with our related parties including our Promoter, the Promoter Group, our Directors, their relatives and Group entities. While we believe that all such transactions have been conducted on the arms length basis, there can be no assurance that we could not have been achieved more favorable terms had such transactions not been entered into with related parties. Furthermore, it is likely that we will enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operation. For details on the transactions entered by us, please refer to chapter "Annexure XXV - of Related Party Transactions" beginning on page no. 197 of this Prospectus.

22. *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 for our trading and more particularly our subsidiary's business.

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. 118 of this Prospectus.

23. *The shortage or non-availability of power may adversely affect the cold storage processes and our performance may be affected adversely.*

Our business processes requires power, mainly uninterrupted. Our facilities may face power interruptions due to power cuts and as a result our operations or financial condition may be adversely affected. Even though we have an operating history of almost a decade now; and have been able to manage our power requirements; changes in government policies or local power shortages could affect our business more than other businesses as it is purely dependent on ability to continue to store our products at the cold room facilities.

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

Employee misconduct or errors could expose us to business risks or losses, including termination of our contracts, regulatory sanctions and serious harm to our reputation. There can be no assurance that we will be able to detect or deter such misconduct. Moreover, the precautions we take to prevent and detect such activity may not be effective in all cases. Our employees and agents may also commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions on account of which our business, financial condition, results of operations and goodwill could be adversely affected.

25. *Our results of operations could be adversely affected by strikes, work stoppages or increased wage demands by our employees or any other kind of disputes with our employees.*

Our business activities are dependent on availability of skilled and unskilled labour. Non-availability of labour at any time or any disputes with them may affect our production schedule and timely delivery of our products to customers which may adversely affect our business and result of operations. We are unable to assure you that we will not experience disruptions to our operations due to disputes or other problems with our work force, which may lead to strikes, lock- outs or increased wage demands. Such issues could have adverse effect on our business, and results of operations.

26. Our Promoter 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.

The current issue includes fresh issue of equity shares and offer for sale by our Promoter and Promoter Group. Our Promoter and Promoter Group may beneficially own approximately 62.59% 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.

27. Our insurance coverage may not be adequate to protect us against certain operating hazards and this may have a material adverse effect on our business.

We are insured for a number of the risks associated with our several businesses, such as insurance cover against loss or damage by fire, explosion, burglary, theft and robbery. We believe we have got our assets adequately insured; however there can be no assurance that any claim under the insurance policies maintained by us will be honoured fully, in part or on time, to cover all material losses. To the extent that we suffer any loss or damage that is not covered by insurance or exceeds our insurance coverage, our business and results of operations could be adversely affected. For details of the insurance coverage taken by us see "Our Business - Insurance" on page no. 101 of this Prospectus.

28. Our Company has not paid any dividends till now and there can be no assurance that we will pay dividends in future. Our ability to pay dividends in the future will depend upon a variety of factors such as future earnings, financial condition, cash flows, working capital requirements, and restrictive covenants in our financing arrangements.

Our Company has not paid any dividends till now and there can be no assurance that we will pay dividends in future. Our ability to pay dividends in the future will depend on our earnings, financial condition and capital requirements. Dividends distributed by us will attract dividend distribution tax at rates applicable from time to time. There can be no assurance that we will generate sufficient income to cover our operating expenses and pay dividends to our shareholders, or at all. Our ability to pay dividends could also be restricted under the existing or certain financing arrangements that we may enter into.

29. We currently have low operating margins.

Our business is a high volume, low margin business. Our different operating margin parameters are as follows:

| Parameter | September 30, 2016 | FY 2016 | FY 2015 | FY 2014 |
|---------------|--------------------|---------|---------|---------|
| EBITDA Margin | 7.29% | 7.38% | 8.44% | 4.90% |
| EBIT Margin | 5.59% | 5.77% | 6.80% | 4.14% |
| PAT Margin | 1.88% | 2.05% | 2.54% | 1.05% |

Due to this nature of our business; sudden shocks with respect to price movements in goods being traded or sudden ad-hoc anomalies in business could substantially affect our net bottom lines and hence adversely affect our results of operations and financial conditions.

30. We propose to utilise a part of the Net Proceeds for general corporate purpose and our management will have the discretion to deploy the funds. In any case, the deployment towards general corporate purposes out of the IPO proceeds shall not exceed 25% from the said issue.

We propose to utilise the Net Proceeds for purposes identified in the section titled "Objects of the Issue" and we propose to utilise the balance portion of the Net Proceeds towards general corporate purposes, namely, including but not restricted to for our working capital requirements, bank deposits, deposits for renting or otherwise acquiring business premises, margin money, acquiring business assets, to renovate and refurbish certain of our existing Company owned/leased and operated facilities or premises, starting new products or services, obtaining new or enabling accreditations and licenses, investment in business venture, strategic alignment, strategic initiatives as per the objects of

the Company, expansion into new geographies, investment in securities, brand building exercises, strengthening of our marketing capabilities, implementing enterprise resource planning tools and methodology, in our operations and other project related investments and commitments and execution capabilities in order to strengthen our operations.

31. Our growth strategy to expand into new geographic areas poses risks. We may not be able to successfully manage some or all of such risks, which may have a material adverse effect on our revenues, profits and financial condition.

Currently, we have business operations in Andhra Pradesh and Telangana. We plan to expand geographically in to other states across India. Ours is a regulatory oriented business, we need approvals and license for almost all the activities we do. Every state has different laws pertaining to manpower, trading license, etc. and different mannerism of doing business. Our business is therefore significantly dependent on the general economic condition and activity in the states in which we operate, and the central, state and local Government policies relating to our industry. Although investment in the industry in the areas in which we operate has been encouraged, there can be no assurance that this will continue. We may expand geographically, and may not gain acceptance or be able to take advantage of any expansion opportunities outside our current markets. This may place us at a competitive disadvantage and limit our growth opportunities. We may face additional risks if we undertake operations in other geographic areas in which we do not possess the same level of familiarity as competitors. If we undertake operations of different product than those currently is; we may be affected by various factors, including but not limited to: Adjusting our products to different geographic areas; Obtaining the necessary materials and labour in sufficient amounts and on acceptable terms; Obtaining necessary Government and other approvals in time or at all; Failure to realize expected synergies and cost savings; Attracting potential customers in a market in which we do not have significant experience; and Cost of hiring new employees and absorbing increased costs.

32. We may not be able to sustain effective implementation of our business and growth strategies.

The success of our business will depend greatly on our ability to effectively implement our business and growth strategies. We plan to increase our sales from the prepared foods or our self-branded foods being sold under the brand of "Frozen Kings". We also plan to explore moving to additional geographies as well as ramping up our processing capabilities. We believe our experience and expertise will help us in executing these business strategies; however we may not be able to execute our strategies in time or at all in the future. Further, our growth strategies could place significant demand on our management team and other resources and would require us to continuously develop and improve our operational, financial and other controls, none of which can be assured. Any failure on our part to scale up our infrastructure and management could cause disruptions to our business and could be detrimental to our long- term business outlook.

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

Modernisation and technology up gradation is essential to reduce costs and increase the output. Our technology and key infrastructure 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 are significant which could substantially affect our finances and operations. Further we propose to utilise the proceeds from the fresh issue towards working capital and any ad-hoc changes in technology may require capex infusion for which we may need to raise further funds separately. Our ability to ensure timely reactions and adaption to changes in technology requirements could affect our operations and results of operations.

34. 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 cold storage processes involve daily use of technical equipment's and machineries. They require periodic maintenance checks and technical support in an event of technical breakdown or malfunctioning. At present, we have in house technical team for maintaining our machines. Our company has not entered into any technical support service contract with any other competent third party. Our failure to reduce the downtime in case such events occur may adversely affect our productivity, business and results of operations.

35. *We face competition in our business from organized and unorganized players, which may adversely affect our business operation and financial condition.*

Demand and supply dynamics are always active in perishable items. With regards to our trading business, much of the market in which we operate is unorganized and fragmented with many small and medium-sized entities. We face substantial competition for our products from other traders / dealers in domestic market. We compete with other traders / dealers on the basis of product range, product quality, and product price including factors, based on reputation, needs, and customer convenience. Some of our competitors may have longer industry experience and greater financial, technical and other resources, which may enable them to react faster in changing market scenario and remain competitive. Moreover, the unorganized sector offers their products at highly competitive prices which may not be matched by us and consequently affect our volume of sales and growth prospects. Growing competition may result in a decline in our market share and may affect our margins which may adversely affect our business operations and our financial condition. Further; for our branded products business wherein we sell packed as well as loose form of Corn based food items as well as frozen corn and frozen green peas etc. we would be competing to large MNCs or corporations involved in frozen foods segment. Our ability to compete with these large corporations could be restricted due to our limited balance sheet and operational strengths. Also, the third party temperature controlled transportation and cold room logistics business would face similar competitive pressures and we may not be able to adequately compete and ensure sales or margin growths in the future due to increased competition in this segment.

36. *We have not entered into any definitive arrangements to monitor the utilization of the Issue Proceeds.*

As per the SEBI ICDR Regulation 2009, appointment of monitoring agency is required only for Issue size above ₹ 50,000 lakhs. Hence we have not appointed any monitoring agency and the deployment of Issue Proceeds as stated in the “*Objects of the Issue*” on page no. 60 of this Prospectus is not subject to monitoring by any independent agency. Major portion of the net proceeds being raised through this Issue will be utilized for working capital requirements which are based on the management estimates. Considering the nature of our fund utilisation; we have not entered into any definitive arrangements to utilise the funds raised.

37. *Our Company will not receive any proceeds from the Offer for Sale portion.*

This Issue comprises of Offer for sale of 4,28,000 Equity Shares by our Promoter / Promoter Groups. The proceeds from the Issue pertaining to the above sale shares will be paid to the aforesaid persons in proportion of the Equity Shares offered by them in the Issue and we will not receive any proceeds from the Issue. For further details, please refer the chapter titled “*Objects of the Issue*” on page no. 60 of this Prospectus.

38. *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.

39. *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 our results of operations and the performance of our business, competitive conditions, general economic, political and social factors, the performance of the Indian and global economy and significant developments in India’s fiscal regime, volatility in the Indian and global securities market, performance of our competitors, the Indian Capital Markets, changes in the estimates of our performance or recommendations by financial analysts and announcements by us or others regarding contracts, acquisitions, strategic partnerships, joint ventures, or capital commitments.

In addition, if the stock markets experience a loss of investor confidence, the trading price of our Equity Shares could decline for reasons unrelated to our business, financial condition or operating results. The trading price of our Equity Shares might also decline in reaction to events that affect other companies in our industry even if these events do not directly affect us. Each of these factors, among others, could materially affect the price of our Equity Shares. There can be no assurance that an active trading market for our Equity Shares will develop or be sustained after this Issue, or that the price at which our Equity Shares are initially offered will correspond to the prices at which they will trade in the market subsequent to this Issue. For further details of the obligations and limitations of Market Makers please refer to the section titled “General Information – Details of the Market Making Arrangement for this Issue” on page no. 48 of this Prospectus.

40. *The Issue Price of our Equity Shares may not be indicative of the market price of our Equity Shares after the Issue.*

The Issue price based on numerous factors and may not be indicative of the market price for our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. There can be no assurance that you will be able to resell your Shares at or above the Issue Price. Among the factors that could affect our Share price are: quarterly variations in the rate of growth of our financial indicators, such as earnings per share, net profit and income; changes in income or earnings estimates or publication of research reports by analysts; speculation in the press or investment community; general market conditions; and domestic and international economic, legal and regulatory factors unrelated to our performance.

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

Subsequent to the Issue, we will be subject to a daily “circuit breaker” imposed by BSE, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares. This circuit breaker operates independently of the index-based, market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on our circuit breakers will be set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The BSE may not inform us of the percentage limit of the circuit breaker in effect from time to time and may change it without our knowledge. This circuit breaker will limit the upward and downward movements in the price of the Equity Shares. As a result of imposing circuit limit, no assurance can be given regarding your ability to sell your Equity Shares or the price at which you may be able to sell your Equity Shares at any particular time.

42. *Our Company has availed 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 standalone audited financial statement as on September 30, 2016 and March 31, 2016 has availed total sum of ₹ 37.03 lakhs and ₹ 21.26 lakhs as unsecured loan which may be recalled at any time. Sudden recall may disrupt our operations and also may force us to opt for funding at higher interest rates, resulting in higher financial burden. 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 to the section “Unsecured Loans” under “Financial Statements” beginning on page no. 137 of this Prospectus. Any demand for the repayment of such unsecured loan, may adversely affect our cash flow and financial condition.

External Risk Factors

43. *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 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 endeavor 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.

44. All of our business functions are operated from India and a decrease in economic growth in India could cause our business to suffer.

We operate all our business functions from India and, consequently, our performance and the quality and growth of our business are dependent on the health of the economy of India. The Indian economy had a sustained growth over the last decade. However, the economy may be adversely affected by factors such as adverse changes in liberalization policies, social disturbances, terrorist attacks and other acts of violence or war, natural calamities or interest rates changes, which may also affect the microfinance industry. Any such factor may contribute to a decrease in economic growth in India which could adversely impact our business and financial performance.

45. Instability of economic policies and the political situation in India could adversely affect the fortunes of the industry.

Unstable internal and international political environment could impact the economic performance in both the short term and the long term. The Government of India has pursued the economic liberalization policies including relaxing restrictions on the private sector over the past several years. The present Government has also announced policies and taken initiatives that support continued economic liberalization. The Government has traditionally exercised and continues to exercise a significant influence over many aspects of the Indian economy. Our Company's business, and the market price and liquidity of the Equity Shares, may be affected by changes in interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India.

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

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

47. Terrorist attack, war, natural disaster or other catastrophic events may disrupt or otherwise adversely affect the markets in which we operate our business and our profitability.

Terrorist attacks may cause damage or disruption to our company, our employees, our facilities and our customers, which could impact our sales and results from operations. Any future terrorist attacks, the national and international responses to terrorist attacks, or other acts of war or hostility may cause greater uncertainty and cause our business to suffer in ways that we currently cannot predict.

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

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

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

Our business and financial performance could be adversely affected by unfavorable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations applicable to us and our business, including those relating to consumer protection, Internet and privacy. For details of the material laws currently applicable to us, please see the chapter titled "Key Industry Regulations and Policies" beginning on page no. 102 of this Prospectus.

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

50. The extent and reliability of Indian infrastructure could adversely affect our results of operations and financial condition.

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

PROMINENT NOTES

1. Investors are free to contact the Lead Manager for any clarification, complaint or information pertaining to the Offer. 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 is ₹ 702.29 lakhs and ₹ 755.97 lakhs and the book value of each Equity Share is ₹ 20.39 and ₹ 21.39 as of March 31, 2016 and September 30, 2016 as per our Restated Standalone Financial Statements. For more information, please refer the Section titled "Financial Information" beginning on page no. 137 of this Prospectus.
3. Public Issue of 11,00,000 Equity Shares for cash at price of ₹ 60 per share including a premium of ₹ 50 aggregating to ₹ 660.00 lakhs. The Issue will constitute 26.72% 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 (₹) |
|-----------------------------|------------------|
| Mr. Sri Nagaveer Adusumilli | 10.79 |

5. Investors are advised to refer to the chapter titled “*Basis for Issue Price*” beginning on page no. 67 of this Prospectus.
6. The details of transactions by our Company with our Group Companies during the last year are disclosed under “*Annexure XXV - Related Party Transactions*” on page no. 197 of this Prospectus.
7. There are no financing arrangements whereby the Promoter Group, the Directors of our Company who are the Promoter 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 this Prospectus.
8. Our Company was incorporated as Tanvi Foods Private Limited on March 30, 2007 under the Companies Act, 1956 with the Registrar of Companies, Hyderabad bearing Registration No. 053406. The name of the Company was changed to Tanvi Foods (India) Private Limited vide special resolution dated June 10, 2009 and name change Certificate was issued on June 23, 2009 by the Registrar of Companies, Hyderabad. The status of our Company was changed to a public limited company and the name of our Company was changed to Tanvi Foods (India) Limited by a special resolution passed on September 15, 2016. A fresh Certificate of Incorporation consequent upon conversion was issued on September 22, 2016 by the Registrar of Companies, Hyderabad. The Company’s Corporate Identity Number is U15433TG2007PLC053406

SECTION III: INTRODUCTION

SUMMARY OF OUR INDUSTRY

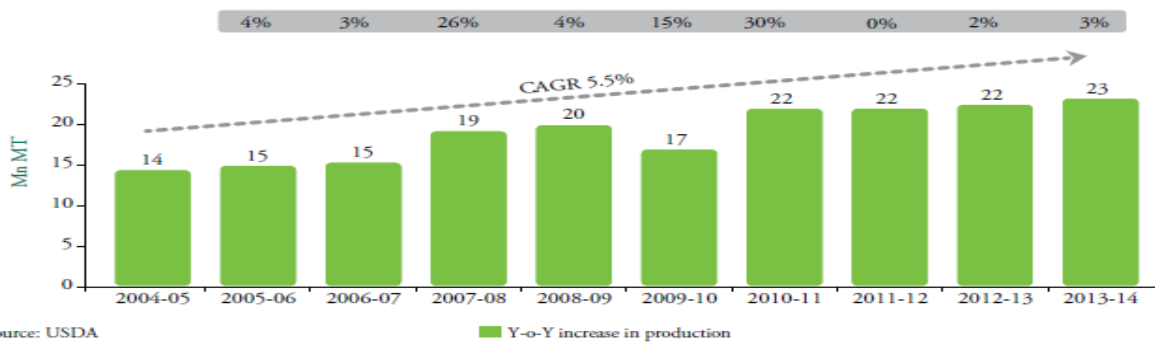
INDIAN ECONOMIC SCENARIO

Maize is grown throughout the year in India. It is predominantly a kharif crop with 85 per cent of the area under cultivation in the season. Maize is the third most important cereal crop in India after rice and wheat. It accounts for ~9 per cent of total food grain production in the country.

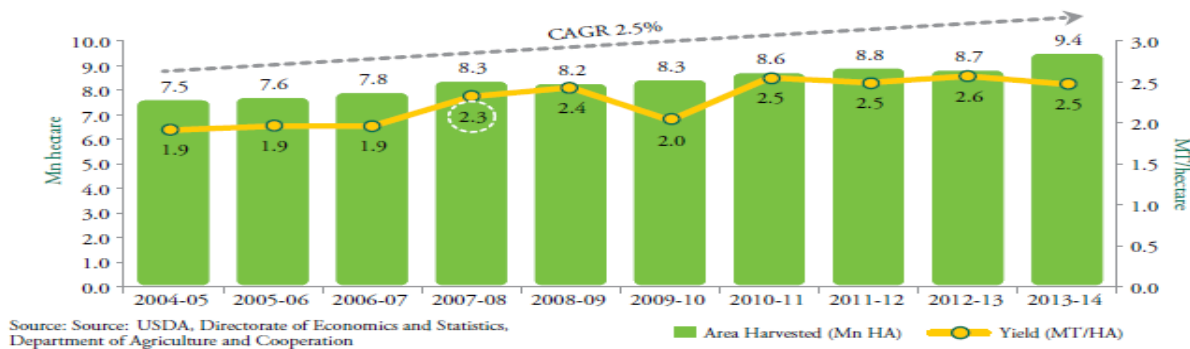
Maize production in India has grown at a CAGR of 5.5 per cent over the last ten years from 14 MnMT in 2004-05 to 23 MnMT in 2013-14. During 2009-10 there was a decline in production primarily due to drought that affected production of kharif crops in the country. The area under maize cultivation in the period has increased at a CAGR of 2.5 per cent from 7.5 Mn hectare in 2004-05 to 9.4 Mn hectare in 2013-14, the remaining increase in production is due to increase in yield. Factors such as adaptability to diverse agro-climatic conditions, lower labour costs and lowering of water table in the rice belt of India have contributed to the increase in acreage.

Productivity of maize (yield) has increased at a CAGR of 2.9 per cent from 1.9 MT/hectare in 2004-05 to 2.5 MT/hectare in 2013-14. Introduction of Single cross hybrid (SCH) seeds coupled with adequate rainfall in 2007-08 contributed to 20 per cent increase in yield.

India Maize Production



Land Area Under Maize Cultivation and Yields

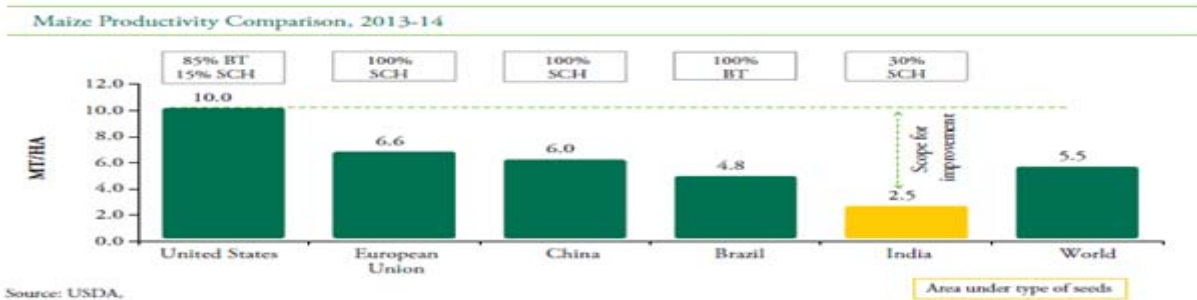


USA has the highest productivity when compared with the global average of 5.5 MT/hectare due to 85 per cent of the area under BT-SCH and remaining 15 per cent under SCH seeds backed by temperate climate and long duration crop. The yield in EU nations is as high as 6.6 MT/hectare due to 100 per cent area under SCH, temperate climatic conditions and long duration crop. The yield in China is low when compared to EU nations due to sub-tropical climate and medium duration crop. Brazil has lower yield due to dependence on rainfall and tropical climatic conditions.

The difference in yield across the globe is mainly due to environmental, technological, economic and organizational factors. In most developed countries the climate is temperate; likewise they use sufficient inputs and a well mechanized system for the maize production.

In India, the yield is half of the global average. Constraints for low productivity include:

- Climatic conditions resulting in drought/excess water associated with increased pressure of diseases/pests
- Cultivation in kharif is mainly under rain-fed conditions on marginal lands with inadequacy in irrigation
- Only about 30 per cent of the area is under SCH. Lack of development of single cross hybrid technology, which is a key to higher productivity gains like USA, China and other countries
- Limited adoption of improved production-protection technology
- Deficiencies in the production and distribution system of quality seed
- Small farm holdings and limited resource availability with farmers



(Source: FICCI)

Maize consumption in India has grown at a CAGR of ~4 per cent over the last ten years from 14 MnMT in 2004-05 to 19 MnMT in 2013-14. There was a decrease in domestic consumption in 2009-10 primarily due to the drought that led to decline in production.



Maize is the basic raw material required for manufacturing starch and constitutes 60-70 per cent of the total operating costs. Maize has 60-65 per cent starch content, hence cannot be easily substituted by other commodities.

Historically maize was used more for local consumption and less for commercial use. Maize utilized for direct human consumption has reduced over the years and is expected to further reduce due to rising income levels which has made preferred cereals like wheat and rice more affordable, increasing commercial demand from poultry and starch industries leading to higher farmer realization.

Developed countries like USA and European nations have a very low ratio of maize going towards direct maize consumption as most of the maize goes toward production of feed, starch and ethanol. Maize is consumed directly as food primarily in developing countries of Africa and Central America.

Economic development in the country is expected to shift India's maize consumption pattern to that of developed countries and result in a further drop in direct consumption of maize.

Procurement through the trader and broker network is the most prominent channel adopted by the end users for procuring maize

Model 1 – Procurement Through the Trader Network

Illustrative



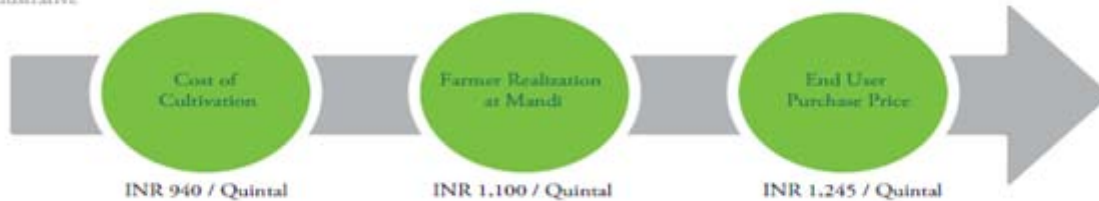
Model 2 – Procurement through the broker network

Illustrative



Model 3 – Procurement through farmers

Illustrative



Procurement directly from farmers could result in a saving of approximately INR 50/Quintal, but is not a prominent model in the country today due to factors such as:

- Payment of cash to farmers
- Credit period of 15-30 days provided by traders
- Concerns around continuity of supply from farmers
- Problems faced managing multiple farmers due to fragmented land holdings

(Source: FICCI)

Cold Storage

Product Segmentation

The various goods which require cold-chain facilities were segmented into broad product segments, listed in Figure 6:

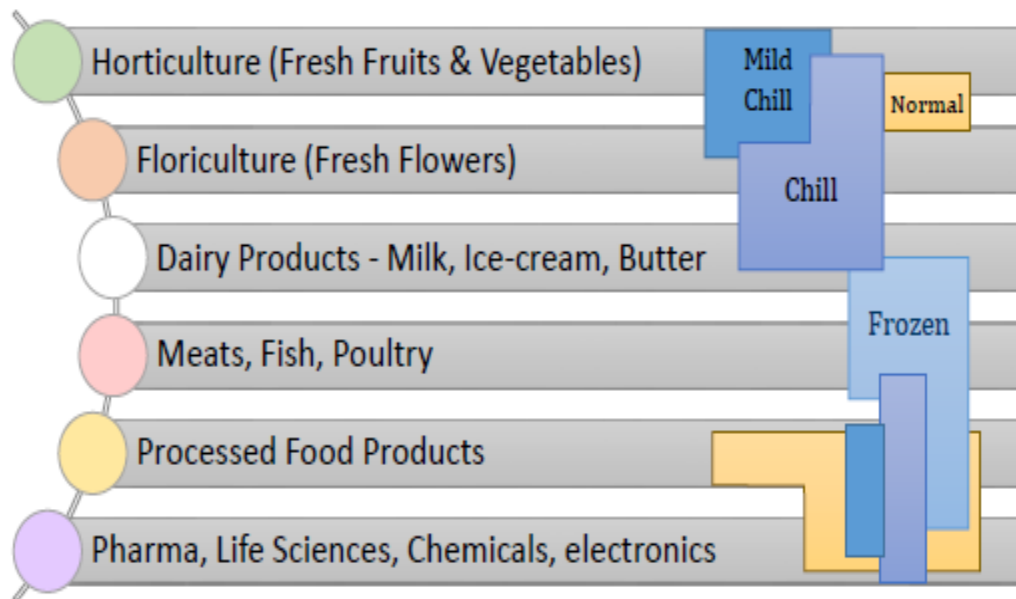


Fig. 6 – Product-wise segmentation of temperature controlled logistic chain

The above listed product segments, have varied holding times, depending on time-temperature combinations and cold-chain infrastructure facilities. The first 3 in the list mostly have a short holding life and the last 3 have a long holding life of many months or even years. Accordingly, the cold-chain facilities play a differentiated role which may be summarized as under:

- For fresh horticulture and floriculture produce, the cold-chain enhances the life cycle of the produce thereby extending its saleable life and time span to reach the end-consumers across geographies. Due to shortage of time, quick logistics connectivity is the driving force.
- For transformed or processed food, the cold-chain protects the status of the manufactured goods till it is consumed. Due to long term holding ability, low cost procurement and a managed product inventory takes precedence.

In both cases, the cold-chain protects value of goods under its care, and the primary benefit of cold-chain goes to the producer/owners of this value, namely the farmers, growers, producer organisations, as well the traders and food processors.

It is also noted that there is scope for synergistic use of infrastructure, between the different user or product segments. In utilising logistics assets, cross utilisation and improved capacity utilisation can be effected if the initial design and planning is in accordance. The most commonly used component between segments is the reefer transport and these are designed to handle in a wide range of conditions.

Indian scenario

In October 2014 a report by the Task Force on Cold Chain Projects recommended creation of additional 7.5 million MT cold-chain capacity in the next 5 years under the joint responsibility of the Ministry of Agriculture and the Ministry of Food Processing Industries. Out of 7.5 million MT, DAC can take up 5 million MT under MIDH and MoFPI can take up 2.5 million MT. The capacity needs to be planned to adopt an “end-to-end” approach so as to connect farm-gate to the consumers in a seamless manner.

The base line survey of cold stores, conducted by M/s. Hansa Research for National Horticulture Board under DAC in 2013-14, indicates the segment wise share in number of cold storage is shown in Fig. 8.

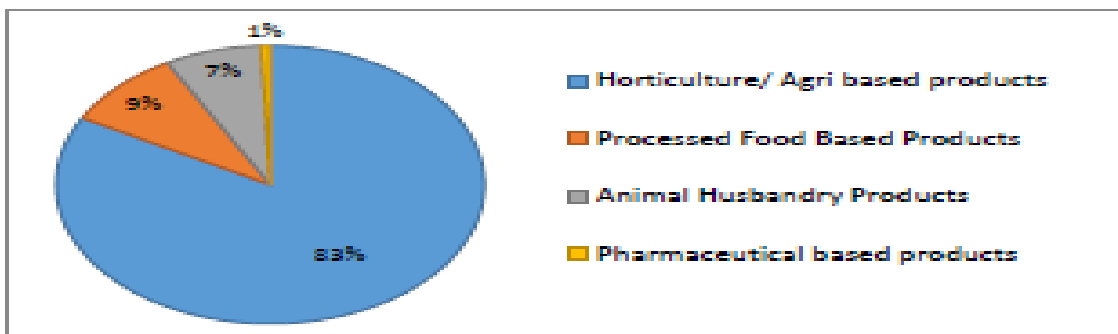


Fig. 8 – Segment-wise segregation of Cold Storages

Existing infrastructure of Cold Chain in India:

| # | Infrastructure Component | Numbers | Avg Size or capacity (MT) | Remarks |
|---|--------------------------|-----------------------|---------------------------|---------------------------------------|
| 1 | Modern Pack-house (PH) | 249 | NA | Study of secondary data and estimates |
| 2 | Cold Storage Hubs (CH) | 5367 | 5003 | Baseline Survey (DAC) |
| 3 | Cold Storage Bulk (CS) | | | Baseline Survey (DAC) |
| 4 | Ripening Chamber (RC) | 812 | NA | Study of secondary data and estimates |
| 5 | Reefer Transport (T) | 9,000 | 6 to 15 tons | Market estimate |
| 6 | Last mile Transport (t) | | < 4 tons | Market estimate |
| 7 | Retail/ Front-end (FE) | 1.968 million outlets | NA | Market estimate |

Fig. 9 – Existing Cold-chain Infrastructure in India

Source: Report titled ‘All India Cold-chain Infrastructure Capacity – Assessment of Status and gaps (2015)’ by National Centre for Cold-chain Development (NCCD)

The Task Force on Cold-chain Projects (TFCP-2014) reports that a total of 31.82 million metric tons of cold stores have been created in the country. Of these, a total of 10.58 million tons in cold storage size were created in the last 7 years (from 2007 to 2014), through Central Government Assistance:

- Under MoFPI: total 0.19 million tons capacity is created.
- Under MIDH (NHM/HMNEH/NHB): total 10.39 million tons is created.

As per information from various government departments and agencies, 6891 cold storages have been created of size 31.82 million tons. This information is not further segregated into Cold Storage (Bulk) or Cold Storage (Hub).

Warehousing

Indian Agricultural Warehousing

Warehousing plays a very vital role in promoting agriculture marketing, rural banking and financing and ensuring Food Security in the country. It enables the markets to ease the pressure during harvest season and to maintain uninterrupted supply of agricultural commodities during off season. Hence, it solves the problems of glut and scarcity, which are the usual problems in agricultural marketing. Indian transportation and logistics market witnesses new heights; there has been increasing buzz around technology adoption, network optimization, multimodal transportation and improving warehousing. The latter in particular has been evolving rapidly from traditional 'godowns' to modern facilities. Indian logistics market is expected to grow at a CAGR of 12.17% by 2020 driven by the growth in the manufacturing, retail, FMCG and e-commerce sectors.

Agricultural warehousing accounts for fifteen percent of the warehousing market in India and is estimated to be worth ₹ 8,500 crore. It is however perceived to be inadequate and unorganised. More than 40 percent of the agricultural warehouses are run by state enterprises such as FCI, CWC and SWCs.

30 percent of the warehousing capacity is held by unorganised small godown players. These unorganised warehouses lack scale and quality. On the other hand, there are a few large national-level players in the warehousing market which own professionally run warehouses and also provide ancillary services around warehousing.

Although there is no exact data on the number of warehouses present, some of the substantial capacities available in public, cooperative and private sectors are depicted below:

| S. No. | Name of Organisation | Storage Capacity (in million metric tonne) |
|--------|--|--|
| 1 | Food Corporation of India (FCI) | 38.34 |
| 2 | Central Warehousing Corporation (CWC) | 10.30 |
| 3 | State Warehousing Corporations (SWCs) and State Civil Supplies | 34.84 |
| 4 | Co-operative Sector | 15.07 |
| 5 | Private Sector | 18.97 |
| | Total | 117.52 |

Source: Report by the Committee for Strengthening Negotiable Warehouse Receipts by the Warehousing Development and Regulatory Authority in the Country

There exists evidence of lack of warehousing capacity in the country. The warehousing capacity gap estimated by the Planning Commission stands to be at 27 million metric tonnes today. A study on state of Indian farmers in the year 2004 by the Ministry of Agriculture estimated that about 7% of food grains and 30% of fruits and vegetable are lost due to inadequate handling facilities. Approximately, 10% of valuable spices are lost due to lack of proper post-harvest infrastructural facilities. The above post-harvest losses of agricultural commodities in monetary terms have been estimated at about ₹ 44,000 crores.

Out of the total capacity present in the Indian warehousing today, only 19.44 lakh metric tonne (1.94 million metric tonne) has been registered with WDRA by a total of seven hundred and six warehouses of CWC, SWC, Primary Agriculture Co-operative Society (PACS). This corresponds to 1.65% of the overall capacity estimated to be present in the market today.

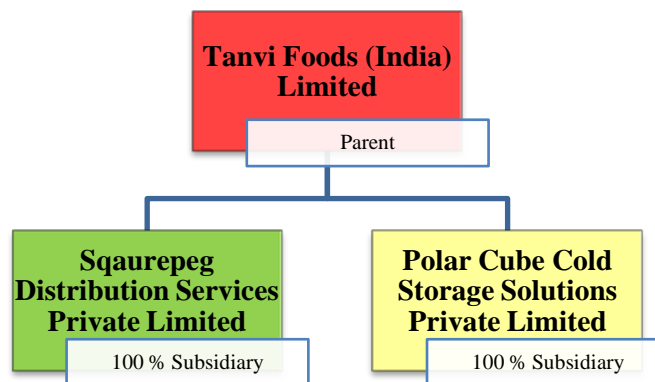
SUMMARY OF OUR BUSINESS

OVERVIEW

Our company is involved in trading, distribution, and processing of Food and Beverages primarily operating in the states of Andhra Pradesh and Telangana. Incorporated in 2007, over the years we have grown organically as well as inorganically and today we along with our subsidiaries operate over four exclusive point of sales; three Cold Room Facilities aggregating to 8,728 sq. ft., one food processing and packaging unit spread across 495 sq. yards, around 28 logistics vehicles dedicated towards F&B distribution making us one of few select organized players in this highly unorganized segment.

We currently specialize in products such as Fresh Corn, Frozen Corn, and Green Peas in loose as well as packed form. Further we also prepare and sell corn based eatables such as Corn Samosa's, Corn Patties and Spring Roll, in loose / semi-finished form to caterers as well as packaged from to Retailers and Wholesalers. All of these packaged products are sold under our own brand name "Frozen Kings". In addition to our own brand products; we operate a diversified F&B product distribution and trading business wherein we play the role of an intermediary between other branded product manufacturers/marketers and end point of sales such as Retailers (including Kiranas and Modern Trade Outlets) and Institutional buyers (such as Hotels, Caterers, Multiplexes etc.).

We also operate an independent Logistics/Infrastructure services business which in addition to supporting our F&B distribution business also provides Pan India Logistics services to other distributors and players. Our logistics/infra services business vertical includes providing transportation services as well as Cold Storage / Warehousing facilities on per ton and per pallet basis respectively. The company's corporate structure is as described below:



For specific information regarding activities undertaken by of our subsidiaries; please refer the chapter "Subsidiaries" on page no. 114 of this Prospectus.

Our company's revenues have increased at a CAGR of 44.34% from ₹ 1130.90 lakhs in FY 2012 to ₹ 4908.98 lakhs in FY 2016; EBITDA has increased at a CAGR of 42.33% from ₹ 89.06 lakhs in FY 2012 to ₹ 362.51 lakhs in FY 2016 and our Profit after Tax has increased at a CAGR of 26.28% from ₹ 39.59 lakhs in FY 2012 to ₹ 100.66 lakhs in FY 2016

As on December 31, 2016, we employ 74 people on our rolls. We have also received ISO 9001:2008 & ISO 22000:2005 Certifications.

Our Strengths

Experienced Management Team

Mr. Sri Nagaveer Adusumilli, our Promoter and Managing Director, has over 14 years of entrepreneurial experience in Food & Beverages and related industries. He is supported by experienced and well-qualified staff at senior and middle management levels. In times of high employee turnover; 5 out of 7 of our key management personnel have been associated with the company for over 3 years. This in house capability and loyal staff will help us scale in future. For details regarding the education and experience of our Senior Management and Key Managerial, please refer to chapter titled "Our Management" beginning on page no. 118 of this Prospectus.

Well Established Brand name and goodwill amongst market players

We operate in a brand sensitive market. Over almost a decade we have tried to ensure sustainable growth and hence have developed an established brand name, acceptance & recall value in our operating markets (i.e. Andhra Pradesh and Telangana). Sale of products under our brand name (Frozen King) from 35 % part of our total sale of branded goods which includes brands such as McCain, Haldiram's, Baskin Robbins etc. We have earned goodwill & competitive edge through our consistent quality oriented service. Further we have developed goodwill amongst market participants including farmers, other intermediaries forming part of the corn supply chain, large MNCs as well as local vendors. We believe that our sector is not an easy to enter sector given that substantial portion of the business is carried out through trust and hence having a developed goodwill would help us compete with new entrants in this sector in the future.

Organized Approach and ready infrastructure

The market we operate has been dominated by unorganized participants. The supply of F&B products in India is a market which lots of large corporations and MNCs are looking to enter as well as partner with considering the size of the consumption markets in India. We are one of the select few who have own / in-house cold room facilities, logistics set ups as well as multiple point of sales. Going forward; if a large MNC or corporate wants to distribute its products in our region; we have the correct mix of service quality as well as organized and stable infrastructure to become their first choice.

Healthy Banker relations

We have enjoyed cordial relationship with bankers since our first credit facilities got sanctioned in 2012. Our accounts have been serviced to the bankers' satisfactions and we should be able to scale up our borrowings as business needs and equity of the company grows. Further; our business of corn supply is full of unorganised players who would not have easy access to bank finance and hence this we believe would provide us a competitive edge over other players in the segment. Further; sectorally, F&B or any consumption based sector has lately been better performing for banks as compared to traditional industrial sectors and hence this too would be in our favour, once we look to scale up our bank borrowings portfolio.

Our Strategies

Increase our focus on self- processed / prepared food items

We prepare and sell Corn Samosa's, Corn Patties, Spring Roll, in loose / semi-finished form to caterers as well as packaged from to Retailers and Wholesalers under our own brand name 'Frozen King'. We have our unique corn samosa and spring roll recipe which acts as a differentiator and provides an advantage to us in frozen food market. Our processed/prepared frozen foods business is high margin in nature; however; it currently is not a substantial part of our total revenue. We have the ready infrastructure as well as know how to scale this business further; and we have a long term strategy to increase our sales from this business vertical.

Augment our fund based capacities in order to scale up business operations

Our business operations are working capital intensive as well as capital intensive. We have over the last few years investing substantial capital in building long term assets for the business and developing our infrastructure capabilities. As on March 31, 2016; out of the total ₹ 702.29 lakhs of our owned funds (networth) we have invested ₹ 553.78 lakhs in long term assets and only ₹ 148.51 lakhs are available for working capital. Further our revenues and working capital requirements have been growing at a fast pace considering we have achieved a CAGR of 44.34% in our top line. It is hence our strategy to raise funds from this issue and augment our fund based working capital capabilities. We believe that companies with high liquidity on their balance sheet would be able to better exploit market opportunities in short term as well as longer duration contracts in our business. For further details regarding the working capital being raised through this issue, please refer to section "Objects of the Issue" on page no. 60 of this Prospectus.

Continue to invest in infrastructure facilities and tie-ups

We have over the years believed in setting up infrastructure for the long term business capabilities. In addition to our existing operating assets we propose to build further cold storage at Site Survey No. 262/1, 263, 273/3B, Layout No. 33/2012VGA, Plot No. 151, 152, Back side of Airport area, Sai Priya RTC Colony, Apparao Pet Road, Kesarpalli,

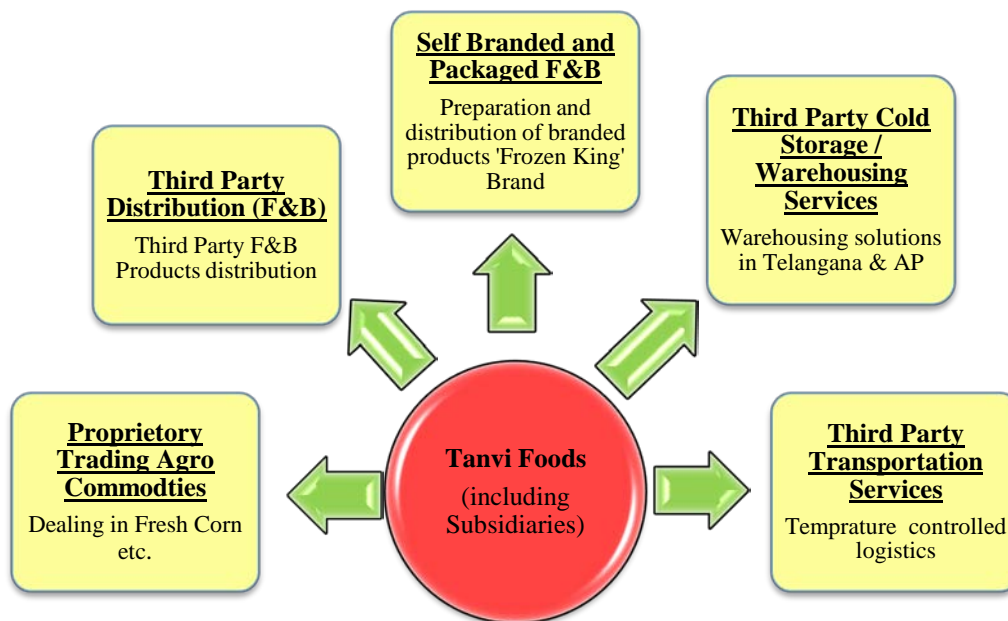
Gannavaram, Manadalam, Andhra Pradesh. As part of our long term differentiating factor from other players in the market; we would continue to either invest in new infrastructure or lease / acquire the same from time to time.

Earn Goodwill and brand recall and make intellectual properties valuable

We want to increase presence of our branded food products ‘Frozen King’ which will result in increasing the brand value. We also plan to monetize our brands in future either through authorised sales tie-ups or franchise model. We believe that investments made towards developing our branded food products business would yield long term shareholder wealth creation.

DETAILS OF OUR BUSINESS

Business Model



1. Proprietary Trading Agro Commodities (mainly Corn)

Our company is primarily engaged in trading of Fresh Corn. We procure Fresh Corn from farmers or through direct purchase from market or through tie-up from procurement agencies PAN India. We sell the same in local markets (mandi) in Telangana and Andhra Pradesh. Over the years we have developed expertise in estimating price trends as well as developed infrastructure and market goodwill for carrying out successful trading operations.

2. Third Party Distribution (F&B)

We offer temperature controlled freezing, distribution & logistics services under our brand Frozen King. We employ cutting edge technology such as GRS tracking & monitoring of vehicles. We are engaged into distribution activity for several branded frozen foods, milk products, ice-cream products and other cold preserved consumables in Hyderabad. We serve as local distributor for McCain Foods, Inox foods, Switz Patties, Parag Milk Foods, Indo agro foods, Rakyan beverages and Haldiram’s. Our customers include supermarkets & Corporates in Hyderabad and surrounding regions.

3. Self-Branded & Packaged F&B

We have our own processing facility in Vijaywada equipped with automated and standardized equipment. We process Corn Samosa, Corn Spring Rolls, Corn Patties, Corn Soups etc. and repacking of fresh corn and frozen green peas. These products are sold to caterers and to modern trade customers such as Spencer’s More, Reliance Fresh, Heritage Fresh, Wal-Mart, D-Mart and Metro Cash & Carry in Telangana and Andhra Pradesh. Also, we have recently expanded our reach and are supplying our own branded and packaged products to Metro Cash & Carry in the state of Karnataka

4. *Third Party Cold Storage /Warehousing Services*

We (along with our subsidiaries) operate cold storage facilities (with total approximate area of 8,728 sq. ft.) at Hyderabad and Vijayawada. We provide Cold Storage facility to large F&B companies such as Al-kabir, Fassos, Godrej 'Nature's Basket' etc. Cold storage warehouses are on daily pallet rental basis and we have not entered any long term arrangement with any of our customers requiring cold storage warehousing. However; we have developed regular clientele in this business receiving regular business for more than 5 years.

5. *Third Party Transportation Services*

In addition to cold storage warehousing, we provide cold storage logistics through our wholly owned subsidiary. We have dedicated fleets of 28 vehicles fitted with required cold storing facilities for transportation of F&B products PAN India. In addition to using these facilities for our in-house requirements of trading, distribution businesses; we also rent out these facilities to other parties on a per ton basis. We have not entered any long term arrangement with any of our customers requiring cold storage logistics, however we have developed clientele which provide regular business to us since the last few years.

SUMMARY OF OUR FINANCIALS

Annexure-I

STATEMENT OF CONSOLIDATED ASSETS AND LIABILITIES, AS RESTATED

(₹ in Lakhs)

| Particulars | As at September 30, 2016 | As at March 31, 2016 |
|--|-----------------------------|-------------------------|
| Equity & Liabilities | | |
| Shareholder's funds | | |
| a) Equity Share Capital | 344.48 | 344.48 |
| b) Reserves and surplus | 416.34 | 365.48 |
| Total Shareholders Fund (A) | 760.82 | 709.95 |
| Share application money pending allotment | - | - |
| Non-current liabilities | | |
| (a) Long-term borrowings | 352.19 | 335.92 |
| (b) Deferred tax liabilities (net) | 42.80 | 38.16 |
| (c) Other long-term liabilities | 0.70 | 0.70 |
| (d) Long-term provisions | 1.70 | 1.42 |
| Total (B) | 397.38 | 376.20 |
| Current liabilities | | |
| a) Short-term borrowings | 810.56 | 781.42 |
| b) Trade payables | 145.47 | 118.41 |
| c) Other current liabilities | 411.27 | 322.34 |
| d) Short-term provisions | 51.63 | 37.69 |
| Total (C) | 1,418.93 | 1,259.86 |
| Total (D=A+B+C) | 2,577.14 | 2,346.02 |
| ASSETS | | |
| Non - Current Assets | | |
| a) Fixed Assets | | |
| i) Tangible Assets | 734.66 | 613.09 |
| ii) Intangible Assets | 28.32 | 28.32 |
| iii) Capital Work in progress | 74.98 | 44.48 |
| b) Deferred tax assets (net) | - | - |
| c) Non- Current investments | - | - |
| d) Long Term Loans & Advances | 179.16 | 175.64 |
| e) Other Non-Current Assets | - | - |
| Total (E) | 1,009.21 | 861.54 |
| Current Assets | | |
| a) Inventories | 1,182.47 | 1,080.33 |
| b) Trade Receivables | 171.77 | 196.59 |
| c) Cash and Cash equivalents | 73.89 | 57.57 |
| d) Short-term loans and advances | 125.41 | 149.48 |
| e) Other Current Assets | 14.39 | 0.51 |
| Total (F) | 1,567.92 | 1,484.48 |
| TOTAL (G=E+F) | 2,577.14 | 2,346.02 |

Annexure-II
STATEMENT OF CONSOLIDATED PROFIT AND LOSS ACCOUNT, AS RESTATED
(₹ in Lakhs)

| Particulars | As at September 30, 2016 | As at March 31, 2016 |
|---|-----------------------------|-------------------------|
| Revenue: | | |
| Revenue from Operations | 2,979.43 | 5,163.28 |
| Other Income | 11.16 | 10.95 |
| Total revenue | 2,990.59 | 5,174.23 |
| Expenses: | | |
| Purchases & Direct Expenses | 2,649.76 | 4,678.37 |
| Change in Inventories of finished goods, WIP and stock-in-trade | (102.14) | (262.40) |
| Employee benefits expense | 116.19 | 149.59 |
| Finance Cost | 93.75 | 173.32 |
| Depreciation and amortization expenses | 53.41 | 87.93 |
| Other Expenses | 111.23 | 223.76 |
| Total expenses | 2,922.18 | 5,050.57 |
| Profit before exceptional & extraordinary items, prior period items and tax | 68.41 | 123.65 |
| Exceptional items | | |
| A. Retrospective Effect due to change in method of Depreciation of Holding Company from WDV to SLM | - | 46.21 |
| B. Adjustment Due to Difference in method of Depreciation of Subsidiary Companies (i.e. WDV) & Holding Companies Method of Depreciation (i.e. SLM) | - | 13.88 |
| Prior Period items | - | 8.04 |
| Profit before extraordinary items and tax | 68.41 | 191.79 |
| Less: Provision for Taxes | | |
| Current Tax as per Income Tax | 14.22 | 37.41 |
| Short/Excess provision for tax for earlier years | - | 5.40 |
| Deferred Tax | 4.63 | 25.85 |
| MAT Credit Receivable | (1.31) | (34.06) |
| Total | 17.54 | 34.60 |
| Net profit / (Loss) for the period after tax but before extraordinary item | 50.87 | 157.19 |
| Extraordinary Items (Net of tax) | - | 0.00 |
| Net profit / (Loss) for the period after tax and after extraordinary items available for appropriation | 50.87 | 157.19 |
| Less: Proposed Dividend | - | - |
| Divided distribution tax | - | - |
| Net Profit Transferred to Reserves | 50.87 | 157.19 |

Annexure-IIA
CONSOLIDATED CASH FLOW STATEMENT, AS RESTATED
(₹ in Lakhs)

| Particulars | As at September 30, 2016 |
|---|--------------------------|
| Cash Flow from Operating Activities | |
| Net Profit Before Tax | 68.41 |
| Adjustments for : | |
| Depreciation / Amortization | 53.41 |
| (Profit) / Loss on sale of fixed assets (net) | - |
| (Profit) / Loss on sale of investments (net) | - |
| Other Income | 11.16 |
| Effect of Exchange Rate change | - |
| Interest & Finance Charges | 93.75 |
| Operating Profit before Working Capital Adjustment | 204.40 |
| Adjustments for Changes in Working Capital | |
| (Increase)/Decrease in Inventories | (102.14) |
| (Increase)/Decrease in Trade Receivables | 24.83 |
| (Increase)/Decrease in Short term Loans & Advances | 24.07 |
| (Increase)/Decrease in Long term Loans & Advances | 5.70 |
| Increase/(Decrease) in Trade Payables | 27.06 |
| (Increase)/Decrease in Long term/Short term Provisions | 12.36 |
| (Increase)/Decrease in Other current liabilities | 88.93 |
| (Increase)/Decrease in Other Current Assets | (13.88) |
| Cash Flow generated from Operations | 271.33 |
| Direct Taxes paid | (12.36) |
| Net Cash from Operating activities (A) | 258.96 |
| Cash flow from Investing Activities | |
| Purchase of Fixed Assets | (174.97) |
| (Increase)/(Decrease) in Capital WIP | (30.50) |
| Sale of Fixed Assets | - |
| Other Income | 11.16 |
| (Purchase) / Sale of Investments (Net) | - |
| Cash flow before exceptional items | (194.31) |
| Exceptional Items | |
| Net Cash flow from Investment Activities (B) | (194.31) |
| Cash Flow from Financing Activities | |
| Proceeds from issue of Share Capital/ Share Application Money | - |
| Premium on issue of Share Capital | - |
| Proceeds / (Repayment) from Long Term Borrowings | 16.27 |
| Proceeds / (Repayment) from Short Term Borrowings | 29.14 |
| Finance Costs | (93.75) |
| Dividends Paid | - |
| Dividend tax paid | - |
| Effect of Exchange Rate change | - |
| Net Cash flow from Financing Activities (C) | (48.33) |
| Net (Decrease) / Increase in cash and cash equivalents (A+B+C) | 16.32 |
| Cash and cash equivalents at the beginning of the year | 57.57 |
| Cash and Cash equivalents at the end of the year | 73.89 |

Annexure I
STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED
(₹ in Lakhs)

| Particulars | As at September 30, 2016 | As at March 31, | | | | |
|---|--------------------------------|-----------------|-----------------|-----------------|---------------|---------------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| EQUITY AND LIABILITIES | | | | | | |
| Shareholder's fund | | | | | | |
| a) Equity Share Capital | 344.48 | 344.48 | 275.00 | 75.00 | 75.00 | 75.00 |
| b) Reserves and surplus | 411.49 | 357.81 | 209.65 | 122.43 | 101.46 | 61.41 |
| Total Shareholders Fund [A] | 755.97 | 702.29 | 484.65 | 197.43 | 176.46 | 136.41 |
| Share Application Money Pending Allotment | - | - | - | 242.00 | 17.00 | 17.00 |
| Non-current liabilities | | | | | | |
| a) Long term borrowings | 352.19 | 335.92 | 381.93 | 225.92 | 23.18 | 23.92 |
| b) Deferred Tax Liabilities (Net) | 40.19 | 36.24 | 24.08 | 19.78 | 15.67 | 13.32 |
| c) Other long term liabilities | 0.70 | 0.70 | 0.70 | 0.00 | 0.00 | 0.00 |
| d) Long Term Provisions | 1.70 | 1.42 | 0.76 | 0.41 | 0.16 | 0.08 |
| Total [B] | 394.77 | 374.28 | 407.47 | 488.11 | 56.01 | 54.31 |
| Current liabilities | | | | | | |
| a) Short-term borrowings | 786.97 | 755.49 | 654.61 | 269.94 | 204.48 | 139.97 |
| b) Trade payables | 119.32 | 83.61 | 60.47 | 12.42 | 25.16 | 13.76 |
| c) Other current liabilities | 368.38 | 294.74 | 157.68 | 97.65 | 68.67 | 29.52 |
| d) Short-term provisions | 47.32 | 34.34 | 24.38 | 9.91 | 21.88 | 10.33 |
| Total (C) | 1,321.99 | 1,168.18 | 897.14 | 389.92 | 320.19 | 193.58 |
| Total (D=A+B+C) | 2,472.74 | 2,244.74 | 1,789.25 | 1,075.46 | 552.65 | 384.30 |
| ASSETS | | | | | | |
| Non - Current Assets | | | | | | |
| a) Fixed Assets | | | | | | |
| i.) Tangible assets | 685.04 | 559.52 | 517.39 | 242.45 | 158.85 | 156.04 |
| ii) Intangible assets | - | - | - | - | - | - |
| iii) Capital Work in progress | 74.98 | 44.48 | 17.40 | - | - | - |
| b) Deferred tax assets (net) | - | - | - | - | - | - |
| c) Non- Current investments | 118.11 | 118.11 | - | - | - | - |
| d) Long Term Loans & Advances | 165.31 | 169.69 | 128.33 | 10.40 | 13.30 | 7.90 |
| e) Other Non-Current Assets | - | - | - | - | - | - |
| Total (E) | 1,043.44 | 891.81 | 663.12 | 252.85 | 172.15 | 163.94 |
| Current Assets | | | | | | |
| a) Inventories | 1182.47 | 1,080.33 | 817.93 | 643.26 | 215.28 | 97.62 |
| b) Trade Receivables | 114.79 | 133.29 | 273.47 | 156.13 | 139.66 | 115.77 |
| c) Cash and Cash equivalents | 15.94 | 16.12 | 16.43 | 10.54 | 5.97 | 6.35 |
| d) Short-Term Loans and Advances | 91.57 | 114.83 | 18.30 | 12.68 | 19.59 | 0.48 |
| e) Other Current Assets | 24.52 | 8.36 | - | - | - | 0.15 |
| Total (F) | 1429.29 | 1,352.94 | 1,126.13 | 822.60 | 380.50 | 220.36 |
| TOTAL [G=E+F] | 2472.73 | 2,244.74 | 1,789.25 | 1,075.46 | 552.65 | 384.30 |

Annexure II
STATEMENT OF PROFIT AND LOSS ACCOUNT, AS RESTATED
(₹ in Lakhs)

| Particulars | As at September 30, 2016 | For the year ended March 31, | | | | |
|---|--------------------------------|------------------------------|-----------------|-----------------|-----------------|-----------------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| Revenue: | | | | | | |
| Revenue from Operations | 2,795.45 | 4,816.62 | 3,437.14 | 2,002.95 | 1,146.12 | 1,071.13 |
| Other Income | 55.64 | 92.36 | 0.51 | - | 245.68 | 59.77 |
| Total revenue | 2,851.09 | 4,908.98 | 3,437.66 | 2,002.95 | 1,391.80 | 1,130.90 |
| Expenses: | | | | | | |
| Purchases & Direct Expenses | 2,550.36 | 4,476.02 | 2,828.33 | 2,007.30 | 1,025.29 | 840.64 |
| Change in Inventories of finished goods, WIP and stock-in-trade | (102.14) | (262.40) | (174.67) | (427.98) | (117.66) | (61.78) |
| Employee benefits expense | 87.00 | 98.61 | 148.34 | 49.50 | 88.89 | 78.48 |
| Finance Cost | 91.68 | 170.59 | 118.21 | 48.27 | 10.10 | 19.77 |
| Depreciation and amortization expenses | 48.48 | 79.09 | 56.24 | 15.19 | 11.66 | 10.32 |
| Other Expenses | 106.14 | 234.24 | 345.60 | 275.96 | 309.52 | 208.79 |
| Total expenses | 2,781.51 | 4,796.16 | 3,322.04 | 1,968.24 | 1,327.80 | 1,096.23 |
| Profit before exceptional & extraordinary items, prior period items and tax | 69.57 | 112.82 | 115.61 | 34.72 | 64.00 | 34.67 |
| Exceptional items | - | - | - | - | - | (25.90) |
| Prior Period items | - | (0.00) | - | - | - | 1.60 |
| Profit before extraordinary items and tax | 69.57 | 112.82 | 115.61 | 34.72 | 64.00 | 58.98 |
| Less: Provision for Taxes | | | | | | |
| Current Tax as per Income Tax | 13.26 | 34.06 | 24.10 | 9.63 | 21.60 | 10.05 |
| Short/Excess provision for tax for earlier years | - | - | - | - | - | - |
| Deferred Tax | 3.94 | 12.16 | 4.30 | 4.12 | 2.35 | 9.33 |
| MAT Credit Receivable | (1.31) | (34.06) | 0.00 | 0.00 | 0.00 | 0.00 |
| Total | 15.89 | 12.16 | 28.39 | 13.74 | 23.95 | 19.38 |
| Net profit / (Loss) for the period after tax but before extraordinary item | 53.68 | 100.66 | 87.22 | 20.97 | 40.04 | 39.59 |
| Extraordinary Items (Net of tax) | - | - | - | - | - | - |
| Net profit / (Loss) for the period after tax and after extraordinary items available for appropriation | 53.68 | 100.66 | 87.22 | 20.97 | 40.04 | 39.59 |
| Less: Proposed Dividend | - | - | - | - | - | - |
| Divided distribution tax | - | - | - | - | - | - |
| Net Profit Transferred to Reserves | 53.68 | 100.66 | 87.22 | 20.97 | 40.04 | 39.59 |

Annexure III
STANDALONE CASH FLOW STATEMENT, AS RESTATED
(₹ in Lakhs)

| Particulars | As at September 30, 2016 | As at March 31, | | | | |
|---|--------------------------------|-----------------|----------------|-----------------|-----------------|----------------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| Cash Flow from Operating Activities | | | | | | |
| Net Profit Before Tax excluding exceptional items | 69.57 | 112.82 | 115.61 | 34.72 | 64.00 | 33.07 |
| Adjustments for : | | | | | | |
| Depreciation / Amortization | 48.48 | 79.09 | 56.24 | 15.19 | 11.66 | 10.32 |
| (Profit) / Loss on sale of fixed assets (net) | - | 1.82 | - | - | - | - |
| (Profit) / Loss on sale of investments (net) | - | - | - | - | - | - |
| Other Income | (55.64) | (92.36) | (0.51) | - | (245.68) | (59.77) |
| Interest & Finance Charges | 91.68 | 170.59 | 118.21 | 48.27 | 10.10 | 19.77 |
| Operating Profit before Working Capital Adjustment | 154.09 | 271.97 | 289.55 | 98.17 | (159.92) | 3.39 |
| Adjustments for Changes in Working Capital | | | | | | |
| (Increase)/Decrease in Inventories | (102.14) | (262.40) | (174.67) | (427.98) | (117.66) | (61.78) |
| (Increase)/Decrease in Trade Receivables | 18.51 | 140.17 | (117.34) | (16.47) | (23.89) | (33.50) |
| (Increase)/Decrease in Short term Loans & Advances | 23.26 | (96.53) | (5.62) | 6.92 | (19.11) | 24.24 |
| (Increase)/Decrease in Long term Loans & Advances | 4.39 | (41.36) | (117.93) | 2.90 | (5.40) | (7.90) |
| Increase/(Decrease) in Trade Payables | 35.71 | 23.13 | 48.05 | (12.74) | 11.40 | (17.05) |
| (Increase)/Decrease in Long term/Short term Provisions | 13.68 | 23.03 | (0.44) | 0.24 | 0.09 | 0.08 |
| (Increase)/Decrease in Other current liabilities | 73.64 | 137.07 | 60.03 | 28.98 | 39.15 | 16.64 |
| (Increase)/Decrease in Other Current Assets | (16.16) | (8.36) | (0.00) | - | 0.15 | (0.15) |
| Cash Flow generated from Operations | 204.97 | 186.72 | (18.39) | (319.97) | (275.21) | (76.05) |
| Direct Taxes paid | (12.36) | (12.40) | (8.83) | (21.60) | (10.05) | (9.85) |
| Net Cash from Operating activities (A) | 192.60 | 174.32 | (27.22) | (341.57) | (285.26) | (85.89) |
| Cash flow from Investing Activities | | | | | | |
| Purchase of Fixed Assets | (174.00) | (125.67) | (331.18) | (98.80) | (14.47) | - |
| (Increase)/(Decrease) in Capital WIP | (30.50) | (27.09) | (17.40) | - | - | - |
| Sale of Fixed Assets | - | 1.50 | - | - | - | - |
| Other Income | 55.64 | 92.36 | 0.51 | - | 245.68 | 59.77 |
| (Purchase) / Sale of Investments (Net) | 0.00 | - | - | - | - | - |
| Cash flow before exceptional items | (148.85) | (58.90) | (348.07) | (98.80) | 231.21 | 59.77 |
| Exceptional Items | - | - | - | - | - | - |

| Particulars | As at September 30, 2016 | As at March 31, | | | | |
|---|--------------------------------|-----------------|-----------------|----------------|---------------|---------------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| Net Cash flow from Investment Activities (B) | (148.85) | (58.90) | (348.07) | (98.80) | 231.21 | 59.77 |
| C. Cash Flow from Financing Activities | | | | | | |
| Proceeds from issue of Share Capital/ Share Application Money | - | - | (42.00) | 225.00 | - | - |
| Premium on issue of Share Capital | - | - | - | - | - | - |
| Proceeds / (Repayment) from Long Term Borrowings | 16.27 | (46.01) | 156.71 | 202.74 | (0.74) | (96.86) |
| Proceeds / (Repayment) from Short Term Borrowings | 31.48 | 100.88 | 384.67 | 65.46 | 64.51 | 139.97 |
| Finance Costs | (91.68) | (170.59) | (118.21) | (48.27) | (10.10) | (19.77) |
| Dividends Paid | - | - | - | -- | - | - |
| Dividend tax paid | - | - | - | - | - | - |
| Effect of Exchange Rate change | - | - | - | - | - | - |
| Net Cash flow from Financing Activities (C) | (43.93) | (115.72) | 381.17 | 444.94 | 53.67 | 23.34 |
| | | | | | | |
| Net (Decrease) / Increase in cash and cash equivalents (A+B+C) | (0.18) | (0.30) | 5.88 | 4.57 | (0.38) | (2.78) |
| Cash and cash equivalents at the beginning of the year | 16.12 | 16.42 | 10.54 | 5.97 | 6.35 | 9.13 |
| Cash and Cash equivalents at the end of the year | 15.94 | 16.12 | 16.42 | 10.54 | 5.97 | 6.35 |

THE ISSUE

PRESENT OFFER IN TERMS OF THIS PROSPECTUS

| | |
|--|--|
| Equity Shares Offered⁽¹⁾: Present Issue of Equity Shares by our Company and the Selling Shareholders ⁽²⁾ : | 11,00,000 Equity Shares of ₹ 10 each for cash at a price of ₹ 60 per share aggregating ₹ 660.00 lakhs. |
| Consisting of: | |
| Fresh Issue | 6,72,000 Equity Shares of ₹ 10 each for cash at a price of ₹ 60 per share aggregating ₹ 403.20 lakhs |
| Offer for Sale to the Public | 4,28,000 Equity Shares of ₹ 10 each for cash at a price of ₹ 60 per share aggregating ₹ 256.80 lakhs |
| Which Comprises: | |
| Issue Reserved for the Market Maker | 56,000 Equity Shares of ₹ 10 each for cash at a price of ₹ 60 per share aggregating ₹ 33.60 lakhs |
| Net Issue to the Public | 10,44,000 Equity Shares of ₹ 10 each for cash at a price of ₹ 60 per share aggregating ₹ 626.40 lakhs |
| | Of Which⁽³⁾: |
| | 5,22,000 Equity Shares of ₹ 10/- each at a price of ₹ 60 per Equity Share will be available for allocation for Investors of up to ₹ 2.00 lakhs |
| | 5,22,000 Equity Shares of ₹ 10/- each at a price of ₹ 60 per Equity Share will be available for allocation for Investors of above ₹ 2.00 lakhs |
| Equity Shares outstanding prior to the Issue | 34,44,775 Equity Shares |
| Equity Shares outstanding after the Issue | 41,16,775 Equity Shares |
| Objects of the Issue | Please see the chapter titled “ <i>Objects of the Issue</i> ” beginning on page no. 60 of this Prospectus |

⁽¹⁾ 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. 248 of this Prospectus.

⁽²⁾ The present Issue has been authorized pursuant to a resolution of our Board dated September 24, 2016 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 26, 2016.

The Offer for Sale has been authorised by the Selling Shareholders by their consent letter dated September 23, 2016. The No. of Equity Shares offered by each Selling Shareholders are as follows:

| Sr. No. | Name of the Selling Shareholders | No. of Equity Shares Offered |
|---------|----------------------------------|------------------------------|
| 1 | Mr. Sri Nagaveer Adusumilli | 2,14,000 |
| 2 | Mrs. Vasavi Adusumilli | 2,14,000 |
| | Total | 4,28,000 |

The Selling Shareholders have severally confirmed that the Equity Shares proposed to be offered and sold in the Issue are eligible in term of SEBI (ICDR) Regulations and that they have not been prohibited from dealings in securities market and the Equity Shares offered and sold are free from any lien, encumbrance or third party rights. The Selling Shareholders have also severally confirmed that they are the legal and beneficial owners of the Equity Shares being offered by them under the Offer for Sale.

⁽³⁾ 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 and the Selling Shareholders 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.

GENERAL INFORMATION

Our Company was incorporated as Tanvi Foods Private Limited on March 30, 2007 under the Companies Act, 1956 with the Registrar of Companies, Hyderabad bearing Registration No. 053406. The name of the Company was changed to Tanvi Foods (India) Private Limited vide special resolution dated June 10, 2009 and name change Certificate was issued on June 25, 2009 by the Registrar of Companies, Hyderabad. The status of our Company was changed to a public limited company and the name of our Company was changed to Tanvi Foods (India) Limited by a special resolution passed on September 15, 2016. A fresh Certificate of Incorporation consequent upon conversion was issued on September 22, 2016 by the Registrar of Companies, Hyderabad. The Company's Corporate Identity Number is U15433TG2007PLC053406.

For further details, please refer to the chapter titled “History and Certain Corporate Affairs” beginning on page no. 112 of this Prospectus.

Brief Company and Issue Information

| | |
|---|---|
| Registered Office | No.7-2-4/D, Old Canteen Building, Sanathnagar Industrial Estate, Opp: SBH Sanathnagar, Hyderabad, Telangana – 500 018. Tel Fax No: +91 – 40 – 2381 7299 Email: investors@tanvifoods.com Website: www.tanvifoods.com |
| Date of Incorporation | March 30, 2007 |
| Company Registration No. | 053406 |
| Company Identification No. | U15433TG2007PLC053406 |
| Address of Registrar of Companies | 2 nd Floor, Corporate Bhawan, GSI Post, Tattiannaram Nagole, Bandlaguda, Hyderabad - 500 068. Tel No.: +91 – 40 - 2980 5427/ 2980 3827/ 2980 1927 Fax No.: +91 – 40 - 2980 3727 |
| Designated Stock Exchange | SME Platform of BSE |
| Company Secretary & Compliance Officer | Mrs. Shilpa Kotagiri No.7-2-4/D, Old Canteen Building, Sanathnagar Industrial Estate, Opp: SBH Sanathnagar, Hyderabad, Telangana – 500 018. Tel Fax No: +91 – 40 – 2381 7299 Email: investors@tanvifoods.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. Sarat Chandra Babu Adusumilli | Chairman & Whole-Time Director | 02589830 |
| Mr. Sri Nagaveer Adusumilli | Managing Director | 02096695 |
| Mrs. Vasavi Adusumilli | Executive Director | 02589803 |
| Mrs. Sarada Adusumilli | Non-Executive Non-Independent Director | 02609097 |
| Mr. Naveen Nandigam | Non-Executive Independent Director | 02726620 |
| Mr. R.V. Radhakrishna | Non-Executive Independent Director | 00763862 |

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. 118 of this Prospectus.

Note: Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre or post-issue related problems, such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary account and 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, Gr. Floor,
Alkesh Dinesh Modi Marg, Opp. P.J. Tower (BSE Bldg.),
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: Mr. Vimal Maniyar
SEBI Registration No.: INM000011344

REGISTRAR TO THE ISSUE



BIGSHARE SERVICES PRIVATE LIMITED

E-2/3, Ansa Industrial Estate, Sakivihar Road,
Sakinaka, Andheri (E), Mumbai - 400 072,
Tel No.: +91 – 22 – 4043 0200
Fax No.: +91 – 22 – 2847 5207
Email: ipo@bigshareonline.com
Investor Grievance Email: investor@bigshareonline.com
Website: www.bigshareonline.com
Contact Person: Mr. Ashok Shetty
SEBI Registration No.: INR000001385

LEGAL COUNSEL TO THE ISSUE

Y. SURYANARAYANA (ADVOCATE)

Nirmala Towers 200, Flat No. 106,
Dwarkapuri Colony, Punjagutta, Hyderabad- 500 082
Tel No.: +91- 40 - 2335 0486
Email: suryacorporatelawyer@gmail.com
Contact Person: Mr. Y. Suryanarayana

STATUTORY AUDITOR OF THE COMPANY

M/S. GV & CO., CHARTERED ACCOUNTANT

Flat No. 1005, 10th Floor, Minar Apartments, Deccan Towers,
Basheerbagh, Hyderabad- 500 029
Tel No.: +91- 40 - 6666 3996
Email: grandhi_vittal@rediffmail.com
Contact Person: Mr. Grandhi Vittal

BANKER(S) TO THE COMPANY



ANDHRA BANK

D. No. 39-10-5, VNR Towers, Opp. Water Tank of IG Stadium,
Labbipet, Krishna District, Vijayawada- 520 010
Tel No.: +91 – 0866 – 247 5821/ 249 2898
Fax No.: +91 – 0866 – 248 5618
Email: bm0343@andhrabank.co.in
Website: www.andhrabank.in
Contact Person: Mr. M. Vijaya Pratap

BANKER(S) TO THE ISSUE



AXIS BANK LIMITED

Jeevan Prakash Building,
Sir P.M. Road, Fort, Mumbai – 400 001
Tel No.: +91 – 22 – 4086 7376 / 7464
Fax No.: +91 – 22 – 4086 7327
Website: www.axisbank.com
Email: fort.operationshead@axisbank.com
Contact Person: Mr. Anil Kanekar
SEBI Registration No.: INBI00000017

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 Stock Exchange at 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 Stock Exchange at 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) 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 ₹ 50,000 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 Prospectus..

IPO GRADING

No credit rating agency registered with SEBI has been appointed for grading the Issue.

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 Offer 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 Statutory Auditor namely, M/s. GV & Co., Chartered Accountants to include their name as required under section 26(1)(a)(v) of the Companies Act, 2013 in this 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 February 03, 2017 and the Statement of Tax Benefits dated September 27, 2016, issued by them, included in this Prospectus and such consent has not been withdrawn as on the date of this 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 | February 17, 2017 |
| Issue Closing Date | February 22, 2017 |
| Finalisation of Basis of Allotment with the Designated Stock Exchange | February 28, 2017 |
| Initiation of Allotment / Refunds / Unblocking of Funds | March 01, 2017 |
| Credit of Equity Shares to demat accounts of Allottees | March 02, 2017 |
| Commencement of trading of the Equity Shares on the Stock Exchange | March 03, 2017 |

The above timetable is indicative and does not constitute any obligation on our Company, the Selling Shareholders 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., 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 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 nor the Selling Shareholders 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-à-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-à-vis the data contained in the physical or electronic Application Form, for a particular ASBA Applicant, the Registrar to the Offer shall ask the relevant SCSB or the member of the Syndicate for rectified data.

UNDERWRITING

This Issue is 100% Underwritten. Our Company and the Selling Shareholders has entered into an Underwriting Agreement dated September 27, 2016 with the Underwriters for the Equity Shares proposed to be offered 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 Prospectus as Underwriters and have indicated their intention to underwrite the following number of specified securities being offered through this Issue:

| Details of the Underwriter | No. of Shares Underwritten | Amt Underwritten (₹ in lakhs) | % of the Total Issue Size Underwritten |
|--|----------------------------|-------------------------------|--|
| Aryaman Financial Services Limited 60, Khatau Building, Gr. Floor, Alkesh Dinesh Modi Marg, Opp. P.J. Tower (BSE Bldg.), Fort, Mumbai – 400 001. Tel. No.: +91 – 22 – 6216 6999 Fax No.: +91 – 22 – 2263 0434 Email: ipo@afsl.co.in | 10,44,000 | 626.40 | 94.91% |
| Aryaman Capital Markets Limited 60, Khatau Building, Gr. Floor, Alkesh Dinesh Modi Marg, Opp. P.J. Tower (BSE Bldg.), Fort, Mumbai – 400 001. Tel. No.: +91 – 22 – 6216 6999 Fax No.: +91 – 22 – 2263 0434 Email: aryacapm@gmail.com | 56,000 | 33.60 | 5.09% |
| Total | 11,00,000 | 660.00 | 100.00% |

As per Regulation 106 P (2) of SEBI (ICDR) Regulations, 2009, the LM has agreed to underwrite to a minimum extent of 15% of the Offer 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 and the Selling Shareholders, 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 and the Selling Shareholders 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 and the Selling Shareholders 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 Prospectus.

MARKET MAKER



ARYAMAN CAPITAL MARKETS LIMITED

60, Khatau Building, Gr. Floor,
Alkesh Dinesh Modi Marg, Opp. P. J. Tower (BSE Bldg.),
Fort, Mumbai – 400 001

Tel. No.: +91 – 22 – 6216 6999

Fax No.: +91 – 22 – 2263 0434

Email: aryacapm@gmail.com

Contact Person: Mr. Harshad Dhanawade

SEBI Registration No.: INB011465938

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 27, 2016 with Aryaman Capital Markets Ltd., a Market Maker registered with the SME Platform of BSE in order to fulfil the obligations of Market Making.

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

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

1. The Market Maker shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. Further, the Market Maker shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.
2. The minimum depth of the quote shall be ₹ 1,00,000. However, the investors with holdings of value less than ₹ 1,00,000 shall be allowed to 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 BSE SME Platform from time to time.
4. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by him.
5. There would not be more than five Market Makers for a scrip at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
6. The shares of the company will be traded in continuous trading session from the time and day the company gets listed on SME Platform of BSE and Market Maker will remain present as per the guidelines mentioned under BSE and SEBI circulars.

7. 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.
8. The Market Maker shall have the right to terminate said arrangement by giving a three months notice or on mutually acceptable terms to the Lead Manager, who shall then be responsible to appoint a replacement Market Maker.

In case of termination of the above mentioned Market Making Agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 106V of the SEBI (ICDR) Regulations, 2009. Further the Company and the Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particular point of time.

9. **Risk containment measures and monitoring for Market Maker:** BSE SME Exchange will have all margins which are applicable on the BSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.
10. **Punitive Action in case of default by Market Maker:** BSE SME Exchange will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

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

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

CAPITAL STRUCTURE

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

(₹ in lakhs, except share data)

| Sr. No. | Particulars | Aggregate Value at Nominal Value | Aggregate Value at Issue Price |
|----------|--|----------------------------------|--------------------------------|
| A | Authorised Share Capital | | |
| | 45,00,000 Equity Shares of face value of ₹ 10 each | 450.00 | - |
| B | Issued, Subscribed and Paid-up Share Capital before the Issue | | |
| | 34,44,775 Equity Shares of face value of ₹ 10 each | 344.48 | - |
| C | Present Issue in terms of this Prospectus⁽¹⁾ | | |
| | Issue of 11,00,000 Equity Shares of ₹ 10 each at a price of ₹ 60 per Equity Share | 110.00 | 660.00 |
| | Consisting of: | | |
| | Fresh Issue of 6,72,000 Equity Shares of ₹ 10 each for cash at a price of ₹ 60 per share | 67.20 | 403.20 |
| | Offer for Sale of 4,28,000 Equity Shares of ₹ 10 each for cash at a price of ₹ 60 per share | 42.80 | 256.80 |
| | Which comprises: | | |
| | 56,000 Equity Shares of ₹ 10 each at a price of ₹ 60 per Equity Share reserved as Market Maker Portion | 5.60 | 33.60 |
| | Net Issue to Public of 10,44,000 Equity Shares of ₹ 10 each at a price of ₹ 60 per Equity Share to the Public | 104.40 | 626.40 |
| | Of which⁽²⁾: | | |
| | 5,22,000 Equity Shares of ₹ 10 each at a price of ₹ 60 per Equity Share will be available for allocation for Investors of up to ₹ 2.00 lakhs | 52.20 | 313.20 |
| | 5,22,000 Equity Shares of ₹ 10 each at a price of ₹ 60 per Equity Share will be available for allocation for Investors of above ₹ 2.00 lakhs | 52.20 | 313.20 |
| D | Equity Share Capital after the Issue | | |
| | 41,16,775 Equity Shares of ₹ 10 each | 411.68 | |
| E | Securities Premium Account | | |
| | Before the Issue (as on date of this Prospectus) | 48.63 | |
| | After the Issue | 384.63 | |

⁽¹⁾ The present Issue has been authorized pursuant to a resolution of our Board dated September 24, 2016 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 26, 2016.

The Offer for Sale has been authorised by the Selling Shareholders by their consent letter dated September 23, 2016. The No. of Equity Shares offered by each Selling Shareholders are as follows:

| Sr. No. | Name of the Selling Shareholders | No. of Equity Shares Offered |
|---------|----------------------------------|------------------------------|
| 1 | Mr. Sri Nagaveer Adusumilli | 2,14,000 |
| 2 | Mrs. Vasavi Adusumilli | 2,14,000 |
| | Total | 4,28,000 |

The Selling Shareholders have severally confirmed that the Equity Shares proposed to be offered and sold in the Issue are eligible in term of SEBI (ICDR) Regulations and that they have not been prohibited from dealings in securities market and the Equity Shares offered and sold are free from any lien, encumbrance or third party rights. The Selling

Shareholders have also severally confirmed that they are the legal and beneficial owners of the Equity Shares being offered by them under the Offer for Sale.

⁽²⁾ 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 and the Selling Shareholders 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 Prospectus.

Changes in Authorised Share Capital

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

1. The initial authorised share capital of ₹ 1,00,000 divided into 10,000 Equity Shares of ₹ 10 each was increased to ₹ 5,00,000 divided into 50,000 Equity Shares of ₹ 10 each, pursuant to resolution of shareholders passed at the EGM held on May 15, 2009.
2. The authorized share capital of ₹ 5,00,000 divided into 50,000 equity shares of ₹ 10 each was increased to ₹ 1,00,00,000 divided into 10,00,000 equity shares of ₹ 10 each, pursuant to resolution of shareholders passed at the EGM held on February 06, 2010.
3. The authorized share capital of ₹ 1,00,00,000 divided into 10,00,000 equity shares of ₹ 10 each was increased to ₹ 3,00,00,000 divided into 30,00,000 equity shares of ₹ 10 each, pursuant to resolution of shareholders passed at the EGM held on March 10, 2014.
4. The authorized share capital of ₹ 3,00,00,000 divided into 30,00,000 equity shares of ₹ 10 each was increased to ₹ 3,75,00,000 divided into 37,50,000 equity shares of ₹ 10 each, pursuant to resolution of shareholders passed at the EGM held on November 30, 2015.
5. The authorized share capital of ₹ 3,75,00,000 divided into 37,50,000 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 26, 2016.

Notes to the Capital Structure

1) Share Capital History of our Company:

a) Equity Share Capital

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

| Date of Allotment of Equity Shares | No. of Equity Shares | Face Value (₹) | Issue Price (₹) | Nature / Reason of Allotment | Nature of Consideration | Cumulative No. of Equity Shares | Cumulative Paid Up Share Capital (₹) | Cumulative Share Premium (₹) |
|------------------------------------|----------------------|----------------|-----------------|------------------------------|-------------------------|---------------------------------|--------------------------------------|------------------------------|
| Upon Incorporation | 10,000 | 10 | 10 | Subscription to MoA | Cash | 10,000 | 1,00,000 | Nil |
| March 27, 2012 | 7,40,000 | 10 | 10 | Further Allotment | Cash | 7,50,000 | 75,00,000 | Nil |
| April 01, 2014 | 20,00,000 | 10 | 10 | Further Allotment | Cash | 27,50,000 | 2,75,00,000 | Nil |
| December 02, 2015 ⁽¹⁾ | 4,40,026 | 10 | 17 | Further Allotment | Other than Cash | 31,90,026 | 3,19,00,260 | 30,80,182 |
| December 02, 2015 ⁽²⁾ | 2,54,749 | 10 | 17 | Further Allotment | Other than Cash | 34,44,775 | 3,44,47,750 | 48,63,425 |

(1) Pursuant to EGM held on November 30, 2015, our Company has issued 4,40,026 equity shares to erstwhile shareholders of Polar Cube Cold Storage Solutions Private Limited as consideration in accordance with share swap agreement dated November 02, 2015.

(2) Pursuant to EGM held on November 30, 2015, our Company has issued 2,54,749 equity shares to the erstwhile shareholders of Squarepeg Distribution Services Private Limited as consideration in accordance with share swap agreement dated November 02, 2015

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 |
|----------------------------------|----------------------|--------|-----------------|---------------------|-----------------------------|---------------------------------|
| December 02, 2015 ⁽¹⁾ | 2,20,013 | 10 | 17 | Further Allotment | Smt. P. Sarada | Acquisition through share swap |
| | 2,20,013 | | | | Smt. M. Sravanthi | |
| December 02, 2015 ⁽²⁾ | 2,52,711 | 10 | 17 | Further Allotment | Mr. Sri Nagaveer Adusumilli | Acquisition through share swap |
| | 2,038 | | | | Mrs. Vasavi Adusumilli | |

(1) Pursuant to EGM held on November 30, 2015, our Company has issued 4,40,026 equity shares to erstwhile shareholders of Polar Cube Cold Storage Solutions Private Limited as consideration in accordance with share swap agreement dated November 02, 2015.

(2) Pursuant to EGM held on November 30, 2015, our Company has issued 2,54,749 equity shares to the erstwhile shareholders of Squarepeg Distribution Services Private Limited as consideration in accordance with share swap agreement dated November 02, 2015.

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

d) No bonus shares have been issued out of Revaluation Reserves.

e) 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 under:

| Date of Allotment | Name of the Allottees | Number of Shares | Issue Price (₹) | Reasons | Promoter / Promoter Group |
|----------------------------------|-----------------------------|------------------|-----------------|--------------------------------|---------------------------|
| December 02, 2015 ⁽¹⁾ | Smt. P. Sarada | 2,20,013 | 17 | Acquisition through share swap | No |
| | Smt. M. Sravanthi | 2,20,013 | | | No |
| December 02, 2015 ⁽²⁾ | Mr. Sri Nagaveer Adusumilli | 2,52,711 | 17 | Acquisition through share swap | Yes |
| | Mrs. Vasavi Adusumilli | 2,038 | | | Yes |

(1) Pursuant to EGM held on November 30, 2015, our Company has issued 4,40,026 equity shares to erstwhile shareholders of Polar Cube Cold Storage Solutions Private Limited as consideration in accordance with share swap agreement dated November 02, 2015.

(2) Pursuant to EGM held on November 30, 2015, our Company has issued 2,54,749 equity shares to the erstwhile shareholders of Squarepeg Distribution Services Private Limited as consideration in accordance with share swap agreement dated November 02, 2015.

f) Shareholding of our Promoter

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

| Date of Allotment / Transfer | Nature of Transaction | Consideration | No. of Shares | Face Value (₹) | Issue Price (₹) | Cumulative no. of Shares | % of Pre-Issue Paid Up Capital | % of Post-Issue Paid Up Capital | Lock – in Period |
|------------------------------------|-----------------------|---------------|---------------|----------------|-----------------|--------------------------|--------------------------------|---------------------------------|------------------|
| Mr. Sri Nagaveer Adusumilli | | | | | | | | | |
| Upon Incorporation | Subscription to MoA | Cash | 6,000 | 10 | 10 | 6,000 | 0.17% | - | N. A. |

| Date of Allotment / Transfer | Nature of Transaction | Consideration | No. of Shares | Face Value (₹) | Issue Price (₹) | Cumulative no. of Shares | % of Pre-Issue Paid Up Capital | % of Post-Issue Paid Up Capital | Lock – in Period |
|----------------------------------|-----------------------|-----------------|---------------|----------------|-----------------|--------------------------|--------------------------------|---------------------------------|---------------------|
| March 27, 2012 | Inter-se Transfer | Cash | (6,000) | 10 | 10 | Nil | 0.00% | - | N. A. |
| April 01, 2014 | Further Allotment | Cash | 2,14,000 | 10 | 10 | 20,00,000 | 6.21% | - | N.A. ⁽¹⁾ |
| | | | 8,43,866 | | | | 24.50% | 20.50% | 3 Year |
| | | | 9,42,134 | | | | 27.35% | 22.89% | 1 Year |
| December 02, 2015 ⁽²⁾ | Further Allotment | Other than Cash | 2,52,711 | 10 | 17 | 22,52,711 | 7.34% | 6.14% | 1 Year |
| March 01, 2016 | Transfer | Cash | (10) | 10 | 20 | 22,52,701 | - | - | N.A. |

⁽¹⁾ Out of total shareholding of 22,52,701 equity shares of Mr. Sri Nagaveer Adusumilli, shares aggregating to 2,14,000 equity share are offered for sale through this Prospectus.

⁽²⁾ Pursuant to EGM held on November 30, 2015, our Company has issued 2,52,711 equity shares to Mr. Sri Nagaveer Adusumilli (the erstwhile shareholders of Squarepeg Distribution Services Private Limited) as consideration in accordance with share swap agreement dated November 02, 2015.

Our Promoter has confirmed to the Company and the Lead Manager that the Equity Shares held by our Promoter has been financed from his personal funds and no loans or financial assistance from any bank or financial institution has been availed for this purpose.

- g) None of the shares belonging to our Promoter has been pledged till date.
- h) All the shares held by our Promoter were fully paid-up on the respective dates of acquisition of such shares.
- i) There are no transactions in our Equity Shares during the past six months, which have been purchased/(sold) by our Promoter, his relatives and associates, persons in Promoter Group (as defined under sub-clause (zb) sub regulation (1) Regulation 2 of the SEBI (ICDR) Regulations, 2009) or the Directors of the Company
- j) 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 Promoters' Contribution locked-in for 3 years

Pursuant to the Regulation 32(1) and 36(a) of the SEBI (ICDR) Regulations, an aggregate of 20% of the Post-Issue Equity Share Capital held by our Promoter shall be considered as promoters' contribution ("Promoters' Contribution") and locked-in for a period of three years from the date of Allotment. The lock-in of the Promoters' Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

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

| Name of Promoter | No. of Shares locked in ⁽¹⁾ | As a % of Post Issue Share Capital |
|-----------------------------|--|------------------------------------|
| Mr. Sri Nagaveer Adusumilli | 8,43,866 | 20.50% |
| Total | 8,43,866 | 20.50% |

⁽¹⁾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. 51 of this 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 or from bonus issue against equity shares which are ineligible for minimum promoters' contribution.

Equity Shares acquired by the Promoter during the preceding one year, at a price lower than the price at which Equity Shares are being offered to public in the Issue.

Private placement made by solicitation of subscription from unrelated persons either directly or through any intermediary.

The Equity Shares held by the Promoter and offered for minimum 20% Promoters' Contribution are not subject to any pledge.

Equity Shares for which specific written consent has not been obtained from the shareholders for inclusion of their subscription in the minimum Promoters' Contribution subject to lock-in.

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

We further confirm that our Promoters' 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

- a) Pursuant to Regulation 37 of the SEBI (ICDR) Regulations, in addition to the Promoters' Contribution to be locked-in for a period of 3 years, as specified above, the entire Pre-Issue Equity Share capital will be locked in for a period of one (1) year from the date of Allotment in this Issue, other than the Equity Shares allotted and subscribed pursuant to the Offer for Sale.
- b) 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 Prospectus, none of the Equity Shares held by our Promoter has been pledged to any person, including banks and financial institutions.
- c) 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.
- d) 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 | % |
| 1. Promoter | | | | |
| Mr. Sri Nagaveer Adusumilli | 22,52,701 | 65.39% | 20,38,701 | 49.52% |
| 2. Promoter Group (as defined by SEBI (ICDR) Regulations) | | | | |
| Mrs. Vasavi Adusumilli | 4,52,038 | 13.12% | 2,38,038 | 5.78% |

| Category of Promoter | Pre Issue | | Post Issue | |
|--|------------------|----------------|------------------|----------------|
| | No. of Shares | % | No. of Shares | % |
| Mr. Sarat Chandra Babu Adusumilli | 2,00,000 | 5.81% | 2,00,000 | 4.86% |
| Mrs. Sarada Adusumilli | 1,00,000 | 2.90% | 1,00,000 | 2.43% |
| Total Promoter & Promoter Group Holding | 30,04,739 | 87.23% | 25,76,739 | 62.59% |
| Total Paid up Capital | 34,44,775 | 100.00% | 41,16,775 | 100.00% |

4) Details of Offer for Sale

The following are the details of the Equity Shares being offered as part of the Offer for Sale:

| Sr. No. | Name of Selling Shareholders | Total Number of Equity Shares currently held | Number of Equity Shares offered for the Offer for Sale |
|---------|------------------------------|--|--|
| 1 | Mr. Sri Nagaveer Adusumilli | 22,52,701 | 2,14,000 |
| 2 | Mrs. Vasavi Adusumilli | 4,52,038 | 2,14,000 |

Set forth below are the details of the build-up of Equity Shares offered for the Offer for Sale by the respective Selling Shareholders:

(a) Details of the share capital held by Mr. Sri Nagaveer Adusumilli

| Date of Allotment / Transfer | Nature of Transaction | Nature of Consideration | No of Equity Shares | FV (₹) | Issue / Transfer Price (₹) | Cumulative No. of Shares |
|----------------------------------|-----------------------|-------------------------|---------------------|--------|----------------------------|--------------------------|
| Upon Incorporation | Subscription to MoA | Cash | 6,000 | 10 | 10 | 6,000 |
| March 27, 2012 | Inter-se Transfer | Cash | (6,000) | 10 | 10 | Nil |
| April 01, 2014 | Further Allotment | Cash | 20,00,000 | 10 | 10 | 20,00,000 |
| December 02, 2015 ⁽¹⁾ | Further Allotment | Other than Cash | 2,52,711 | 10 | 17 | 22,52,711 |
| March 01, 2016 | Transfer | Cash | (10) | 10 | 20 | 22,52,701 ⁽²⁾ |

⁽¹⁾ Pursuant to EGM held on November 30, 2015, our Company has issued 2,52,711 equity shares to Mr. Sri Bagaveer Adusumilli (the erstwhile shareholders of Squarepeg Distribution Services Private Limited) as consideration in accordance with share swap agreement dated November 02, 2015.

⁽²⁾ Out of total holding, shares aggregating to 2,14,000 equity share are offered for sale through this Prospectus.

(b) Details of the share capital held by Mrs. Vasavi Adusumilli

| Date of Allotment / Transfer | Nature of Transaction | Nature of Consideration | No of Equity Shares | FV (₹) | Issue / Transfer Price (₹) | Cumulative No. of Shares |
|----------------------------------|-----------------------|-------------------------|---------------------|--------|----------------------------|--------------------------|
| March 27, 2012 | Inter-se Transfer | Cash | 6,000 | 10 | 10 | 6,000 |
| March 27, 2012 | Further Allotment | Cash | 4,44,000 | 10 | 10 | 4,50,000 |
| December 02, 2015 ⁽¹⁾ | Further Allotment | Other than Cash | 2,038 | 10 | 17 | 4,52,038 ⁽²⁾ |

⁽¹⁾ Pursuant to EGM held on November 30, 2015, our Company has issued 2,038 equity shares to Mrs. Vasavi Adusumilli (the erstwhile shareholders of Squarepeg Distribution Services Private Limited) as consideration in accordance with share swap agreement dated November 02, 2015.

⁽²⁾ Out of total holding, shares aggregating to 2,14,000 equity share are offered for sale through this Prospectus.

The Equity Shares of the respective Selling Shareholders, constituting the Offer for Sale in this Issue are eligible in term of SEBI (ICDR) Regulations

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

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

| Sr. No. | Particulars | No. of Shares | % of Shares to Pre – Issue Share Capital |
|--------------|-----------------------------------|------------------|--|
| 1 | Mr. Sri Nagaveer Adusumilli | 22,52,701 | 65.39% |
| 2 | Mrs. Vasavi Adusumilli | 4,52,038 | 13.12% |
| 3 | Smt. P. Sarada | 2,20,013 | 6.39% |
| 4 | Smt. M. Sravanthi | 2,20,013 | 6.39% |
| 5 | Mr. Sarat Chandra Babu Adusumilli | 2,00,000 | 5.81% |
| 6 | Mrs. Sarada Adusumilli | 1,00,000 | 2.90% |
| 7 | Mr. Shrinivas Reddy | 10 | Negligible |
| 8 | - | - | - |
| 9 | - | - | - |
| 10 | - | - | - |
| Total | | 34,44,775 | 100.00% |

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

| Sr. No. | Particulars | No. of Shares | % of Shares to Pre – Issue Share Capital |
|--------------|-----------------------------------|------------------|--|
| 1 | Mr. Sri Nagaveer Adusumilli | 22,52,701 | 65.39% |
| 2 | Mrs. Vasavi Adusumilli | 4,52,038 | 13.12% |
| 3 | Smt. P. Sarada | 2,20,013 | 6.39% |
| 4 | Smt. M. Sravanthi | 2,20,013 | 6.39% |
| 5 | Mr. Sarat Chandra Babu Adusumilli | 2,00,000 | 5.81% |
| 6 | Mrs. Sarada Adusumilli | 1,00,000 | 2.90% |
| 7 | Mr. Shrinivas Reddy | 10 | Negligible |
| 8 | - | - | - |
| 9 | - | - | - |
| 10 | - | - | - |
| Total | | 34,44,775 | 100.00% |

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

| Sr. No. | Particulars | No. of Shares | % of Shares then Share Capital |
|--------------|-----------------------------------|------------------|--------------------------------|
| 1 | Mr. Sri Nagaveer Adusumilli | 20,00,000 | 72.73% |
| 2 | Mrs. Vasavi Adusumilli | 4,50,000 | 16.36% |
| 3 | Mr. Sarat Chandra Babu Adusumilli | 2,00,000 | 7.27% |
| 4 | Mrs. Sarada Adusumilli | 1,00,000 | 3.64% |
| 5 | - | - | - |
| 6 | - | - | - |
| 7 | - | - | - |
| 8 | - | - | - |
| 9 | - | - | - |
| 10 | - | - | - |
| Total | | 27,50,000 | 100.00% |

- 6) 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 from any person.
- 7) 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. 118 of this Prospectus.
- 8) Investors may note that in case of over-subscription, in all the categories, the allocation in the Issue shall be as per the requirement of Regulation 43(4) of SEBI (ICDR) Regulations, as amended from time to time. The allotment

will be on proportionate basis as detailed under “Basis of Allotment” in the chapter titled “*Issue Procedure*” beginning on page no. 256 of this Prospectus.

- 9) 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.
- 10) An over-subscription to the extent of 10% of the Fresh 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 Fresh 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.
- 11) 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
- 12) 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.
- 13) As on date of this 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.
- 14) There shall be only one denomination of Equity Shares of our Company unless otherwise permitted by law. Our Company shall comply with disclosure and accounting norms as may be specified by SEBI from time to time.
- 15) Since the entire application money is being called on application, all successful applications, shall be issued fully paid up shares only. Also, as on the date of this Prospectus the entire pre-issue share capital of the Company has been made fully paid up.
- 16) Except as disclosed in the Prospectus, our Company presently does not have any intention or proposal to alter its capital structure for a period of six months commencing from the date of opening of this Issue, by way of split / consolidation of the denomination of Equity Shares or further issue of Equity Shares or securities convertible into Equity Shares, whether on a preferential basis or issue of bonuses or rights or further public issue of specified securities or Qualified Institutional Placement.
- 17) We have not issued any Equity Shares out of revaluation reserves. We have not issued any Equity Shares for consideration other than cash except as stated in this Prospectus.
- 18) As on date of this Prospectus, there are no outstanding ESOP’s, warrants, options or rights to convert debentures, loans or other instruments convertible into the Equity Shares, nor has the company ever allotted any equity shares pursuant to conversion of ESOP’s till date.
- 19) Except for the sale of Equity Shares by some of the members of our Promoter / Promoter Group in the Issue, our Promoter, Promoter Group and our subsidiaries companies will not participate in the Issue.
- 20) Our Company shall ensure that transactions in the Equity Shares by our Promoter and our Promoter Group between the date of this Prospectus and the Issue Closing Date shall be reported to the Stock Exchange within 24 hours of such transaction.
- 21) The Lead Manager and its associates do not directly or indirectly hold any shares of the Company.
- 22) Our Company has Seven (7) shareholders, as on the date of this Prospectus.
- 23) Our Company has not re-valued its assets since incorporation
- 24) Our Company has not made any public issue or rights issue since its incorporation.

25) Shareholding Pattern of the Company

The following is the shareholding pattern of the Company as on the date of this 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 | 30,04,739 | - | - | 30,04,739 | 87.23% | 30,04,739 | - | 30,04,739 | 87.23% | - | - | - | - | - | 30,04,739 | |
| (B) | Public | 3 | 4,40,036 | - | - | 4,40,036 | 12.77% | 4,40,036 | - | 4,40,036 | 12.77% | - | - | - | - | - | 4,40,036 | |
| (C) | Non Promoter Non Public | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| (C1) | Shares Underlying DRs | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| (C2) | Shares held by Employee Trusts | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| | Total | 7 | 34,44,775 | - | - | 34,44,775 | 100.00% | 34,44,775 | - | 34,44,775 | 100.00% | - | - | - | - | - | 34,44,775 | |

Public Shareholders holding more than 1% of the pre-issue paid-up capital of our Company

| Sr. No. | Particulars | No. of Shares | % of Shares Pre-Issue Share Capital |
|---------|-------------------|-----------------|-------------------------------------|
| 1 | Smt. P. Sarada | 2,20,013 | 6.39% |
| 2 | Smt. M. Sravanthi | 2,20,013 | 6.39% |
| | Total | 4,40,026 | 12.77% |

SECTION IV – PARTICULARS OF THE ISSUE

OBJECTS OF THE ISSUE

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

The Offer for Sale

Our Company will not receive any proceeds of the Offer for Sale by the Selling Shareholders.

The Fresh Issue

The Objects of the Fresh Issue is to raise funds for:

- (a) Long term working capital requirement;
- (b) General Corporate Purposes, and
- (c) Issue related expenses

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

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 the Company through the Present Issue. Further, we confirm that the activities that we have been conducting until now are in accordance with the objects clause of our Memorandum of Association.

Fresh Issue Proceeds & Net Fresh Issue Proceeds

The details of the proceeds of the Issue are set forth in the table below:

| (₹ in lakhs) | | |
|---------------|--|---------------|
| Sr. No. | Particulars | Amount |
| 1 | Gross Proceeds from the Fresh Issue | 403.20 |
| 2 | Company's share of Issue related Expenses ⁽¹⁾ | 35.73 |
| | Net Proceeds from the Fresh Issue | 367.47 |

⁽¹⁾ Except for the Listing Fees, RoC Charges & Market Making Fees, which will be borne by our Company, all other expenses relating to the Issue as mentioned above will be borne by our Company and the Selling Shareholders in proportion to the Equity Shares contributed to the Issue. The Issue expenses are estimated expenses and subject to change.

Requirement of Funds and Means of Finance

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 utilise the Net Proceeds of the Fresh Issue ("Net Proceeds") of ₹ 367.45 lakhs for financing the objects as set forth below:

| (₹ in lakhs) | | |
|---------------|--|---------------|
| Sr. No. | Particulars | Amount |
| 1 | Long term working capital requirement | 350.00 |
| 2 | Expenditure for General Corporate Purposes | 17.47 |
| | Total | 367.47 |

The entire fund requirements are to be financed from the Net Fresh 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 there under.

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 repayment of Unsecured Loans or 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.

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

DETAILS OF THE FUND REQUIREMENTS

1) Long term working capital requirement

Our business operations are working capital intensive as well as capital intensive. We have over the last few years investing substantial capital in building long term assets for the business and developing our infrastructure capabilities. As on March 31, 2016; out of the total ₹ 702.29 lakhs of our owned funds (net worth) we have invested ₹ 553.78 lakhs in long term assets and only ₹ 148.51 lakhs are available for working capital. Further our revenues and working capital requirements have been growing at a fast pace considering we have achieved a CAGR of 44.34% in our top line. It is hence our strategy to raise funds from this issue and augment our fund based working capital capabilities. We believe that companies with high liquidity on their balance sheet would be able to better exploit market opportunities in short term as well as longer duration contracts in our business. As on this date of the Prospectus, we have been sanctioned cash credit limits of ₹ 750.00 lakhs.

Our business is categorized by high inventory due to seasonality of corn production and low credit period from our creditors since the majority procurement is directly from farmers. Further, we expect increase in the working capital requirements; since our focus is on expanding our business operations. With expansion of business, we expect levels of inventory to rise to meet customer demand. Also, we may need to provide additional credit period to our customers in order to maintain the revenue growth levels. Accordingly, we have proposed to use ₹ 350.00 lakhs out of the issue proceeds to meet the increase in long term working capital requirements.

Estimation of Long term working capital requirement

| Sr. No | Particulars | 31.3.2016 | | 31.3.2017 | |
|-----------|--|--------------------------|---------------------|--------------------------|---------------------|
| | | Audited | | Estimated | |
| | | Holding Period (in Days) | Amount (₹ in Lakhs) | Holding Period (in Days) | Amount (₹ in Lakhs) |
| A. | Current Assets | | | | |
| | Inventories | 82 | 1080.33 | 90 | 1365.81 |
| | Receivables | 10 | 133.29 | 10 | 151.75 |
| | Other Current Assets (excluding cash and bank) | 6 | 73.63 | 7 | 100.17 |
| | Total Current Assets | | 1,287.25 | | 1,617.74 |
| B. | Current Liabilities | | | | |
| | Trade Payables | 7 | 83.61 | 5 | 73.58 |
| | Other Current Liabilities and Provisions | 29 | 329.08 | 17 | 238.54 |
| | Total Current Liabilities | | 412.69 | | 312.12 |

| Sr. No | Particulars | 31.3.2016 | | 31.3.2017 | |
|--------|--|-----------|--------|-----------|---------|
| | | Audited | | Estimated | |
| C. | Working Capital Gap (A-B) | | 874.56 | | 1305.62 |
| D. | Funded by: | | | | |
| | Fund-based working capital limited used/ estimated from bank | | 734.22 | | 750.00 |
| E. | Internal Accruals available for working capital | | 140.34 | | 205.62 |
| F. | Working Capital funding through IPO proceeds | | - | | 350.00 |

As per our estimates we would require ₹ 350.00 lakhs out of the issue proceeds to meet the working capital requirements.

Justification of Holding Levels Estimated

We have estimated future working capital requirements based on the following:

| Particulars | Basis | 31.3.2016 Audited | 31.3.2017 Estimated |
|----------------------------|---------------------------------------|-------------------|---------------------|
| Receivables/ Debtors | Debtors Collection Period on Turnover | 10 | 10 |
| Inventories | Inventory Holding Period on Turnover | 82 | 90 |
| Other Current Assets | On turnover | 6 | 7 |
| Trade Payables / Creditors | Creditors Payment Period on Purchases | 7 | 5 |
| Other Current Liabilities | On Cost of Goods Sold | 29 | 17 |

| Particulars | Justification |
|-------------|---|
| Inventory | We have estimated Inventory Turnover of 90 days in 2016-17 as compared to 82 days in 2015-16. The reason for the same being increase in inventory levels to meet customer demand. |
| Debtors | We have estimated Debtor Turnover of 10 days in 2016-17 which is same as in 2015-16; since, we intend to continue our effective receivables management. |
| Creditors | We have estimated Creditor Turnover of 5 days in 2016-17 as compared to 7 days in 2015-16. We expect to get benefits of better pricing by offering faster payment terms. |

2) General Corporate Purposes

We propose to deploy ₹ 17.47 lakhs, aggregating to 4.33% of the Proceeds of the Fresh Issue towards general corporate purposes, including but not restricted to for our working capital requirements, bank deposits, deposits for renting or otherwise acquiring business premises, margin money, acquiring business assets, to renovate and refurbish certain of our existing Company owned/leased and operated facilities or premises, starting new products or services, obtaining new or enabling accreditations and licenses, investment in business venture, strategic alignment, strategic initiatives as per the objects of the Company, expansion into new geographies, investment in securities, brand building exercises, strengthening of our marketing capabilities, implementing enterprise resource planning tools and methodology, in our operations and other project related investments and commitments and execution capabilities in order to strengthen our operations.

Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes.

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 Prospectus, shall not exceed 25% of the amount raised by our Company through this Issue.

ISSUE RELATED EXPENSES

The total estimated Issue Expenses are ₹ 53.75 lakhs, which is 8.14% 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 and payment to other intermediaries such as Legal Advisors, Registrars and other out of pocket expenses. | 38.00 | 70.70% | 5.76% |
| 2 | Brokerage and Selling Commission, Underwriting Commission, etc | 3.50 | 6.51% | 0.53% |
| 3 | Advertisement, Printing & Stationery and Marketing Expenses | 4.50 | 8.37% | 0.68% |
| 4 | Listing Fees, Market Making fees (1st year), Regulatory & Other Expenses | 7.75 | 14.42% | 1.17% |
| Total | | 53.75 | 100.00% | 8.14% |

- 1) Except for the Listing Fees, ROC Charges & the Market Making Fees, which will be borne by our Company, all other expenses relating to the Issue as mentioned above will be borne by the Company and Selling Shareholders in proportion to the Equity Shares contributed to the Issue. The Issue expenses are estimated expenses and subject to change.
- 2) The SCSBs and other intermediaries will be entitled to a commission of ₹ 50/- per every valid Application Form submitted to them and uploaded on the electronic system of the Stock Exchange by them
- 3) The SCSBs would be entitled to processing fees of ₹ 25/- per Application Form, for processing the Application Forms procured by other intermediaries and submitted to the SCSBs.
- 4) Further the SCSBs and other intermediaries will be entitled to selling commission of 0.05% 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.
- 5) 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 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 Prospectus, which are proposed to be repaid from the Net Proceeds.

Year wise Deployment of Funds / Schedule of Implementation

The entire net proceeds of Fresh Issue are proposed to be deployed in the Financial Year 2016 – 17.

Monitoring of Utilization of Funds

There is no requirement for a monitoring agency as the Issue size is less than ₹ 50,000 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 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.

Pursuant to Regulation 32 of the Listing Regulations, our Company shall on half-yearly basis disclose to the Audit Committee the use and application of the Issue Proceeds. Until such time as any part of the Issue Proceeds remains unutilised, our Company will disclose the utilization of the Issue Proceeds under the separate heads in our company's

balance sheet(s) clearly specifying the amount of and purpose for which Issue Proceeds have been utilized so far, and details of amounts out of the Issue Proceeds that have not been utilized so far, also indicating interim investments, if any, of such unutilised Issue Proceeds. In the event that our company is unable to utilise the entire amount that we have currently estimated for use out of Issue Proceeds in a Fiscal Year, we will utilise such unutilised amount in the next financial year. Further, in accordance with Regulation 32(1) (a) of the Listing Regulations of our Company shall furnish to the Stock Exchange on a half yearly basis, a statement indicating material deviations, if any, in the utilisation of the Issue Proceeds for the objects stated in this Prospectus.

Interim Use of Funds

Pending utilization of the Net Proceeds for the purposes described above, our Company will deposit the Net Proceeds with scheduled commercial banks included in schedule II of the RBI Act. Our Company confirms that it shall not use the Net 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 authorised 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 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 being offered are subject to the provisions of the Companies Act, our Memorandum and Articles of Association, the terms of the Prospectus, Application 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 the Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable.

Authority for the Issue

The present Issue has been authorized pursuant to a resolution of our Board dated September 24, 2016 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 26, 2016.

The Offer for Sale has been authorised by the Selling Shareholders by their consent letter dated September 23, 2016. The No. of Equity Shares offered by each Selling Shareholders are as follows:

| Sr. No. | Name of the Selling Shareholders | No. of Equity Shares Offered |
|---------|----------------------------------|------------------------------|
| 1 | Mr. Sri Nagaveer Adusumilli | 2,14,000 |
| 2 | Mrs. Vasavi Adusumilli | 2,14,000 |
| | Total | 4,28,000 |

The Selling Shareholders have severally confirmed that the Equity Shares proposed to be offered and sold in the Issue are eligible in term of SEBI (ICDR) Regulations and that they have not been prohibited from dealings in securities market and the Equity Shares offered and sold are free from any lien, encumbrance or third party rights. The Selling Shareholders have also severally confirmed that they are the legal and beneficial owners of the Equity Shares being offered by them under the Offer for Sale

Other Details

| | |
|-------------------------------------|--|
| Face Value | The Equity Shares to be offered pursuant to this Issue, having a face value of ₹ 10 each are being offered in terms of this Prospectus. Subject to applicable laws, there shall be, at any given point of time, only one denomination of the Equity Shares of our Company. |
| Issue Price per Share | The Equity Shares pursuant to this Prospectus are being offered at a price of ₹ 60 each. |
| Terms of Payment | Applications should be for a minimum of 2,000 equity shares and in multiple of 2,000 equity shares thereafter. The entire Issue Price of the equity shares of ₹ 60 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. |
| Ranking of the Equity Shares | The Equity Shares offered pursuant to this Issue 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. |
| Market Lot and Trading Lot | The Market lot and Trading lot for the Equity Share is 2,000 and in multiples of 2,000 thereafter; subject to a minimum allotment of 2,000 Equity Shares to the successful applicants. |

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 106 P(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 section 40 of the Companies Act, 2013.

BASIS FOR ISSUE PRICE

The Issue Price has been determined by our Company and the Selling Shareholders 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 ₹ 60 per Equity Shares and is 6.00 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, 137 and 85 respectively, of this Prospectus to get a more informed view before making any investment decisions. The trading price of the Equity Shares of our Company could decline due to these risk factors and you may lose all or part of your investments.

Qualitative Factors

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

- ✓ Experienced management team
- ✓ Well established brand name & goodwill
- ✓ Organized Approach and ready infrastructure
- ✓ Healthy Banker relations

For further details regarding some of the qualitative factors, which form the basis for computing the Issue Price, please see “Our Business – Our Strengths” on page no. 85 of this 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)

Standalone

| Year ended March 31, | Basic & Diluted | |
|-------------------------|-----------------|--------|
| | EPS (in ₹)* | Weight |
| 2016 | 3.31 | 3 |
| 2015 | 3.17 | 2 |
| 2014 | 2.80 | 1 |
| Weighted Average | 3.18 | |

*Based on Standalone Restated Financials of our Company

Basic and diluted EPS for the six months ended September 30, 2016 was ₹ 1.56

Consolidated

| Year ended March 31, | Basic & Diluted | |
|----------------------|-----------------|---|
| | EPS (in ₹)* | EPS (excluding exceptional items) (in ₹)* |
| 2016 | 5.18 | 3.20 |

*Based on Consolidated Restated Financials of our Company

Basic and diluted EPS for the six months ended September 30, 2016 was ₹ 1.48

Notes:

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

$$\text{Basis EPS} = \frac{\text{Net Profit / (Loss), as restated, attributable to Equity Shareholders}}{\text{Weighted Average No. of Equity Share outstanding during the year}}$$

$$\text{Basis EPS(excluding exceptional items)} = \frac{\text{Net Profit / (Loss), excluding exceptional items as restated, attributable to Equity Shareholders}}{\text{Weighted Average No. of Equity Share outstanding during the year}}$$

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

$$\text{Diluted EPS} = \frac{\text{Net Profit / (Loss), as restated, attributable to Equity Shareholders}}{\text{Diluted Weighted Average No. of Equity Shares outstanding during the year}}$$

- c. Earnings per share calculations are in accordance with Accounting Standard 20 "Earnings per Share" prescribed by the Companies (Accounting Standard) Rules, 2006
- d. The face value of each Equity Share is ₹ 10.

2) Price Earnings Ratio (P/E) in relation to the Issue price of ₹ 60 per share of ₹ 10 each

| Particulars | Standalone | Consolidated |
|---|------------|--------------|
| P/E ratio based on basic and diluted EPS as at March 31, 2016 | 18.10 | 11.58 |
| P/E ratio based on basic and diluted weighted average EPS as at March 31, 2016 | 18.86 | 11.58 |
| P/E ratio based on basic and diluted EPS excluding exceptional items as at March 31, 2016 | 18.10 | 18.75 |

3) Return on Net Worth (RoNW)

Standalone

| Year ended March 31 | RoNW (%) | Weight |
|-------------------------|--------------|--------|
| 2016 | 14.33 | 3 |
| 2015 | 18.00 | 2 |
| 2014 | 10.62 | 1 |
| Weighted Average | 14.94 | |

Standalone RoNW for the six months period ended September 30, 2016 was 7.10%

Consolidated

| Year ended March 31 | RoNW (%) | RoNW (excluding exceptional items) (%) |
|---------------------|----------|--|
| 2016 | 22.14 | 13.68 |

Consolidated RoNW for the six months period ended September 30, 2016 was 6.69%

4) Minimum Return on Net Worth (RoNW) after Issue needed to maintain the Pre-Issue Basic & diluted EPS for the year ended March 31, 2016 (based on Restated Financials) at the Issue Price of ₹ 60

The minimum return on increased net worth i.e. after Issue, required to maintain pre-Issue Basic / Diluted EPS for the F.Y. 2015-16 is 12.33% as per the standalone financials, 19.16% as per the consolidated financials and 11.83% as per consolidated financials (after excluding exceptional items)

Note: Net worth is the sum of the share capital, the reserves and the surplus less miscellaneous expenditure not written off.

5) Net Asset Value (NAV)

| Financial Year | Standalone NAV (in ₹) | Consolidated NAV (in ₹) |
|------------------------------|-------------------------|---------------------------|
| NAV as at September 30, 2016 | 21.95 | 22.09 |
| NAV as at March 31, 2016 | 20.39 | 20.61 |
| NAV after Issue | 28.16 | 28.28 |
| Issue Price | 60 | 60 |

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

$$\text{NAV} = \frac{\text{Net Worth}}{\text{Outstanding No. of Equity Shares at the end of the year}}$$

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, size and financials.

The Company in consultation with the Lead Manager believes that the Issue price of ₹ 60 per share for the Public Issue is justified in view of the above parameters. The investors may also want to peruse the Risk Factors and Financials of the company including important profitability and return ratios, as set out in the Financial Statements included in this Prospectus to have more informed view about the investment proposition. The Face Value of the Equity Shares is ₹ 10 per share and the Issue Price is 6.00 times of the face value i.e. ₹ 60 per share

STATEMENT OF TAX BENEFITS

To

The Board of Directors,
Tanvi Foods (India) Limited,
No.7-2-4/D, Old Canteen Building,
Sanathnagar Industrial Estate,
Opposite SBH, Sanathnagar,
Hyderabad-500018

Dear Sir,

Sub: Statement of possible Tax benefits available to the Company and its shareholders on proposed Public Issue of Shares under the existing tax laws

We hereby confirm that the enclosed annexure, prepared by the Management of **Tanvi Foods (India) Limited** ('the Company'), states the possible Tax benefits available to 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 tax laws. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on business imperatives which the Company may face in the future, the Company may or may not fulfill.

The benefits discussed in the enclosed statement are not exhaustive. 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. A shareholder is advised to consult his / her / its own tax consultant, with respect to the tax implications arising out of his / her / its' participation in the proposed issue, particularly in view of ever changing tax laws in India.

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

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

The contents of this annexure are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company and the provisions of the tax laws. The same shall be subject to notes annexed.

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

We shall not be liable to **Tanvi Foods (India) Limited** for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith of intentional misconduct.

For M/s. GV & Co,
Chartered Accountants

Grandhi Vittal
Proprietor
Firm Registration No.012875S
Membership No: 206462

Place: Hyderabad
Date: September 27, 2016

ANNEXURE TO THE STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO TANVI FOODS (INDIA) LIMITED AND ITS SHAREHOLDERS

Outlined below are the possible benefits available to the Company and its shareholders under the current direct tax laws in India for the Financial Year 2016-17.

BENEFITS TO THE COMPANY UNDER THE INCOME TAX ACT, 1961 (THE "ACT")

A. SPECIAL TAX BENEFITS TO THE COMPANY

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

B. SPECIAL TAX BENEFITS TO THE SHAREHOLDER

NIL

Note:

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

**For M/s. GV & Co,
Chartered Accountants**

Grandhi Vittal
Proprietor
Firm Registration No.012875S
Membership No: 206462

Place: Hyderabad
Date: September 27, 2016

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 world economy stumbled in 2015, amid weak aggregate demand, falling commodity prices and increasing financial market volatility in major economies. The world gross product is projected to grow by a mere 2.4 per cent in 2015, marking a downward revision from the 2.8 per cent forecast in the World Economic Situation and Prospects as of mid-2015.

The world economy is projected to grow by 2.9 per cent in 2016 and 3.2 per cent in 2017, supported by generally less restrictive fiscal and still accommodative monetary stances worldwide. The improvement in global growth is also predicated on easing of downward pressures on commodity prices, which should encourage new investments and lift growth, particularly in commodity dependent economies.

Growth of world output, 2013–2017

| Annual Percentage Change | 2013 | 2014 | 2015 | 2016 | 2017 |
|--|------|------|------|------|------|
| World | 2.3 | 2.6 | 2.4 | 2.9 | 3.2 |
| Developed Economies | 1.0 | 1.7 | 1.9 | 2.2 | 2.3 |
| United States of America | 1.5 | 2.4 | 2.4 | 2.6 | 2.8 |
| Japan | 1.6 | -0.1 | 0.5 | 1.3 | 0.6 |
| European Union | 0.2 | 1.4 | 1.9 | 2.0 | 2.2 |
| EU-15 | 0.1 | 1.2 | 1.8 | 2.0 | 2.1 |
| New EU members | 1.2 | 2.7 | 3.2 | 3.0 | 3.2 |
| Euro area | -0.3 | 0.9 | 1.6 | 1.9 | 2.0 |
| Other European countries | 1.5 | 2.0 | 1.2 | 1.4 | 2.0 |
| Economies in transition | 2.1 | 0.9 | -2.8 | 0.8 | 1.9 |
| South-Eastern Europe | 2.4 | 0.2 | 2.1 | 2.6 | 3.0 |
| Commonwealth of Independent States and Georgia | 2.0 | 0.9 | -3.0 | 0.7 | 1.8 |
| Russian Federation | 1.3 | 0.6 | -3.8 | 0.0 | 1.2 |
| Developing Economies | | | | | |
| Africa | 3.3 | 3.4 | 3.7 | 4.4 | 4.4 |
| North Africa | 1.1 | 0.7 | 3.5 | 4.1 | 4.1 |
| East Africa | 6.9 | 7.0 | 6.2 | 6.8 | 6.6 |
| Central Africa | 0.9 | 3.7 | 3.4 | 4.3 | 4.2 |
| West Africa | 5.7 | 6.1 | 4.4 | 5.2 | 5.3 |
| Southern Africa | 3.1 | 2.5 | 2.5 | 3.0 | 3.3 |
| East and South Asia | 6.1 | 6.1 | 5.7 | 5.8 | 5.8 |
| East Asia | 6.4 | 6.1 | 5.6 | 5.6 | 5.6 |
| China | 7.7 | 7.3 | 6.8 | 6.4 | 6.5 |
| South Asia | 4.9 | 6.4 | 6.0 | 6.7 | 7.0 |
| India | 6.5 | 7.2 | 7.2 | 7.3 | 7.5 |
| Western Asia | 2.0 | 2.6 | 2.0 | 2.4 | 3.0 |
| Latin America and the | 2.8 | 1.0 | -0.5 | 0.7 | 2.7 |

| Annual Percentage Change | 2013 | 2014 | 2015 | 2016 | 2017 |
|--------------------------|------|------|------|------|------|
| Caribbean | | | | | |
| South America | 3.1 | 0.5 | -1.6 | -0.1 | 2.4 |
| Brazil | 2.5 | 0.1 | -2.8 | -0.8 | 2.3 |

(Source: United Nations, 2015a)

Indian Economy

India has emerged as the fastest growing major economy in the world as per the Central Statistics Organization (CSO) and International Monetary Fund (IMF). According to the Economic Survey 2015-16, the Indian economy will continue to grow more than 7 per cent in 2016-17.

The improvement in India's economic fundamentals has accelerated in the year 2015 with the combined impact of strong government reforms, RBI's inflation focus supported by benign global commodity prices.

India was ranked the highest globally in terms of consumer confidence during October-December quarter of 2015, continuing its earlier trend of being ranked the highest during first three quarters of 2015, as per the global consumer confidence index created by Nielsen.

According to IMF World Economic Outlook Update (January 2016), Indian economy is expected to grow at 7-7.75 per cent during FY 2016-17, despite the uncertainties in the global market. The Economic Survey 2015-16 had forecasted that the Indian economy will growing by more than seven per cent for the third successive year 2016-17 and can start growing at eight per cent or more in next two years. Foreign direct investment (FDI) in India have increased by 29 per cent during October 2014-December 2015 period post the launch of Make in India campaign, compared to the 15-month period before the launch.

Numerous foreign companies are setting up their facilities in India on account of various government initiatives like Make in India and Digital India. Mr. Narendra Modi, Prime Minister of India, has launched the Make in India initiative with an aim to boost the manufacturing sector of Indian economy. This initiative is expected to increase the purchasing power of an average Indian consumer, which would further boost demand, and hence spur development, in addition to benefiting investors. Besides, the Government has also come up with Digital India initiative, which focuses on three core components: creation of digital infrastructure, delivering services digitally and to increase the digital literacy. Finance Minister Mr. Arun Jaitley stated that the government is looking at a number of reforms and resolution of pending tax disputes to attract investments.

India | Economic Forecasts | 2016-2020

| Overview | Actual | Q2/16 | Q3/16 | Q4/16 | Q1/17 | 2020 | | |
|------------------------|----------|--------|--------|-------|-------|--------|-------------|-----|
| GDP Growth Rate | 1.70 | 1.9 | 1.6 | 1.7 | 1.7 | 1.3 | percent | [+] |
| Unemployment Rate | 4.90 | 4.7 | 5 | 4.8 | 4.8 | 4.6 | percent | [+] |
| Inflation Rate | 5.76 | 5.05 | 4.87 | 4.64 | 5.1 | 3.8 | percent | [+] |
| Interest Rate | 6.50 | 6.5 | 6.5 | 6.5 | 6.5 | 4.75 | percent | [+] |
| Balance of Trade | -6272.90 | -19200 | -19000 | -7764 | -7826 | -10115 | USD Million | [+] |
| Government Debt to GDP | 67.20 | 67.87 | 68.01 | 68.15 | 68.69 | 77.11 | percent | [+] |

(Source: CSO and IMF report)

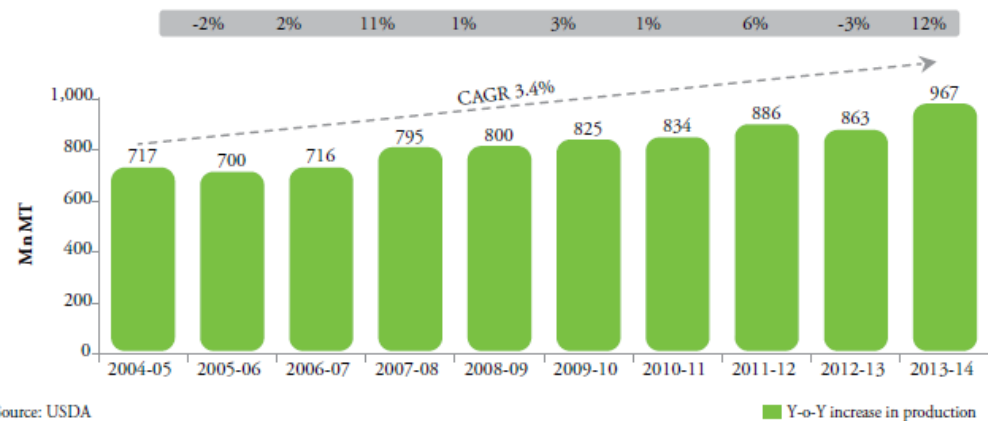
MAIZE / FRESH CORN: GLOBAL SCENARIO

Maize is a cereal crop which is cultivated widely throughout the world and has the highest production among all the cereals. The worldwide production of maize was more than 960 MnMT in 2013-14. It is an important food staple in many countries and is also used in animal feed and many industrial applications. The crop has tremendous genetic variability, which enables it to thrive in tropical, subtropical, and temperate climates.

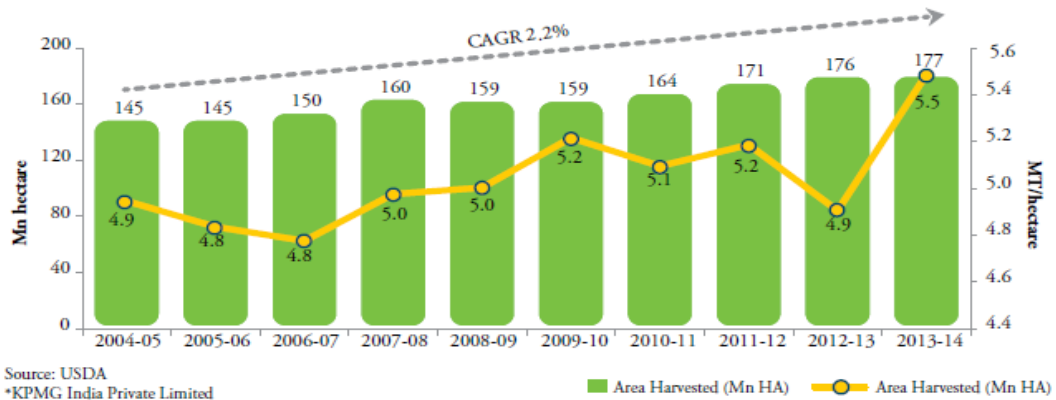
Global production of maize has grown at a CAGR of 3.4 per cent over the last ten years, from 717 MnMT in 2004-05 to 967 MnMT in 2013-14.

The area under maize cultivation in the period has increased at a CAGR of 2.2 per cent, from 146 Mn hectare in 2004-05 to 177 Mn hectare in 2013-14, the remaining increase in production is due to increase in yield. Productivity of maize has increased at a CAGR of 1.2 per cent, from 4.9 MT/hectare in 2004-05 to 5.5 MT/hectare in 2013-14.

Global Maize Production



Land Area Under Maize Cultivation and Yields



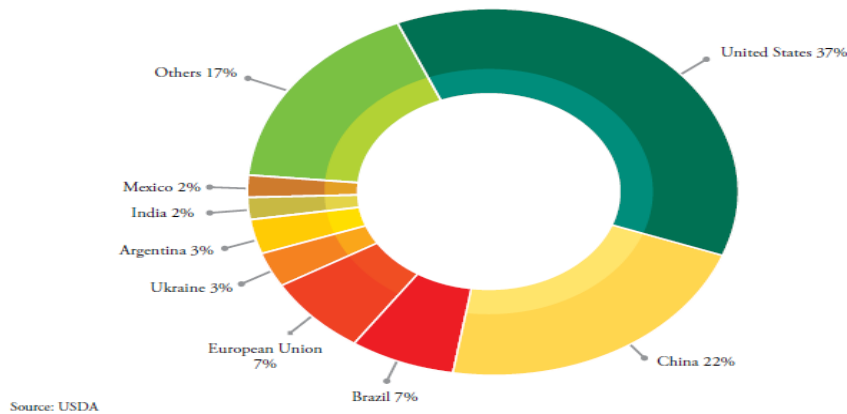
(Source: FICCI)

United States is the largest maize producer and also has a large surplus, which also makes it the largest maize exporter. Brazil, Ukraine and Argentina are the other key maize producing countries behind USA. The four countries together account for 80-85% of the total exports in maize.

Maize is by far the largest component of global coarse-grain trade. Most of the maize that is traded is used for feed; smaller amounts are traded for industrial and food uses.

Japan has negligible maize production and has consistently been the top maize importer in the world. ~90 per cent of Japan’s maize requirements comes from USA and another 8-9 per cent from Argentina and Brazil. China and Mexico, though being amongst the top maize producing nations, are also top importers.

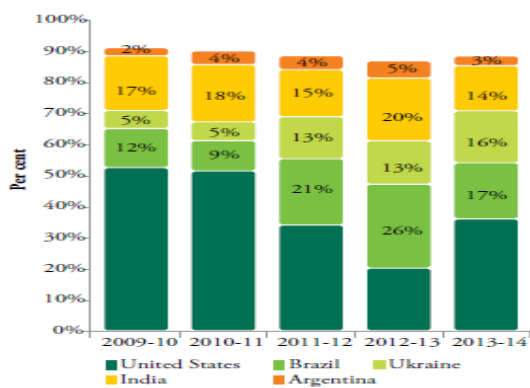
Top Maize Producing Countries, 2013-14



Mexico, due to its close proximity to USA, imports 99 per cent of its maize from USA. While Mexico has consistently been amongst the top importers; China has become a maize deficit country over the past five years due to the high demand growth from feed industry.

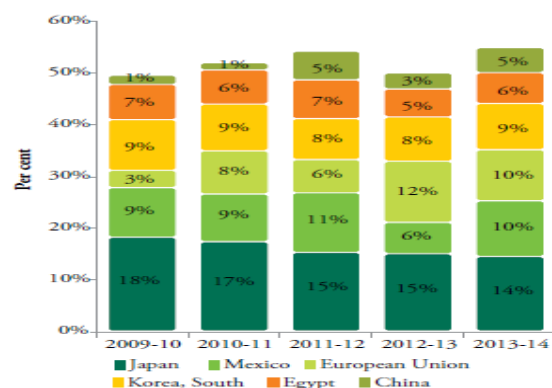
However, there has been a declining trend in maize exports from USA. The reason for decrease in exports from USA is due to maize being consumed locally for production of ethanol. The rising demand for maize and decrease in exports from USA has led to an increase in prices globally.

Top Maize Exporting Countries



(Source: FICCI)

Top Maize Importing Countries



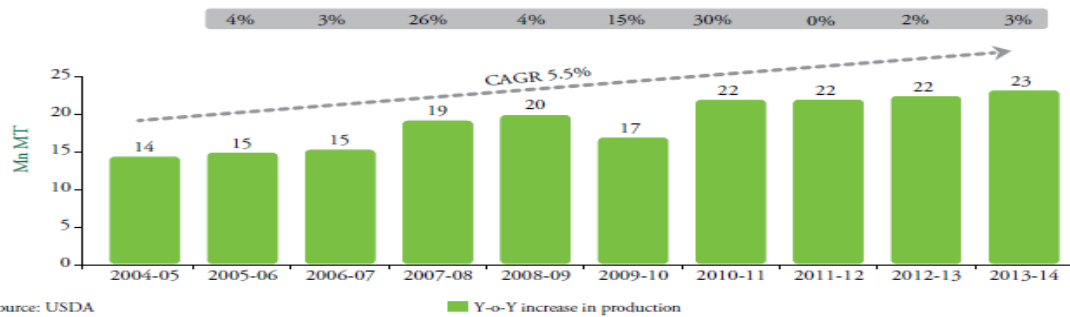
MAIZE / FRESH CORN: INDIAN SCENARIO

Maize is grown throughout the year in India. It is predominantly a kharif crop with 85 per cent of the area under cultivation in the season. Maize is the third most important cereal crop in India after rice and wheat. It accounts for ~9 per cent of total food grain production in the country.

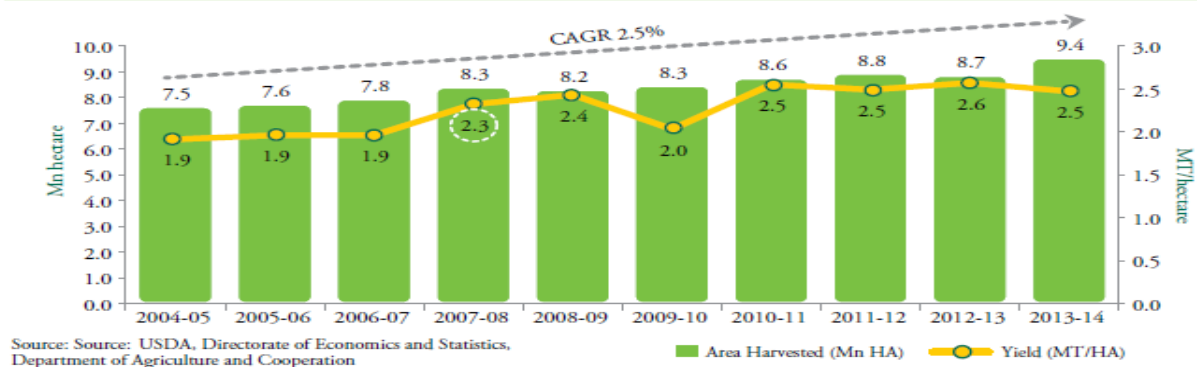
Maize production in India has grown at a CAGR of 5.5 per cent over the last ten years from 14 MnMT in 2004-05 to 23 MnMT in 2013-14. During 2009-10 there was a decline in production primarily due to drought that affected production of kharif crops in the country. The area under maize cultivation in the period has increased at a CAGR of 2.5 per cent from 7.5 Mn hectare in 2004-05 to 9.4 Mn hectare in 2013-14, the remaining increase in production is due to increase in yield. Factors such as adaptability to diverse agro-climatic conditions, lower labour costs and lowering of water table in the rice belt of India have contributed to the increase in acreage.

Productivity of maize (yield) has increased at a CAGR of 2.9 per cent from 1.9 MT/hectare in 2004-05 to 2.5 MT/hectare in 2013-14. Introduction of Single cross hybrid (SCH) seeds coupled with adequate rainfall in 2007-08 contributed to 20 per cent increase in yield.

India Maize Production



Land Area Under Maize Cultivation and Yields



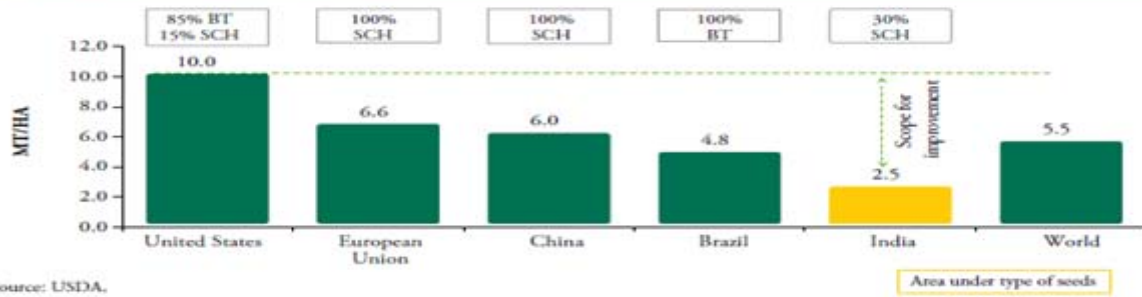
USA has the highest productivity when compared with the global average of 5.5 MT/hectare due to 85 per cent of the area under BT-SCH and remaining 15 per cent under SCH seeds backed by temperate climate and long duration crop. The yield in EU nations is as high as 6.6 MT/hectare due to 100 per cent area under SCH, temperate climatic conditions and long duration crop. The yield in China is low when compared to EU nations due to sub-tropical climate and medium duration crop. Brazil has lower yield due to dependence on rainfall and tropical climatic conditions.

The differences in yield across the globe is mainly due to environmental, technological, economic and organizational factors. In most developed countries the climate is temperate; likewise they use sufficient inputs and a well mechanized system for the maize production.

In India, the yield is half of the global average. Constraints for low productivity include:

- Climatic conditions resulting in drought/excess water associated with increased pressure of diseases/pests
- Cultivation in kharif is mainly under rain-fed conditions on marginal lands with inadequacy in irrigation
- Only about 30 per cent of the area is under SCH. Lack of development of single cross hybrid technology, which is a key to higher productivity gains like USA, China and other countries
- Limited adoption of improved production-protection technology
- Deficiencies in the production and distribution system of quality seed
- Small farm holdings and limited resource availability with farmers

Maize Productivity Comparison, 2013-14



(Source: FICCI)

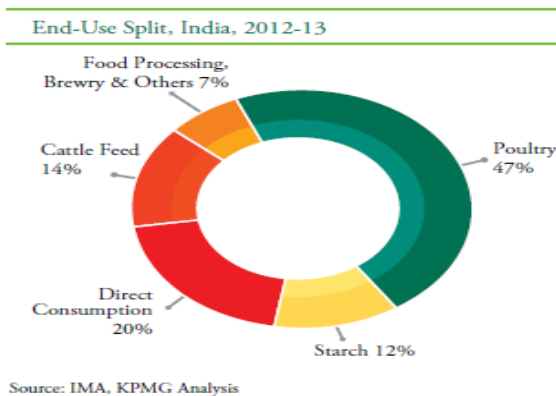
Maize consumption in India has grown at a CAGR of ~4 per cent over the last ten years from 14 MnMT in 2004-05 to 19 MnMT in 2013-14. There was a decrease in domestic consumption in 2009-10 primarily due to the drought that lead to decline in production.



End use of Maize

Maize consumption in India has grown at a CAGR of ~4 per cent over the last ten years from 14 MnMT in 2004-05 to 19MnMT in 2013-14. There was a decrease in domestic consumption in 2009-10 primarily due to the drought that lead to decline in production.

Most of the maize in India is used in the poultry feed industry. Poultry industry is heavily dependant on maize as it forms 50-60 per cent of the input required for broiler feed and 25-35 per cent of the input required for layer feed. Maize is the preferred source of energy in feed when compared with other substitutes due to availability, higher energy and price economics. Poultry feed's share has remained around 45-50 per cent of the total demand for maize in the country over the past 4-5 years.



(Source: FICCI)



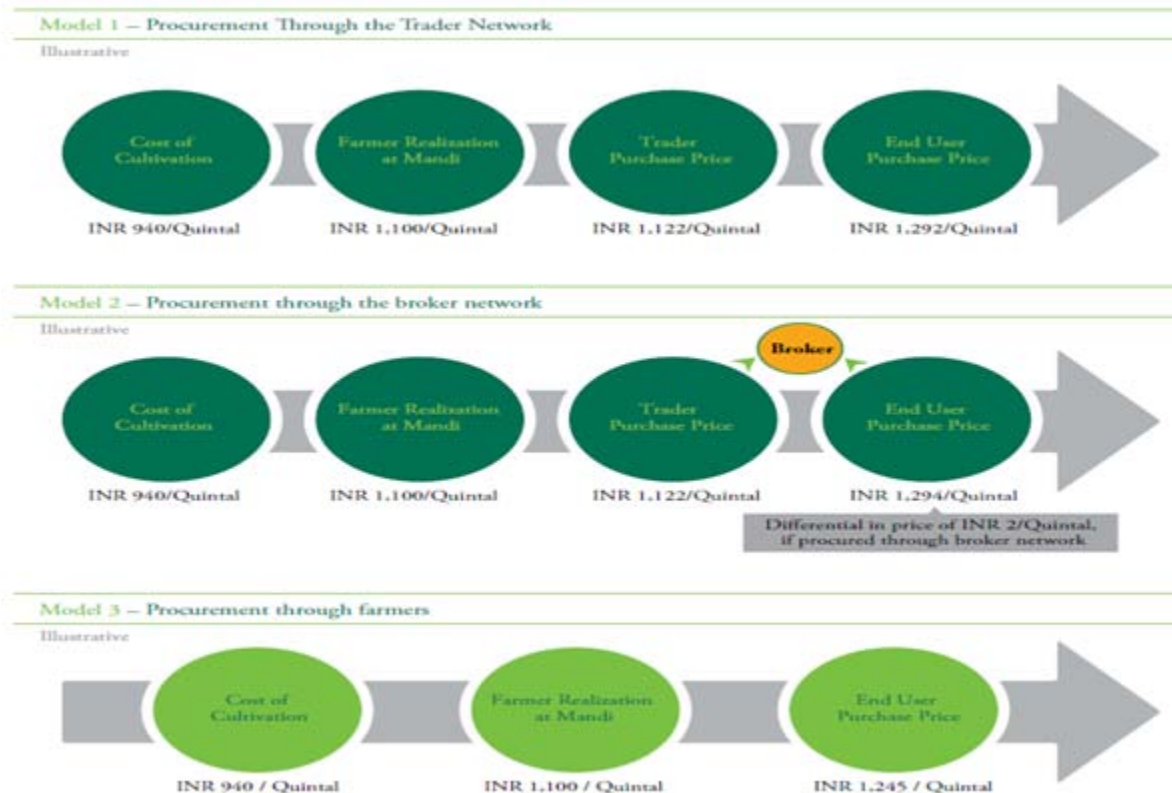
Maize is the basic raw material required for manufacturing starch and constitutes 60-70 per cent of the total operating costs. Maize has 60-65 per cent starch content, hence cannot be easily substituted by other commodities.

Historically maize was used more for local consumption and less for commercial use. Maize utilized for direct human consumption has reduced over the years and is expected to further reduce due to rising income levels which has made preferred cereals like wheat and rice more affordable, increasing commercial demand from poultry and starch industries leading to higher farmer realization.

Developed countries like USA and European nations have a very low ratio of maize going towards direct maize consumption as most of the maize goes toward production of feed, starch and ethanol. Maize is consumed directly as food primarily in developing countries of Africa and Central America.

Economic development in the country is expected to shift India's maize consumption pattern to that of developed countries and result in a further drop in direct consumption of maize.

Procurement through the trader and broker network is the most prominent channel adopted by the end users for procuring maize



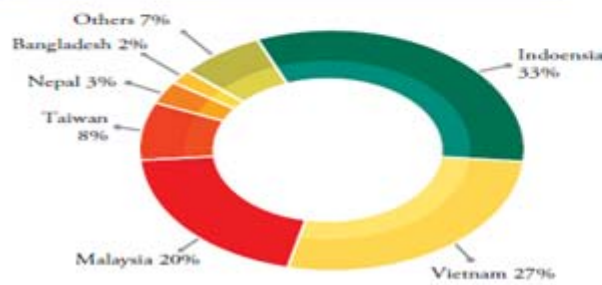
Procurement directly from farmers could result in a saving of approximately INR 50/Quintal, but is not a prominent model in the country today due to factors such as:

- Payment of cash to farmers
- Credit period of 15-30 days provided by traders
- Concerns around continuity of supply from farmers
- Problems faced managing multiple farmers due to fragmented land holdings

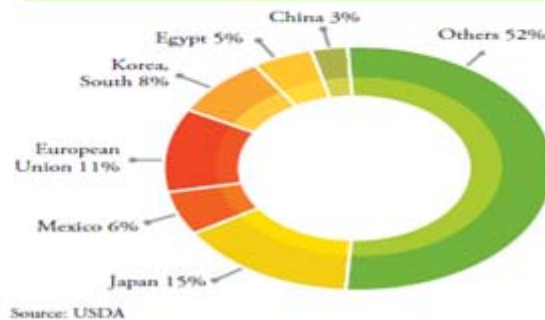
India Maize Exports (MnMT)



India key maize export destination, 2012-13



Global key maize importers, 2012-13



India has witnessed a jump in maize exports from 2007-08. The increase in export volumes is a result of increased production, higher realization and demand for maize from international markets. Export volume declined during the period 2009-2011 due to drought conditions leading to low production. Increase local demand for maize from poultry and starch industries, within India, and application in diversified industries such as alcoholic beverages, bio-fuel, processed food, corn oil, etc., has kept maize prices relatively steady.

Exports have declined in 2013-14 due to weak export demand which is due to relatively weak global prices on improved supplies from other competing locations.

Maize currently accounts for 22 per cent of total cereal exports from the country. Declining exports from USA and price parity offered by Indian maize provides an opportunity to supply maize to importing countries within Asia.

Amongst the top importing countries, Japan, Korea and China are both much closer to India than USA, Brazil and Argentina (top exporting countries). India could have a cost advantage due to lower shipping costs. Malaysia, Vietnam, Philippines, Indonesia are the other Asian countries which import maize and the high demand in these countries is expected to increase their maize import quantity.

Stock consumption ratio for India increased from 3.7 % in 2004- 05 to 6.6% in 2013-14 vis-a- vis global average of 16.3 % in 2013-14

Stock to Consumption Ratio India versus World



(Source: FICCI)

Cold Storage

Product Segmentation

The various goods which require cold-chain facilities were segmented into broad product segments, listed in Figure 6:

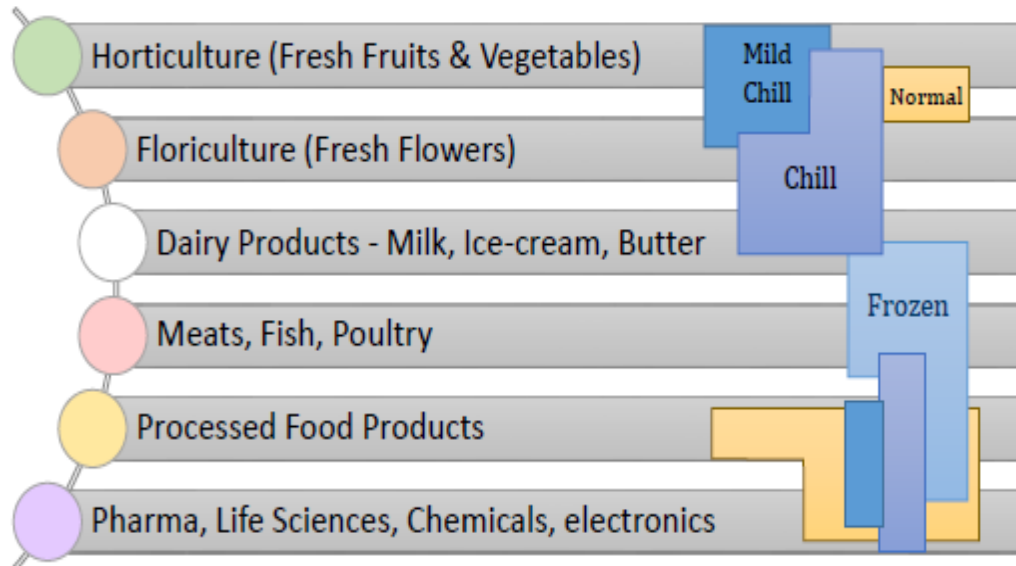


Fig. 6 – Product-wise segmentation of temperature controlled logistic chain

The above listed product segments, have varied holding times, depending on time-temperature combinations and cold-chain infrastructure facilities. The first 3 in the list mostly have a short holding life and the last 3 have a long holding life of many months or even years. Accordingly, the cold-chain facilities play a differentiated role which may be summarized as under:

- For fresh horticulture and floriculture produce, the cold-chain enhances the life cycle of the produce thereby extending its saleable life and time span to reach the end-consumers across geographies. Due to shortage of time, quick logistics connectivity is the driving force.
- For transformed or processed food, the cold-chain protects the status of the manufactured goods till it is consumed. Due to long term holding ability, low cost procurement and a managed product inventory takes precedence.

In both cases, the cold-chain protects value of goods under its care, and the primary benefit of cold-chain goes to the producer/owners of this value, namely the farmers, growers, producer organisations, as well the traders and food processors.

It is also noted that there is scope for synergistic use of infrastructure, between the different user or product segments. In utilising logistics assets, cross utilisation and improved capacity utilisation can be effected if the initial design and planning is in accordance. The most commonly used component between segments is the reefer transport and these are designed to handle in a wide range of conditions.

Cold Chain Categories based on Storage Temperatures

Based on product storage temperature, the using commodities can be broadly classified into 4 categories depicted in Fig. 7.

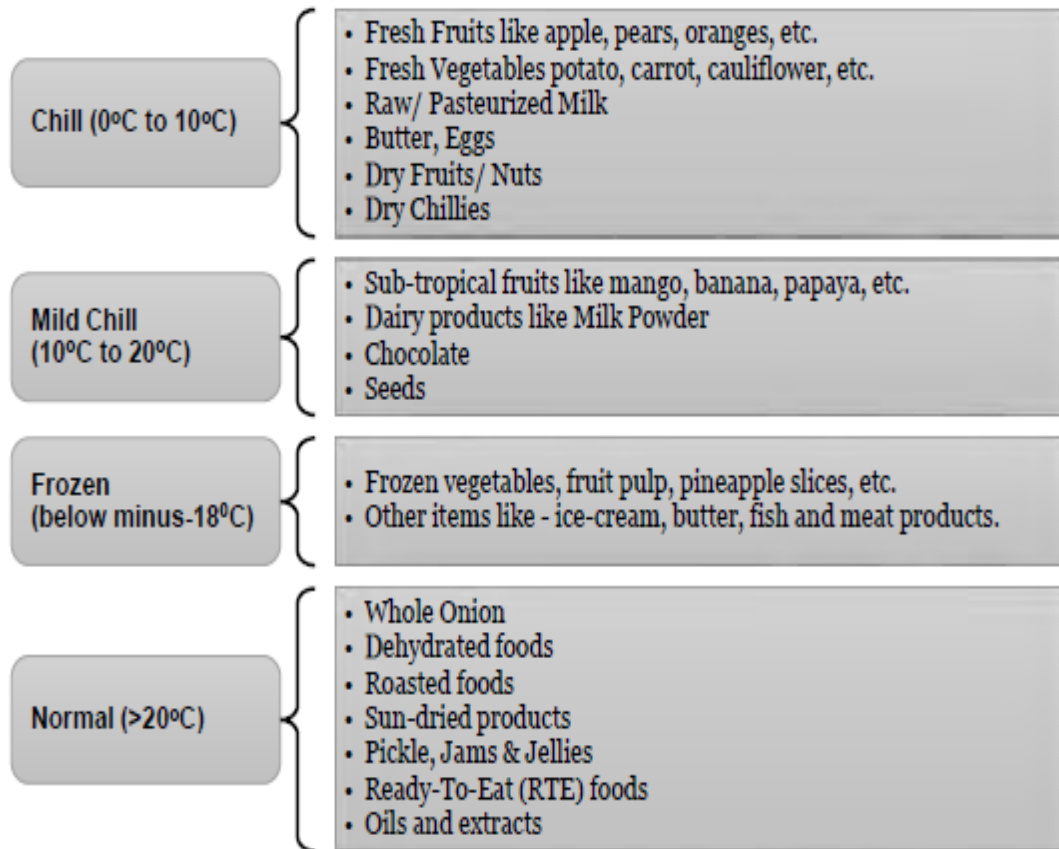


Fig. 7 – Cold-chain storage segmentation based on storage temperature

State-wise Capacity of Cold Storages in India (31.03.2014)

| S.No | State/UTs | Number of Cold Stores | Capacity in MT |
|---------------|------------------------|-----------------------|-------------------|
| 1 | Andaman & Nicobar (UT) | 2 | 210 |
| 2 | Andhra Pradesh | 404 | 1577828 |
| 3 | Arunachal Pradesh | 2 | 5000 |
| 4 | Assam | 34 | 119652 |
| 5 | Bihar | 303 | 1406395 |
| 6 | Chandigarh (UT) | 6 | 12216 |
| 7 | Chattisgarh | 89 | 427766 |
| 8 | Delhi | 97 | 129857 |
| 9 | Goa | 29 | 7705 |
| 10 | Gujarat | 560 | 2030873 |
| 11 | Haryana | 295 | 588649 |
| 12 | Himachal Pradesh | 32 | 38557 |
| 13 | Jammu & Kashmir | 28 | 64769 |
| 14 | Jharkhand | 55 | 217280 |
| 15 | Karnataka | 189 | 526752 |
| 16 | Kerala | 197 | 78355 |
| 17 | Lakshadweep (UT) | 1 | 15 |
| 18 | Madhya Pradesh | 260 | 1097168 |
| 19 | Maharashtra | 540 | 706302.6 |
| 20 | Manipur | 1 | 2175 |
| 21 | Meghalaya | 4 | 8200 |
| 22 | Mizoram | 3 | 3931 |
| 23 | Nagaland | 2 | 6150 |
| 24 | Odisha | 111 | 326639 |
| 25 | Puducherry (UT) | 3 | 85 |
| 26 | Punjab | 606 | 2004778 |
| 27 | Rajasthan | 154 | 480032 |
| 28 | Sikkim | 2 | 2000 |
| 29 | Tamil Nadu | 163 | 295671 |
| 30 | Tripura | 13 | 39181 |
| 31 | Uttar Pradesh | 2176 | 13633039 |
| 32 | Uttarakhand | 28 | 84545 |
| 33 | West Bengal | 502 | 5901925 |
| Totals | | 6891 | 31823700.6 |

[Source: Ministry of Agriculture & Ministry of Food Processing Industries]

On the basis of recorded capacity created of cold storages only, as of 31.03.2014. Actual operational / functional capacity may differ as various units may have become non-operational due to redundancy of technology, business model or other reasons. The cold storage capacity built for captive use of individual industry (hospitality, medical, retail, QSR, etc), are not fully reflected in data.

Indian scenario

In October 2014 a report by the Task Force on Cold Chain Projects recommended creation of additional 7.5 million MT cold-chain capacity in the next 5 years under the joint responsibility of the Ministry of Agriculture and the Ministry of Food Processing Industries. Out of 7.5 million MT, DAC can take up 5 million MT under MIDH and MoFPI can take up 2.5 million MT. The capacity needs to be planned to adopt an “end-to-end” approach so as to connect farm-gate to the consumers in a seamless manner.

The base line survey of cold stores, conducted by M/s. Hansa Research for National Horticulture Board under DAC in 2013-14, indicates the segment wise share in number of cold storage is shown in Fig. 8.

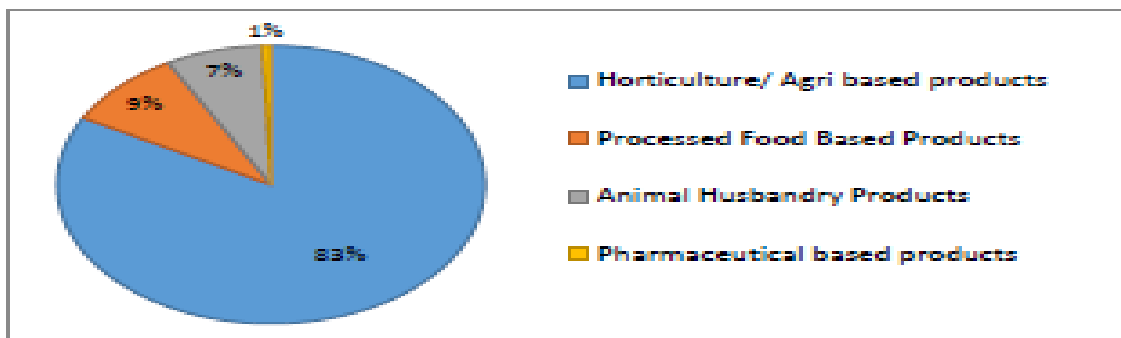


Fig. 8 – Segment-wise segregation of Cold Storages

Existing infrastructure of Cold Chain in India:

| # | Infrastructure Component | Numbers | Avg Size or capacity (MT) | Remarks |
|---|--------------------------|-----------------------|---------------------------|---------------------------------------|
| 1 | Modern Pack-house (PH) | 249 | NA | Study of secondary data and estimates |
| 2 | Cold Storage Hubs (CH) | 5367 | 5003 | Baseline Survey (DAC) |
| 3 | Cold Storage Bulk (CS) | | | Baseline Survey (DAC) |
| 4 | Ripening Chamber (RC) | 812 | NA | Study of secondary data and estimates |
| 5 | Reefer Transport (T) | 9,000 | 6 to 15 tons | Market estimate |
| 6 | Last mile Transport (t) | | < 4 tons | Market estimate |
| 7 | Retail/ Front-end (FE) | 1.968 million outlets | NA | Market estimate |

Fig. 9 – Existing Cold-chain Infrastructure in India

Source: Report titled ‘All India Cold-chain Infrastructure Capacity – Assessment of Status and gaps (2015)’ by National Centre for Cold-chain Development (NCCD)

The Task Force on Cold-chain Projects (TFCP-2014) reports that a total of 31.82 million metric tons of cold stores have been created in the country. Of these, a total of 10.58 million tons in cold storage size were created in the last 7 years (from 2007 to 2014), through Central Government Assistance:

- Under MoFPI: total 0.19 million tons capacity is created.
- Under MIDH (NHM/HMNEH/NHB): total 10.39 million tons is created.

As per information from various government departments and agencies, 6891 cold storages have been created of size 31.82 million tons. This information is not further segregated into Cold Storage (Bulk) or Cold Storage (Hub).

Warehousing

Indian Agricultural Warehousing

Warehousing plays a very vital role in promoting agriculture marketing, rural banking and financing and ensuring Food Security in the country. It enables the markets to ease the pressure during harvest season and to maintain uninterrupted supply of agricultural commodities during off season. Hence, it solves the problems of glut and scarcity, which are the usual problems in agricultural marketing. Indian transportation and logistics market witnesses new heights; there has been increasing buzz around technology adoption, network optimization, multimodal transportation and improving warehousing. The latter in particular has been evolving rapidly from traditional 'godowns' to modern facilities. Indian logistics market is expected to grow at a CAGR of 12.17% by 2020 driven by the growth in the manufacturing, retail, FMCG and e-commerce sectors.

Agricultural warehousing accounts for fifteen percent of the warehousing market in India and is estimated to be worth ₹ 8,500 crore. It is however perceived to be inadequate and unorganised. More than 40 percent of the agricultural warehouses are run by state enterprises such as FCI, CWC and SWCs.

30 percent of the warehousing capacity is held by unorganised small godown players. These unorganised warehouses lack scale and quality. On the other hand, there are a few large national-level players in the warehousing market which own professionally run warehouses and also provide ancillary services around warehousing.

Although there is no exact data on the number of warehouses present, some of the substantial capacities available in public, cooperative and private sectors are depicted below:

| S. No. | Name of Organisation | Storage Capacity (in million metric tonne) |
|--------|--|--|
| 1 | Food Corporation of India (FCI) | 38.34 |
| 2 | Central Warehousing Corporation (CWC) | 10.30 |
| 3 | State Warehousing Corporations (SWCs) and State Civil Supplies | 34.84 |
| 4 | Co-operative Sector | 15.07 |
| 5 | Private Sector | 18.97 |
| | Total | 117.52 |

Source: Report by the Committee for Strengthening Negotiable Warehouse Receipts by the Warehousing Development and Regulatory Authority in the Country

There exists evidence of lack of warehousing capacity in the country. The warehousing capacity gap estimated by the Planning Commission stands to be at 27 million metric tonnes today. A study on state of Indian farmers in the year 2004 by the Ministry of Agriculture estimated that about 7% of food grains and 30% of fruits and vegetable are lost due to inadequate handling facilities. Approximately, 10% of valuable spices are lost due to lack of proper post-harvest infrastructural facilities. The above post-harvest losses of agricultural commodities in monetary terms have been estimated at about ₹ 44,000 crores.

Out of the total capacity present in the Indian warehousing today, only 19.44 lakh metric tonne (1.94 million metric tonne) has been registered with WDRA by a total of seven hundred and six warehouses of CWC, SWC, Primary Agriculture Co-operative Society (PACS). This corresponds to 1.65% of the overall capacity estimated to be present in the market today.

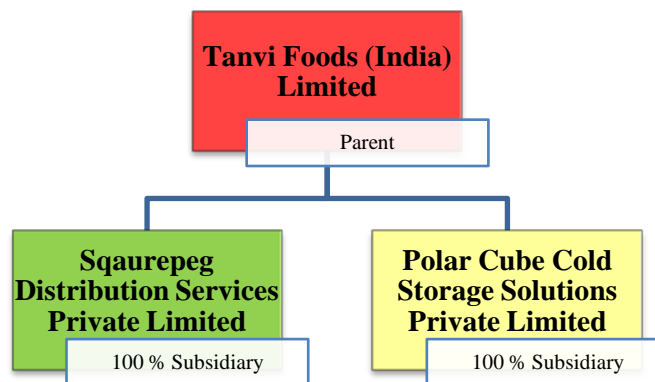
OUR BUSINESS

OVERVIEW

Our company is involved in trading, distribution, and processing of Food and Beverages primarily operating in the states of Andhra Pradesh and Telangana. Incorporated in 2007, over the years we have grown organically as well as inorganically and today we along with our subsidiaries operate over four exclusive point of sales; three Cold Room Facilities aggregating to 8,728 sq. ft., one food processing and packaging unit spread across 495 sq. yards, around 28 logistics vehicles dedicated towards F&B distribution making us one of few select organized players in this highly unorganized segment.

We currently specialize in products such as Fresh Corn, Frozen Corn, and Green Peas in loose as well as packed form. Further we also prepare and sell corn based eatables such as Corn Samosa's, Corn Patties and Spring Roll, in loose / semi-finished form to caterers as well as packaged from to Retailers and Wholesalers. All of these packaged products are sold under our own brand name "Frozen Kings". In addition to our own brand products; we operate a diversified F&B product distribution and trading business wherein we play the role of an intermediary between other branded product manufacturers/marketers and end point of sales such as Retailers (including Kiranas and Modern Trade Outlets) and Institutional buyers (such as Hotels, Caterers, Multiplexes etc.).

We also operate an independent Logistics/Infrastructure services business which in addition to supporting our F&B distribution business also provides Pan India Logistics services to other distributors and players. Our logistics/infra services business vertical includes providing transportation services as well as Cold Storage / Warehousing facilities on per ton and per pallet basis respectively. The company's corporate structure is as described below:



For specific information regarding activities undertaken by of our subsidiaries; please refer the chapter "Subsidiaries" on page no. 114 of this Prospectus.

Our company's revenues have increased at a CAGR of 44.34% from ₹ 1130.90 lakhs in FY 2012 to ₹ 4908.98 lakhs in FY 2016; EBITDA has increased at a CAGR of 42.33% from ₹ 89.06 lakhs in FY 2012 to ₹ 362.51 lakhs in FY 2016 and our Profit after Tax has increased at a CAGR of 26.28% from ₹ 39.59 lakhs in FY 2012 to ₹ 100.66 lakhs in FY 2016

As on December 31, 2016, we employ 74 people on our rolls. We have also received ISO 9001:2008 & ISO 22000:2005 Certifications.

Our Strengths

Experienced Management Team

Mr. Sri Nagaveer Adusumilli, our Promoter and Managing Director, has over 14 years of entrepreneurial experience in Food & Beverages and related industries. He is supported by experienced and well-qualified staff at senior and middle management levels. In times of high employee turnover; 5 out of 7 of our key management personnel have been associated with the company for over 3 years. This in house capability and loyal staff will help us scale in future. For details regarding the education and experience of our Senior Management and Key Managerial, please refer to chapter titled "Our Management" beginning on page no. 118 of this Prospectus.

Well Established Brand name and goodwill amongst market players

We operate in a brand sensitive market. Over almost a decade we have tried to ensure sustainable growth and hence have developed an established brand name, acceptance & recall value in our operating markets (i.e. Andhra Pradesh and Telangana). Sale of products under our brand name (Frozen King) from 35 % part of our total sale of branded goods which includes brands such as McCain, Haldiram's, Baskin Robbins etc. We have earned goodwill & competitive edge through our consistent quality oriented service. Further we have developed goodwill amongst market participants including farmers, other intermediaries forming part of the corn supply chain, large MNCs as well as local vendors. We believe that our sector is not an easy to enter sector given that substantial portion of the business is carried out through trust and hence having a developed goodwill would help us compete with new entrants in this sector in the future.

Organized Approach and ready infrastructure

The market we operate has been dominated by unorganized participants. The supply of F&B products in India is a market which lots of large corporations and MNCs are looking to enter as well as partner with considering the size of the consumption markets in India. We are one of the select few who have own / in-house cold room facilities, logistics set ups as well as multiple point of sales. Going forward; if a large MNC or corporate wants to distribute its products in our region; we have the correct mix of service quality as well as organized and stable infrastructure to become their first choice.

Healthy Banker relations

We have enjoyed cordial relationship with bankers since our first credit facilities got sanctioned in 2012. Our accounts have been serviced to the bankers' satisfactions and we should be able to scale up our borrowings as business needs and equity of the company grows. Further; our business of corn supply is full of unorganised players who would not have easy access to bank finance and hence this we believe would provide us a competitive edge over other players in the segment. Further; sectorally, F&B or any consumption based sector has lately been better performing for banks as compared to traditional industrial sectors and hence this too would be in our favour, once we look to scale up our bank borrowings portfolio.

Our Strategies

Increase our focus on self- processed / prepared food items

We prepare and sell Corn Samosa's, Corn Patties, Spring Roll, in loose / semi-finished form to caterers as well as packaged from to Retailers and Wholesalers under our own brand name 'Frozen King'. We have our unique corn samosa and spring roll recipe which acts as a differentiator and provides an advantage to us in frozen food market. Our processed/prepared frozen foods business is high margin in nature; however; it currently is not a substantial part of our total revenue. We have the ready infrastructure as well as know how to scale this business further; and we have a long term strategy to increase our sales from this business vertical.

Augment our fund based capacities in order to scale up business operations

Our business operations are working capital intensive as well as capital intensive. We have over the last few years investing substantial capital in building long term assets for the business and developing our infrastructure capabilities. As on March 31, 2016; out of the total ₹ 702.29 lakhs of our owned funds (networth) we have invested ₹ 553.78 lakhs in long term assets and only ₹ 148.51 lakhs are available for working capital. Further our revenues and working capital requirements have been growing at a fast pace considering we have achieved a CAGR of 44.34% in our top line. It is hence our strategy to raise funds from this issue and augment our fund based working capital capabilities. We believe that companies with high liquidity on their balance sheet would be able to better exploit market opportunities in short term as well as longer duration contracts in our business. For further details regarding the working capital being raised through this issue, please refer to section "Objects of the Issue" on page no. 60 of this Prospectus.

Continue to invest in infrastructure facilities and tie-ups

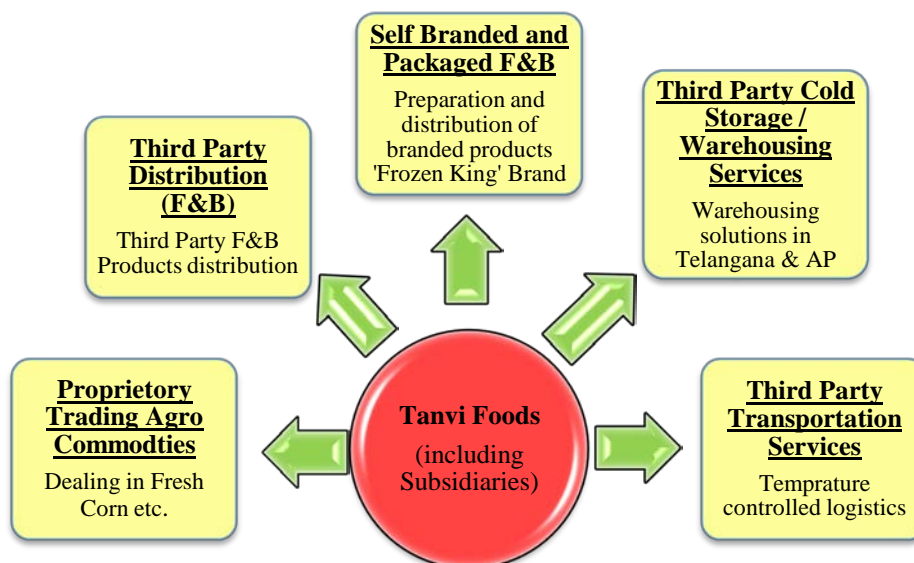
We have over the years believed in setting up infrastructure for the long term business capabilities. In addition to our existing operating assets we propose to build further cold storage at Site Survey No. 262/1, 263, 273/3B, Layout No. 33/2012VGA, Plot No. 151, 152, Back side of Airport area, Sai Priya RTC Colony, Apparao Pet Road, Kesarpalli, Gannavaram, Manadalam, Andhra Pradesh. As part of our long term differentiating factor from other players in the market; we would continue to either invest in new infrastructure or lease / acquire the same from time to time.

Earn Goodwill and brand recall and make intellectual properties valuable

We want to increase presence of our branded food products ‘Frozen King’ which will result in increasing the brand value. We also plan to monetize our brands in future either through authorised sales tie-ups or franchise model. We believe that investments made towards developing our branded food products business would yield long term shareholder wealth creation.

DETAILS OF OUR BUSINESS

Business Model



1. Proprietary Trading Agro Commodities (mainly Corn)

Our company is primarily engaged in trading of Fresh Corn. We procure Fresh Corn from farmers or through direct purchase from market or through tie-up from procurement agencies PAN India. We sell the same in local markets (mandi) in Telangana and Andhra Pradesh. Over the years we have developed expertise in estimating price trends as well as developed infrastructure and market goodwill for carrying out successful trading operations.

2. Third Party Distribution (F&B)

We offer temperature controlled freezing, distribution & logistics services under our brand Frozen King. We employ cutting edge technology such as GRS tracking & monitoring of vehicles. We are engaged into distribution activity for several branded frozen foods, milk products, ice-cream products and other cold preserved consumables in Hyderabad. We serve as local distributor for McCain Foods, Inox foods, Switz Patties, Parag Milk Foods, Indo agro foods, Rakyan beverages and Haldiram’s. Our customers include supermarkets & Corporates in Hyderabad and surrounding regions.

3. Self-Branded & Packaged F&B

We have our own processing facility in Vijaywada equipped with automated and standardized equipment. We process Corn Samosa, Corn Spring Rolls, Corn Patties, Corn Soups etc. and repacking of fresh corn and frozen green peas. These products are sold to caterers and to modern trade customers such as Spencer’s More, Reliance Fresh, Heritage Fresh, Wal-Mart, D-Mart and Metro Cash & Carry in Telangana and Andhra Pradesh. Also, we have recently

expanded our reach and are supplying our own branded and packaged products to Metro Cash & Carry in the state of Karnataka

4. Third Party Cold Storage /Warehousing Services

We (along with our subsidiaries) operate cold storage facilities (with total approximate area of 8,728 sq. ft.) at Hyderabad and Vijayawada. We provide Cold Storage facility to large F&B companies such as Al-kabir, Fassos, Godrej 'Nature's Basket' etc. Cold storage warehouses are on daily pallet rental basis and we have not entered any long term arrangement with any of our customers requiring cold storage warehousing. However; we have developed regular clientele in this business receiving regular business for more than 5 years.

5. Third Party Transportation Services

In addition to cold storage warehousing, we provide cold storage logistics through our wholly owned subsidiary. We have dedicated fleets of 28 vehicles fitted with required cold storing facilities for transportation of F&B products PAN India. In addition to using these facilities for our in-house requirements of trading, distribution businesses; we also rent out these facilities to other parties on a per ton basis. We have not entered any long term arrangement with any of our customers requiring cold storage logistics, however we have developed clientele which provide regular business to us since the last few years.

Locations

Regd Office : No.7-2-4/D, Old Canteen Building, Sanathnagar Industrial Estate, Opp: SBH Sanathnagar, Hyderabad – 500018, Telangana

Cold Room I : No: 12-B, Sanathnagar Industrial Estate, Sanathnagar, Hyderabad-18
(Owned by our subsidiary - Polar Cube Cold Storage Solutions Pvt. Ltd. (PCCSSPL))

Cold Room II : Cold room at D. No. 32-14-10/2, Asst No. 24878A/1, Survey No. 21/2, Mogalraja puram, Vijaywada, Krishna District, Andhra Pradesh

Cold Room III : Ground Floor, D. No. 54-20/9-9, L.P. 7/86, R.S. No. 452/2, Thimmarusu Street, Sri Nagar, Vijaywada, Andhra Pradesh -520008

Processing Unit : First Floor, D. No. 54-20/9-9, L.P. 7/86, R.S. No. 452/2, Thimmarusu Street, Sri Nagar, Vijaywada, Andhra Pradesh -520008

Point of Sale I : D. No. 40-6-27, Sri Nilayam, Near Hotel Murali Fortune Park, Krishna Nagar, Vijaywada – 520010

Point of Sale II : House No. 06-08, Plot No. 114, Venkateswara Enclave, Near Suchitra Junction, Jeedimata, Ranga Reddy District, Telangana

Point of Sale III : Plot No. 737, Masjid Street, Padmavthi Puram, Tirupati Rural Mandal, Chittoor District, Andhra Pradesh

Point of Sale IV : 3/39, Tadikala Bazar, Nawabpeta Nellore ward-2, Nellore (Urban), Nellore- 524001.

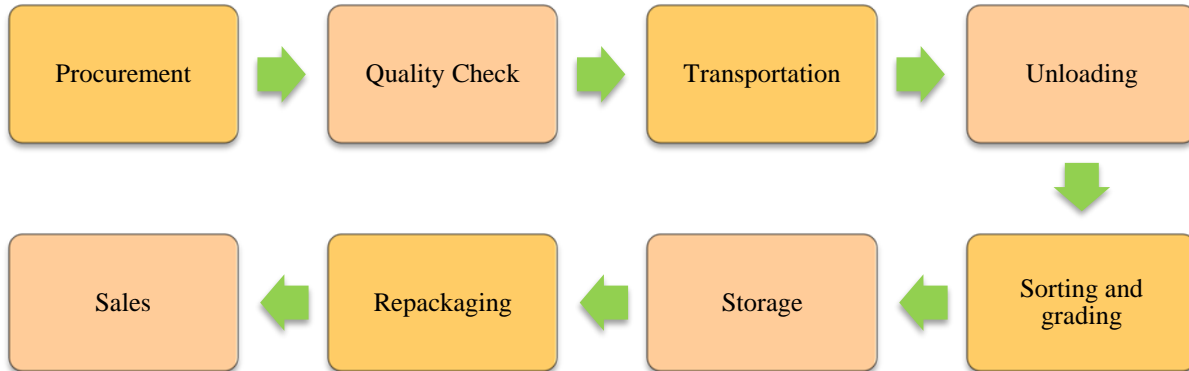
Cold Room IV

(Proposed-WIP) : Site Survey No. 262/1, 263, 273/3B, Layout No. 33/2012VGA, Plot No. 151, 152, Back side of Airport area, Sai Priya RTC Colony, Apparao Pet Road, Kesarpalli, Gannavaram, Manadalam, Andhra Pradesh

Business Processes

Our all five Business operations are operated in integrated way providing us economies of scale and achieve higher level of utilization of resources.

1. *Proprietary Trading Agro Commodities*



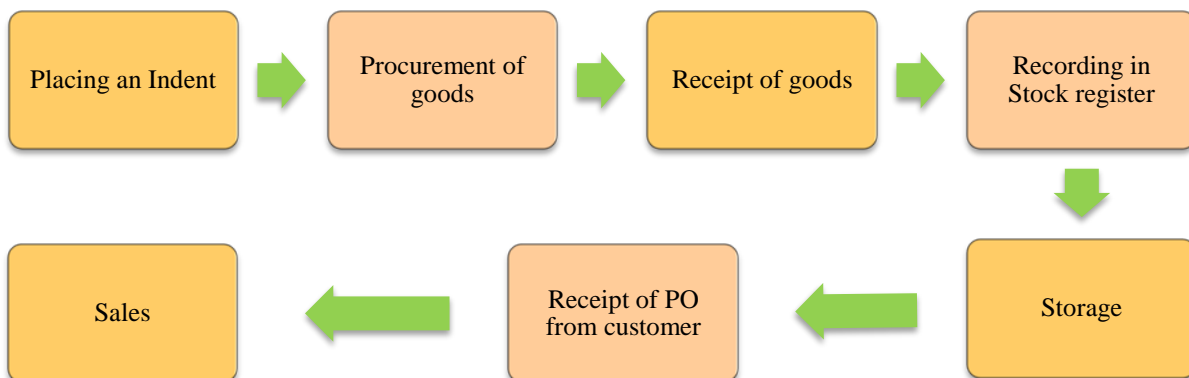
1. *Procurement of Fresh corn*

- a. Company Supervisor meets the local farmers
- b. Quality check of fresh corn to be purchased
- c. Finalizing the purchase at right price, right quality and right quantity
- d. Loading the fresh corn in cold storage vehicle
- e. Transportation of purchased fresh corn to Hyderabad

2. *Sales*

- a. Fresh corn so received is sorted for sales in local markets (mandi) and for further processing
- b. Fresh corn identified for direct sales is then repackaged
- c. Such repackaged fresh corn is then sold for cash

2. *Third Party Distribution (F&B)*



1. *Purchase*

- a. According to market conditions the Company places indent order to the manufacturing company
- b. Company purchases goods on credit terms for traded goods

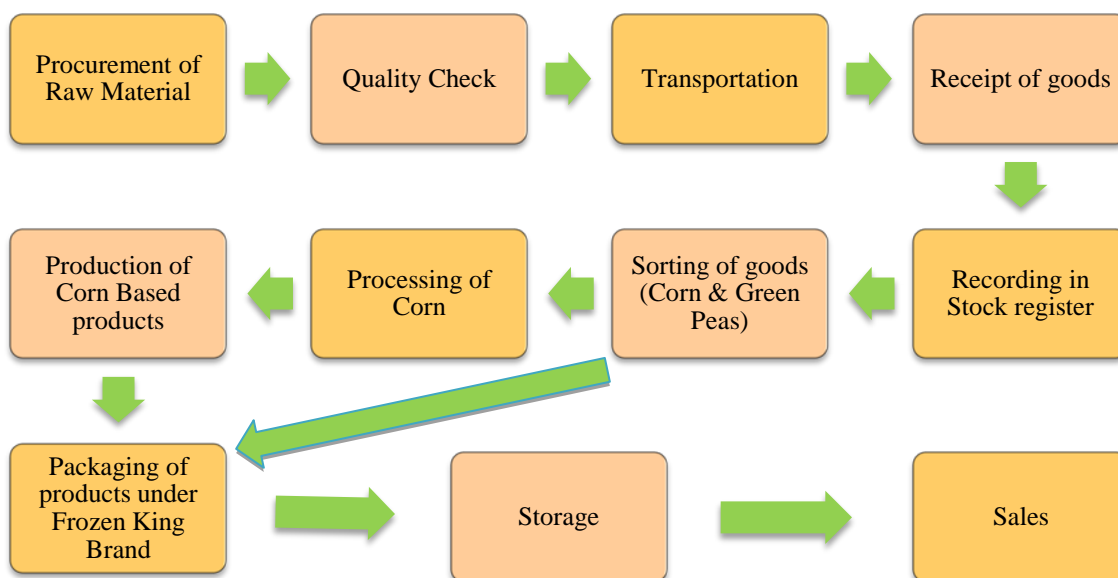
2. *Stocking*

- a. Preparing to receive goods
- b. Unloading of goods
- c. Store the goods in cold storage warehouse
- d. Recoding the same in stock register

3. *Sales*

- a. Automated Purchase order (PO) is received from our clients once the inventory level is below the benchmark level
- b. Delivery of goods to clients place from where P.O has been received
- c. Receive payment of delivered goods after general credit terms or accept sales returns, if any

3. *Self-Branded & Packaged F & B*



1. *Procurement of Fresh corn & Green Peas*

- a. Company Supervisor meets the local farmers
- b. Quality check of fresh corn & green peas to be purchased
- c. Finalizing a purchase at right price, right quality and right quantity
- d. Loading the fresh corn & green peas in cold storage vehicle
- e. Transportation of purchased fresh corn & green peas to Hyderabad

2. *Sorting and Transportation of Fresh corn*

- a. Fresh corn so received is sorted for sales in local market (mandi) and for processing
- b. Transportation of fresh corn for processing to Vijayawada processing unit

3. *Receiving, unloading and Storage of Fresh corn & Green Peas*

- a. Preparing to receive goods
- b. Unloading of fresh corn & green peas at processing unit
- c. Store age at cold storage warehouse
- d. Recoding the same in stock register

4. *Processing and Packaging*

- a. Preparation of ingredients for placing in to Samosa
- b. Folding of samosa patty
- c. Placing it in Blast Chiller (-30 Degrees)
- d. Packaging of goods – Corn based Products & Green Peas under the brand of Frozen King

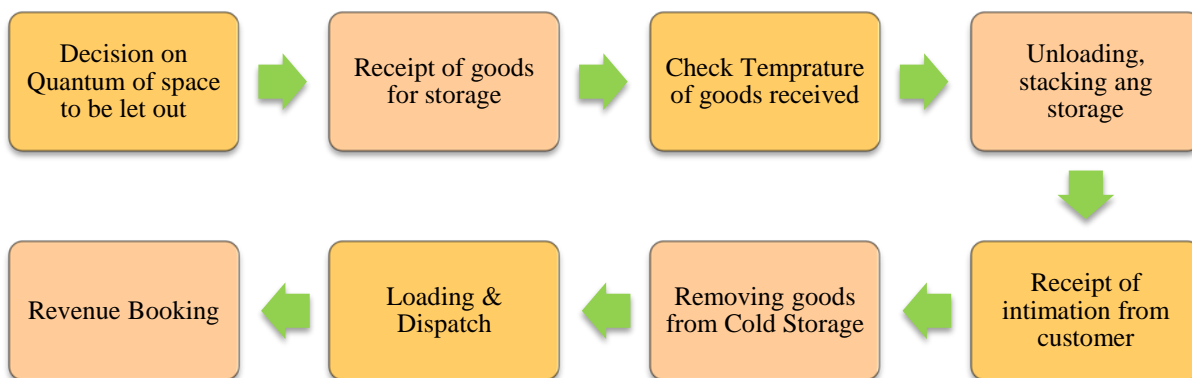
5. *Storage*

- a. Processed Corn Samosa, Corn Spring rolls, Corn soup and other frozen product are stored in Cold Storage warehouse

6. *Sales*

- a. Small quantity of stock is moved locally to point of sales (POS) for further sales to caterers and retail customers
- b. products are delivered on orders received from Modern Trade Customer

4. *Third Party Cold Storage /Warehousing Services*



1. *Storage*

- a. Management of Storage space of warehouse space for better utilization
- b. Analysis of space available for letting out through space utilization report/record
- c. Cold storage area/space remaining idle/vacant after utilizing the same for Company's own products or for products procure for distribution ; is let out

2. *Receipt of goods*

- a. Preparing to receive goods
- b. Check the temperature of goods received (-18 Degrees to -20 Degrees)
- c. Unload the goods matching description of goods with delivery note sent by customer
- d. Enter the product in the GRN along with its manufacturing date
- e. Intimating the client about the receipt of the goods through E-mail
- f. Transfer the products to storage
- g. Stacking of goods as per Manufacturing Date
- h. Maintaining stock register

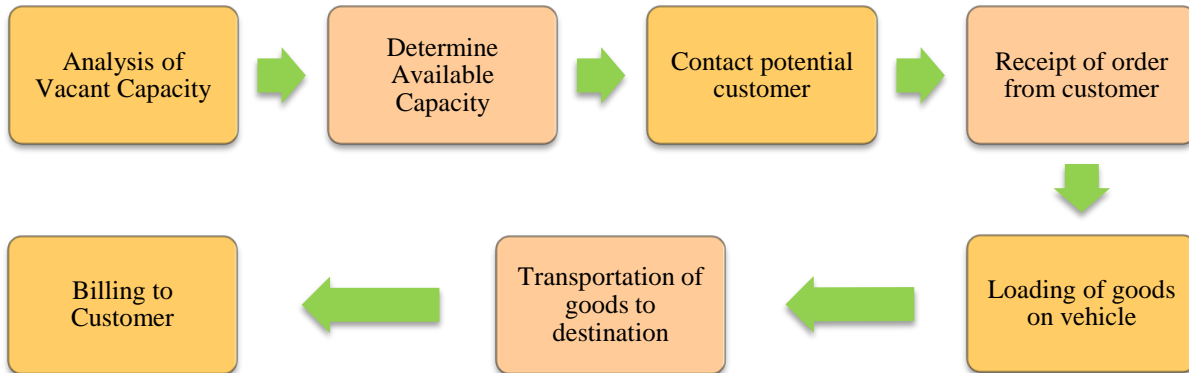
3. *Removing goods from the Cold Storage and Packing*

- a. Receipt of intimation from customer for removal & dispatch of goods
- b. Intimation is communicated to Store Manager by E-mail containing details of goods & vehicle
- c. Once the goods are removed from the cold storage, it is again checked for quality and temperature.

4. Dispatch / Loading

- a. Prepare Dispatch Note
- b. Loading of the goods for dispatch and obtain driver's signature on delivery note
- c. Intimating the customer for the dispatch through E-mail and recording a revenue

5. Third Party Transportation Services



1. Logistic Capacity

- a. Conduct analysis of logistics capacity (region wise/ location wise) from Loading Report/Log sheet
- b. Determine vacant capacity

2. Receipt of order from customer

- a. Maintain customer database (region wise)
- b. Contact potential customers to intimate availability of vacant capacity at a specific location
- c. Receipt order/indent from customer for goods to be transported

3. Transportation of goods and billing

- a. Goods are loaded on to the vehicle from customer's desired location
- b. Goods are transported to the destination
- c. Communicate delivery of goods to customer by E-mail
- d. Billing is made and accounting entry is recorded on delivery of goods

Plant Machinery & Equipments

Being primarily a trading and distribution company; we do not have any substantial investments in Plant / Machinery. However; following are the key machines / equipment used in our business operations:

- ✓ Onion Grinders at processing facility
- ✓ Mixer at processing facility
- ✓ De-freezer
- ✓ Ice Boxes
- ✓ Crates, pallets, trolleys
- ✓ Weighing scales
- ✓ Electrical fittings including air-conditioners
- ✓ CCTV Camera system

We also own following fleet of vehicles for our logistics business:

| Sr. No. | Vehicle Type | Quantity | Carrying Capacity |
|---------|-----------------|-----------|-------------------|
| 1 | Mahindra Bolero | 1 | 1 Ton |
| 2 | Isuzu D-Max | 8 | 1 Ton |
| 3 | TATA-407 | 1 | 1.20 Ton |
| 4 | TATA-407 | 1 | 2.10 Ton |
| 5 | TATA-1109 | 2 | 6 Ton |
| 6 | TATA-2518 | 6 | 14 Ton |
| 7 | TATA ACE | 3 | 1 Ton |
| 8 | Ashok Leyland | 2 | 1 Ton |
| 9 | Eicher Pro 6025 | 4 | 14 Ton |
| | Total | 28 | |

Utilities

Raw Materials

For the purpose of trading of fresh corn, processing activity of corn based frozen foods; Fresh corn is purchased from farmers in Maharashtra and UP and several local vendors. Purchase for trading activity of frozen branded products is directly procured from Franchisor Company.

With respect to our services in our cold storage logistic business and cold storage warehousing facility, vehicles and blast freezer are purchased indigenously in India.

Water

Water requirement is for business is minimal, mainly for processing activity, sanitation, and humidity de-fire purpose. The same is procured by general water connection provided by state authority. Additionally, for our processing unit, water is adequately available locally.

Power

The requirement of power for our operations is as follows:

- *Electricity*

We have dedicated supply line from Andhra Pradesh Southern Power Distribution Company Ltd which provides us with power for Vijayawada Cold Room

- *Diesel*

Diesel is used in D. G. Sets for generating additional power requirements at processing site, cold storage facilities and operating of fleets owned and operated by the Company and its wholly owned subsidiaries for day to day operational requirement.

Collaborations

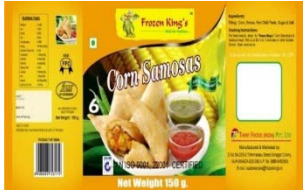



We have not entered into any technical collaboration agreements with any party

Products and Services


Products

Our product portfolio consists of:

1. Our Own branded & Packaged Products






| Sr No | Product Image | Particulars | Nature of Product |
|-------|--|---|-------------------|
| 1 |  | <p>Corn Samosa & Corn Spring Roll :</p> <p>We prepare our corn samosas and spring rolls with the unique masala recipe devised by our promoter. Our samosas' preparation process is highly systemised with pasting and mixing etc done as per formula.</p> | Consumer |
| 2 |  | <p>These products are sold to caterers in loose/semi-finished form, as finished goods to supermarkets/retailers and available as consumable in restaurants.</p> | Consumer |
| 3 |  | <p>Sweet Corn:</p> <p>As a trader of fresh corn; we are in position to provide best quality of packaged sweet corn and frozen sweet corn to our consumers</p> <p>We sale packaged corn as well as frozen corn to organized retailers as well as in local market. Our sweet corns are available for tasting at Corn Club kiosks</p> | Consumer |
| 4 |  | <p>Green Peas:</p> <p>We procure fresh and best quality of green peas and with our prowess in cold storage logistics we deliver the same as fresh they have arrived</p> | Consumer |
| 5 | We also process Corn Soup and Corn Patties to organized retailers, local retailers and sale the same through our Corn Club kiosks. | | Consumer |




2. Proprietary Trading Products

| Sr No | Product Image | Particulars | Nature of Product |
|-------|---|--|---|
| 1 |  | <p>Fresh Corn:</p> <p>We procure Fresh Corn from farmers or through direct purchase from market or through tie-up from procurement agencies PAN India. We sell the same in local markets (mandi) in Telangana and Andhra Pradesh. For further details please refer the chapter "Industry Overview" on page no. 72 of this Prospectus.</p> | Consumer as well as further value addition. |



3. Third Party F & B Distribution

We are preferred distributors of top brands in Andhra Pradesh & Telangana region. We carry out distribution of following key products:

| Sr No | Brand Image | Particulars | Nature of Product |
|-------|---|--|-------------------|
| 1 |  | <p>McCain Foods :</p> <p>We deliver French Fries, smiles potato bites, aloo tikki, veg. fingers & cheese shotz to all the modern trade outlets & Online shopping Hubs.</p> <p>Our Customers include Big Bazaar, More & Mega More),Heritage, Spar, Hypercity, Ratnadeep, D-marts, Nature basket, Big basket, Spencer and Trent</p> | Consumer |
| 2 |  | <p>Raw Pressery:</p> <p>We deliver for Raw Pressery- Cold pressed juices to modern trade & general trade as well.</p> <p>Our customers include Big basket, Nature basket, Groffers, Hypercity, Spar, Ratnadeep, delicious corner etc.</p> | Consumer |
| 3 |  | <p>Baskin Robbins:</p> <p>We are distribution partners for delivering ice creams to modern trade as well as retail customers</p> <p>Our customers include local chain of supermarkets like Sujana, Sampurna, Fine fare etc. and in modern trade Tharuni & Just bake.</p> | Consumer |
| 4 |  | <p>Haldiram's:</p> <p>We deliver Haldiram's frozen range consisting of Parathas, Curries, Sweets, Snacks, & Thalies to modern and general trade.</p> <p>Our customers include Metro cash & carry, Hypercity, Easy day, Big basket & Chervi</p> | Consumer |
| 5 |  | <p>CPF:</p> <p>We deliver CPF products range consisting of various chicken based snacks to modern & general trade customers</p> <p>Our customers include Spar, Hypercity & Green stores</p> | Consumer |

| Sr No | Brand Image | Particulars | Nature of Product |
|-------|---|--|-------------------|
| 6 |  | <p>Switz:</p> <p>We deliver Switz range samosa and spring roll pastries to all modern trade and general trades</p> <p>Our customers include D-marts, Big bazaar, Spar, Nature basket, Big basket, Spencer's, Reliance Fresh, Metro and more than 250 general trade customers.</p> | Consumer |
| 7 |  | <p>Parag Milk Foods Limited:</p> <p>We deliver Parag Milk Foods product range consisting of Milk, Chesse, Butter and other Diary Products</p> <p>Our customers include all mordern trade super markets</p> | Consumer |
| 8 |  | <p>Inox:</p> <p>We deliver Inox product range consisting of Popcorn and Nachos</p> <p>Our customers include all mordern trade super markets</p> | Consumer |

Services

| Sr No | Products Image/Service Representation | Particulars | Nature of Product |
|-------|---|---|-------------------|
| 1 |  | <p>Third Party Transportation Logistics:</p> <p>With provide cold storage logistics pan India and are well recognized in Andhra Pradesh & Telangana Region.</p> <p>We have developed clientele which provides regular business to us since the last few years.</p> | Institutional |
| 2 |  | <p>Cold Storage Warehousing</p> <p>Our cold storage warehousing service provides temperature controlled warehousing</p> <p>We provide Cold Storage facility to large F&B companies such as Al-kabir, Fassos, Godrej 'Nature's Basket' etc. on per pallet rental basis.</p> | Institutional |

Major Customers

Our agro trading is mainly sold in mandi or open market and hence end customer is not identifiable or in most cases relevant in these sales.

Some of our key customers for our business of Own Branded & Packaged Products and Third Party F&B distribution include Future Group, Aditya Birla Group, Wal-Mart and Spencer. Further, for our Third Party F&B distribution we have tie ups for buying/ selling from renowned names such as McCain Foods, Inox foods, Switz Patties, Parag Milk Foods, Indo agro foods, Rakyam beverages and Haldiram's.

Capacity and Capacity Utilization

Capacity and capacity utilization is not applicable to our company since we are primarily involved in Trading and distribution activity

Marketing

Our marketing division is headed by our Head – Sales & Marketing and assisted by respective sales division executives for Modern Trade & Institutional Sales Division. Our Sales executives maintain cordial relation with caterers operating in Vijaywada region as well as with retailers. Our organized retail business is generated based on franchisor Company's policies, but our company plays a crucial role in distribution management with achieving highest fill rate and have entered in to distribution agreements with some of our customers. Sales for trading business (in local market - mandi) are made to local customers and end users for whom there is no specific marketing initiative being conducted by the Company.

Since the target industries and customers are known to us, the sales teams approach them and solicit business for various verticals. While the warehousing division has a large percentage of repeat customers which does not entail excessive marketing; whereas, the transportation business involves aggressive marketing effort to reach the customer base located in various cities and states. We believe that the quality of service we offer is one of our most effective marketing tools.

Seasonality and weather conditions



Every food item needs a certain season and / or weather conditions to grow and the same are consumed in certain other seasons also. As regards to our trading business and processing business our sale of particular product is dependent on the season. Due to perishable nature of the products we deal in, seasonality and weather conditions do affect our few businesses.

Export and Export Obligations

Our Company doesn't have any export obligations as of now as we are neither importing nor exporting any material.

Intellectual Property

We have registered following Intellectual properties with the Trade Mark Registry, Chennai:

| Sr. No. | Particulars of the mark | Word/ Label mark | Applicant / Owner | Trademark/ Application Number | Class | Period of validity |
|---------|---|------------------|--|-------------------------------|-------|--|
| 1. | FROZEN KINGS | Word | Tanvi Foods Pvt. Ltd. | 1831387 | 43 | Valid upto 10 years from June 22, 2009 |
| 2 | FROZEN KINGS | Word | Tanvi Foods Pvt. Ltd. | 1831384 | 30 | Valid upto 10 years from June 22, 2009 |
| 3 | FROZEN KINGS | Word | Tanvi Foods Pvt. Ltd. | 1831385 | 29 | Valid upto 10 years from June 22, 2009 |
| 4 |  | Device | Tanvi Foods Pvt. Ltd. | 1943863 | 43 | Valid upto 10 years from March 30, 2010 |
| 5. |  | Word | Mr. A. Nagaveer trading as Sri Sai Agencies* | 1424463 | 42 | Valid upto 10 years from February 27, 2016 |

*Vide Royalty Agreement dated April 01, 2015, Mr. Sri Nagaveer Adusumilli has accorded permission to the Company for making use of the said trademark. For further details, please refer to risk factor no. 4 appearing on page no. 10 of the section titled "Risk Factors" of this Prospectus.

In addition to the above; following are the intellectual properties we are using in our business; however application has been made with the relevant authorities:

| Sr. No. | Nature of License/Approvals | Applicant/ Owner | Application No. | Date of Filing | Class |
|---------|---|--|-----------------|-------------------|-------|
| 1 |  | Squarepeg Distribution Services Private Limited* | 3423768 | November 30, 2016 | 11 |
| 2 |  | Squarepeg Distribution Services Private Limited* | 3423766 | November 30, 2016 | 37 |
| 3 |  | Squarepeg Distribution Services Private Limited* | 3423767 | November 30, 2016 | 39 |
| 4 |  | Tanvi Foods (India) Limited | 3423760 | November 30, 2016 | 29 |
| 5 |  | Tanvi Foods (India) Limited | 3423757 | November 30, 2016 | 30 |
| 6 |  | Tanvi Foods (India) Limited | 3423758 | November 30, 2016 | 35 |
| 7 |  | Tanvi Foods (India) Limited | 3423759 | November 30, 2016 | 43 |
| 8 |  | Tanvi Foods (India) Limited | 3423756 | November 30, 2016 | 29 |
| 9 |  | Tanvi Foods (India) Limited | 3423761 | November 30, 2016 | 29 |
| 10 |  | Tanvi Foods (India) Limited | 3423762 | November 30, 2016 | 29 |
| 11 |  | Tanvi Foods (India) Limited | 3423763 | November 30, 2016 | 35 |
| 12 |  | Tanvi Foods (India) Limited | 3423764 | November 30, 2016 | 37 |
| 13 |  | Tanvi Foods (India) Limited | 3423765 | November 30, 2016 | 11 |
| 14 |  | Tanvi Foods (India) Limited | 3428792 | December 07, 2016 | 29 |

* Pertains to subsidiary company.

The company is in the process of getting the above registered in relevant names.

Properties

Leasehold Properties

| Sr. No. | Location of the Property and Area | Purpose | Document and Date | Lessor / Licensor and Relationship with Promoter | Consideration |
|---------|--|---|---|--|--|
| 1. | No.7-2-4/D, Old Canteen Building, Sanathnagar Industrial Estate, Opp: SBH Sanathnagar, Hyderabad – 500018, Telangana ⁽¹⁾ | Registered & Corporate Office Godown | Lease Agreement(s) dated January 01, 2017 | <i>Licensor:</i> Ms Sharadda Mohan <i>Relationship with Promoter:</i> N.A. | Monthly rental of ₹ 39,375/- |
| 2. | D. No. 32-14-10/2, Asst No. 24878A/1, Survey No. 21/2, Mogalraja puram, Vijaywada, Krishna District, Andhra Pradesh ⁽²⁾ | Cold Storage for own use and for rental | Lease Agreement(s) dated December 16, 2016 | <i>Licensor:</i> D. Teja Babu <i>Relationship with Promoter:</i> N.A. | Monthly rental of ₹ 9,450/- |
| 3. | D. No. 40-6-27, Sri Nilayam, Near Hotel Murali Fortune Park, Krishna Nagar, Vijaywada – 520010 ⁽³⁾ | Point of Sale (POS) & Cold Storage Facility | Lease Agreement(s) dated April 01, 2014 | <i>Licensor:</i> Shri G. Pichayya Chowdary <i>Relationship with Promoter:</i> N.A. | Monthly rental of ₹ 15,000/- |
| 4. | House No. 06-08, Plot No. 114, Venkateswara Enclave, Near Suchitra Junction, Jeedimata, Ranga Reddy District, Telangana ⁽⁴⁾ | Point of Sale (POS) & Cold Storage Facility | Lease Agreement(s) dated September 01, 2016 | <i>Licensor:</i> K. Shant Kumar Reddy <i>Relationship with Promoter:</i> N.A. | Monthly rental of ₹ 7,700/- |
| 5. | Plot No. 7-37, Masjid Street, Padmavathi Puram, Tirupati Rural Mandal, Chittor District, Andhra Pradesh ⁽⁵⁾ | Point of Sale (POS) & Cold Storage Facility | Lease Agreement(s) dated July 14, 2016 | <i>Licensor:</i> Pandi Patti Kalyana Sundaram <i>Relationship with Promoter:</i> N.A. | Monthly rental of ₹ 6,500/- per agreement. |
| 6. | 3/39, Tadikala Bazar, Nawabpeta Nellore ward-2, Nellor (Urban), Nellore-524001 ⁽⁶⁾ | Point of Sale (POS) & Cold Storage Facility | Lease Agreement(s) dated May 30, 2016 | <i>Licensor:</i> Nune Sridevi <i>Relationship with Promoter:</i> N.A. | Monthly rental of ₹ 6,700/- per agreement. |
| 7. | Location: D. No. 54-20/9-9, L.P. 7/86, R.S. No. 452/2, Thimmarusu Street, Sri Nagar, Vijaywada, Andhra Pradesh - 520008 ⁽⁷⁾ | Processing Facility & Cold Storage Facility | Lease Agreement(s) dated June 21, 2010 | <i>Licensor:</i> D. Nagendra Vara Prasad <i>Relationship with Promoter:</i> N.A. | Monthly rental of ₹ 9,258/- per agreement. |

| Sr. No. | Location of the Property and Area | Purpose | Document and Date | Lessor / Licensor and Relationship with Promoter | Consideration |
|---------|--|---|--|--|---|
| 8 | Cold Room at Site Survey No. 262/1, 263, 273/3B, Layout No. 33/2012VGA, Plot No. 151, 152, Back side of Airport area, Sai Priya RTC Colony, Apparao Pet Road, Kesarpalli, Gannavaram, Manadalam, Andhra Pradesh ⁽⁸⁾ | Cold Room (under construction – Work in progress) | Lease Agreement(s) dated December 23, 2013 | Licensor: Smt Adusumili Vasavi Relationship with Promoter: Wife of Mr A. Sri Nagaveer | Monthly rental of ₹ 24,000/- per agreement. |

⁽¹⁾The tenure of the agreement is from January 1, 2017 to Dec 31, 2018, extendable on mutually agreed terms with 5% increase in rent. Our Company to bear the electricity, water charges and corporation tax.

⁽²⁾The tenure of the agreement is from December 16, 2016 to December 15, 2017. Our Company to bear the electricity, and water charge.

⁽³⁾The tenure of the agreement is from April 01, 2014 to March 31, 2017, extendable by mutual consent for further 3 years. Our Company to bear the electricity, water charges and corporation tax.

⁽⁴⁾The tenure of the agreement is from October 01, 2016 to July 31, 2017, extendable by mutual consent for further 11 months with 10% increase in rent. Our Company to bear the electricity, water charges and corporation tax.

⁽⁵⁾The tenure of the agreement is from July 14, 2016 to June 13, 2017. Our Company to bear the electricity charges

⁽⁶⁾The tenure of the agreement is from May 01, 2016 to April 30, 2019, extendable by mutual consent for further 3 years. Our Company to bear the electricity charges and water charges

⁽⁷⁾The tenure of the agreement is from June 21, 2010 to May 21, 2017, extendable on mutually agreed terms with fresh lease agreement. Our Company to bear the electricity deposit/ charges, water charges and corporation tax.

⁽⁸⁾The tenure of the agreement is from December 23, 2013 to December 22, 2028, extendable on mutually agreed term for further 12 months. Our Company to bear the electricity and water charges

Human resource

As on December 31, 2016, we have employ 74 full time employees at our registered office and locations operated by us. Additionally we employ casual labourers and temporary labourers on daily wages according to our daily requirements. The daily requirement of unskilled manpower is for the loading, unloading, processing, weighing, packing etc. Such manpower is easily available in the proximity of locations we operate. Following are the category wise number of employees on our Company's payroll:

| Sr. No. | Category | No. of Employees |
|--------------|--|------------------|
| 1. | Directors | 3 |
| 2. | Key Managerial Persons | 7 |
| 3. | Administration, Accountant and Marketing | 21 |
| 4. | Production, Distribution, Maintenance and Others | 43 |
| Total | | 74 |

Competition

Demand and supply dynamics are always active in perishable items. With regards to our trading business, much of the market in which we operate is unorganized and fragmented with many small and medium-sized entities. We face substantial competition for our products from other traders / dealers in domestic market. We compete with other traders / dealers on the basis of product range, product quality, and product price including factors, based on reputation, needs, and customer convenience. Further; for our branded products business wherein we sell packed as well as loose form of Corn based food items as well as frozen corn and frozen green peas etc. we would be competing to large MNCs or

corporations involved in frozen foods segment. Also, the third party temperature controlled transportation and cold room logistics business would face similar competitive pressures.

Due to industry's fragmented nature, there is no authentic data available to our Company on total industry size and markets share of our Company vis-a-vis the competitors.

Insurance

We generally maintain insurance covering our assets, stocks and operations at levels that we believe to be appropriate. We maintain insurance for standard fire and special perils policy, which provides insurance cover against loss or damage by fire, earthquake etc. which we believe is in accordance with customary industry practices.

Although we consider our insurance coverage to be of a type and level that is economically prudent, we cannot assure that we will be able to maintain insurance at rate which we consider commercially reasonable or that such coverage will be adequate to cover any claims that may arise. Overall, we generally maintain insurance covering our assets and operations at levels that we believe to be appropriate for our business.

KEY REGULATIONS AND POLICIES

In carrying on our business as described in the section titled “Our Business” on page no. 85 of this Prospectus, our Company is regulated by the following legislations in India. The following description is a summary of the relevant regulations and policies as prescribed by the Government of India and other regulatory bodies that are applicable to our business. The information detailed in this Chapter has been obtained from the various legislations, including rules and regulations promulgated by the regulatory bodies and the bye laws of the respective local authorities that are available in the public domain. The regulations and policies set out below may not be exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice. For details of Government Approvals obtained by the Company in compliance with these regulations, kindly refer to the Chapter titled “Government and Other Key Approvals” beginning on page no. 222 of this Prospectus.

Our company is involved in trading, distribution, and processing of Food and Beverages primarily operating in the states of Andhra Pradesh and Telangana. Incorporated in 2007, over the years we have grown organically as well as inorganically and today we along with our subsidiaries operate over four exclusive point of sales; three Cold Room Facilities aggregating to 8,728 sq. ft., one food processing and packaging unit spread across 495 sq. yards, around 28 logistics vehicles dedicated towards F&B distribution making us one of few select organised players in this highly unorganised segment.

We currently specialize in products such as Fresh Corn, Frozen Corn and Green Peas in loose as well as packed form. Further we also prepare and sell corn based eatables such as Corn Samosa’s, Corn Patties and Spring Roll, in loose / semi-finished form to caterers as well as packaged form to Retailers and Wholesalers. All of these packaged products are sold under our own brand name “Frozen Kings”. In addition to our own brand products; we operate a diversified F&B product distribution and trading business wherein we play the role of an intermediary between other branded product manufacturers/marketers and end point of sales such as Retailers (including Kiranas and Modern Trade Outlets) and Institutional buyers (such as Hotels, Caterers, Multiplexes etc.).

We also operate an independent Logistics/Infrastructure services business which in addition to supporting our F&B distribution business also provides Pan India Logistics services to other distributors and players. Our logistics/infra services business vertical includes providing transportation services as well as Cold Storage / Warehousing facilities on per ton and per pallet basis respectively.

Given below is a brief description of the certain relevant legislations that are currently applicable to the business carried on by us:

A. Industry Related Regulations

The Food Safety and Standards Act, 2006 (the “FSSA”)

The FSSA, enacted on August 23, 2006, seeks to consolidate the laws relating to food and establish the Food Safety and Standards Authority of India (the “**FSSAI**”) for setting out scientific standards for articles of food and to regulate their manufacture, storage, distribution, sale and import to ensure availability of safe and wholesome food for human consumption. The standards prescribed by the FSSAI include specifications for ingredients, contaminants, pesticide residue, biological hazards and labels

Under section 31 of the FSSA, no person may carry on any food business except under a license granted by the FSSAI. The FSSA sets forth the requirements for licensing and registering food businesses in addition to laying down the general principles for safety, responsibilities and liabilities of food business operators. The enforcement of the FSSA is generally facilitated by ‘state commissioners of food safety’ and other officials at a local level.

The provisions of the FSSA require that every distributor to be able to identify any food article by its manufacturer, and every seller by its distributor that should be registered under the FSSA and every entity in the sector is bound to initiate recall procedures if it finds that the food marketed has violated specified standards. Food business operators are required to ensure that persons in his employment do not suffer from infectious or contagious diseases. The FSSA also imposes liabilities upon manufacturers, packers, wholesalers, distributors and sellers requiring them to ensure that *inter alia* unsafe and misbranded products are sold or supplied in the market.

In order to address certain specific aspects of the FSSA, the FSSAI has framed several regulations such as the following:

- (a) Food Safety and Standards (Contaminants, Toxins and Residues) Regulations, 2011;
- (b) Food Safety and Standards (Food Products Standards and Food Additives) Regulations, 2011;
- (c) Food Safety and Standards (Licensing and Registration of Food Businesses) Regulation, 2011;
- (d) Food Safety and Standards (Packaging and Labelling) Regulations, 2011; and
- (e) Food Safety and Standards (Prohibition and Restrictions on Sales) Regulations, 2011.

The FSSAI has also framed the Food Safety and Standards Rules, 2011 (the “**FSSR**”) which have been operative since August 5, 2011. The FSSR provides the procedure for registration and licensing process for food business and lays down detailed standards for various food products. The FSSR also sets out the enforcement structure of ‘commissioner of food safety’, ‘the food safety officer’ and ‘the food analyst’ and procedures of taking extracts, seizure, sampling and analysis.

Under section 51 of the FSSA, any person who manufactures food sub-standard food for human consumption is liable to pay a penalty which may extend up to ₹ 5.00 lakh.

FSSA has defined sub-standard as, an article of food which doesn’t meet the specified standards but not so as to render the article of food unsafe.

Legal Metrology Act, 2009

The Legal Metrology Act, 2009 (“**L.M. Act**”) governs the standards/units/denominations used for weights and measures as well as for goods which are sold or distributed by weight, measure or number. It also states that any transaction/contract relating to goods/class of goods shall be as per the weight/measurement/numbers prescribed by the L.M. Act. Moreover, the L.M. Act prohibits any person from quoting any price, issuing a price list, cash memo or other document, in relation to goods or things, otherwise than in accordance with the provisions of the L.M. Act. The specifications with respect to the exact denomination of the weight of goods to be considered in transactions are contained in the Rules made by each State. The Act also provides Legal Metrology (General) Rules, 2011, which may be followed for due compliance, if the respective State does not provide for Rules in this regard.

Legal Metrology (Packaged Commodities) Rules, 2011 (“Packaged Commodities Rules”)

The Packaged Commodities Rules was framed under section 52(2) (j) and (q) of the L.M. Act and lays down specific provisions applicable to packages intended for retail sale, whole sale and for export and import. A “pre-packaged commodity” means a commodity which without the purchaser being present is placed in a package of a pre-determined quantity.

The key provisions of the Packaged Commodities Rules are:

- (a) It is illegal to manufacture, pack, sell, import, distribute, deliver, offer, expose or possess for sale any pre-packaged commodity unless the package is in such standard quantities or number and bears thereon such declarations and particulars as prescribed;
- (b) all pre-packaged commodities must conform to the declarations provided thereon as per the requirement of section 18(1) of the L.M. Act; and
- (c) no pre-packaged commodity shall be packed with error in net quantity beyond the limit prescribed in the first schedule of the Packaged Commodity Rules.

Intellectual Property Laws

Certain laws relating to intellectual property rights such as Copyright protection under the Copyright Act, 1957, Trademark protection under the Trade Marks Act, 1999, is also applicable to us.

The Copyright Act, 1957 (the “Copyright Act”) governs copyright protection in India. Registration under the Copyright Act acts as a prima facie evidence of the particulars entered therein and helps expedite infringement proceedings and reduce delay caused due to evidentiary considerations.

The Trademarks Act, 1999 (the “**Trademarks Act**”) provides for the process for making an application and obtaining registration of trademarks in India. The purpose of the Trademarks Act is to grant exclusive rights to Marks such as a brand, label, heading and to obtain relief in case of infringement for commercial purposes as a trade description. The Trademarks Act prohibits registration of deceptively similar trademarks and provides for penalties for infringement, falsifying and falsely applying trademarks.

The Prevention of Food Adulteration Act, 1954

The Prevention of Food Adulteration Act, 1954 aims at making provisions for the prevention of adulteration of food.

The Act is the basic statute intended to protect the common consumer against supply of adulterated food and specifies different standards on various articles of food. The standards are of minimum quality level intended for ensuring safety in the consumption of these food items and for safeguarding against harmful impurities, adulteration etc. The Central Committee for Food Standards under the Directorate General of Health Services, Ministry of Health and Family Welfare is responsible for operation of this Act. Provisions of the Act are mandatory and contravention of the Rules can lead to both fine and imprisonment. The standards of quality of various food articles have been specified in Appendix B to the Prevention of Food Adulteration Rules, 1955. Manufacture, sale, stocking, distribution or exhibition for sale of any article of food, including prepared food or ready to serve food, cannot be done by any person except under a licence.

The Factories Act, 1948

The Factories Act, 1948 ("Factories Act") seeks to regulate labour employed in factories and makes provisions for the safety, health and welfare of the workers. The term ‘factory’, as defined under the Factories Act, means any premises which employs or has employed on any day in the previous 12 (twelve) months, 10 (ten) or more workers and in which any manufacturing process is carried on with the aid of power, or any premises wherein 20 (twenty) or more workmen are employed at any day during the preceding 12 (twelve) months and in which any manufacturing process is carried on without the aid of power. An occupier of a factory under the Factories Act, means the person who has ultimate control over the affairs of the factory. The occupier or manager of the factory is required to obtain a registration for the factory. The Factories Act also requires inter alia the maintenance of various registers dealing with safety, labour standards, holidays and extent of child labour including their conditions. Further, notice of accident or dangerous occurrence in the factory is to be provided to the inspector by the manager of the factory.

The following are the rules which are applicable to the Company:

- Andhra Pradesh Factories Rules, 1950

A.P. Labour Welfare Fund Act, 1987

The Government of Andhra Pradesh have enacted this Legislation for the establishment of a Labour Welfare Fund in the State and for this purpose constituted the Labour Welfare Board in the State of Andhra Pradesh for the purpose of administering the Fund and to carry on such other functions as are assigned to it from time to time. The Andhra Pradesh Labour Welfare Board is constituted under A.P. Labour Welfare Fund Act., 1987 for the purpose of administering the Labour Welfare Fund. The Act came into force w.e.f. 01.05.1988. As per Section 10 of the A.P. Labour Welfare Fund Act every employee shall contribute ₹ 2/- per year to the fund and every employer shall, in respect of each such employee, contribute ₹ 5/- per year to fund, and such contributions shall be remitted before 31st January every year.

The Industrial Disputes Act, 1947 and Industrial Dispute (Central) Rules, 1957

The Industrial Disputes Act, 1947 (“**ID Act**”) was enacted to make provision for investigation and settlement of industrial disputes and for other purposes specified therein. Workmen under the ID Act have been provided with several benefits and are protected under various labour legislations, whilst those persons who have been classified as managerial employees and earning salary beyond a prescribed amount may not generally be afforded statutory benefits or protection, except in certain cases. Employees may also be subject to the terms of their employment contracts with their employer, which contracts are regulated by the provisions of the Indian Contract Act, 1872. The ID Act also sets out certain requirements in relation to the termination of the services of the workman’s services. This includes detailed procedure prescribed for resolution of disputes with labour, removal and certain financial obligations up on

retrenchment. The Industrial Dispute (Central) Rules, 1957 specify procedural guidelines for lock-outs, closures, lay-offs and retrenchment.

The Employees' Compensation Act, 1923

The Employees' Compensation Act, 1923 ("EC Act") has been enacted with the objective to provide for the payment of compensation to workmen by employers for injuries caused by accident(s) arising out of and in the course of employment, and for occupational diseases resulting in death or disablement. The EC Act makes every employer liable to pay compensation in accordance with the EC Act if a personal injury/disablement/ loss of life is caused to a workman by accident arising out of and in the course of his employment. In case the employer fails to pay compensation due under the EC Act within 1 (one) month from the date it falls due, the commissioner appointed under the EC Act may direct the employer to pay the compensation amount along with interest and may also impose a penalty.

The Employees State Insurance Act, 1948

The Employees State Insurance Act, 1948 ("ESI Act") provides for certain benefits to employees in case of Sickness, Maternity and Employment Injury. All employees in establishments covered by the ESI Act are required to be insured, with an obligation imposed on the employer to make certain contributions in relation thereto. Employers of factories and establishments covered under the ESI Act are required to pay contributions to the Employees State Insurance Corporation, in respect of each employee at the Rate prescribed by the Central Government. Companies which are controlled by the Government are exempt from this requirement if employees receive benefits similar or superior to the benefits prescribed under the ESI Act. In addition, the employer is also required to register itself under the ESI Act and maintain prescribed records and registers.

The Employees' Provident Fund and Miscellaneous Provisions Act, 1952

The Employees Provident Funds and Miscellaneous Provisions Act, 1952 ("EPF Act") was introduced with the object to institute compulsory provident fund for the benefit of employees in factories and other establishments. The EPF Act provides for the institution of provident funds and pension funds for employees in establishments where more than 20 (twenty) persons are employed and factories specified in Schedule I of the EPF Act. Under the EPF Act, the Central Government has framed the "Employees Provident Fund Scheme", "Employees Deposit-linked Insurance Scheme" and the "Employees Family Pension Scheme". Liability is imposed on the employer and the employee to contribute to the funds mentioned above, in the manner specified in the statute. There is also a requirement to maintain prescribed records and registers and filing of forms with the concerned authorities. The EPF Act also prescribes penalties for avoiding payments required to be made under the abovementioned schemes.

Equal Remuneration Act, 1976

Equal Remuneration Act, 1976 provides for payment of equal remuneration to men and women workers and for the prevention of discrimination, on the ground of sex, against female employees in the matters of employment and for matters connected therewith.

Maternity Benefit Act, 1961

The purpose of Maternity Benefit Act, 1961 is to regulate the employment of pregnant women and to ensure that they get paid leaves for a specified period before and after child birth. It provides, *inter-alia*, for payment of maternity benefits, medical bonus and enacts prohibitions on dismissal, reduction of wages paid to pregnant women, etc.

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("SHWW Act") provides for the protection of women at work place and prevention of sexual harassment at work place. The SHWW Act also provides for a redressal mechanism to manage complaints in this regard. Sexual harassment includes one or more of the following acts or behavior namely, physical contact and advances or a demand or request for sexual favors or making sexually coloured remarks, showing pornography or any other unwelcome physical, verbal or non-verbal conduct of sexual nature. The SHWW Act makes it mandatory for every employer of a workplace to constitute an Internal Complaints Committee which shall always be presided upon by a woman. It also provides for the manner and time period within which a complaint shall be made to the Internal Complaints Committee i.e. a written complaint is to

be made within a period of 3 (three) months from the date of the last incident. If the establishment has less than 10 (ten) employees, then the complaints from employees of such establishments as also complaints made against the employer himself shall be received by the Local Complaints Committee. The penalty for non-compliance with any provision of the SHWW Act shall be punishable with a fine extending to ₹ 50,000/-.

The Payment of Bonus Act, 1965

The Payment of Bonus Act, 1965 (“**PB Act**”) is applicable to every factory and every other establishment employing 20 (twenty) or more persons. According to the provisions of the PB Act, every employer shall be bound to pay to every employee in respect of the accounting year a minimum bonus which shall be 8.33% of the salary or wage earned by the employee during the accounting year or ₹ 100/- (Rupees One Hundred), whichever is higher, whether or not the employer has any allocable surplus in the accounting year. If the allocable surplus exceeds minimum bonus payable, then the employer must pay bonus proportionate to the salary or wage earned during that period, subject to maximum of 20% of such salary or wage. ‘Allocable surplus’ is defined as 67% of available surplus in the financial year, before making arrangements for the payment of dividend out of profit of the Company.

The Payment of Gratuity Act, 1972

The Payment of Gratuity Act, 1972 (“**PG Act**”) applies to every factory and shop or establishment in which ten or more employees are employed. Gratuity is payable to an employee on the termination of his employment after he has rendered continuous service for not less than 5 (five) years:

- a) On his/her superannuation;
- b) On his/her retirement or resignation;
- c) On his/her death or disablement due to accident or disease (in this case the minimum requirement of 5 (five) years does not apply).

Gratuity is payable to the employee at the rate of 15 (fifteen) days’ wages for every completed year of service or part thereof in excess of 6 (six) months.

The Payment of Wages Act, 1936

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

The Minimum Wages Act, 1948

An Act to provide for fixing minimum rates of wages in certain employments. The appropriate government shall fix the minimum rates of wages payable to employees employed in an employment specified in Part I or Part II of the Schedule and in an employment added to either Party by notification.

Provided that the appropriate government may in respect of employees employed in an employment specified in Part II of the Schedule instead of fixing minimum rates of wages under this clause for the whole State fix such rates for a part of the State or for any specified class or classes of such employment in the whole State.

The Child Labour (Prohibition and Regulation) Act, 1986

It outlines where and how children can work and where they can not. The provisions of the act are meant to be acted upon immediately after the publication of the act, except for part III that discusses the conditions in which a child may work.

The Act defines a child as any person who has not completed his fourteen year of age. Part II of the act prohibits children from working in any occupation listed in Part A of the Schedule; for example: Catering at railway establishments, construction work on the railway or anywhere nears the tracks, plastics factories, automobile garages, etc. The act also prohibits children from working in places where certain processes are being undertaken, as listed in Part B of the Schedule; for example: beedi making, tanning, soap manufacture, etc.

The Micro, Small and Medium Enterprises Development Act, 2006 and Industries (Development and Regulation) Act, 1951

The Micro, Small and Medium Enterprises Development Act, 2006 and Industries (Development and Regulation) Act, 1951 (“**MSMED Act**”) inter-alia seeks to provide for facilitating the promotion and development and enhancing the competitiveness of micro, small and medium enterprises. The MSMED Act inter-alia empowers the Central Government to classify by notification, any class of enterprises including inter-alia, a company, a partnership, firm or undertaking by whatever name called, engaged in the manufacture or production of goods pertaining to any industry specified in the First Schedule to the Industries (Development and Regulation) Act, 1951 as: (i) a micro enterprise, where the investment in plant and machinery does not exceed ₹ 25,00,000/- (Rupees Twenty Five Lakhs Only); (ii) a small enterprise, where the investment in plant and machinery is more than ₹ 25,00,000/- (Rupees Twenty Five Lakh Only) but does not exceed ₹ 5,00,00,000/- (Rupees Five Crores Only); or (iii) a medium enterprise, where the investment in plant and machinery is more than ₹ 5,00,00,000/- (Rupees Five Crores Only) but does not exceed ₹ 10,00,00,000/- (Rupees Ten Crores Only). In case of enterprises engaged in providing or rendering of services, the enterprise may be classified as: (i) a micro enterprise, where the investment in equipment does not exceed ₹ 10,00,000/- (Rupees Ten Lakhs Only); (ii) a small enterprise, where the investment in equipment is more than ₹ 10,00,000/- (Rupees Ten Lakhs Only) but does not exceed ₹ 2,00,00,000/- (Rupees Two Crores Only); or (iii) a medium enterprise, where the investment in equipment is more than ₹ 2,00,00,000/- (Rupees Two Crores Only) but does not exceed ₹ 5,00,00,000/- (Rupees Five Crores Only). The MSMED Act also inter-alia stipulates that any person who intends to establish, a micro or small enterprise or a medium enterprise engaged in rendering of services, may at his discretion and a medium enterprise engaged in the manufacture or production of goods as specified hereinabove, file a memorandum of micro, small or medium enterprise, as the case may be, with the prescribed authority.

B. Tax Related Legislations

The Central Sales Tax Act, 1956

Central Sales tax (“**CST**”) is levied on the sale of movable goods in the course of inter-state trade or commerce. In India, sales tax is levied both at the union level under the Central Sales Tax Act, 1956 as well as the state level under the respective state legislation. Goods sold within the jurisdiction of the state are charged to Value Added Tax (“**VAT**”) in accordance with the VAT statute of that state.

CST is payable by a dealer (i.e. a person who carries on the business of buying, selling, supplying or distributing goods) on his sales turnover at the rate prescribed in the VAT statute of the State from where the movement of the goods originate. However, a dealer is entitled to a concessional rate of 2% CST on goods which are sold to another registered dealer who intends to further re-sell them or use them in the manufacture or processing for further sale or for certain other specified purposes, subject to the condition that purchasing dealer issues a statutory Form C to the selling dealer.

Value Added Tax

Value Added tax (“**VAT**”) is a system of multi-point levies on each of the purchases in the supply chain with the facility of set-off input tax on sales whereby tax is paid at the stage of purchase of goods by a trader and on purchase of raw materials by a manufacturer. VAT is based on the value addition of goods, and the related VAT liability of the dealer is calculated by deducting input tax credit for tax collected on the sales during a particular period.

VAT is a consumption tax applicable to all commercial activities involving the production and distribution of goods and the provisions of services, and each State that has introduced VAT has its own VAT Act under which persons liable to pay VAT must register and obtain a registration number from the Sales Tax Officer of the respective State.

The A.P. Value Added Tax Act – 2005 is applicable to our Company.

Income-tax Act, 1961

Income-tax Act, 1961 (“**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. Every assessee, under the IT Act, which includes a company, is required to comply with the provisions thereof, including those relating to tax deduction at source, advance tax, minimum alternative tax and like.

The Customs Act, 1962 and the Customs Tariff Act, 1975

The provisions of the Customs Act, 1962 and Rules made there under are applicable at the time of import of goods into India from a place outside India or at the time of export of goods out of India to a place outside India. The Customs Tariff Act, 1975 provides the rates at which duties of customs will be levied under the Customs Act, 1962.

Service Tax

Chapter V of the Finance Act, 1994 as amended, provides for the levy of a service tax in respect of 'taxable services', defined therein. We provide Services by way of giving vehicle on hire to a goods transport agency, a means of transportation of goods, which is exempted services as per the Serial No. 22 of the Service Tax Mega Exemption Notification No.25/2012-ST dated 20-06-2012 under. Further, our other services (Cold Storage & Warehousing) do not cross the prescribed limit of ₹ 9 lakhs in financial year 2015-16. Hence, we are not required to obtain Registration under Service Tax Act.

Professional Tax

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 professional taxes are charged on the incomes of individuals, profits of business or gains in vocations. The professional tax is charged as per the List II of the Constitution. The professional taxes are 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. Every person liable to pay tax under these Acts (other than a person earning salary or wages, in respect of whom the tax is payable by the employer), shall obtain a certificate of enrolment from the assessing authority. The Telangana Tax on Professions, Trades, Callings and Employments Act, 1987 is applicable to the Company.

C. Other Legislations

A.P. (Issuance of Integrated Registration and Furnishing of Combined Returns Under Various Labour Laws By Certain Establishments) Act, 2015

This is a State Law, first of its kind in the country, to provide for issuance of single registration under the AP Shops and Establishments Act, 1988 and 5 Central Labour Laws mentioned in the 1st Schedule to the Act (Motor Transport Workers Act, 1961, Interstate Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979, Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996, Payment of Gratuity Act, 1972 Contract Labour (Regulation and Abolition) Act, 1970.

Telangana Shops and Establishment act, 2014

According to the Notification published in an Extraordinary Issue of the Telangan Gazette, dated 01.02.2016, Government of Telangana have decided to adapt the Andhra Pradesh Shops and Establishments Act, 1988 as amended from time to time with necessary modification, so as to facilitate its application to the State of Telangana. Further, in the Andhra Pradesh Shops and Establishment Act, 1988, for the words "Andhra Pradesh" (occurring otherwise than in a citation or description or title of other laws including the Rules as the case may be), the word "Telangana" has been substituted.

Transfer of Property Act, 1882

The transfer of property, including immovable property, between living persons, as opposed to the transfer property by operation of law, is governed by the Transfer of Property Act, 1882 ("T.P. Act."). The T.P. Act establishes the general principles relating to the transfer of property, including among other things, identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property. Transfer of property is

subject to stamping and registration under the specific statutes enacted for the purposes which have been dealt with hereinafter.

The T.P. Act recognizes, among others, the following forms in which an interest in an immovable property may be transferred:

- Sale: The transfer of ownership in property for a price, paid or promised to be paid.
- Mortgage: The transfer of an interest in property for the purpose of securing the payment of a loan, existing or future debt, or performance of an engagement which gives rise to a pecuniary liability. The T.P. Act recognises several forms of mortgages over a property.
- Charges: Transactions including the creation of security over property for payment of money to another which are not classifiable as a mortgage. Charges can be created either by operation of law, e.g. decree of the court attaching to specified immovable property, or by an act of the parties.
- Leases: The transfer of a right to enjoy property for consideration paid or rendered periodically or on specified occasions.
- Leave and License: The transfer of a right to do something upon immovable property without creating interest in the property.

Further, it may be noted that with regards to the transfer of any interest in a property, the transferor transfers such interest, including any incidents, in the property which he is capable of passing and under the law, he cannot transfer a better title than he himself possesses.

The Registration Act, 1908

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

The Indian Stamp Act, 1899

Stamp duty in relation to certain specified categories of instruments as specified under Entry 91 of the list, is governed by the provisions of the Indian Stamp Act, 1899 (“Stamp Act”) which is enacted by the Central Government. All other instruments are required to be stamped, as per the rates prescribed by the respective State Governments. Stamp duty is required to be paid on all the documents that are registered and as stated above the percentage of stamp duty payable varies from one state to another. Certain states in India have enacted their own legislation in relation to stamp duty while the other states have adopted and amended the Stamp Act, as per the rates applicable in the state. On such instruments stamp duty is payable at the rates specified in Schedule I of the Stamp Act.

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

The Indian Contract Act, 1872

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

The Specific Relief Act, 1963

The Specific Relief Act is complimentary to the provisions of the Contract Act and the T.P. Act, as the Act applies both to movable property and immovable property. The Act applies in cases where the Court can order specific performance of a contract. Specific relief can be granted only for purpose of enforcing individual civil rights and not

for the mere purpose of enforcing a civil law. 'Specific performance' means Court will order the party to perform his part of agreement, instead of imposing on him any monetary liability to pay damages to other party.

Competition Act, 2002

The Competition Act, 2002 ("**Competition Act**") aims to prevent anti-competitive practices that cause or are likely to cause an appreciable adverse effect on competition in the relevant market in India. The Competition Act regulates anti-competitive agreements, abuse of dominant position and combinations. The Competition Commission of India ("**Competition Commission**") which became operational from May 20, 2009 has been established under the Competition Act to deal with inquiries relating to anti-competitive agreements and abuse of dominant position and regulate combinations. The Competition Act also provides that the Competition Commission has the jurisdiction to inquire into and pass orders in relation to an anti-competitive agreement, abuse of dominant position or a combination, which even though entered into, arising or taking place outside India or signed between one or more non-Indian parties, but causes an appreciable adverse effect in the relevant market in India.

The Companies Act, 1956

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

The Companies Act, 2013

The Companies Act, 2013, has been introduced to replace the existing Companies Act, 1956 in a phased manner. The Ministry of Corporate Affairs has vide its notification dated September 12, 2013 has notified 98 Sections of the Companies Act, 2013 and the same are applicable from the date of the aforesaid notification. A further 183 Sections have been notified on March 26, 2014 and have become applicable from April 1, 2014. The Companies (Amendment) Act, 2015 has *inter-alia* amended various Sections of the Companies Act, 2013 to take effect from May 29, 2015. Further, vide the Companies (Amendment) Act, 2015, Section 11 of the Companies Act, 2013 has been omitted and Section 76A has been inserted in the Companies Act, 2013. The Ministry of Corporate Affairs, has also issued rules complementary to the Companies Act, 2013 establishing the procedure to be followed by companies in order to comply with the substantive provisions of the Companies Act, 2013.

Foreign Trade (Development and Regulation) Act, 1992 ("FTA")

In India, the main legislation concerning foreign trade is the Foreign Trade (Development and Regulation) Act, 1992 ("**FTA**"). The FTA read along with relevant rules provides for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India and for matters connected therewith or incidental thereto. As per the provisions of the Act, the Government:- (i) may make provisions for facilitating and controlling foreign trade; (ii) may prohibit, restrict and regulate exports and imports, in all or specified cases as well as subject them to exemptions; (iii) is authorized to formulate and announce an export and import policy and also amend the same from time to time, by notification in the Official Gazette; (iv) is also authorized to appoint a 'Director General of Foreign Trade' for the purpose of the Act, including formulation and implementation of the Export-Import ("**EXIM**") Policy. FTA read with the Indian Foreign Trade Policy provides that no export or import can be made by a company without an Importer-Exporter Code number unless such company is specifically exempt. An application for an Importer-Exporter Code number has to be made to the office of the Joint Director General of Foreign Trade, Ministry of Commerce.

Regulations Regarding Foreign Investment

Foreign investment in Indian companies is governed by the provisions of the Foreign Exchange Management Act, 1999 ("**FEMA**") read with the applicable regulations. The Department of Industrial Policy and Promotion ("**DIPP**"),

Ministry of Commerce and Industry has issued the Consolidated FDI Policy (the “FDI Circular”) which consolidates the policy framework on Foreign Direct Investment (“FDI”), with effect from June 07, 2016. The FDI Circular consolidates and subsumes all the press notes, press releases, and clarifications on FDI issued by DIPP till June 06, 2016. All the press notes, press releases, clarifications on FDI issued by DIPP till June 06, 2016 stand rescinded as on June 07, 2016.

Foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the approval route, depending upon the sector in which foreign investment is sought to be made. Under the approval route, prior approval of the Government of India through FIPB is required. FDI for the items or activities that cannot be brought in under the automatic route may be brought in through the approval route. Where FDI is allowed on an automatic basis without the approval of the FIPB, the RBI would continue to be the primary agency for the purposes of monitoring and regulating foreign investment. In cases where FIPB approval is obtained, no approval of the RBI is required except with respect to fixing the issuance price, although a declaration in the prescribed form, detailing the foreign investment, must be filed with the RBI once the foreign investment is made in the Indian company. The RBI, in exercise of its power under the FEMA, has also notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000 to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India.

The Consolidated FDI Circular dated June 07, 2016 issued by the DIPP does not prescribe any cap on the foreign investments in the sector in which the Company operates. Therefore, foreign investment up to 100% is permitted in the Company under the automatic route. No approvals of the FIPB or the RBI are required for such allotment of equity Shares under this Issue. The Company will be required to make certain filings with the RBI after the completion of the Issue.

RBI has also issued Master Circular on Foreign Investment in India dated July 01, 2015. In terms of the Master Circular, an Indian company may issue fresh shares to person’s resident outside India (who are eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Circular. As mentioned above, the Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including filing of Form FC-GPR.

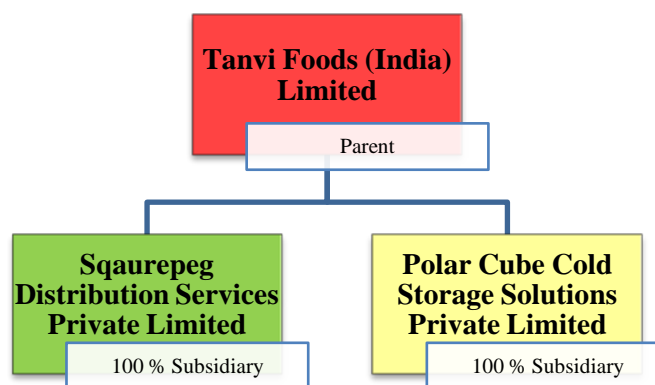
HISTORY AND CERTAIN CORPORATE MATTERS

Our Company was incorporated as Tanvi Foods Private Limited on March 30, 2007 under the Companies Act, 1956 with the Registrar of Companies, Hyderabad bearing Registration No. 053406. The name of the Company was changed to Tanvi Foods (India) Private Limited vide special resolution dated June 10, 2009 and name change Certificate was issued on June 25, 2009 by the Registrar of Companies, Hyderabad. The status of our Company was changed to a public limited company and the name of our Company was changed to Tanvi Foods (India) Limited by a special resolution passed on September 15, 2016. A fresh Certificate of Incorporation consequent upon conversion was issued on September 22, 2016 by the Registrar of Companies, Hyderabad. The Company's Corporate Identity Number is U15433TG2007PLC053406.

Our company is involved in trading, distribution, and processing of Food and Beverages primarily operating in the states of Andhra Pradesh and Telangana. Incorporated in 2007, over the years we have grown organically as well as inorganically and today we along with our subsidiaries operate over four exclusive point of sales; three Cold Room Facilities aggregating to 8,728 sq. ft., one food processing and packaging unit spread across 495 sq. yards, around 28 logistics vehicles dedicated towards F&B distribution making us one of few select organized players in this highly unorganized segment.

We currently specialize in products such as Fresh Corn, Frozen Corn, and Green Peas in loose as well as packed form. Further we also prepare and sell corn based eatables such as Corn Samosa's, Corn Patties and Spring Roll, in loose / semi-finished form to caterers as well as packaged form to Retailers and Wholesalers. All of these packaged products are sold under our own brand name "Frozen Kings". In addition to our own brand products; we operate a diversified F&B product distribution and trading business wherein we play the role of an intermediary between other branded product manufacturers/marketers and end point of sales such as Retailers (including Kiranas and Modern Trade Outlets) and Institutional buyers (such as Hotels, Caterers, Multiplexes etc.).

We also operate an independent Logistics/Infrastructure services business which in addition to supporting our F&B distribution business also provides Pan India Logistics services to other distributors and players. Our logistics/infra services business vertical includes providing transportation services as well as Cold Storage / Warehousing facilities on per ton and per pallet basis respectively. The company's corporate structure is as described below:



For specific information regarding activities undertaken by of our subsidiaries; please refer the chapter "Subsidiaries" on page no 114 of this Prospectus.

For further details regarding our business operations, please see the chapter titled "Our Business" beginning on page no 85 of this Prospectus.

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

Major Events

| Year | MILESTONE |
|------|--|
| 2007 | Incorporated under Companies Act, 1956 as Tanvi Foods Private Limited |
| 2007 | Started process of making Frozen Corn Samosas in a small facility. |
| 2007 | First cold storage facility Started at Vijayawada. |
| 2009 | Started new processing of Frozen Corn Spring roll, Corn Soup and Corn Patties |
| 2009 | First Vehicle purchased for our own logistical needs. |
| 2009 | Installed cold storage unit at Mugalrajpuram, Vijayawada. |
| 2009 | Launched our first sale point at Vijayawada. |
| 2009 | Changed the name of the Company from Tanvi Foods Private Limited to Tanvi Foods (India) Private Limited. |
| 2010 | Started trading of Mushroom, thereby increasing our institutional range of products. |
| 2011 | First sanction of secured loan for Installing Processing unit at Vijayawada. |
| 2011 | Started a new processing unit at Vijayawada thereby increasing our capacity for our own branded line of frozen products. |
| 2013 | Started distribution business for Delmont. |
| 2013 | Started distribution business for McCain Foods |
| 2014 | First temperature controlled truck was purchased. |
| 2015 | Increased our logistics vehicles from initial one truck to a diverse fleet of 24 temperature controlled trucks. |
| 2015 | Acquired 100% stake in Polar Cube Cold Storage Solutions Private Limited, making it a subsidiary of our company |
| 2015 | Acquired 100% stake in Squarepeg Distribution Services Private Limited, making it a subsidiary of our company |
| 2016 | Started distribution business of Baskin Robbins |
| 2016 | Changed the status of our Company from Private to Public i.e. to Tanvi Foods (India) Limited. |
| 2016 | Started distribution business of Inox |
| 2017 | Started distribution business of Parag Milk Foods Limited |

MAIN OBJECTS

The main object of our Company is as follows:

- To manufacture, process, prepare, preserve, refine, buy, sell and deal whether as wholesaler or retailers or as exporters or importers or as Principals or agents or as keepers or dealers in all kinds of food products and to carry on the business in India or elsewhere and to set up, build, establish, erect, promote, undertake, acquire, own, operate, transport, equip, manage, renovate, recondition, turn to account, maintain, keep and to run Food Processing Plants, Cold Storage Plants, storage chambers, ice plants, godowns, warehouses, refrigeration houses and freezing houses for storing, warehousing, keeping, preserving and commercializing all kinds and varieties of goods for human and animal consumption.*
- To act as caterers for public amusement or entertainment and for the purpose to own, take on lease, hire or otherwise acquire temporarily or for a fixed period or permanently, circus, opera, theatre, cinema houses, open space, park, tank, garden or other places of amusement and to arrange and run the same.*
- To carry on the business of all kinds of fast food centers, dhabas, pizza corners, hot spots, food courts in India or abroad and to give or take franchisee, to run/ operate, to have all kinds of tie-ups with Indian or foreign groups/ business houses/ restaurant chains.*

CHANGES IN REGISTERED OFFICE OF OUR COMPANY

| Date of Change of Registered Office | Registered Address Changed From | Change to |
|-------------------------------------|--|--|
| June 25, 2010 | From - 7-1-414/40/1/A, Plot No.40, Srinivasa Colony, Ameerpet, Hyderabad, Andhra Pradesh- 500038. | To - Plot No.41, H.No.7-1-414/41, Srinivasa Colony (East) S.R.Nagar, Rangareddi, Hyderabad- 500038 |
| April 10, 2015 | From - Plot No.41, H.No.7-1-414/41, Srinivasa Colony (East) S.R.Nagar, Rangareddi, Hyderabad- 500038 | To- No.7-2-4/D, Old Canteen Building, Sanathnagar Industrial Estate, Opp: SBH Sanathnagar, Hyderabad – 500018. |

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 AMMENDMENT |
|--------------------|--|
| May 15, 2009 | Increase in Authorised Capital from ₹ 1,00,000 divided into 10,000 shares of ₹ 10/- each to ₹ 5,00,000 divided into 50,000 shares of ₹ 10/- each. |
| June 23, 2009 | Alteration of object clause(s) as per section 18(1) (A) of the companies act, 1956 |
| February 06, 2010 | Increase in Authorised Capital from ₹ 5,00,000 divided into 50,000 shares of ₹ 10/- each to ₹ 1,00,00,000 divided into 10,00,000 shares of ₹ 10/- each. |
| March 10, 2014 | Increase in Authorised Capital from ₹ 1,00,00,000 divided into 10,00,000 equity shares of ₹ 10/- each to ₹ 3,00,00,000 divided into 30,00,000 equity shares of ₹ 10/- each |
| November 30, 2015 | Increase in Authorised Capital from ₹ 3,00,00,000 divided into 30,00,000 equity shares of ₹ 10/- each to ₹ 3,75,00,000 divided into 37,50,000 equity shares of ₹ 10/- each |
| September 26, 2016 | Increase in Authorised Capital from ₹ 3,75,00,000 divided into 37,50,000 equity shares of ₹ 10/- each to ₹ 4,50,00,000 divided into 45,00,000 equity shares of ₹ 10/- each |

SUBSIDIARIES

We have recently acquired controlling interest in 2 companies, thereby making them our subsidiaries.

As on the date of this Prospectus, we have two subsidiary companies

1. Polar Cube Cold Storage Solutions Private Limited (“PCCSPL”)

| | |
|---------------------------|--|
| Incorporation | The Company was incorporated as Polar Cube Cold Storage Solutions Private Limited under the Companies Act, 1956 on March 19, 2013 with the Registrar of Companies, Hyderabad. |
| Registration No. | 086490 |
| CIN No. | U63020TG2013PTC086490 |
| Registered Office | Plot No. 7-2-B12, Industrial Estate, Sanathnagar, Hyderabad, Kurnool Telagana- 500 018. |
| Nature of Business | <ol style="list-style-type: none"> To carry on the business of refrigerated store keepers, ice makers, ice dealers, refrigerated transport, freight handling and manufacturers and dealers of freezing, refrigerating equipment and equipments of every description. To carry on the business of blast freezing, pre-cooling, post harvest handling and packing of all kinds food products, farm products and other products. To establish, purchase or acquire, run, conduct and operate a cold storage, ware house, dry storage warehouses, bonded warehouses, green houses for preservation, storage and treatment of merchandize, machinery, food products, furniture and all other products whether manufactured or not, both of foreign and indigenous production or manufacture. |

Board of Directors of the Company

- Ms. Sarada Paturi
- Mr. Sri Nagaveer Adusumilli
- Mr. Sravanthi

Capital Structure

| Particulars | No. of Equity Shares of ₹ 10/- each |
|--|-------------------------------------|
| Authorised Share Capital | 44,50,000 |
| Issued, Subscribed and Paid-up Capital | 44,50,000 |

Shareholding Pattern of PCCSPL as on September 30, 2016

| Name of the shareholders | No. of Shares |
|-----------------------------|-----------------|
| Tanvi Foods (India) Limited | 4,45,000 |
| Total | 4,45,000 |

Brief Audited Financials of PCCSPL

(₹ in lakhs)

| Particulars | As at September 30, 2016 | As at March 31 | | |
|--|--------------------------|----------------|-------|-------|
| | | 2016 | 2015 | 2014 |
| Equity Capital | 44.50 | 44.50 | 44.50 | 44.50 |
| Reserves and Surplus (excluding revaluation reserve) | (1.20) | 1.82 | 0.81 | 3.11 |
| Net Worth | 43.31 | 46.32 | 45.31 | 47.61 |
| Income including other income | 5.10 | 26.90 | 44.34 | 46.56 |
| Profit/ (Loss) after tax | (3.01) | 1.01 | 0.32 | 3.11 |
| Earnings per share (face value of ₹ 10 each) | (0.68) | 0.23 | 0.07 | 0.70 |
| Net asset value per share | 9.73 | 10.41 | 10.18 | 10.70 |

Other disclosures:

- The equity shares of PCCSPL are not listed on any stock exchange;
- PCCSPL is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 nor is under winding up. Further PCCSPL does not have a negative networth in the immediately preceding year.
- No application has been made to RoC for striking off the name of PCCSPL;
- PCCSPL 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 initialled for economic offences against the Company.

2. Squarepeg Distribution Services Private Limited (“SDSPL”)

| | |
|---------------------------|---|
| Incorporation | The Company was incorporated as Squarepeg Distribution Services Private Limited under the Companies Act, 2013 on January 29, 2014 with the Registrar of Companies, Hyderabad. |
| Registration No. | 092550 |
| CIN No. | U15122AP2014PTC092550 |
| Registered Office | 59A-7-28, Flat No 102, Sai Ganesh Towers, Near Saibaba Temple, S.B.H Colony Vijayawada Srikakulam Andhra Pradesh- 520008 |
| Nature of Business | <ol style="list-style-type: none"> 1. To carry on India or elsewhere the business to manufacture, distribute, produce, process, prepare, disinfect, fermentate, compound, mix, clean, wash, concentrate, crush, grind, segregate, pack, repack, add, remove, heat, grade, preserve, freeze, distillate, boil, sterilize, improve, extract, refine, buy, sell, resell, import, export, barter, transport, store, forward, dispose, develop, handle, manipulate, market, supply and to act as agent, broker, representative, consultant, collaborator, adatia, stockiest, liasioner, middleman, export house, jobworker or otherwise to deal in types, descriptions, tastes, uses and packs of consumer food items, their by products, ingredients, derivatives, residues, including foods and vegetables, packed foods, powders, pastes, liquids, drinks, beverages, juices, jams, jelly, squashes, pickles, sausages, concentrates, extracts, essences, flavours, syrups, sarbats, flavoured drinks, health and diet drinks, extruded foods, frozen foods, dehydrated foods, pre cooked foods, canned foods, preserved foods, health foods, fast foods, cream, cheese, butter, biscuits, breads, cakes, pastries, confectionary, sweets, chocolates, toffees, breakfast foods, protein foods, dietic products, strained baby foods, instant foods, cereal products, table delicacies and all other items whether natural, artificial or synthetic of a character similar or analogous to the foregoing or connected therewith. 2. To construct, build, equip and maintain cold storage, storage chambers, refrigerators, room coolers and freezing houses for storage and preserving all types of fruits and vegetables, dehydrated food, provisions of fruits, commodities, articles, things and |

preparations of all kinds and descriptions whatsoever.

3. To carry on the business of domestic and international cargo and courier services by road, rail, sea and air, clearing and forwarding, storage, warehousing, transportation and handling of all kinds of cargo, whether containerized or not, from any port station to any container freight station or to any inland container depot and freight carriers, transportation of goods, animals or passengers from place to place either by land or by air, sea or partly by sea and partly by land or air, whether by means of motor vehicles and / or aero planes or other means of transport, to establish and to construct and operate container freight stations, inland container depots, and allied activities and deploy the containers in the business of international freight forwarding, by means of road, sea, transport and multimodal transport.

Board of Directors of the Company

- Mr. Sri Nagaveer Adusumilli
- Mrs. Vasavi Adusumilli

Capital Structure

| Particulars | No. of Equity Shares of ₹ 10/- each |
|--|-------------------------------------|
| Authorised Share Capital | 50,00,000 |
| Issued, Subscribed and Paid-up Capital | 26,70,000 |

Shareholding Pattern of SDSPL as on September 30, 2016

| Name of the shareholders | No. of Shares |
|-----------------------------|-----------------|
| Tanvi Foods (India) Limited | 2,67,000 |
| Total | 2,67,000 |

Brief Audited Financials of SDSPL

(₹ in lakhs)

| Particulars | As at September 30, 2016 | As at March 31 | |
|--|--------------------------|----------------|--------|
| | | 2016 | 2015 |
| Equity Capital | 26.70 | 26.70 | 26.70 |
| Reserves and Surplus (excluding revaluation reserve) | 15.81 | 13.67 | 11.13 |
| Net Worth | 42.51 | 40.37 | 37.83 |
| Income including other income | 192.07 | 354.66 | 149.69 |
| Profit/ (Loss) after tax | 2.14 | 2.54 | 11.13 |
| Earnings per share (face value of ₹ 10 each) | 0.80 | 0.95 | 4.17 |
| Net asset value per share | 15.92 | 15.12 | 14.17 |

Other disclosures:

- The equity shares of SDSPL are not listed on any stock exchange;
- SDSPL is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 nor is under winding up. Further SDSPL does not have a negative networth in the immediately preceding year.
- No application has been made to RoC for striking off the name of SDSPL;
- SDSPL 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 initialled for economic offences against the Company.

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

There is no accumulated profit/ (losses) not accounted for by our Company.

HOLDING COMPANY

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

JOINT VENTURES

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

SHAREHOLDERS' AGREEMENT

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

ACQUISITION OF BUSINESS / UNDERTAKINGS

Other than the acquisition of the Polar Cube Cold Storage Solutions Private Limited and Squarepeg Distribution Services Limited in the fiscal year 2016, our Company has not acquired any business or undertaken any mergers, amalgamation, revaluation of assets in the last five years.

FINANCIAL PARTNERS

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

STRATEGIC PARTNERS

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

OTHER AGREEMENTS

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

INJUNCTIONS OR RESTRAINING ORDERS

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

OUR MANAGEMENT

Board of Directors:

Our Company has six (6) Directors consisting of three (3) Executive Directors, one (1) Non-Executive Non Independent Director and two (2) Non-Executive Independent Directors. The following table sets forth the details of our Board of Directors as on the date of this Prospectus:

| Name, Current Designation, Address, Occupation, Term and DIN | Nationality | Age | Other Directorships |
|---|-------------|-------------|--|
| <p>Mr. Sarat Chandra Babu Adusumilli <i>Chairman & Whole-Time Director</i></p> <p>Address: Flat No. 102, Sai Ganesh Towers, S.B.H Colony, Near Sai Baba Temple, Ring Road, Vijaywada, VJ Polytechnic, Krishna, Andhra Pradesh- 520 008.</p> <p>Date of appointment as Director: March 30, 2007</p> <p>Date of appointment as Chairman and Whole-Time Director: April 01, 2016</p> <p>Term: Appointed as Chairman and Whole Time Director for a period of three years i.e. till March 31, 2019</p> <p>Occupation: Business</p> <p>DIN: 02589830</p> | Indian | 66 Years | NIL |
| <p>Mr. Sri Nagaveer Adusumilli <i>Managing Director</i></p> <p>Address: H-702, Casa Rouge Apts, Shilpa Park, Komdapur, K.V. Rangareddy, Telangana- 500 084</p> <p>Date of appointment as Director: October 14, 2015</p> <p>Date of appointment as Managing Director: October 14, 2015</p> <p>Term: Appointed as Managing Director for a period of three years i.e. till October 13, 2018</p> <p>Occupation: Business</p> <p>DIN: 02096695</p> | Indian | 38 Years | <ul style="list-style-type: none"> • Pearl Translines Private Limited • Squarepeg Distribution Services Private Limited • Polar Cube Cold Storage Solutions Private Limited • Brango Foods India Private Limited |
| <p>Mrs. Vasavi Adusumilli <i>Executive Director</i></p> <p>Address: H-702, Casa Rouge Apts, Shilpa Park, Komdapur, K.V. Rangareddy, Telangana- 500 084</p> <p>Date of appointment as Director: May 05, 2009</p> | Indian | 37 Years | <ul style="list-style-type: none"> • Squarepeg Distribution Services Private Limited |

| Name, Current Designation, Address, Occupation, Term and DIN | Nationality | Age | Other Directorships |
|---|-------------|-------------|---|
| <p>Date of appointment as Executive Director: April 01, 2016</p> <p>Term: Appointed as Executive Director for a period of three years i.e. till March 31, 2019</p> <p>Occupation: Business</p> <p>DIN: 02589803</p> | | | |
| <p>Mrs. Sarada Adusumilli <i>Non-Executive Non-Independent Director</i></p> <p>Address: Flat No. 102, Sai Ganesh Tower, S.B.H Colony, Near Sai Baba Temple, Ring Road, Vijaywada, VJ Polytechnic, Andhra Pradesh- 520 008.</p> <p>Date of appointment as Director: March 30, 2007</p> <p>Date of Change in Designation as Non-Executive Non-Independent Director: April 01, 2016</p> <p>Term: Liable to retire by rotation</p> <p>Occupation: Housewife</p> <p>DIN: 02609097</p> | Indian | 61 Years | NIL |
| <p>Mr. Naveen Nandigam <i>Non-Executive Independent Director</i></p> <p>Address: HNO: 1-3-183/40/21/E, Plot No: 9, P&T Colony, Kavadiguda, Gandhi Nagar, Hyderabad- 500 080</p> <p>Date of Appointment as Non Executive Independent Director: April 01, 2016</p> <p>Term: Appointment as Non- Executive Independent Director for a period of five years i.e. till March 31, 2021</p> <p>Occupation: Business</p> <p>DIN: 02726620</p> | Indian | 54 Years | <ul style="list-style-type: none"> • Avantel Limited • Sai Silks (Kalamandir) Limited |
| <p>Mr. R. V. Radhakrishna <i>Non-Executive Independent Director</i></p> <p>Address: 7-2-1760/A/104, Aakruti Avenue, St. No.4, Czech Colony, Sanathnagar, Hyderabad, Telangana- 500 018.</p> <p>Date of Appointment as Non Executive Independent Director: April 01, 2016</p> | Indian | 44 Years | NIL |

| Name, Current Designation, Address, Occupation, Term and DIN | Nationality | Age | Other Directorships |
|--|-------------|-----|---------------------|
| <p>Term: Appointment as Non – Executive Independent Director for a period of five years i.e. till March 31, 2021</p> <p>Occupation: Services</p> <p>DIN: 00763862</p> | | | |

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 is 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. Sarat Chandra Babu Adusumilli

Mr. Sarat Chandra Babu Adusumilli, aged 66 years, is the Chairman & Whole Time Director of our Company. He is one of the founding promoters of our company. He is a Under Graduate. Prior to joining of this company, Mr. Sarat Chandra Babu Adusumilli has more than 2 decades of varied business experience in fish cultivation. He has been the main guiding force behind the growth and business strategy of our Company.

Mr. Sri Nagaveer Adusumilli

Mr. Sri Nagaveer Adusumilli, aged 38 years, is the Managing Director of our Company. He is one of the founding promoters of our company. He has completed Master of Computer Application from University of Madras and Bachelor of Business Management from Nagarjuna University. Prior to joining this company, Mr. Sri Nagaveer Adusumilli has over a decade of experience in the Corn Industry, where he was involved in the production of corn foods and understands complete functions of the industry. He has been a real backbone of the company for identifying, negotiating and implementing new business opportunities. He has played an extremely crucial role in team building, infrastructure setup and clients addition.

Mrs. Vasavi Adusumilli

Mrs. Vasavi Adusumilli, aged 37 years, is the Executive Director of our Company. She is the wife of our Managing Director - Mr. Sri Nagaveer Adusumilli. She has completed her Bachelor of Commerce from Nagarjuna University. Prior to joining our company, she had worked with ICFAI University as a Senior Admin Officer. As the Whole Time Director she is responsible for the Administration and Operations of the Company.

Mrs. Sarada Adusumilli

Mrs. Sarada Adusumilli, aged 61 years, is the Non-Executive Non-Independent Director of our Company. She is the Mother of our Promoter & Managing Director - Mr. Sri Nagaveer Adusumilli.

Mr. Naveen Nandigam

Mr. Naveen Nandigam, aged 54 years, is the Non-Executive Non-Independent Director of our Company. He is a fellow Member of the Institute of Chartered Accountants of India (ICAI) and has been in practice since 1990. Additionally, he has an experience of over 17 years as a faculty for professional course. As the Independent Director of our Company he is responsible for providing his expertise & inputs and for ensuring the board adheres to the required corporate governance requirements.

Mr. R.V. Radhakrishna

Mr. R.V. Radhakrishna, aged 44 years, is the Non-Executive Independent Director of our Company. He is a Associate Member of the Institute of Company Secretaries of India. He possesses significant experience working with various listed and unlisted companies in India. As the Independent Director of our Company he is responsible for providing his expertise & inputs and for ensuring the board adheres to the required corporate governance requirements.

RELATIONSHIP BETWEEN DIRECTORS

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

- Mr. Sarat Chandra Babu Adusumilli is the father of Mr. Sri Nagaveer Adusumilli.
- Mrs. Sarada Adusumilli is the mother of Mr. Sri Nagaveer Adusumilli.
- Mr. Sri Nagaveer Adusumilli is the husband of Mrs. Vasavi Adusumilli.
- Mrs. Vasavi Adusumilli is the daughter in law of Mr. Sarat Chandra Babu Adusumilli and Mrs. Sarada Adusumilli.

Borrowing Powers of our Board of Directors

Our Company at its Extra-Ordinary General Meeting held on September 15, 2016 passed a resolution authorizing Board of Directors pursuant to the provisions of section 180 (1) (c) of the Companies Act, 2013 for borrowing from time to time any sum or sums of money from any person(s) or bodies corporate (including holding Company) or any other entity, whether incorporated or not, on such terms and conditions as the Board of Directors may deem fit for the purpose of the Company's business. The monies so borrowed together with the monies already borrowed by our Company (apart from temporary loans obtained from the banks in the ordinary course of business) may exceed the aggregate of the paid up share capital of our Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount of such borrowings together with the amount already borrowed and outstanding shall not, at any time, exceed ₹ 50.00 crores.

Remuneration of Executive Directors

Mr. Sarat Chandra Babu Adusumilli, Chairman & Whole Time Director

The compensation package payable to him as resolved in the shareholders meeting held on April 01, 2016 is stated hereunder:

Basic Salary: ₹ 15,000 per month

Perquisites, Allowances:

- DA : ₹ 3,000 per month
- HRA : ₹ 9,000 per month
- CCA : ₹ 3,000 per month
- Provision of Company's car for official purpose
- Mobile phone for official purpose.

Other terms:

The terms and conditions of the said appointment may be altered and varied from time to time by the Board as it may, in its discretion, deem fit, subject to a maximum overall remuneration of ₹ 5,00,000 per annum, payable to Mr. Sarat Chandra Babu Adusumilli in accordance with the applicable provisions of the Act or any amendments thereto made hereinafter in this regard.

In the year of inadequacy of profits, Mr. Sarat Chandra Babu Adusumilli shall be entitled to the above mentioned remuneration as minimum remuneration.

The remuneration paid to Mr. Sarat Chandra Babu Adusumilli for FY 2015-16 was ₹ 2.40 lakhs.

Mr. Sri Nagaveer Adusumilli, Managing Director

The compensation package payable to him as resolved in the shareholders meeting held on April 01, 2016 is stated hereunder:

Basic Salary: ₹ 1,75,000 per month

Perquisites, Allowances:

- DA : ₹ 35,000 per month
- HRA : ₹ 1,05,000 per month
- CCA : ₹ 35,000 per month
- Provision of Company's car for official purpose
- Mobile phone for official purpose.

Other terms:

The terms and conditions of the said appointment may be altered and varied from time to time by the Board as it may, in its discretion, deem fit, subject to a maximum overall remuneration of ₹ 42,00,000 per annum, payable to Mr. Sri Nagaveer Adusumilli in accordance with the applicable provisions of the Act or any amendments thereto made hereinafter in this regard.

In the year of inadequacy of profits, Mr. Sri Nagaveer Adusumilli shall be entitled to the above mentioned remuneration as minimum remuneration.

The remuneration paid to Mr. Sri Nagaveer Adusumilli for FY 2015-16 was ₹ 15.00⁽¹⁾ lakhs.

⁽¹⁾ Before appointing as director, Mr. Sri Nagaveer Adusumilli was an employed of our Company and paid normal salary. Out of 15.00 lakhs, he got 8.03 lakhs as normal salary and remaing as remuneration.

Mrs. Vasavi Adusumilli, Executive Director

The compensation package payable to her as resolved in the shareholders meeting held on April 01, 2016 is stated hereunder:

Basic Salary: ₹ 75,000 per month

Perquisites, Allowances:

- DA : ₹ 15,000 per month
- HRA : ₹ 45,000 per month
- CCA : ₹ 15,000 per month
- Provision of Company's car for official purpose
- Mobile phone for official purpose.

Other terms:

The terms and conditions of the said appointment may be altered and varied from time to time by the Board as it may, in its discretion, deem fit, subject to a maximum overall remuneration of ₹ 24,00,000 per annum, payable to Mrs. Vasavi Adusumilli in accordance with the applicable provisions of the Act or any amendments thereto made hereinafter in this regard.

In the year of inadequacy of profits, Mrs. Vasavi Adusumilli shall be entitled to the above mentioned remuneration as minimum remuneration.

The remuneration paid to Mrs. Vasavi Adusumilli for FY 2015-16 was ₹ 9.00 lakhs.

Compensation of Non-Executive Non- Independent Directors

Pursuant to a resolution passed at the meeting of the Board of the Company on April 01, 2016 the Non-Executive Non-Independent Directors will be paid ₹ 10,000 per sitting fee for all Board / Committee meetings held.

Remuneration paid to our Non-Executive Non- Independent Directors in Fiscal 2016: ₹ 2.25⁽¹⁾ lakhs

⁽¹⁾ Mrs. Sarada Adusumilli was an Executive Director in fiscal FY 2016, so she was getting remuneration.

Compensation of Non-Executive Independent Directors

Pursuant to a resolution passed at the meeting of the Board of the Company on April 01, 2016 the Non-Executive Independent Directors will be paid ₹ 10,000 per sitting fee for all Board / Committee meetings held.

Remuneration paid to our Non-Executive Independent Directors in Fiscal 2016: Nil

Shareholding of Directors

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

| Name of Directors | No. of Equity Shares held | % of Pre-Issue Paid Up Capital |
|-----------------------------------|---------------------------|--------------------------------|
| Mr. Sri Nagaveer Adusumilli | 22,52,701 | 65.39% |
| Mrs. Vasavi Adusumilli | 4,52,038 | 13.12% |
| Mr. Sarat Chandra Babu Adusumilli | 2,00,000 | 5.81% |
| Mrs. Sarada Adusumilli | 1,00,000 | 2.90% |
| Mr. Naveen Nandigam | - | - |
| Mr. R.V. Radhakrishna | - | - |
| Total Holding of Directors | 30,04,739 | 87.23% |
| Total Paid up Capital | 34,44,775 | 100.00% |

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.

Except as stated in this chapter titled "Our Management" and the chapter titled "Annexure XXV - Related Party Transactions" beginning on page nos. 118 and 197 of this 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. 99 of this Prospectus, our Directors have no interest in any property acquired by our Company within two years of the date of this Prospectus. Further, except as disclosed in “*Properties*” within the section titled “*Our Business*” on page no. 99 of this Prospectus, our Company has not taken any property on lease from our Promoter within two years of the date of this Prospectus.

Changes in the Board of Directors in the last three years

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

| Sr. No | Name of Director | Date of Change | Reason for change |
|--------|-----------------------------------|------------------|--|
| 1 | Mr. Sarat Chandra Babu Adusumilli | April 01, 2016 | Change in Designation as Chairman and Whole Time Director |
| 2 | Mrs. Vasavi Adusumilli | April 01, 2016 | Change in Designation as Executive Director |
| 3 | Mrs. Sarada Adusumilli | April 01, 2016 | Change in Designation as Non – Executive Non- Independent Director |
| 4 | Mr. R.V. Radhakrishna | April 01, 2016 | Appointment as Non - Executive Independent Director |
| 5 | Mr. Naveen Nandigam | April 01, 2016 | Appointment as Non - Executive Independent Director |
| 6 | Mr. Sri Nagaveer Adusumilli | October 14, 2015 | Appointment as Additional Director |
| 7 | Mr. Sri Nagaveer Adusumilli | October 14, 2015 | Change in Designation as Managing Director |

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 Six (6) Directors. In compliance with the requirements of the Companies Act we have three (3) Executive Directors, one (1) Non-Executive Non- Independent Director and two (2) Non-Executive Independent Directors on our Board. Our Chairman is an Executive Director and we have two woman 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 Board of Directors vide resolution dated September 24, 2016 pursuant to section 177 of the Companies Act, 2013. The Audit Committee comprises of:

| Name of the Member | Nature of Directorship | Designation in Committee |
|-----------------------------|------------------------------------|--------------------------|
| Mr. Naveen Nandigam | Non Executive Independent Director | Chairman |
| Mr. R.V. Radhakrishna | Non Executive Independent Director | Member |
| Mr. Sri Nagaveer Adusumilli | Managing 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 Board of Directors pursuant to section 178 (5) of the Companies Act, 2013 vide resolution dated September 24, 2016. The Stakeholder's Relationship Committee comprises of:

| Name of the Member | Nature of Directorship | Designation in Committee |
|---------------------------|------------------------------------|---------------------------------|
| Mr. R.V. Radhakrishna | Non Executive Independent Director | Chairman |
| Mr. Naveen Nandigam | Non Executive Independent Director | Member |
| Mrs. Vasavi Adusumilli | Executive Director | Member |

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

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

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

Quorum and Meetings

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

3. Nomination and Remuneration Committee

The Nomination and Remuneration Committee of our Board was constituted by our Board of Directors pursuant to section 178 of the Companies Act, 2013 vide resolution dated September 24, 2016.

The Nomination and Remuneration Committee currently comprises of:

| Name of the Member | Nature of Directorship | Designation in Committee |
|---------------------------|---|---------------------------------|
| Mr. Naveen Nandigam | Non Executive Independent Director | Chairman |
| Mr. R.V. Radhakrishna | Non Executive Independent Director | Member |
| Mrs. Sarada Adusumilli | Non Executive Non- 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.

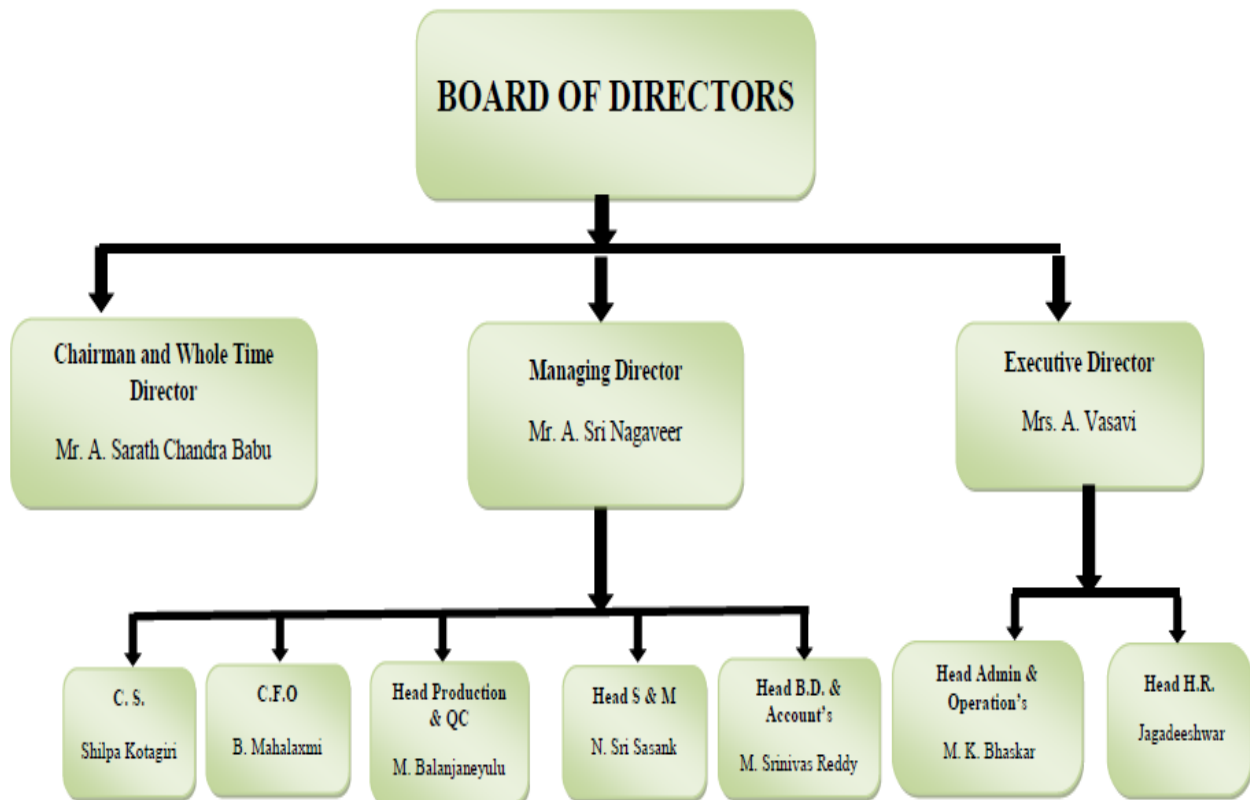
The Company Secretary of our Company acts as the Secretary to the Committee.

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.S. | - | Company Secretary |
| C.F.O | - | Chief Financial Officer |
| QC | - | Quality Control |
| HR | - | Human Resources |
| Admin | - | Administration |
| S & M | - | Sales & Marketing |
| B.D. | - | Business Development |

Key Managerial Personnel

The details of our key managerial personnel are as below –

| Name of Employee | Designation & Functional Area | Date of Appointment | Compensation for Last Fiscal Year (₹ in lakhs) | Qualification | Name of Previous Employer(s) | Total years of Experience |
|---------------------------|--|---------------------|--|--------------------------------|---|---------------------------|
| Mrs. Shilpa Kotagiri | Company Secretary & Compliance Officer | 01.09.2016 | Nil | LLB, LLM, CS | <ul style="list-style-type: none"> GVR Nagaur Bikaner Tollway Private Limited Vama Industries Ltd. P. S. Rao & Associates Balaji Amines Limited | 8 Years |
| Ms. B. Mahalakshmi | Chief Financial Officer | 01.07.2016 | Nil | Bachelor of Commerce, CA Inter | <ul style="list-style-type: none"> K. Rajasekhar & Co. (Articleship) | 4 Years |
| Mr. Sri Sasank Nandigam | Head Sales & Marketing | 01.05.2012 | 1.80 | B. Tech | - | 4 Year |
| Mr. Vadluri Jagadeeshwar | Head Human Resources | 01.08.2011 | 1.80 | Bachelor of Arts | <ul style="list-style-type: none"> ICFAI Academy Headquarters Sahai Data Tech. Pvt. Ltd. | 12 Years |
| Mr. Srinivas Reddy | Head Business Development & Accounts | Since Incorporation | 5.00 | Bachelor of Commerce | - | 9 Years |
| Mr. Balanjaneyulu Marella | Head Production & Quality Control | Since Incorporation | 1.86 | Bachelor of Commerce | - | 9 Years |
| Mr. Bhaskar Mathi Koti | Head Admin & Operations | Since Incorporation | 5.00 | Bachelor of Commerce | - | 9 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.

Relationship amongst the Key Managerial Personnel

None of the aforementioned KMP's are related to each other. Also, none of them have been selected pursuant to any arrangement / understanding with major shareholders / customers / suppliers.

Shareholding of Key Managerial Personnel

None of our KMP's holds any shares of our Company as on the date of this Prospectus except as mentioned below:

- Mr. Srinivas Reddy holds 10 shares of our Company.

Interest of Key Managerial Personnel

The Key Managerial Personnel of our Company do not have any interest in our Company, other than to the extent of remuneration of benefits to which they are entitled as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business. Further, if any Equity Shares are allotted to our Key Managerial Personnel prior to / in terms of this Issue, they will be deemed to be interested to the extent of their shareholding and / or dividends paid or payable on the same.

Bonus or Profit Sharing Plan for the Key Managerial Personnel

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 as on the date of the Prospectus.

Employee Share Purchase and Employee Stock Option Scheme

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

Payment or Benefit to our Officers

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

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

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


| Name of Employee | Designation & Functional Area | Date of Appointment |
|-------------------------|--|----------------------------|
| Mrs. Shilpa Kotagiri | Company Secretary & Compliance Officer | 01.09.2016 |
| Ms. B. Mahalakshmi | Chief Financial Officer | 01.07.2016 |

OUR PROMOTER AND PROMOTER GROUP'S

THE PROMOTER OF OUR COMPANY IS:

Mr. Sri Nagaveer Adusumilli

The details of our Promoter are provided below:

| | |
|---|--|
|  | Mr. Sri Nagaveer Adusumilli |
| | PAN: AETPA8735M |
| | Passport No.: H 1310511 |
| | Driver's License No.: 79731996 |
| | Voter's ID No.: AGZ0197970 |
| | Name of Bank & Branch: ICICI Bank Limited, Punjagutta Branch, Hyderabad |
| | Bank A/c No.: 020201002048 |

For additional details on the age, background, personal address, educational qualifications, experience, positions / posts, other ventures and Directorships held in the past for our Individual Promoter, please see the chapter titled "Our Management" beginning on page no. 118 of this Prospectus.

For details of the build-up of our Promoter's shareholding in our Company, please see "Capital Structure –Notes to Capital Structure" on page no. 51 of this Prospectus.

Other Undertakings and Confirmations

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

Our Promoter has confirmed that he has not been identified as wilful defaulters.

No violations of securities laws have been committed by our Promoter in the past or are currently pending against them. None of our Promoter are debarred or prohibited from accessing the capital markets or restrained from buying, selling, or dealing in securities under any order or directions passed for any reasons by the SEBI or any other authority or refused listing of any of the securities issued by any such entity by any stock exchange in India or abroad.

Interests of Promoter

None of our Promoter / Directors have any interest in our Company except to the extent of compensation payable / paid, rents on properties owned by their relatives but used by our company 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. For further details please see the chapters titled "Capital Structure", "Financial Information" and "Our Management" beginning on page nos. 50, 137 and 118 of this Prospectus.

Except as stated otherwise in this Prospectus, we have not entered into any contract, agreements or arrangements in which our Promoter 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 XXV - Statement of Related Party Transaction" on page no. 197 of this Prospectus.

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

Our Promoter has not disassociated himself from any of the companies, firms or entities during the last three years preceding the date of the Draft Prospectus. However, he has sold the shares of the following company:

| Name of the Company | No. of Shares Held | No. of Shares Sold | Date of Transfer | Date of appointment as Director | Date of cessation as Director |
|----------------------------------|--------------------|--------------------|------------------|---------------------------------|-------------------------------|
| Pearl Translines Private Limited | 3,340 | 3,340 | January 02, 2016 | July 16, 2008 | - |

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

Except as stated in “Annexure XXV – Statement of Related Party Transactions” on page no. 197 of this Prospectus, there has been no payment of benefits to our Promoter or Promoter Group during the two years preceding the date of the Draft Prospectus.

Interest of Promoter in the Promotion of our Company

Our Company is currently promoted by the Promoter in order to carry on its present business. Our Promoter is 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 Promoter/ Directors/ Promoter Group/ Subsidiaries in the Property of our Company

Our Promoter / Directors/ Promoter Group/ Subsidiaries 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 Prospectus For details, please refer the chapter “Our Business” on page no. 85 of this Prospectus.

Except as mentioned in this section and the chapters titled “Capital Structure”, “Our Business”, “History and Certain Corporate matters” and “Annexure XXV – Statement of Related Party Transactions” on page nos. 50, 85, 112 and 197 of this Prospectus, respectively, our Promoter do not have any interest in our Company other than as Promoter.

Related Party Transactions

Except as stated in the “Annexure XXV – Statement of Related Party Transactions” on page no. 197 of this Prospectus, our Company has not entered into related party transactions with our Promoter.

Common Pursuits of our Subsidiaries Companies

Save and except as disclosed in the chapter titled “Subsidiaries Companies” beginning on page no. 114 of this Prospectus, there are no Subsidiaries Companies to undertake activities which are similar to ours and are currently engaged in businesses similar to ours

Other Confirmations

Our Company has neither made any payments in cash or otherwise to our Promoter or to firms or companies in which our Promoter are interested as members, directors or Promoter nor have our Promoter 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 XXV – Statement of Related Party Transactions” on page no. 197 of this Prospectus.

Outstanding Litigation

There is no outstanding litigation against our Promoter except as disclosed in the section titled “Risk Factors” and chapter titled “Outstanding Litigation and Material Developments” beginning on page nos. 10 and 229 of this Prospectus.

OUR PROMOTER GROUP

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

A. Natural Persons who are Part of the Promoter Group

| Name of the Promoter | Name of the Relative | Relationship with the Promoter |
|-----------------------------|-----------------------------------|--------------------------------|
| Mr. Sri Nagaveer Adusumilli | Mr. Sarat Chandra Babu Adusumilli | Father |
| | Mrs. Sarada Devi Adusumilli | Mother |
| | Mrs. Vasavi Adusumilli | Wife |
| | Sri Natya B | Sister(s) |
| | Sri Naga Nihal | Son(s) |
| | Mr. Venkataratnam T | Wife's Father |
| | Mrs. Aruna Kumari T | Wife's Mother |
| | K. Neelima | Wife's Sister(s) |
| | P. Sri Devi | |

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 | Brango Foods India Private Limited |
| 2 | M/s. Sri Sai Agencies |

OUR GROUP COMPANIES

The companies that form part of our 'Group Companies' are based on the requirements of the Schedule VIII of the SEBI (ICDR) Regulations, 2009, as amended.

Based on the above; as on the date of this Prospectus; we do not have any Group Company.

Defunct Group Companies

As on the date of the Draft Prospectus and Prospectus, we don't have any Group Companies. We further confirm that none of our erstwhile Group Companies were defunct and no applications were made to the Registrar of Companies for striking off the name of any of our erstwhile Group Companies during the five years preceding the date of the Draft Prospectus.

CURRENCY, UNITS OF PRESENTATION AND EXCHANGE RATES

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

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

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 STATEMENT

REPORT OF THE INDEPENDENT AUDITORS ON CONSOLIDATED FINANCIAL STATEMENTS

To,

The Board of Directors,

Tanvi Foods (India) Limited

D.No.7-2-4/D/A, Old Canteen Building,

Ground Floor, Sanathnagar Industrial Area,

Sanathnagar, Hyderabad 500018.

Telangana, INDIA.

1. We have examined the Restated Consolidated Financial Statements and Other Financial Information of **M/s Tanvi Foods (India) Limited** (the 'Company') for the 6 months ended September 30, 2016 and for Financial Year ended March 31, 2016 based on the Audited Financial Statements reviewed by us annexed to this report. The said Restated Financial Statements and other Financial Information have been prepared for the purposes of inclusion in the 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:
 - i. Sub-clauses (i) and (iii) of clause (b) of sub-section (1) of section 26 of the Companies Act, 2013 read with applicable provisions within Rule 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended (hereinafter referred to as the "Act");
 - ii. 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;
2. We have examined such Restated Consolidated Financial Statements taking into consideration
 - a. The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated September 1, 2016 in connection with the proposed IPO of the Company and
 - b. The Guidance Note (Revised) on Reports in Company Prospectuses issued by the Institute of Chartered Accountants of India.
 - c. The applicable regulations of SEBI (ICDR) Regulations, 2009, as amended, and as per schedule VIII (Part A) (2) (IX).
3. These Restated Consolidated Financial Statements have been compiled by the Management from Financial Statements for 6 months ended September 30, 2016 and from the audited Financial Statements for the years ended as at March 31, 2016, which have been approved by Board of directors at their meetings held on February 03, 2017.
4. In terms of Schedule VIII, Clause IX (9) of the SEBI (ICDR) Regulations, 2009 and other provisions relating to accounts of Tanvi Foods (India) Limited, we, M/s. GV & Co., 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 Consolidated Assets and Liabilities of the Company as at September 30, 2016 and March 31, 2016 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 III** and the Notes to Accounts in **Annexure IV**.
 - b. The Restated Statement of Consolidated Profit and Loss of the Company for the 6 months ended September

30, 2016 and for the year ended on March 31, 2016 examined by us, as set out in **Annexure II** and Cash Flow Statement for the 6 months ended September 30, 2016, as set out in **Annexure IIA** 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 III** and the Statement of Adjustments to the Audited Financial Statements in **Annexure IV**.

- c. The figures pertaining to Subsidiary company have been re-grouped / re-classified wherever consolidated necessary to make them in line with the holding company's financial statements.
 - d. The Restated Consolidated 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, Which are stated in the Notes to Accounts as set out in **Annexure IV**:
 - 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 (11) of section 143 of the Companies Act, 2013, on Financial Statements of the Company as at for the year ended March 31, 2016.
 - ii. Extra-ordinary / Exceptional 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:
- a) Schedule of Share Capital (**Annexure - V**)
 - b) Schedule of Reserves & Surplus (**Annexure - VI**)
 - c) Schedule of Fixed Assets (**Annexure - VII**)
 - d) Details of Long Term Borrowings of the Company (**Annexure – VIII**)
 - e) Statement of Deferred Tax and Long Term Liabilities (**Annexure – IX**)
 - f) Details of Short Term Borrowings of the Company (**Annexure – X**)
 - g) Statement of Trade Payables (**Annexure – XI**)
 - h) Schedule of Other Current Liabilities (**Annexure – XII**)
 - i) Schedule of Long Term Provisions (**Annexure –XIII**)
 - j) Schedule of Short Term Provisions (**Annexure –XIV**)
 - k) Schedule of Long Term Loans and Advances (**Annexure – XV**)
 - l) Schedule of Inventories (**Annexure – XVI**)
 - m) Statement of Trade Receivables (**Annexure – XVII**)
 - n) Statement of Cash and Cash Equivalents (**Annexure – XVIII**)
 - o) Statement of Short Term Loans and Advances (**Annexure – XIX**)
 - p) Statement of Other Current Assets (**Annexure - XX**)
 - q) Schedule of Revenue from Operations (**Annexure – XXI**)
 - r) Schedule of Other Income (**Annexure – XXII**)
 - s) Schedule of Related Party Transactions (**Annexure – XXIII**)
 - t) Capitalization Statement (**Annexure – XXIV**)
 - u) Schedule of Contingent Liability (**Annexure – XXV**)
 - v) Statutory claims against Company, As Restated(**Annexure – XXVI**)
 - w) Schedule of Dividend Paid (**Annexure – XXVII**)
 - x) Summary of Accounting Ratios (**Annexure – XXVIII**)
7. In our opinion, the Restated Financial Statements and the other Financial Information set forth in Annexure I to XXVIII read with the Significant Accounting Policies and Notes to the Restated Financial Statements have been

prepared in accordance with section 26 read with applicable provisions within Rule 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 of Companies Act, 2013 and the SEBI Regulations and the Guidance Note on the Reports in Company Prospectus (Revised) issued by the Institute of Chartered Accountants of India (ICAI).

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.

8. This report should not in any way construed as a reissuance or redrafting of any of the audit report issued nor should this report be construed as new opinion on any of the financial statement referred to therein.
9. The information have been extracted from the Standalone Financial Statements for the 6 months ended September 30, 2016 and for the year ended March 31, 2016 audited by the M/s SVP & Co. Chartered Accountants, being the Statutory auditors of the Subsidiary companies (i.e. M/s Polar Cube Cold Storage Solutions Private Limited and M/s Squarepeg Distribution Services Private Limited). Further, Consolidated Financial Statements for the period ended September 30, 2016 and for the year ended March 31, 2016 have been re-audited by us as required under the SEBI ICDR Regulations.
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. GV & Co.,
Chartered Accountants**

GrandhiVittal
Proprietor
Firm Registration No. 012875S
Membership No: 206462

Place: Hyderabad

Date: February 03, 2017

Annexure-I
STATEMENT OF CONSOLIDATED ASSETS AND LIABILITIES, AS RESTATED
(₹ in Lakhs)

| Particulars | As at September 30, 2016 | As at March 31, 2016 |
|--|-----------------------------|-------------------------|
| Equity & Liabilities | | |
| Shareholder's funds | | |
| a) Equity Share Capital | 344.48 | 344.48 |
| b) Reserves and surplus | 416.34 | 365.48 |
| Total Shareholders Fund (A) | 760.82 | 709.95 |
| Share application money pending allotment | - | - |
| Non-current liabilities | | |
| (a) Long-term borrowings | 352.19 | 335.92 |
| (b) Deferred tax liabilities (net) | 42.80 | 38.16 |
| (c) Other long-term liabilities | 0.70 | 0.70 |
| (d) Long-term provisions | 1.70 | 1.42 |
| Total (B) | 397.38 | 376.20 |
| Current liabilities | | |
| a) Short-term borrowings | 810.56 | 781.42 |
| b) Trade payables | 145.47 | 118.41 |
| c) Other current liabilities | 411.27 | 322.34 |
| d) Short-term provisions | 51.63 | 37.69 |
| Total (C) | 1,418.93 | 1,259.86 |
| Total (D=A+B+C) | 2,577.14 | 2,346.02 |
| ASSETS | | |
| Non - Current Assets | | |
| a) Fixed Assets | | |
| i) Tangible Assets | 734.66 | 613.09 |
| ii) Intangible Assets | 28.32 | 28.32 |
| iii) Capital Work in progress | 74.98 | 44.48 |
| b) Deferred tax assets (net) | - | - |
| c) Non- Current investments | - | - |
| d) Long Term Loans & Advances | 179.16 | 175.64 |
| e) Other Non-Current Assets | - | - |
| Total (E) | 1,009.21 | 861.54 |
| Current Assets | | |
| a) Inventories | 1,182.47 | 1,080.33 |
| b) Trade Receivables | 171.77 | 196.59 |
| c) Cash and Cash equivalents | 73.89 | 57.57 |
| d) Short-term loans and advances | 125.41 | 149.48 |
| e) Other Current Assets | 14.39 | 0.51 |
| Total (F) | 1,567.92 | 1,484.48 |
| TOTAL (G=E+F) | 2,577.14 | 2,346.02 |

Annexure-II
STATEMENT OF CONSOLIDATED PROFIT AND LOSS ACCOUNT, AS RESTATED
(₹ in Lakhs)

| Particulars | As at September 30, 2016 | As at March 31, 2016 |
|---|-----------------------------|-------------------------|
| Revenue: | | |
| Revenue from Operations | 2,979.43 | 5,163.28 |
| Other Income | 11.16 | 10.95 |
| Total revenue | 2,990.59 | 5,174.23 |
| Expenses: | | |
| Purchases & Direct Expenses | 2,649.76 | 4,678.37 |
| Change in Inventories of finished goods, WIP and stock-in-trade | (102.14) | (262.40) |
| Employee benefits expense | 116.19 | 149.59 |
| Finance Cost | 93.75 | 173.32 |
| Depreciation and amortization expenses | 53.41 | 87.93 |
| Other Expenses | 111.23 | 223.76 |
| Total expenses | 2,922.18 | 5,050.57 |
| Profit before exceptional & extraordinary items, prior period items and tax | 68.41 | 123.65 |
| Exceptional items | | |
| A. Retrospective Effect due to change in method of Depreciation of Holding Company from WDV to SLM | - | 46.21 |
| B. Adjustment Due to Difference in method of Depreciation of Subsidiary Companies (i.e. WDV) & Holding Companies Method of Depreciation (i.e. SLM) | - | 13.88 |
| Prior Period items | - | 8.04 |
| Profit before extraordinary items and tax | 68.41 | 191.79 |
| Less: Provision for Taxes | | |
| Current Tax as per Income Tax | 14.22 | 37.41 |
| Short/Excess provision for tax for earlier years | - | 5.40 |
| Deferred Tax | 4.63 | 25.85 |
| MAT Credit Receivable | (1.31) | (34.06) |
| Total | 17.54 | 34.60 |
| Net profit / (Loss) for the period after tax but before extraordinary item | 50.87 | 157.19 |
| Extraordinary Items (Net of tax) | - | 0.00 |
| Net profit / (Loss) for the period after tax and after extraordinary items available for appropriation | 50.87 | 157.19 |
| Less: Proposed Dividend | - | - |
| Divided distribution tax | - | - |
| Net Profit Transferred to Reserves | 50.87 | 157.19 |

Annexure-IIA
CONSOLIDATED CASH FLOW STATEMENT, AS RESTATED
(₹ in Lakhs)

| Particulars | As at September 30, 2016 |
|---|--------------------------|
| Cash Flow from Operating Activities | |
| Net Profit Before Tax | 68.41 |
| Adjustments for : | |
| Depreciation / Amortization | 53.41 |
| (Profit) / Loss on sale of fixed assets (net) | - |
| (Profit) / Loss on sale of investments (net) | - |
| Other Income | 11.16 |
| Effect of Exchange Rate change | - |
| Interest & Finance Charges | 93.75 |
| Operating Profit before Working Capital Adjustment | 204.40 |
| Adjustments for Changes in Working Capital | |
| (Increase)/Decrease in Inventories | (102.14) |
| (Increase)/Decrease in Trade Receivables | 24.83 |
| (Increase)/Decrease in Short term Loans & Advances | 24.07 |
| (Increase)/Decrease in Long term Loans & Advances | 5.70 |
| Increase/(Decrease) in Trade Payables | 27.06 |
| (Increase)/Decrease in Long term/Short term Provisions | 12.36 |
| (Increase)/Decrease in Other current liabilities | 88.93 |
| (Increase)/Decrease in Other Current Assets | (13.88) |
| Cash Flow generated from Operations | 271.33 |
| Direct Taxes paid | (12.36) |
| Net Cash from Operating activities (A) | 258.96 |
| Cash flow from Investing Activities | |
| Purchase of Fixed Assets | (174.97) |
| (Increase)/(Decrease) in Capital WIP | (30.50) |
| Sale of Fixed Assets | - |
| Other Income | 11.16 |
| (Purchase) / Sale of Investments (Net) | - |
| Cash flow before exceptional items | (194.31) |
| Exceptional Items | |
| Net Cash flow from Investment Activities (B) | (194.31) |
| Cash Flow from Financing Activities | |
| Proceeds from issue of Share Capital/ Share Application Money | - |
| Premium on issue of Share Capital | - |
| Proceeds / (Repayment) from Long Term Borrowings | 16.27 |
| Proceeds / (Repayment) from Short Term Borrowings | 29.14 |
| Finance Costs | (93.75) |
| Dividends Paid | - |
| Dividend tax paid | - |
| Effect of Exchange Rate change | - |
| Net Cash flow from Financing Activities (C) | (48.33) |
| Net (Decrease) / Increase in cash and cash equivalents (A+B+C) | 16.32 |
| Cash and cash equivalents at the beginning of the year | 57.57 |
| Cash and Cash equivalents at the end of the year | 73.89 |

Annexure - III

Summary of Significant Accounting Policies

Basis of Accounting:

The accompanying financial statements are prepared and presented in accordance with Indian Generally Accepted Accounting Principles (GAAP) under historical cost convention on the accrual basis. GAAP comprises mandatory Accounting Standards issued by the Institute of Chartered Accountants of India, the provisions of the Companies Act, 2013. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to existing accounting standard requires the change in the accounting policy hitherto in use. Management evaluates all relevant issues or revised accounting standards on an ongoing basis.

Accounting Policies not specifically referred to otherwise are consistent and in consonance with the Generally Accepted Accounting Principles that are followed by the company.

A2 Details of subsidiary company considered in the consolidated accounts

| Name of the subsidiary | Country of Incorporation | Shareholding as on | Extent of Holding (%) |
|---|--------------------------|--------------------|-----------------------|
| Squarepeg Distribution Services Pvt. Ltd. | India | 30.09.2016 | 100.00% |
| Polar Cube Cold Storage Solutions Pvt. Ltd. | India | 30.09.2016 | 100.00% |

- Sri Nagaveer Adusumilli holds 5 Equity Shares in Polar Cube Cold Storage Solutions (P) Ltd., Wholly Owned "Subsidiary, in compliance of Sec.3 of Companies Act, 2013 and the beneficial ownership lies with the company."
- Sri Nagaveer Adusumilli holds 5 Equity Shares in Squarepeg Distribution Services (P) Ltd., Wholly Owned Subsidiary, in compliance of Sec.3 of Companies Act, 2013 and the beneficial ownership lies with the company.

Disclosure Relating to Uniform Accounting Policies:

In relation to Depreciation, Tanvi Foods (India) Limited (Holding Company) is following the SLM as per Companies Act, 2013, Whereas the Subsidiary companies namely Squarepeg Distribution Services Private Limited & Polar Cube Cold Storage Solutions Private Limited are following the WDV method.

Due to the above reason, While preparing the Consolidated Financial Statements of Tanvi Foods (India) Limited (Holding Company), We have made the appropriate adjustments to the Accumulated Depreciation of Consolidated Assets, Deferred Tax liability and also to the Consolidated Profit of the Holding company to nullify the Impact of variation in following the method of depreciation by the Holding company and its Subsidiary companies.

That is as follows:

| Name of the Company | Impact on Accumulated Depreciation | | Impact on Deferred Tax Liability |
|---|------------------------------------|--------------------------|----------------------------------|
| | Relating to Previous Year | Relating to Current year | |
| Squarepeg Distribution Services Private Limited | - | 16,673 | 1,375 |
| Polar Cube Cold Storage Solutions Private Limited | - | (1,32,345) | 77,388 |

Accounting policies adopted in the preparation of consolidated accounts:

The consolidated accounts related to Tanvi Foods (India) Limited, Hyderabad (Holding Company) and Squarepeg Distribution Services Private Limited, Vijayawada (Subsidiary Company) & Polar Cube Cold Storage Solutions Private Limited, Hyderabad (Subsidiary Company) have been prepared in accordance with AS - 21 "Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India.

The Consolidated Financial Statements have been prepared based on line-by-line consolidation by adding together the book values of each & every item like Assets, Liabilities, Income and Expenses as per the accounts of the Holding Company and its Subsidiary Company and intra group balances/ intra group transactions have been eliminated.

The difference between the costs of Investment in the subsidiaries over the Net Assets at the time of acquisition of shares in the Subsidiaries is recognized in the financial statements as Goodwill or Capital Reserve, as the case may be. Minority Interest's share of Net Profit of Consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive the net income attributable to Shareholders of the company.

Minority Interest's share of Net Assets of Consolidated subsidiaries is identified and presented in the Consolidated Balance sheet separate from liabilities and the equity of the Company's shareholders. The losses applicable to Minority Interest exceeding their interest are adjusted against Majority Interest. Future Profits are adjusted against losses absorbed by Majority Interest before attributing them to Minority Interest.

The Consolidated Financial Statements have been prepared using uniform policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the holding company's individual accounts.

Current events and actions, actual results could differ from these estimates.

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the result of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

Contingencies and events occurring after the balance sheet date (AS 4);

All contingencies and events occurring after the balance sheet date which have a material effect on the financial position of the company are considered for preparing the financial statements.

Fixed Assets, Depreciation and Intangible Assets (AS 10, 6 & 26);

Fixed Assets are stated at cost, less accumulated depreciation. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Financing costs relating to acquisition of fixed assets are also included to the extent they related to the period till such assets are ready to be put to use. The same is in compliance with AS-10 to the extent applicable.

Depreciation on fixed assets is being provided on straight line method at the rates in the manner specified in Schedule II of the companies Act, 2013. Depreciation on assets sold during the year is being provided at their respective rates up to the date on which such assets are sold. Depreciation /Amortization of Intangibles are in compliance with AS 26 to the extent applicable. The expenditure incurred on Leasehold premises is depreciated over the Lease period.

Capital Work-In-Progress (AS 10)

Capital Work-In-Progress is carried at cost, comprising direct cost and related Incidental expenses.

Government Grants (AS 12)

- i) The grants or subsidies received in the nature of promoters contributions are treated as capital receipts and credited to capital reserves.
- ii) The grants or subsidies received relating to specific fixed assets are shown as deduction from the cost of the respective assets concerned in arriving at its book value.
- iii) The grant in the form of revenue subsidy is treated as revenue receipt and credited to "Other Income" in statement of Profit and Loss.

Borrowing Cost (AS 16);

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are

capitalized as part of the cost of such asset till such time as the asset is ready for its intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred. The same is in compliance with AS-16 to the extent applicable.

Investments (AS 13);

- i) Investments are capitalized at actual cost including costs incidental to acquisition.
- ii) Investments are classified as long-term or current at the time of making such investments.
- iii) Long-term investments are individually valued at cost, less provision for diminution that is other than temporary. Investments held in Subsidiary Companies are stated at cost.
- iv) Current investments are valued at the lower of cost and market value.

Inventories (AS 2);

- i) Inventories are valued at lower of cost or Net Realizable Value.
- ii) Cost of inventories have been computed to include all cost of purchases, cost of conversion and other costs incurred in bringing the inventories to their present location and condition
- iii) The basis of determining cost for various categories of inventories is as follows:
 - a) Raw Material: At Cost or Realizable Value, whichever is lower.
 - b) Work In Progress: At Cost or Realizable Value, whichever is lower.
 - c) Traded / Finished Goods: At Cost or Realizable Value, whichever is lower.

Transactions in Foreign Currency (AS 11);

Foreign currency transactions are recorded at the exchange rates prevailing at the date of the transaction. Monetary foreign currency assets and liabilities are translated into Indian rupees at the exchange rate prevailing at the balance sheet date. All exchange differences are dealt with in Profit and Loss Account. In the case of assets and liabilities covered by Forward contracts, the difference between the exchange rate at the inception of forward exchange contract and the forward rate specified in the contract is amortized and recognized in the statement of profit and loss over the period of the contract. Premium or discount on foreign exchange forward contract are amortized and recognized in the statement of profit and loss over the period of the contract. The same is in compliance with AS-11 to the extent applicable.

Revenue Recognition (AS 9);

i) Sale of Goods:

Revenue from sale of goods is recognized when risk and rewards of ownership of the products are passed on to the customers, which is generally on dispatch of goods and is stated net of sales tax, trade discounts and claims etc.

ii) Other revenue:

Other revenue is recognized only when it is reasonably certain that the ultimate collection will be made. The same is in compliance with AS-9 to the extent applicable.

Provision for Current tax, and Deferred tax (AS 22);

Provision for current tax is made on the basis of estimated taxable income for the current accounting period in accordance with the provisions of Income Tax Act, 1961. Deferred tax resulting from "timing differences" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a virtual certainty that the asset will be realized in future. The same is in compliance with AS-22 to the extent applicable.

Provision for income tax is made on the basis of estimated taxable income. Advance Tax and Tax Deducted at Source (TDS) are shown in the balance sheet under head Loans and advances during the year and in subsequent years the Advance Tax & TDS are adjusted against Provision for Tax on receipt of intimation u/s 143(1) of Income Tax Act, 1961 or the Assessment completed for the relevant year.

Cash Flow Statement (AS 3);

The Company's Policy relating to Cash Flow Statement is to follow the indirect method as guided by AS- 3 issued by ICAI and it presents the cash flows by Operating, Investing and Finance activities of the company. Cash and cash equivalents presented in cash flow consists of cash in hand, cheques in hand, bank balances. The same is in compliance with AS-3 to the extent applicable.

Provisions, Contingent Liabilities and Contingent Assets (AS 29);

Provisions involving substantial degree of estimation in measurement are recognized when there is present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements. The same is in compliance with AS-29 to the extent applicable.

Impairment of Assets (AS 28);

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is charged to Profit & Loss Account in the year in which the asset is impaired and the impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount. The same is in compliance with AS-28 to the extent applicable.

Leases (AS 19);

Operating lease payments and finance lease payments are recognized as expenses in the profit and loss account as per the terms of the agreements which is representative of the time pattern of the users' benefit. The same is in compliance with AS-19 to the extent applicable.

Extra-ordinary and Exceptional items & Changes in Policies (AS 5);

All the extra ordinary and prior period items of Income and expenses are separately disclosed in the statement of Profit and Loss account in the manner such that it's impact on the current profit or loss can be perceived. If there has been any change in the Company's accounting policies or accounting estimate so as to have material impact on the current year profit/loss or that of later periods the same would be disclosed as part of notes to accounts. All the items of Income and Expenses from ordinary activities with such size and nature such that they become relevant to explain the performance of the company have been disclosed separately. The same is in compliance with AS-5 to the extent applicable.

Earnings Per Share (AS 20);

- i) The Basic earnings per share is calculated considering the weighted average number of equity shares outstanding during the year.
- ii) The Diluted earnings per share is calculated considering the effects of potential equity shares on net profits after tax for the year and weighted average number of equity shares outstanding during the year.

There are no Auditor's Qualifications in the Financial Statements of the Company.

Annexure IV

1. Managerial Remuneration

(₹ in Lakhs)

| Particulars | As at September 30, 2016 | As at March 31, 2016 |
|--|--------------------------|----------------------|
| Whole Time Directors Remuneration; | | |
| Salaries and Allowances | 36.30 | 27.81 |
| Other Fees | - | - |
| Sitting Fees | - | - |
| Non Whole Time Directors Remuneration; | - | - |
| Sitting Fees | - | - |

2. Deferred Tax

Deferred Tax liability on account of timing difference between taxable income and accounting income for the year is accounted for by applying the tax rates and laws enacted or substantially enacted as of the balance sheet date. Deferred Tax Assets are recognized only to the extent of virtual certainty of its realization or adjustment against deferred tax liability.

The company has accounted for Income Tax in compliance with the accounting standards relating Accounting' for Taxes on Income (AS-22) issued by the Institute of Chartered Accountants of India.

(₹ in Lakhs)

| Particulars | As at September 30, 2016 | As at March 31, 2016 |
|--|--------------------------|----------------------|
| Deferred tax liabilities arising on account of timing difference in | | |
| on Depreciation | | |
| Opening Balance | 38.76 | 12.31 |
| Add: Provision during the year | 4.63 | 26.45 |
| Total (A) | 43.40 | 38.76 |
| Deferred tax (assets) arising on account of timing difference in : | | |
| on Disallowance of Expenditure | | |
| Opening Balance | (0.60) | 0.00 |
| Add: Provision during the year | 0.00 | (0.60) |
| Total (B) | (0.60) | (0.60) |
| Total (A+B) | 42.80 | 38.16 |

3. Remuneration to Statutory Auditors

(₹ in Lakhs)

| Particulars | As at September 30, 2016 | As at March 31, 2016 |
|----------------------|--------------------------|----------------------|
| Statutory Audit Fees | 1.43 | 2.84 |
| Total | 1.43 | 2.84 |

- The Company has not received any intimation from suppliers regarding their status under micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure, if any, in relation to amount unpaid as at the yearend together with interest payable as required under the said Act have not been 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.
- Some of the balances in Sundry Debtors, Sundry Creditors, Advances and Deposits are subject to confirmation, reconciliations and adjustments, if any, which in the opinion of the management will not be significant.
- In the opinion of the Board of Directors, the value of realization of Current Assets, Loans and Advances in the ordinary course of business will not be less than the amount, at which these are stated in the Balance Sheet.
- Accounting for taxes on income**
Provision for current tax is made based on the tax payable under the current provisions of the tax laws applicable in

the jurisdiction where the income is assessable.

9. Contingent Liability

Contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprises, or is a possible obligation that arises from past events but not recognised because either it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or a reliable estimate of the amount of the obligation cannot be made. The list of Contingent Liabilities was annexed herewith.

10. On the basis of IT Returns filed (Revised) the Provision for Income Tax and payments made towards Income Tax has been restated in the Books of Account. The provision for Income Tax not credited to Profit & Loss Statement on prudent basis.

11. Earnings Per share

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.

12. The figures pertaining to Subsidiary company have been re-grouped / re-classified wherever consolidated necessary to make them in line with the holding company's financial statements.

13. Information regarding Foreign Exchange earnings and expenditure

(₹ in Lakhs)

| Particulars | As at September 30, 2016 | As at March 31, 2016 |
|---------------------------------|--------------------------|----------------------|
| Earning in Foreign Exchange | - | - |
| Expenditure in Foreign Exchange | - | - |

Annexure - V

STATEMENT OF SHARE CAPITAL, AS RESTATED

(₹ in Lakhs)

| Particulars | As at September 30, 2016 | As at March 31, 2016 |
|--|--------------------------|----------------------|
| Authorised Share Capital : | | |
| 45,00,000 Equity Shares of ₹ 10 each | 450.00 | - |
| 37,50,000 Equity Shares of ₹ 10 each | - | 375.00 |
| | 450.00 | 375.00 |
| Issued, Subscribed and Paid-Up Capital : | | |
| Equity Shares of R.s 10 each fully paid up | 344.48 | 344.48 |
| No of Equity Shares Fully Paid up | 34.45 | 34.45 |
| Total | 344.48 | 344.48 |

Reconciliation of Number of Shares Outstanding:

(₹ in Lakhs)

| Particulars | As at September 30, 2016 | As at March 31, 2016 |
|--------------------------------------|--------------------------|----------------------|
| Equity Shares | | |
| At the beginning of the period | 34.45 | 27.50 |
| Addition during the period | - | 6.95 |
| Shares bought back during the year | | - |
| Outstanding at the end of the period | 34.45 | 34.45 |

Annexure – VI
STATEMENT OF RESERVES AND SURPLUS

(₹ in Lakhs)

| Particulars | As at September 30, 2016 | As at March 31, 2016 |
|--|--------------------------|----------------------|
| Security Premium | 48.63 | - |
| Add: Premium earned on shares issued during the year | - | 48.63 |
| Less : Utilized during the year | - | - |
| Balance as at the end of the year (a) | 48.63 | 48.63 |
| Surplus | | |
| Balance as at the beginning of the year | 316.84 | 179.38 |
| Add : Profit / (Loss) for the year transferred to reserves | 50.87 | 157.19 |
| Less: Proposed dividend on Equity Shares | - | - |
| Less: Dividend Distribution Tax | - | - |
| Less: Transferred to Capital Redemption Reserve | - | - |
| Less: Pre Acquisition Profit of the Subsidiary Companies | - | 18.60 |
| Less: Adjustment as per Schedule II of Companies Act 2013. | - | 1.13 |
| Balance as at the end of the year (b) | 367.71 | 316.84 |
| Capital Reserve | | |
| Balance at the beginning of the year | - | - |
| Add: Additions | - | - |
| Balance at the end of the year (c) | - | - |
| Capital Redemption Reserve | | |
| Balance as at the beginning of the year | - | - |
| Add: Transferred from Profit & Loss Account | - | - |
| Less: Issue of shares | - | - |
| Balance as at the end of the year (d) | - | - |
| Revaluation Reserve | | |
| Balance as at beginning of the year | - | - |
| Add: Additions | - | - |
| Less: Depreciation revalued amount | - | - |
| Balance as at the end of the year (e) | - | - |
| Total (a+b+c+d+e) | 416.34 | 365.48 |

Annexure – VII
STATEMENT OF FIXED ASSETS, AS RESTATED

(₹ in Lakhs)

| Particulars | As at September 30, 2016 | As at March 31, 2016 |
|--|--------------------------|----------------------|
| Tangible Fixed Assets | | |
| Plant & Machinery | | |
| Opening Balance | 310.56 | 233.38 |
| Addition during the year | 3.86 | 77.18 |
| Deletions during the year | - | - |
| Accumulated Depreciation as per Financials | 95.91 | 142.66 |
| Difference on account of change in Accounting Policy | - | (44.90) |
| Adj for Difference in Accounting Policy of Subsidiaries from Holding Company | (1.29) | 13.63 |
| Revised Accumulated Depreciation | 97.20 | 84.12 |
| Closing Balance | 217.22 | 226.44 |

| Particulars | As at September 30, 2016 | As at March 31, 2016 |
|--|--------------------------|----------------------|
| Furniture & Fixtures | | |
| Opening Balance | 21.53 | 15.11 |
| Addition during the year | 6.77 | 6.42 |
| Reduction during the year | - | - |
| Accumulated Depreciation as per Financials | 8.16 | 9.36 |
| Difference on account of change in Accounting Policy | - | (2.55) |
| Adj for Difference in Accounting Policy of Subsidiaries from Holding Company | 0.17 | 0.13 |
| Revised Accumulated Depreciation | 8.00 | 6.68 |
| Closing Balance | 20.30 | 14.85 |
| Computer Systems | | |
| Opening Balance | 14.82 | 11.14 |
| Addition during the year | 4.66 | 3.69 |
| Reduction during the year | - | - |
| Accumulated Depreciation as per Financials | 12.68 | 10.17 |
| Difference on account of change in Accounting Policy | - | 1.27 |
| Adj for Difference in Accounting Policy of Subsidiaries from Holding Company | (0.02) | 0.03 |
| Revised Accumulated Depreciation | 12.70 | 11.41 |
| Closing Balance | 6.78 | 3.41 |
| Office Equipments | | |
| Opening Balance | 6.23 | 4.99 |
| Addition during the year | 0.72 | 1.24 |
| Reduction during the year | - | - |
| Accumulated Depreciation as per Financials | 2.29 | 1.77 |
| Difference on account of change in Accounting Policy | - | (0.02) |
| Adj for Difference in Accounting Policy of Subsidiaries from Holding Company | (0.01) | 0.09 |
| Revised Accumulated Depreciation | 2.30 | 1.65 |
| Closing Balance | 4.66 | 4.58 |
| Vehicles | | |
| Opening Balance | 459.16 | 362.21 |
| Addition during the year | 158.96 | 107.39 |
| Reduction during the year | 0.00 | 10.45 |
| Accumulated Depreciation as per Financials | 132.41 | 94.20 |
| Difference on account of change in Accounting Policy | - | 1.13 |
| Adj for Difference in Accounting Policy of Subsidiaries from Holding Company | - | - |
| Revised Accumulated Depreciation | 132.41 | 95.34 |
| Closing Balance | 485.70 | 363.82 |
| Total [a] | 734.66 | 613.09 |
| Intangible assets | | |
| GW on Account of Consolidation | | |
| Opening Balance | 28.32 | - |
| Addition during the year | - | 28.32 |
| Reduction during the year | - | - |
| Accumulated Depreciation as per Financials | - | - |
| Difference on account of change in Accounting Policy | - | - |
| Revised Accumulated Depreciation | - | - |
| Closing Balance | 28.32 | 28.32 |

| Particulars | As at September 30, 2016 | As at March 31, 2016 |
|--|--------------------------|----------------------|
| Capital Work In Progress | | |
| Opening Balance | 44.48 | 5.85 |
| Addition during the year | 30.50 | 38.63 |
| Add: Amount reclassified from Finance Cost | - | - |
| Reduction during the year | - | - |
| Accumulated Depreciation | - | - |
| Closing Balance | 74.98 | 44.48 |
| Total [b] | 74.98 | 44.48 |
| Net Block [a+b] | 837.96 | 685.89 |

Annexure - VIII
STATEMENT OF LONG TERM BORROWINGS, AS RESTATED

(₹ in Lakhs)

| Particulars | As at September 30, 2016 | As at March 31, 2016 |
|---|--------------------------|----------------------|
| Secured | | |
| a) Term Loans | | |
| From Banks | 43.23 | 53.48 |
| b) Vehicle Loans | | |
| From Banks | 192.59 | 119.28 |
| From NBFC's | 19.87 | 37.61 |
| Total Secured LTB | 255.69 | 210.37 |
| Unsecured | | |
| a) Business Loans | | |
| From Banks | 10.70 | 14.93 |
| From NBFC's | 85.80 | 110.63 |
| b) From Others | | - |
| Total Unsecured LTB | 96.50 | 125.56 |
| Total | 352.19 | 335.92 |
| Current Maturity to Long Term Debt | 279.41 | 248.57 |

Annexure – IX
STATEMENT OF DEFERRED TAX AND LONG TERM LIABILITY, AS RESTATED

(₹ in Lakhs)

| Particulars | As at September 30, 2016 | As at March 31, 2016 |
|-------------------------------------|--------------------------|----------------------|
| Deferred Tax Liability (Net) | | |
| Opening | 38.16 | 12.31 |
| Add: Current year provision | 4.63 | 25.85 |
| Total | 42.80 | 38.16 |
| Other Long Term Liabilities | 0.70 | 0.70 |
| Total | 43.50 | 38.86 |

Annexure – X
STATEMENT OF SHORT TERM BORROWINGS, AS RESTATED

(₹ in Lakhs)

| Particulars | As at September 30, 2016 | As at March 31, 2016 |
|--------------------------------|--------------------------|----------------------|
| Secured | | |
| From Banks | | |
| Cash Credit / Bank Over Draft | 773.53 | 760.15 |
| From NBFC | - | - |
| Cash Credit / Bank Over Draft | - | - |
| Total (A) | 773.53 | 760.15 |
| Unsecured | | |
| From Director and Shareholders | - | - |
| From Others | 37.03 | 21.26 |
| Total (B) | 37.03 | 21.26 |
| Total (A+B) | 810.56 | 781.42 |

Annexure – XI
STATEMENT OF TRADE PAYABLES, AS RESTATED

(₹ in Lakhs)

| Particulars | As at September 30, 2016 | As at March 31, 2016 |
|--|--------------------------|----------------------|
| Trade Payables due to Micro, Small & Medium Enterprises | - | - |
| Trade Payables due to other than Micro, Small & Medium Enterprises | 145.47 | 118.41 |
| Total | 145.47 | 118.41 |

Note:

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the auditors.

Annexure – XII
STATEMENT OF OTHER CURRENT LIABILITIES, AS RESTATED

(₹ in Lakhs)

| Particulars | As at September 30, 2016 | As at March 31, 2016 |
|---|--------------------------|----------------------|
| Current Maturities of Long Term Borrowings | | |
| a) Term Loans | | |
| From Banks | 24.96 | 24.88 |
| From NBFC's | - | - |
| b) Business Loans | | |
| From Banks | 8.11 | 7.38 |
| From NBFC's | 122.93 | 117.66 |
| c) Vehicle Loans | | |
| From Banks | 90.56 | 58.81 |
| From NBFC's | 32.85 | 39.84 |
| Interest Accrued and Due on Borrowings | 7.38 | - |
| Interest Accrued But not Due on Borrowings | 4.87 | 4.86 |
| Sundry Creditors for Expenses | 55.35 | 22.36 |
| Sundry Creditors for Capital Goods | - | - |
| Advances received from Customers | 15.33 | 11.30 |
| Statutory Dues Payable | 48.92 | 35.25 |
| Total | 411.27 | 322.34 |

Annexure – XIII
STATEMENT OF LONG TERM PROVISIONS, AS RESTATED

(₹ in Lakhs)

| Particulars | As at September 30, 2016 | As at March 31, 2016 |
|------------------------|--------------------------|----------------------|
| Provision for Gratuity | 1.42 | 1.42 |
| Provision for Taxation | 0.28 | - |
| Provisions - Others | - | - |
| Total | 1.70 | 1.42 |

Annexure – XIV
STATEMENT OF SHORT TERM PROVISIONS, AS RESTATED

(₹ in Lakhs)

| Particulars | As at September 30, 2016 | As at March 31, 2016 |
|---|--------------------------|----------------------|
| Provision for Taxation | | |
| - Current Year | 14.22 | 37.41 |
| - Previous Year | 37.41 | 0.28 |
| Provision for Gratuity | - | - |
| Provision for proposed dividend | - | - |
| Provision for tax on proposed dividends | - | - |
| Total | 51.63 | 37.69 |

Annexure – XV
STATEMENT OF LONG TERM LOANS AND ADVANCES, AS RESTATED

(₹ in Lakhs)

| Particulars | As at September 30, 2016 | As at March 31, 2016 |
|---|--------------------------|----------------------|
| Unsecured & Considered Good | | |
| Capital Advances | 121.94 | 128.49 |
| Rental Deposits | 12.90 | 12.04 |
| Other Deposits | 1.05 | 1.05 |
| Loans and advances to other parties | - | - |
| Loans and advances to related parties | - | - |
| Advance Tax & Tax Deducted at Source (Direct Tax) | - | - |
| MAT Credit Entitlement | 35.38 | 34.06 |
| Total | 171.26 | 175.64 |

Long term loans and advances given to Directors/Promoters/ Group Companies of Issuer:

(₹ in Lakhs)

| Particulars | As at September 30, 2016 | As at March 31, 2016 |
|---------------------------------------|--------------------------|----------------------|
| Loans and advances to related parties | - | - |
| Total | - | - |

Annexure – XVI
STATEMENT OF INVENTORIES, AS RESTATED

(₹ in Lakhs)

| Particulars | As at September 30, 2016 | As at March 31, 2016 |
|-------------------|--------------------------|----------------------|
| Raw Material | 47.80 | 11.54 |
| Work-in-Progress | 2.37 | 1.84 |
| Finished Goods | 1,132.31 | 1,066.95 |
| Stores & Spares | - | - |
| Packing Materials | - | - |
| Total | 1,182.47 | 1,080.33 |

Annexure – XVII
STATEMENT OF TRADE RECEIVABLES, AS RESTATED

(₹ in Lakhs)

| Particulars | As at September 30, 2016 | As at March 31, 2016 |
|------------------------------------|--------------------------|----------------------|
| Trade Receivables | | |
| Outstanding for less than 6 Months | - | - |
| Considered good | - | - |
| Promoter/Promoter Group | 21.60 | 53.23 |
| Others | 129.35 | 93.74 |
| Outstanding for more than 6 Months | - | - |
| Considered good | - | - |
| Promoter/Promoter Group | - | - |
| Others | 20.82 | 49.62 |
| Total | 171.77 | 196.59 |

Trade Receivables related to Directors/Promoters/ Group Companies of issuer:

(₹ in Lakhs)

| Particulars | As at September 30, 2016 | As at March 31, 2016 |
|-------------------|--------------------------|----------------------|
| Trade Receivables | 21.60 | 53.23 |
| Total | 21.60 | 53.23 |

Annexure – XVIII
STATEMENT OF CASH AND CASH EQUIVALENT, AS RESTATED

(₹ in Lakhs)

| Particulars | As at September 30, 2016 | As at March 31, 2016 |
|---|--------------------------|----------------------|
| Cash on Hand | 66.42 | 51.76 |
| Balances with banks-In current accounts | 7.46 | 5.80 |
| Total | 73.89 | 57.57 |

Annexure – XIX
STATEMENT OF SHORT TERM LOANS AND ADVANCES, AS RESTATED

(₹ in Lakhs)

| Particulars | As at September 30, 2016 | As at March 31, 2016 |
|----------------------------|--------------------------|----------------------|
| Advance to suppliers | 11.66 | 22.98 |
| Advance to Staff / Workers | 27.83 | 37.86 |
| Advance Tax and TDS | 28.94 | 17.16 |
| VAT / EPF | 0.40 | 0.40 |
| Prepaid Expenses | 10.31 | 9.44 |
| Other Loans & Advances | 46.27 | 61.63 |
| Total | 125.41 | 149.48 |

Short term loans and advances given to Directors/Promoters/ Group Companies of issuer:

(₹ in Lakhs)

| Particulars | As at September 30, 2016 | As at March 31, 2016 |
|---|--------------------------|----------------------|
| Private companies in which any director is a director or member | - | - |
| Total | - | - |

Annexure – XX
STATEMENT OF OTHER CURRENT ASSETS, AS RESTATED

(₹ in Lakhs)

| Particulars | As at September 30, 2016 | As at March 31, 2016 |
|----------------------|--------------------------|----------------------|
| Advance to Creditors | - | - |
| Payment of Taxes | - | - |
| Prepaid expenses | - | - |
| Others | 14.39 | 0.51 |
| Total | 14.39 | 0.51 |

Annexure – XXI
STATEMENT OF REVENUE FROM OPERATIONS, AS RESTATED

(₹ in Lakhs)

| Particulars | As at September 30, 2016 | As at March 31, 2016 |
|-----------------------------------|--------------------------|----------------------|
| Revenue from Operations | | |
| Sales - Trading | 2,743.30 | 4,709.99 |
| Sales - Processing Activity | 52.15 | 106.63 |
| Sales - Services | 183.98 | 346.66 |
| Total Sales | 2,979.43 | 5,163.28 |
| Less: Taxes | - | - |
| Total Sales (Net of Taxes) | 2,979.43 | 5,163.28 |

Annexure – XXII
STATEMENT OF OTHER INCOME, AS RESTATED

(₹ in Lakhs)

| Particulars | As at September 30, 2016 | As at March 31, 2016 |
|--|--------------------------|----------------------|
| Rental Income | 1.05 | 2.10 |
| Dividend Income | - | - |
| Profit on sale of Fixed Assets / Investments | - | - |
| Misc. Income | 10.11 | 8.85 |
| Total | 11.16 | 10.95 |

Annexure - XXIII
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:-

| As at September 30, 2016 | As at March 31, 2016 |
|-------------------------------|-------------------------------|
| Sri Nagaveer Adusumilli | Sri Nagaveer Adusumilli |
| Vasavi Adusumilli | Vasavi Adusumilli |
| Sarat Chandra Babu Adusumilli | Sarat Chandra Babu Adusumilli |
| Sarada Adusumilli | Sarada Adusumilli |
| Paturi Sarada | Paturi Sarada |
| Mikkilineni Sravanthi | Mikkilineni Sravanthi |
| Banda Mahalakshmi | |
| Shilpa Kotagiri | |

ii) Associates / Subsidiaries / Enterprises over which directors and / or their relatives has significant influence:-

| As at September 30, 2016 | As at March 31, 2016 |
|---|---|
| Sri Sai Agencies | Sri Sai Agencies |
| Polar Cube Cold Storage Solutions Private Limited | Polar Cube Cold Storage Solutions Private Limited |
| Squarepeg Distribution Services Private Limited | Pearl Translines Private Limited * |
| | Squarepeg Distribution Services Private Limited |

* M/s Pearl Translines Pvt. Ltd. is not a related party (EDS) from 2nd January, 2016.

(iii) Particulars of Transactions with Related Parties:-

a) Key Management Personnel

(₹ in Lakhs)

| Particulars | As at September 30, 2016 | As at March 31, 2016 |
|-------------------------------------|--------------------------|----------------------|
| A. Transactions : | | |
| 1) Finance | | |
| Loan Taken | - | - |
| 2) Expenses | | |
| Remuneration / Salary | 37.40 | 35.85 |
| Rent (Expenses) | 1.44 | 1.80 |
| Royalty (Expenses) | 1.20 | 2.40 |
| 3) Investment | | |
| Acquisition of shares in Subsidiary | - | 43.31 |
| 4) Loans & Advances | | |
| Rent Deposit | - | 0.30 |
| B. Outstanding : | | |
| Rent Deposit | 0.30 | 0.30 |
| Payables | 5.65 | 2.92 |

b) Associates / Enterprises over which directors and / or their relatives has significant influence :

(₹ in Lakhs)

| Particulars | As at September 30, 2016 | As at March 31, 2016 |
|---------------------------------|--------------------------|----------------------|
| A. Transactions : | | |
| 1) Purchases & Sales | | |
| Goods & Material with Service | - | - |
| Sales | 8.52 | 18.11 |
| 2) Finance | | |
| Loan taken | - | 46.75 |
| Repayment of Loan taken | - | 46.75 |
| 3) Income | | |
| Rent (Income) | 45.45 | 85.50 |
| 4) Expenses | | |
| Freezer Placing Expenses | 1.73 | 3.42 |
| Interest Paid | | |
| Transport Charges | 4.86 | 32.77 |
| B. Outstanding : | | |
| 1. Receivables | 21.60 | 53.23 |
| 2. Payables | | - |
| 4. Current Assets | 13.76 | 7.85 |

Annexure XXIV
STATEMENT OF CAPITALIZATION
(₹ in Lakhs)

| Particulars | Pre- Issue (As at September 30, 2016) | Post Issue |
|--|--|-----------------|
| Debt | | |
| Long Term Debt | 397.38 | 397.38 |
| Short Term Debt | 1,418.93 | 1,816.31 |
| Total Debts (A) | 1,816.31 | 1,816.31 |
| Equity (Shareholder's funds) | | |
| Equity share capital | 344.48 | 411.68 |
| Reserve and Surplus * | 416.34 | 752.34 |
| Total Equity (B) | 760.82 | 1,164.02 |
| Long Term Debt / Equity Shareholder's funds | 0.52 | 0.22 |
| Total Debts / Equity Shareholder's funds | 2.39 | 1.56 |

* The above has been computed on the basis of Restated Financials of the company.

Annexure - XXV
STATEMENT OF CONTINGENT LIABILITY
(₹ in Lakhs)

| Particulars | As at September 30, 2016 | As at March 31, 2016 |
|---|-----------------------------|-------------------------|
| Letters of Credits, Bank Guarantees & Bills discounted | - | - |
| Estimated Amount of contracts to be executed on capital accounts (net of advances) | - | - |
| Capital Commitments towards expansion of Processing units | - | - |
| Statutory claims against Company | 35.05 | 35.05 |
| Sales Tax Claim against SCN | - | - |
| Total | 35.05 | 35.05 |

Changes in Accounting Policies in the Last Three Years:

There has been no change in the Accounting Policies in the last three (3) years except:

1. Since inception, the company has charged Depreciation as per WDV method, at the rates prescribed under Schedule XIV of the Companies Act, 1956. Depreciation has been reworked in consonance with method prescribed under Schedule II of The Companies Act, 2013 under SLM method. The impact on Depreciation, Depreciation Reserve and Deferred Tax Liability has made in the Restated Financials.
2. Company has adopted the Accounting Standard 15 (Revised) Employee Benefits for accounting the gratuity expenses based on the actuarial valuation as on the date of balance sheet w. e. f. the period ended March 31, 2016, as against the earlier practice of accounting for the gratuity on payment basis. The impact on Employee Benefit Expenses, Short Term Provisions and Long Term Provisions has made in the Restated Financials.

Change in Accounting Period:

There has been no change in the accounting period of the Company.

Annexure - XXVI
STATUTORY CLAIMS AGAINST COMPANY, AS RESTATED

| Sl. No. | Name of the Statute | Nature of Dues | Disputed Amount | Period | Forum, where the dispute is pending | Amount deposited towards disputed demand amount | Remarks |
|---------|----------------------|------------------------|-----------------|--------------------------|--|---|--|
| 1 | Income Tax Act, 1961 | Income Tax | 23,35,802 | 2012-13 | The Commissioner of Income Tax (Appeals) | 10,00,000 | ₹ 5 Lakhs paid on 17.06.2016 |
| 2 | Income Tax Act, 1961 | Interest on Income Tax | 11,69,502 | 2012-13 | | | ₹ 5 Lakhs paid on 02.08.2016 |
| 3 | Income Tax Act, 1961 | Penalty | | 2012-13 | ITO, Ward 2(4), Hyderabad | | Penalty proceedings initiated u/s 271 (1) (C) but the issue is stand before The commissioner of Income Tax (Appeals). Hence amount cannot be quantified. |
| 4 | Income Tax Act, 1961 | Income Tax | | 2013-14 | ITO, Ward 2(4), Hyderabad | | Notice received u/s 143 (2), dated 26.07.2016. Assessment not yet completed. Hence amount cannot be quantified. |
| 5 | Income Tax Act, 1961 | Income Tax | | 2014-15 | ITO, Ward 2(4), Hyderabad | | Notice received u/s 143 (2), dated 26.07.2016. Assessment not yet completed. Hence amount cannot be quantified. |
| 6 | APVAT Act, 2005 | VAT | | 02.04.2014 to 30.06.2016 | CTO, Autonagar, Vijayawada | | Notice served under VAT 310, dated 15.07.2016. Assessment not yet completed. Hence amount cannot be quantified. |
| 7 | VAT Act, 2005 | VAT | | 2012-13 to 2015-16 | AC-Audit, Punjagutta | | Notice served under VAT 304, dated 17.08.2016. Assessment not yet completed. |

| Sl. No. | Name of the Statute | Nature of Dues | Disputed Amount | Period | Forum, where the dispute is pending | Amount deposited towards disputed demand amount | Remarks |
|---------|---------------------|----------------|-----------------|--------------------------|-------------------------------------|---|---|
| | | | | | | | Hence amount cannot be quantified. |
| 8 | EPF & MP Act, 1952 | PF | | 01.01.2009 to 31.10.2013 | Asst PF Commissioner (PD Cell - I) | | Notice served u/s 14B, dated 28.07.2016. Assessment not yet completed. Hence amount cannot be quantified. |

Annexure – XXVII
STATEMENT OF DIVIDEND DECLARED

(₹ in Lakhs)

| Particulars | As at September 30, 2016 | As at March 31, 2016 |
|---------------------------------|--------------------------|----------------------|
| On Equity Shares | | |
| Number of Fully Paid up Shares | 34.45 | 34.45 |
| Face Value (₹) | 10.00 | 10.00 |
| Paid up Value per Share (₹) | 10.00 | 10.00 |
| Rate of Dividend (%) | 0.00% | 0.00% |
| Dividend Amount | - | - |
| Corporate dividend tax on above | - | - |
| Dividend Amount per Share (₹) | - | - |

Annexure - XXVIII
STATEMENT OF ACCOUNTING RATIOS

(₹ in Lakhs)

| Particulars | As at September 30, 2016 | As at March 31, 2016 |
|---|--------------------------|----------------------|
| Restated Net Profit After Tax as per P & L Account (A) | 50.87 | 157.19 |
| Restated Net Profit After Tax as per P & L Account excluding exceptional items(B) | 50.87 | 97.10 |
| Net Worth (C) | 760.82 | 709.95 |
| No. of Equity shares outstanding at the end of the year (D) | 34.45 | 34.45 |
| Actual No. of Equity shares outstanding during the year (Refer Note No. 2 below) (D) | 34.45 | 34.45 |
| Weighted average No. of Equity shares outstanding during the year (Refer Note No.2 and 3 below) (E) | 34.45 | 30.37 |
| Basic Earnings Per Share (₹) (A/E) | 1.48* | 5.18 |
| Basic Earnings Per Share excluding exceptional items'(₹)(B/E) | 1.48* | 3.20 |
| Return on Net worth (A/C) | 6.69%* | 22.14% |
| Return on Net worth excluding exceptional items(B/C) | 6.69%* | 13.68% |
| Net Asset Value per Equity Share (₹)(C/D) | 22.09 | 20.61 |

* Not Annualised

Notes to Accounting Ratios:

1. The Ratios have been computed as follows:

| | |
|--|---|
| a) Basic Earnings Per Share (₹)(Without Bonus Effect) | Net Profit After Tax as restated ----- Weighted Average Number of Equity Shares outstanding during the year |
| b) Basic Earnings Per Share (₹)(With Bonus Effect) | Net Profit After Tax as restated ----- Weighted Average Number of Equity Shares outstanding during the year |
| c) Return on Net worth (%) | Net Profit After Tax as restated ----- * 100 Net Worth |
| d) Net Asset Value Per Equity Share (₹) | Net Worth ----- No. of Equity shares outstanding at the end of the year |

- The Weighted average number of Equity Shares is the number of Equity Shares outstanding at the beginning of the year adjusted by the number of Equity Shares issued during year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.
- 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.
- As there is no dilutive capital in the company, Basic and Diluted EPS are similar.
- The above Ratios have been computed on the basis of the Restated Financial Information for the respective year. The above statements should be read with the Notes to Restated Financial Statements.

REPORT OF THE INDEPENDENT AUDITORS ON STANDALONE FINANCIAL STATEMENTS

To,
The Board of Directors,
Tanvi Foods (India) Limited,
D.No.7-2-4/D/A, Old Canteen Building,
Ground Floor, Sanathnagar Industrial Area,
Sanathnagar, Hyderabad 500018.
Telangana, INDIA.

1. We have examined the Restated Financial Statements and Other Financial Information of Tanvi Foods (India) Limited (the 'Company') for the 6 months ended September 30, 2016 and for each of the Five Financial Years ended March 31, 2012, 2013, 2014, 2015 and 2016 based on the Audited Financial Statements reviewed by us annexed to this report. The said Restated Financial Statements and other Financial Information have been prepared for the purposes of inclusion in the 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:
 - i. Sub-clauses (i) and (iii) of clause (b) of sub-section (1) of section 26 of the Companies Act, 2013 read with applicable provisions within Rule 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended (hereinafter referred to as the "Act");
 - ii. 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;
2. We have examined such Restated Financial Statements taking into consideration
 - a. The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated September 1, 2016 in connection with the proposed IPO of the Company and
 - b. The Guidance Note (Revised) on Reports in Company Prospectus issued by the Institute of Chartered Accountants of India.
3. These Restated Financial Statements have been compiled by the Management from the Financial Statements for the 6 months ended September 30, 2016 and from audited Financial Statements for the years ended as at March 31, 2016, 2015, 2014, 2013 and 2012, which have been approved by Board of directors at their meetings held on February 03, 2017.
4. In terms of Schedule VIII, Clause IX (9) of the SEBI (ICDR) Regulations, 2009 and other provisions relating to accounts of Tanvi Foods (India) Limited, we, M/s. GV & Co., 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 at September 30, 2016, March 31, 2016, 2015, 2014, 2013 and 2012 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** and the Notes to Accounts in **Annexure V**.
 - b. The Restated Statement of Profit and Loss of the Company for the 6 months period ended on September 30, 2016 and years ended on March 31, 2016, 2015, 2014, 2013 and 2012 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** and the Statement of Adjustments to the Audited Financial Statements in **Annexure V**.

- c. The Restated Statement of Cash Flows of the Company for the 6 months period ended on September 30, 2016 and for the years ended March 31, 2016, 2015, 2014, 2013 and 2012 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** and the Notes to Accounts in **Annexure V**.
- 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, which are stated in the Notes to Accounts as set out in **Annexure V**.
- 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 (11) of section 143 of the Companies Act, 2013, on Financial Statements of the Company as at for the 6 months period ended on September 30, 2016 and for the years ended March 31, 2016, 2015, 2014, 2013 and 2012.
 - ii. Extra-ordinary / Exceptional 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:
- a. Schedule of Share Capital (**Annexure - VI**)
 - b. Schedule of Reserves & Surplus (**Annexure - VII**)
 - c. Schedule of Fixed Assets (**Annexure - VIII**)
 - d. Details of Long Term Borrowings of the Company (**Annexure - IX**)
 - e. Statement of Deferred Tax and Long Term Liabilities (**Annexure - X**)
 - f. Details of Short Term Borrowings of the Company (**Annexure - XI**)
 - g. Statement of Trade Payables (**Annexure - XII**)
 - h. Schedule of Other Current Liabilities (**Annexure - XIII**)
 - i. Schedule of Long Term Provisions (**Annexure - XIV**)
 - j. Schedule of Short Term Provisions (**Annexure - XV**)
 - k. Schedule of Long-Term Investments (**Annexure - XVI**)
 - l. Schedule of Long Term Loans and Advances (**Annexure - XVII**)
 - m. Schedule of Inventories (**Annexure - XVIII**)
 - n. Statement of Trade Receivables (**Annexure - XIX**)
 - o. Statement of Cash and Cash Equivalents (**Annexure - XX**)
 - p. Statement of Short Term Loans and Advances (**Annexure - XXI**)
 - q. Statement of Other Current Assets (**Annexure - XXII**)
 - r. Schedule of Revenue from Operations (**Annexure - XXIII**)
 - s. Schedule of Other Income (**Annexure - XXIX**)
 - t. Schedule of Related Party Transactions (**Annexure - XXV**)
 - u. Capitalization Statement (**Annexure - XXVI**)
 - v. Schedule of Contingent Liability (**Annexure - XXVII**)
 - w. Schedule of Dividend Paid (**Annexure - XXVIII**)
 - x. Summary of Accounting Ratios (**Annexure - XXIX**)
 - y. Statement of Tax Shelter (**Annexure - XXX**)
7. In our opinion, the Restated Financial Statements and the other Financial Information set forth in Annexure I to XXX read with the Significant Accounting Policies and Notes to the Restated Financial Statements have been prepared in accordance with section 26 read with applicable provisions within Rule 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 of Companies Act, 2013 and the SEBI Regulations and the Guidance Note on the Reports in Company Prospectus (Revised) issued by the Institute of Chartered Accountants

of India (ICAI).

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.

8. This report should not in any way construed as a reissuance or redrafting of any of the previous Audit Reports for FY 2011-12, 2012-13, 2013-14 and 2014-15 issued by M/s P.S. Nagaraju & Co., Chartered Accountants, being the Statutory Auditors of the company nor should this report be construed as new opinion on any of the Financial Statement referred to therein and also for the Audit Report for FY 2015-16 audited by us.
9. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
10. 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. GV & Co.,
Chartered Accountants**

Grandhi Vittal
Proprietor
Firm Registration No. 012875S
Membership No: 206462

Place: Hyderabad
Date: February 03, 2017

Annexure I
STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED
(₹ in Lakhs)

| Particulars | As at September 30, 2016 | As at March 31, | | | | |
|---|--------------------------------|-----------------|-----------------|-----------------|---------------|---------------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| EQUITY AND LIABILITIES | | | | | | |
| Shareholder's fund | | | | | | |
| a) Equity Share Capital | 344.48 | 344.48 | 275.00 | 75.00 | 75.00 | 75.00 |
| b) Reserves and surplus | 411.49 | 357.81 | 209.65 | 122.43 | 101.46 | 61.41 |
| Total Shareholders Fund [A] | 755.97 | 702.29 | 484.65 | 197.43 | 176.46 | 136.41 |
| Share Application Money Pending Allotment | - | - | - | 242.00 | 17.00 | 17.00 |
| Non-current liabilities | | | | | | |
| a) Long term borrowings | 352.19 | 335.92 | 381.93 | 225.92 | 23.18 | 23.92 |
| b) Deferred Tax Liabilities (Net) | 40.19 | 36.24 | 24.08 | 19.78 | 15.67 | 13.32 |
| c) Other long term liabilities | 0.70 | 0.70 | 0.70 | 0.00 | 0.00 | 0.00 |
| d) Long Term Provisions | 1.70 | 1.42 | 0.76 | 0.41 | 0.16 | 0.08 |
| Total [B] | 394.77 | 374.28 | 407.47 | 488.11 | 56.01 | 54.31 |
| Current liabilities | | | | | | |
| a) Short-term borrowings | 786.97 | 755.49 | 654.61 | 269.94 | 204.48 | 139.97 |
| b) Trade payables | 119.32 | 83.61 | 60.47 | 12.42 | 25.16 | 13.76 |
| c) Other current liabilities | 368.38 | 294.74 | 157.68 | 97.65 | 68.67 | 29.52 |
| d) Short-term provisions | 47.32 | 34.34 | 24.38 | 9.91 | 21.88 | 10.33 |
| Total (C) | 1,321.99 | 1,168.18 | 897.14 | 389.92 | 320.19 | 193.58 |
| Total (D=A+B+C) | 2,472.74 | 2,244.74 | 1,789.25 | 1,075.46 | 552.65 | 384.30 |
| ASSETS | | | | | | |
| Non - Current Assets | | | | | | |
| a) Fixed Assets | | | | | | |
| i.) Tangible assets | 685.04 | 559.52 | 517.39 | 242.45 | 158.85 | 156.04 |
| ii) Intangible assets | - | - | - | - | - | - |
| iii) Capital Work in progress | 74.98 | 44.48 | 17.40 | - | - | - |
| b) Deferred tax assets (net) | - | - | - | - | - | - |
| c) Non- Current investments | 118.11 | 118.11 | - | - | - | - |
| d) Long Term Loans & Advances | 165.31 | 169.69 | 128.33 | 10.40 | 13.30 | 7.90 |
| e) Other Non-Current Assets | - | - | - | - | - | - |
| Total (E) | 1,043.44 | 891.81 | 663.12 | 252.85 | 172.15 | 163.94 |
| Current Assets | | | | | | |
| a) Inventories | 1,182.47 | 1,080.33 | 817.93 | 643.26 | 215.28 | 97.62 |
| b) Trade Receivables | 114.79 | 133.29 | 273.47 | 156.13 | 139.66 | 115.77 |
| c) Cash and Cash equivalents | 15.94 | 16.12 | 16.43 | 10.54 | 5.97 | 6.35 |
| d) Short-Term Loans and Advances | 91.57 | 114.83 | 18.30 | 12.68 | 19.59 | 0.48 |
| e) Other Current Assets | 24.52 | 8.36 | - | - | - | 0.15 |
| Total (F) | 1,429.29 | 1,352.94 | 1,126.13 | 822.60 | 380.50 | 220.36 |
| TOTAL [G=E+F] | 2,472.73 | 2,244.74 | 1,789.25 | 1,075.46 | 552.65 | 384.30 |

Annexure II

STATEMENT OF PROFIT AND LOSS ACCOUNT, AS RESTATED

(₹ in Lakhs)

| Particulars | As at September 30, 2016 | For the year ended March 31, | | | | |
|---|--------------------------------|------------------------------|-----------------|-----------------|-----------------|-----------------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| Revenue: | | | | | | |
| Revenue from Operations | 2,795.45 | 4,816.62 | 3,437.14 | 2,002.95 | 1,146.12 | 1,071.13 |
| Other Income | 55.64 | 92.36 | 0.51 | - | 245.68 | 59.77 |
| Total revenue | 2,851.09 | 4,908.98 | 3,437.66 | 2,002.95 | 1,391.80 | 1,130.90 |
| Expenses: | | | | | | |
| Purchases & Direct Expenses | 2,550.36 | 4,476.02 | 2,828.33 | 2,007.30 | 1,025.29 | 840.64 |
| Change in Inventories of finished goods, WIP and stock-in-trade | (102.14) | (262.40) | (174.67) | (427.98) | (117.66) | (61.78) |
| Employee benefits expense | 87.00 | 98.61 | 148.34 | 49.50 | 88.89 | 78.48 |
| Finance Cost | 91.68 | 170.59 | 118.21 | 48.27 | 10.10 | 19.77 |
| Depreciation and amortization expenses | 48.48 | 79.09 | 56.24 | 15.19 | 11.66 | 10.32 |
| Other Expenses | 106.14 | 234.24 | 345.60 | 275.96 | 309.52 | 208.79 |
| Total expenses | 2,781.51 | 4,796.16 | 3,322.04 | 1,968.24 | 1,327.80 | 1,096.23 |
| Profit before exceptional & extraordinary items, prior period items and tax | 69.57 | 112.82 | 115.61 | 34.72 | 64.00 | 34.67 |
| Exceptional items | - | - | - | - | - | (25.90) |
| Prior Period items | - | (0.00) | - | - | - | 1.60 |
| Profit before extraordinary items and tax | 69.57 | 112.82 | 115.61 | 34.72 | 64.00 | 58.98 |
| Less: Provision for Taxes | | | | | | |
| Current Tax as per Income Tax | 13.26 | 34.06 | 24.10 | 9.63 | 21.60 | 10.05 |
| Short/Excess provision for tax for earlier years | - | - | - | - | - | - |
| Deferred Tax | 3.94 | 12.16 | 4.30 | 4.12 | 2.35 | 9.33 |
| MAT Credit Receivable | (1.31) | (34.06) | 0.00 | 0.00 | 0.00 | 0.00 |
| Total | 15.89 | 12.16 | 28.39 | 13.74 | 23.95 | 19.38 |
| Net profit / (Loss) for the period after tax but before extraordinary item | 53.68 | 100.66 | 87.22 | 20.97 | 40.04 | 39.59 |
| Extraordinary Items (Net of tax) | - | - | - | - | - | - |
| Net profit / (Loss) for the period after tax and after extraordinary items available for appropriation | 53.68 | 100.66 | 87.22 | 20.97 | 40.04 | 39.59 |
| Less: Proposed Dividend | - | - | - | - | - | - |
| Divided distribution tax | - | - | - | - | - | - |
| Net Profit Transferred to Reserves | 53.68 | 100.66 | 87.22 | 20.97 | 40.04 | 39.59 |

Annexure III

STANDALONE CASH FLOW STATEMENT, AS RESTATED

(₹ in Lakhs)

| Particulars | As at September 30, 2016 | As at March 31, | | | | |
|---|--------------------------------|-----------------|----------------|-----------------|-----------------|----------------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| Cash Flow from Operating Activities | | | | | | |
| Net Profit Before Tax excluding exceptional items | 69.57 | 112.82 | 115.61 | 34.72 | 64.00 | 33.07 |
| Adjustments for : | | | | | | |
| Depreciation / Amortization | 48.48 | 79.09 | 56.24 | 15.19 | 11.66 | 10.32 |
| (Profit) / Loss on sale of fixed assets (net) | - | 1.82 | - | - | - | - |
| (Profit) / Loss on sale of investments (net) | - | - | - | - | - | - |
| Other Income | (55.64) | (92.36) | (0.51) | - | (245.68) | (59.77) |
| Interest & Finance Charges | 91.68 | 170.59 | 118.21 | 48.27 | 10.10 | 19.77 |
| Operating Profit before Working Capital Adjustment | 154.09 | 271.97 | 289.55 | 98.17 | (159.92) | 3.39 |
| Adjustments for Changes in Working Capital | | | | | | |
| (Increase)/Decrease in Inventories | (102.14) | (262.40) | (174.67) | (427.98) | (117.66) | (61.78) |
| (Increase)/Decrease in Trade Receivables | 18.51 | 140.17 | (117.34) | (16.47) | (23.89) | (33.50) |
| (Increase)/Decrease in Short term Loans & Advances | 23.26 | (96.53) | (5.62) | 6.92 | (19.11) | 24.24 |
| (Increase)/Decrease in Long term Loans & Advances | 4.39 | (41.36) | (117.93) | 2.90 | (5.40) | (7.90) |
| Increase/(Decrease) in Trade Payables | 35.71 | 23.13 | 48.05 | (12.74) | 11.40 | (17.05) |
| (Increase)/Decrease in Long term/Short term Provisions | 13.68 | 23.03 | (0.44) | 0.24 | 0.09 | 0.08 |
| (Increase)/Decrease in Other current liabilities | 73.64 | 137.07 | 60.03 | 28.98 | 39.15 | 16.64 |
| (Increase)/Decrease in Other Current Assets | (16.16) | (8.36) | (0.00) | - | 0.15 | (0.15) |
| Cash Flow generated from Operations | 204.97 | 186.72 | (18.39) | (319.97) | (275.21) | (76.05) |
| Direct Taxes paid | (12.36) | (12.40) | (8.83) | (21.60) | (10.05) | (9.85) |
| Net Cash from Operating activities (A) | 192.60 | 174.32 | (27.22) | (341.57) | (285.26) | (85.89) |
| Cash flow from Investing Activities | | | | | | |
| Purchase of Fixed Assets | (174.00) | (125.67) | (331.18) | (98.80) | (14.47) | - |
| (Increase)/(Decrease) in Capital WIP | (30.50) | (27.09) | (17.40) | - | - | - |
| Sale of Fixed Assets | - | 1.50 | - | - | - | - |
| Other Income | 55.64 | 92.36 | 0.51 | - | 245.68 | 59.77 |
| (Purchase) / Sale of Investments (Net) | 0.00 | - | - | - | - | - |

| Particulars | As at September 30, 2016 | As at March 31, | | | | |
|---|--------------------------------|-----------------|-----------------|----------------|---------------|---------------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| Cash flow before exceptional items | (148.85) | (58.90) | (348.07) | (98.80) | 231.21 | 59.77 |
| Exceptional Items | - | - | - | - | - | - |
| Net Cash flow from Investment Activities (B) | (148.85) | (58.90) | (348.07) | (98.80) | 231.21 | 59.77 |
| C. Cash Flow from Financing Activities | | | | | | |
| Proceeds from issue of Share Capital/ Share Application Money | - | - | (42.00) | 225.00 | - | - |
| Premium on issue of Share Capital | - | - | - | - | - | - |
| Proceeds / (Repayment) from Long Term Borrowings | 16.27 | (46.01) | 156.71 | 202.74 | (0.74) | (96.86) |
| Proceeds / (Repayment) from Short Term Borrowings | 31.48 | 100.88 | 384.67 | 65.46 | 64.51 | 139.97 |
| Finance Costs | (91.68) | (170.59) | (118.21) | (48.27) | (10.10) | (19.77) |
| Dividends Paid | - | - | - | -- | - | - |
| Dividend tax paid | - | - | - | - | - | - |
| Effect of Exchange Rate change | - | - | - | - | - | - |
| Net Cash flow from Financing Activities (C) | (43.93) | (115.72) | 381.17 | 444.94 | 53.67 | 23.34 |
| | | | | | | |
| Net (Decrease) / Increase in cash and cash equivalents (A+B+C) | (0.18) | (0.30) | 5.88 | 4.57 | (0.38) | (2.78) |
| Cash and cash equivalents at the beginning of the year | 16.12 | 16.42 | 10.54 | 5.97 | 6.35 | 9.13 |
| Cash and Cash equivalents at the end of the year | 15.94 | 16.12 | 16.42 | 10.54 | 5.97 | 6.35 |

Annexure IV

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements are prepared and presented in accordance with Indian Generally Accepted Accounting Principles (GAAP) under historical cost convention on the accrual basis. GAAP comprises mandatory Accounting Standards issued by the Institute of Chartered Accountants of India, The Provisions of the Companies Act, 2013. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to existing accounting standard requires the change in the accounting policy hitherto in use. Management evaluates all relevant issues or revised accounting standards on an on-going basis.

Accounting Policies not specifically referred to otherwise are consistent and in consonance with the Generally Accepted Accounting Principles that are followed by the company.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the result of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

Contingencies and events occurring after the balance sheet date (AS 4);

All contingencies and events occurring after the balance sheet date which have a material effect on the financial position of the company are considered for preparing the financial statements.

Fixed Assets, Depreciation and Intangible Assets (AS 10, 6 & 26);

Fixed Assets are stated at cost, less accumulated depreciation. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Financing costs relating to acquisition of fixed assets are also included to the extent they related to the period till such assets are ready to be put to use. The same is in compliance with AS-10 to the extent applicable.

Depreciation on fixed assets is being provided on straight line method at the rates in the manner specified in Schedule II of the companies Act, 2013. Depreciation on assets sold during the year is being provided at their respective rates up to the date on which such assets are sold. Depreciation / Amortisation of Intangibles is in compliance with AS 26 to the extent applicable. The expenditure incurred on Leasehold premises is depreciated over the Lease period.

Capital Work-In-Progress (AS 10)

Capital Work-In-Progress is carried at cost, comprising direct cost and related Incidental expenses.

Government Grants (AS 12)

- a. The grants or subsidies received in the nature of promoters contributions are treated as capital receipts and credited to capital reserves.
- b. The grants or subsidies received relating to specific fixed assets are shown as deduction from the cost of the respective assets concerned in arriving at its book value.
- c. The grant in the form of revenue subsidy is treated as revenue receipt and credited to "Other Income" instatement of Profit and Loss.

Borrowing Cost (AS 16);

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of such asset till such time as the asset is ready for its intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred. The same is in compliance with AS-16 to the extent applicable.

Investments (AS 13);

- a) Investments are capitalised at actual cost including costs incidental to acquisition.
- b) Investments are classified as long-term or current at the time of making such investments.
- c) Long-term investments are individually valued at cost, less provision for diminution that is other than temporary. Investments held in Subsidiary Companies are stated at cost.
- d) Current investments are valued at the lower of cost and market value.

Inventories (AS 2);

- a) Inventories are valued at lower of cost or Net Realisable Value.
- b) Cost of inventories have been computed to include all cost of purchases, cost of conversion and other costs incurred in bringing the inventories to their present location and condition
- c) The basis of determining cost for various categories of inventories is as follows:
 - i Raw Material: At Cost or Realisable Value, whichever is lower.
 - ii Work In Progress: At Cost or Realisable Value, whichever is lower.
 - iii Traded / Finished Goods: At Cost or Realisable Value, whichever is lower.

Transactions in Foreign Currency (AS 11);

Foreign currency transactions are recorded at the exchange rates prevailing at the date of the transaction. Monetary foreign currency assets and liabilities are translated into Indian rupees at the exchange rate prevailing at the balance sheet date. All exchange differences are dealt with in Profit and Loss Account. In the case of assets and liabilities covered by Forward contracts, the difference between the exchange rate at the inception of forward exchange contract and the forward rate specified in the contract is amortised and recognized in the statement of profit and loss over the period of the contract. Premium or discount on foreign exchange forward contract are amortised and recognized in the statement of profit and loss over the period of the contract. The same is in compliance with AS-11 to the extent applicable.

Revenue Recognition (AS 9);**i) Sale of Goods:**

Revenue from sale of goods is recognized when risk and rewards of ownership of the products are passed on to the customers, which is generally on dispatch of goods and is stated net of sales tax, trade discounts and claims etc.

ii) Other revenue:

Other revenue is recognized only when it is reasonably certain that the ultimate collection will be made. The same is in compliance with AS-9 to the extent applicable.

Retirement and other employee benefits (AS 15);

Defined Contribution Plan: The Company makes defined contribution to Provident Fund, which are recognized in the Profit and Loss Account on accrual basis.

Defined Benefit Plan: The Company's liability under Payment of Gratuity Act is determined on the basis of actuarial valuation provisional made at the end of financial year. Provision for leave entitlement accounted on accrual basis at the end of the financial year.

The same is in compliance with AS-15 to the extent applicable.

Provision for Current tax, and Deferred tax (AS 22);

Provision for current tax is made on the basis of estimated taxable income for the current accounting period in accordance with the provisions of Income Tax Act, 1961. Deferred tax resulting from “timing differences” between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a virtual certainty that the asset will be realized in future. The same is in compliance with AS-22 to the extent applicable.

Provision for income tax is made on the basis of estimated taxable income. Advance Tax and Tax Deducted at Source (TDS) are shown in the balance sheet under head Loans and advances during the year and in subsequent years the Advance Tax & TDS are adjusted against Provision for Tax on receipt of intimation u/s143(1) of Income Tax Act, 1961 or the Assessment completed for the relevant year.

Cash Flow Statement (AS 3);

The Cash Flow Statement is prepared by indirect method set in Accounting Standard 3 on cash flow statement and presents the cash flows by Operating, Investing and Finance activities of the company. Cash and cash equivalents presented in cash flow consists of cash in hand, cheques in hand, bank balances. The same is in compliance with AS-3 to the extent applicable.

Provisions, Contingent Liabilities and Contingent Assets (AS 29);

Provisions involving substantial degree of estimation in measurement are recognized when there is present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements. The same is in compliance with AS-29 to the extent applicable.

Impairment of Assets (AS 28);

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is charged to Profit & Loss Account in the year in which the asset is impaired and the impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount. The same is in compliance with AS-28 to the extent applicable.

Leases (AS 19);

Operating lease payments and finance lease payments are recognized as expenses in the profit and loss account as per the terms of the agreements which is representative of the time pattern of the users’ benefit. The same is in compliance with AS-19 to the extent applicable.

Extra-ordinary and Exceptional items & Changes in Policies (AS 5);

All the extra ordinary and prior period items of Income and expenses are separately disclosed in the statement of Profit and Loss account in the manner such that its impact on the current profit or loss can be perceived. If there has been any change in the Company’s accounting policies or accounting estimate so as to have material impact on the current year profit/loss or that of later periods the same would be disclosed as part of notes to accounts. All the items of Income and Expenses from ordinary activities with such size and nature such that they become relevant to explain the performance of the company have been disclosed separately. The same is in compliance with AS-5 to the extent applicable.

Earnings Per Share (AS 20);

- a. The Basic earnings per share is calculated considering the weighted average number of equity shares outstanding during the year.
- b. The Diluted earnings per share is calculated considering the effects of potential equity shares on net profits after tax for the year and weighted average number of equity shares outstanding during the year.

There are no Auditor's Qualifications in the Financial Statements of the Company.

Annexure V

NOTES TO ACCOUNTS

1. Disclosure as per AS-15 for Gratuity Liability

"The Company has a defined benefit gratuity plan. Every employee, who has completed Five years of service, gets a gratuity on death or resignation or retirement at 15 days of Salary (last drawn salary) for each completed year of service. The gratuity has been provided on the basis of valuation certificate provided by the actuary, since gratuity has not been funded, no information as to assets has been disclosed. Further liability at the close of the year has been accounted. Amounts pertaining to previous years treated as Prior-period Expenditure, in lieu of setting off against Reserves & Surplus.

2. Managerial Remuneration

(₹ in Lakhs)

| Particulars | September 30, 2016 | For the year ended March 31, | | | | |
|--|--------------------|------------------------------|-------|------|------|-------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| Whole Time Directors Remuneration; | | | | | | |
| Salaries and Allowances | 31.80 | 20.61 | 13.20 | 9.00 | 5.49 | 15.00 |
| Other Fees | - | - | - | - | - | - |
| Sitting Fees | - | - | - | - | - | - |
| Non Whole Time Directors Remuneration; | - | - | - | - | - | - |
| Sitting Fees | - | - | - | - | - | - |
| Other Fees | - | - | - | - | - | - |

3. Deferred Tax

Deferred Tax liability on account of timing difference between taxable income and accounting income for the year is accounted for by applying the tax rates and laws enacted or substantially enacted as of the balance sheet date. Deferred Tax Assets are recognized only to the extent of virtual certainty of its realization or adjustment against deferred tax liability. The company has accounted for Income Tax in compliance with the accounting standards relating Accounting for Taxes on Income(AS-22) issued by the Institute of Chartered Accountants of India.

(₹ in Lakhs)

| Particulars | September 30, 2016 | As at March 31, | | | | |
|--|--------------------|-----------------|---------------|---------------|---------------|---------------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| Deferred tax liabilities arising on account of timing difference in : | | | | | | |
| Depreciation | | | | | | |
| Opening Balance | 36.84 | 24.67 | 19.91 | 15.72 | 13.34 | 3.98 |
| Add: Provision during the year | 3.94 | 12.18 | 4.76 | 4.19 | 2.38 | 9.36 |
| Total (A) | 40.79 | 36.84 | 24.67 | 19.91 | 15.72 | 13.34 |
| Deferred tax (assets) arising on account of timing difference in : | | | | | | |
| Disallowance of Expenditure | | | | | | |
| Opening Balance | (0.60) | (0.59) | (0.13) | (0.05) | (0.02) | 0.00 |
| Add: Provision during the year | 0.00 | (0.01) | (0.46) | (0.08) | (0.03) | (0.02) |
| Total (B) | (0.60) | (0.60) | (0.59) | (0.13) | (0.05) | (0.02) |
| Total (a + b) | 40.19 | 36.24 | 24.08 | 19.78 | 15.67 | 13.32 |

4. Remuneration to Statutory Auditors

(₹ in Lakhs)

| Particulars | September 30, 2016 | As at March 31, | | | | |
|----------------------|--------------------|-----------------|------|------|------|------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| Statutory Audit Fees | 1.15 | 2.29 | 2.28 | 1.69 | 1.40 | 0.00 |
| Total | 1.15 | 2.29 | 2.28 | 1.69 | 1.40 | 0.00 |

5. The Company has not received any intimation from suppliers regarding their status under micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure, if any, in relation to amount unpaid as at the year-end together with interest payable as required under the said Act have not been furnished.
6. The management has confirmed that adequate provisions have been made for all the known and determined liabilities and the same is not in excess of the amounts reasonably required.
7. Some of the balances in Sundry Debtors, Sundry Creditors, Advances and Deposits are subject to confirmation, reconciliations and adjustments, if any, which in the opinion of the management will not be significant.
8. In the opinion of the Board of Directors, the value of realisation of Current Assets, Loans and Advances in the ordinary course of business will not be less than the amount, at which these are stated in the Balance Sheet.

9. Accounting for taxes on income

Provision for current tax is made based on the tax payable under the current provisions of the tax laws applicable in the jurisdiction where the income is assessable.

10. Contingent Liability

Contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprises, or is a possible obligation that arises from past events but is not recognised because either it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or a reliable estimate of the amount of the obligation cannot be made. The list of Contingent Liabilities was annexed herewith.

11. On the basis of IT Returns filed (Revised) the Provision for Income Tax and payments made towards Income Tax has been restated in the Books of Account. The provision for Income Tax not credited to Profit & Loss Statement on prudent basis.

12. Earnings Per share

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.

13. The figures of the previous year are re-grouped / re-classified wherever necessary to make them comparable with that of the current year classification.

14. Information regarding Foreign Exchange earnings and expenditure:

(₹ in Lakhs)

| Particulars | September 30, 2016 | For the year ended March 31, | | | | |
|---------------------------------|--------------------|------------------------------|------|------|------|------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| Earning in Foreign Exchange | - | - | - | - | - | - |
| Expenditure in Foreign Exchange | - | - | - | - | - | - |

Adjustments made to Restated Financial Statements due to Representation under New Format of Schedule III of the Companies Act, 2013

Other Regrouping done in Balance Sheet – Liabilities;

FY 2011-12:

1. The Current Maturities of Long Term debt in the Audited Financials were disclosed under Long Term Borrowings. The same have been classified under other Current Liabilities in the Restated Financials;
 - i) Secured Vehicle Loan amount of ₹ 1.43 Lakhs outstanding from Cholamandalam DBS in Audited Financials, regrouped as Current Maturities under "Other Current Liabilities" in Restated Financials.
 - ii) Unsecured Business Loan amount of ₹ 10.10 Lakhs outstanding from Barclays Finance in Audited Financials, amount repayable in 12 months of ₹ 5.10 Lakhs, regrouped in Current maturities under "Other Current Liabilities" in Restated Financials.
 - iii) Unsecured Term Loan amount of ₹ 13.67 Lakhs outstanding from TATA Capital in Audited Financials, amount repayable in 12months of ₹ 8.90 Lakhs, regrouped in current maturities under "Other Current Liabilities" in Restated Financials.
2. The Working Capital Loans and Short term loans were disclosed under Long Term Borrowings in the Audited Financials. The same have been grouped under "Short Term Borrowings" in the Restated Financials;
 - a. Unsecured Short Term Loan amount of ₹ 40.00 Lakhs outstanding from Others in Audited Financials, regrouped in other loans & advances under "Short Term Borrowings" in Restated Financials.
 - b. Secured Working Capital Loan amount of ₹ 99.97 Lakhs outstanding from TATA Capital in Audited Financials, regrouped in Working capital loan repayable on demand under "Short term Borrowings" in Restated Financials.
3. Provision for Gratuity for FY 2011-12 amounting of ₹ 0.08 Lakhs accounted in FY 2015-16 under Long Term Provisions in Audited Financials. The same grouped under "Long Term Provisions" for FY 2011-12 in Restated Financial Statements.
2. VAT amount of ₹ 9.76 Lakhs and ESIC Contribution of ₹ 0.03 Lakhs for this year paid in FY 2014-15. These amounts grouped in statutory dues under "Other Current Liabilities" in Restated Financials.
4. Deferred Tax Liability / Asset has been calculated in line with change in depreciation policy and considering the timing difference in allowance of expenditure and included in Restated Financials.
5. The Provision for Tax amounting to ₹ 0.28 Lakhs pertaining to Previous Financial Years to FY 2011-12 has been provided in FY 2015-16 under "Short Term Provisions" in Audited Financials. The said amount set-off against Opening balance of Reserves & Surplus for FY 2011-12 and the provision for such tax has been provided as "Short Term Provision" in Restated Financials.

FY 2012-13:

1. The Current Maturities of Long Term debt in the Audited Financials was disclosed under Long Term Borrowings. The same have been classified under other Current Liabilities in the Restated Financials;
 - i) Secured Vehicle Loan amount of ₹ 11.22 Lakhs outstanding from Kodak Mahindra Prime Ltd. in Audited Financials, amount repayable in 12 months of ₹ 2.47 Lakhs, regrouped in current maturities under "Other Current Liabilities" in Restated Financials.
 - ii) Unsecured Business Loan amount of ₹ 7.02 Lakhs outstanding from HDFC Bank in Audited Financials, amount repayable in 12months of ₹ 2.16 Lakhs, Regrouped in current maturities under "Other Current Liabilities" in Restated Financials.
 - iii) Unsecured Business Loan amount of ₹ 5.00 Lakhs outstanding from Barclays Finance in Audited Financials, regrouped as current maturities in Other Current Liabilities in Restated Financials.

- iv) Unsecured Term Loan amount of ₹ 4.56 Lakhs outstanding from TATA Capital in Audited Financials, regrouped as current maturities under "Other Current Liabilities" in Restated Financials.
 - v) Unsecured Business Loan amount of ₹ 19.57 Lakhs outstanding from TATA Capital in Audited Financials, amount repayable in 12 months of ₹ 12.44 Lakhs, regrouped in current maturities under "Other Current Liabilities" in Restated Financials.
 - vi) Unsecured Business Loan amount of ₹ 4.43 Lakhs outstanding from Fullerton India Credit Company in Audited Financials, amount repayable in 12 months of ₹ 1.97 Lakhs, regrouped in current maturities & Interest accrued amount for the month of March ₹ 0.02 Lakhs regrouped in Interest accrued but not due in "Other Current Liabilities" in Restated Financials.
2. The Working Capital Loans and Short term loans were disclosed under Long Term Borrowings in the Audited Financials. The same have been grouped under "Short Term Borrowings" in the Restated Financials;
 - i) Secured Working Capital Loan amount of ₹ 100.00 Lakhs outstanding from TATA Capital in Audited Financials, regrouped in Working capital loan repayable on demand under "Short Term Borrowings" in Restated Financials.
 - ii) Secured Working Capital Loan amount of ₹ 100.00 Lakhs outstanding from Yes Bank in Audited Financials, regrouped in Working Capital loan repayable on demand under "Short term borrowings" in Restated Financials.
 - iii) Unsecured Loan amount of ₹ 4.48 Lakhs outstanding from other parties in Audited Financials, regrouped in other loans & advances under "short term borrowings" in Restated Financials.
 3. Provision for Gratuity amounting of ₹ 0.09 Lakhs for this year provided in the FY 2015-16 under Long Term Provisions in Audited Financials. Current year provision and Provision pertaining to previous years regrouped under "Long Term Provisions" in Restated Financials.
 4. On the basis of IT Returns filed (Revised) the Provision for Income Tax and payments made towards Income Tax has been restated in Books of Account. Provision for Income Tax of ₹ 51.64 Lakhs pertaining to FY 2012-13 – ₹ 20.41 Lakhs, FY 2013-14 – ₹ 8.72 Lakhs and FY2014-15 - ₹ 22.51 Lakhs. These amounts were restated in FY 2015-16 as per Audited Financials, grouped under "Long Term Provisions". These amounts were restated in respective Financial Years in Restated Financials.
 5. VAT amount of ₹ 15.84 Lakhs and PF & ESIC Contributions of ₹ 0.54 Lakhs accounted in FY 2014-15, pertaining to FY 2011-12 and FY2012-13. These amounts grouped in Statutory dues under "Other Current Liabilities" in Restated Financials.
 6. Deferred Tax Liability / Asset has been calculated in line with change in depreciation policy and considering the timing difference in allowance of expenditure and included in Restated Financials.

FY 2013-14:

1. The Current Maturities of Long Term debts in the Audited Financials were disclosed under Long Term Borrowings. The same have been classified under other Current Liabilities in the Restated Financials;
 - i) Secured Vehicle Loan amount of ₹ 8.81 Lakhs outstanding from Kotak Mahindra Prime Ltd. in Audited Financials, amount repayable in 12 months of ₹ 2.76 Lakhs, regrouped in current maturities & Interest accrued for the month of March of ₹ 0.056 Lakhs regrouped in Interest accrued but not due under "Other Current Liabilities" in Restated Financials.
 - ii) Secured Vehicle Loan amount of ₹ 11.52 Lakhs outstanding from Kotak Mahindra Bank Ltd. in Audited Financials, amount repayable in 12 months of ₹ 2.65 Lakhs, regrouped in current maturities & Interest accrued for the month of March of ₹ 0.04 Lakhs regrouped in Interest accrued but not due under "Other Current Liabilities" in Restated Financials.

- iii) Secured Vehicle Loan amount of ₹ 5.96 Lakhs outstanding from Kotak Mahindra Bank Ltd. in Audited Financials, amount repayable in 12 months of ₹ 1.37 Lakhs, regrouped in current maturities & Interest accrued for the month of March of ₹ 0.021 Lakhs, regrouped in Interest accrued but not due in "Other Current Liabilities" in Restated Financials.
 - iv) Unsecured Business Loan amount of ₹ 4.91 Lakhs outstanding from HDFC Bank Ltd. in Audited Financials, amount repayable in 12 months of ₹ 2.59 Lakhs, regrouped in current maturities & Interest accrued for the month of March of ₹ 0.065 Lakhs, regrouped in Interest accrued but not due under "Other Current Liabilities" in Restated Financials.
 - v) Unsecured Business Loan amount of ₹ 12.94 Lakhs outstanding from Religare Finevest Ltd. in Audited Financials, amount repayable in 12 months of ₹ 6.34 Lakhs, regrouped in current maturities & Interest accrued for the month of March of ₹ 0.205 Lakhs, regrouped in Interest accrued but not due under "Other Current Liabilities" in Restated Financials.
 - vi) Unsecured Business Loan amount of ₹ 13.64 Lakhs outstanding from HDB Financial Services Ltd. in Audited Financials, amount repayable in 12 months of ₹ 4.36 Lakhs, regrouped in current maturities & Interest accrued for the month of March of ₹ 0.21 Lakhs, regrouped in Interest accrued but not due under "Other Current Liabilities" in Restated Financials.
 - vii) Unsecured Business Loan amount of ₹ 18.98 Lakhs outstanding from Future Capital Ltd. in Audited Financials, amount repayable in 12 months of ₹ 5.72 Lakhs, regrouped in current maturities & Interest accrued for the month of March of ₹ 0.25 Lakhs, regrouped in Interest accrued but not due under "Other Current Liabilities" in Restated Financials.
 - viii) Unsecured Business Loan amount of ₹ 28.94 Lakhs outstanding from Tata Capital in Audited Financials, amount repayable in 12 months of ₹ 17.07 Lakhs, regrouped in current maturities & Interest accrued for the month of March of ₹ 0.25 Lakhs, regrouped in Interest accrued but not due in "Other Current Liabilities" in Restated Financials.
 - ix) Unsecured Business Loan amount of ₹ 2.46 Lakhs outstanding from Fullerton India Credit Company in Audited Financials, amount repayable in 12 months of ₹ 2.43 Lakhs, regrouped in current maturities & Interest accrued for the month of March ₹ 0.03 Lakhs, regrouped in Interest accrued but not due under "Other Current Liabilities" in Restated Financials.
2. Provision for Gratuity amounting of ₹ 0.24 Lakhs for this year provided in the FY 2015-16 under Long Term Provisions in Audited Financials. Current year provision and Provision pertaining to previous years regrouped under "Long Term Provisions" in Restated Financials.
 3. On the basis of IT Returns filed (Revised) the Provision for Income Tax and payments made towards Income Tax has been restated in Books of Account. Provision for Income Tax of ₹ 51.64 Lakhs pertaining to FY 2012-13 - ₹ 20.41 Lakhs, FY 2013-14 - ₹ 8.72 Lakhs and FY 2014-15 - ₹ 22.51 Lakhs. These amounts were restated in FY 2015-16 as per Audited Financials, grouped under "Long Term Provisions". These amounts were restated in respective Financial Years in Restated Financials.
 4. VAT amount of ₹ 19.15 Lakhs and PF & ESIC Contributions of ₹ 1.31 Lakhs accounted in FY 2014-15, pertaining to FY 2011-12, FY 2012-13 and FY 2013-14. These amounts grouped in Statutory dues under "Other Current Liabilities" in Restated Financials.
 5. Deferred Tax Liability / Asset has been calculated in line with change in depreciation policy and considering the timing difference in allowance of expenditure and included in Restated Financials.

FY 2014-15:

1. Provision for Gratuity amounting of ₹ 0.35 Lakhs for this year provided in the FY 2015-16 under Long Term Provisions in Audited Financials. Current year provision and Provision pertaining to previous years regrouped under "Long Term Provisions" in Restated Financials.

2. On the basis of IT Returns filed (Revised) the Provision for Income Tax and payments made towards Income Tax has been restated in Books of Account. Provision for Income Tax of ₹ 51.64 Lakhs pertaining to FY 2012-13 - ₹ 20.41 Lakhs, FY 2013-14 - ₹ 8.72 Lakhs and FY 2014-15 - ₹ 22.51 Lakhs. These amounts were restated in FY 2015-16 as per Audited Financials, grouped under "Long Term Provisions". These amounts were restated in respective Financial Years in Restated Financials.
3. Professional Tax of ₹ 0.20 Lakhs and Rental Expenses of ₹ 0.95 Lakhs for FY 2014-15 provided under "Prior Period Items" in FY 2015-16 Audited Financials. These amounts grouped under "Other Current Liabilities" in Restated Financials.
4. VAT amount of ₹ 19.15 Lakhs accounted in FY 2014-15, pertaining to FY 2011-12, FY 2012-13 and FY 2013-14. Out of the provisioned amount ₹ 17.55 Lakhs paid during the year and balance ₹ 1.60 Lakhs grouped in Statutory dues under "Other Current Liabilities" in Restated Financials.
5. Deferred Tax Liability / Asset has been calculated in line with change in depreciation policy and considering the timing difference in allowance of expenditure and included in Restated Financials.

FY 2015-16

The Provision for Tax amounting to ₹ 0.28 Lakhs pertaining to Previous Financial Years to FY 2011-12 has been provided in FY 2015-16 under "Short Term Provisions" in Audited Financials. The said amount set-off against Opening balance of Reserves & Surplus for FY 2011-12 and the provision for such tax has been provided as "Short Term Provision" in Restated Financials.

The above mentioned changes to Liabilities are summarized in the tables below;

Reconciliation of Long Term Borrowings

(₹ in Lakhs)

| Particulars | September 30, 2016 | As at March 31, | | | | |
|--|--------------------|-----------------|---------------|---------------|---------------|---------------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| Long Term Borrowings As per Audited Financials | 352.19 | 335.92 | 381.93 | 272.35 | 256.28 | 179.33 |
| Less: Working Capital loans & Short Term Loans from Others reclassified as Short Term Borrowings | 0.00 | 0.00 | 0.00 | 0.00 | (204.48) | (139.97) |
| Less: Current Maturities regrouped under "Other Current Liabilities" | 0.00 | 0.00 | 0.00 | (46.43) | (28.62) | (15.44) |
| Long Term Borrowings as per Restated Financial Statements | 352.19 | 335.92 | 381.93 | 225.92 | 23.18 | 23.92 |

Reconciliation of Short Term Borrowings

(₹ in Lakhs)

| Particulars | September 30, 2016 | As at March 31, | | | | |
|--|--------------------|-----------------|---------------|---------------|---------------|---------------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| Short Term Borrowings As per Audited Financials | 786.97 | 755.94 | 654.61 | 269.94 | - | - |
| Add: Working Capital loans & Short Term Loans from Others are earlier grouped under "Long Term Borrowings" | - | - | - | - | 204.48 | 139.97 |
| Short Term Borrowings as per Restated Financial Statements | 786.97 | 755.49 | 654.61 | 269.94 | 204.48 | 139.97 |

Reconciliation of Other Current Liabilities
(₹ in Lakhs)

| Particulars | September 30, 2016 | As at March 31, | | | | |
|--|--------------------|-----------------|---------------|--------------|--------------|--------------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| Other Current Liabilities as per Audited Financial Statements | 368.38 | 294.74 | 154.93 | 30.50 | 23.67 | 4.28 |
| Add: Current Maturities earlier regrouped under "Long Term Borrowings" | - | - | - | 46.43 | 28.62 | 15.44 |
| Add: VAT Amount regrouped from "Prior Period Items" | - | - | 1.60 | 19.15 | 15.84 | 9.76 |
| Add: PF & ESIC Payments Regrouped from "Prior Period Items" | - | - | - | 1.57 | 0.54 | 0.03 |
| Add: Professional Tax Provision Regrouped from "Prior Period Item" | - | - | 0.20 | - | - | - |
| Add: Rent Expenses Regrouped from "Prior Period Items" | - | - | 0.95 | - | - | - |
| Other Current Liabilities as per Restated Financial Statements | 368.38 | 294.74 | 157.68 | 97.65 | 68.67 | 29.52 |

Reconciliation of Statutory Dues Payable (Other Current Liabilities)
(₹ in Lakhs)

| Particulars | September 30, 2016 | As at March 31, | | | | |
|---|--------------------|-----------------|--------------|--------------|--------------|-------------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| Statutory Dues Payable as per Audited Financials | 29.84 | 23.60 | 22.14 | 12.82 | 8.77 | - |
| Add: VAT Amount regrouped from "Prior Period Items" | - | - | 1.60 | 19.15 | 15.84 | 9.76 |
| Add: PF & ESIC Payments Regrouped from "Prior Period Items" | - | - | - | 1.57 | 0.54 | 0.03 |
| Statutory Dues Payable as per Restated Financials | 29.84 | 23.60 | 23.74 | 33.54 | 25.15 | 9.80 |

Reconciliation of Expenses Payable (Other Current Liabilities)
(₹ in Lakhs)

| Particulars | September 30, 2016 | As at March 31, | | | | |
|--|--------------------|-----------------|--------------|--------------|--------------|-------------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| Expenses Payable as per Audited Financials | 46.85 | 17.72 | 14.28 | 17.67 | 14.90 | 4.28 |
| Add: Professional Tax Provision Regrouped from "Prior Period Item" | - | - | 0.20 | - | - | - |
| Add: Miscellaneous Expenses Regrouped from "Prior Period Items" | - | - | 0.95 | - | - | - |
| Expenses Payable as per Restated Financials | 46.85 | 17.72 | 15.43 | 17.67 | 14.90 | 4.28 |

Reconciliation of Long Term Provisions
(₹ in Lakhs)

| Particulars | September 30, 2016 | As at March 31, | | | | |
|---|--------------------|-----------------|----------|----------|----------|----------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| Long Term Provisions as per Audited Financials | 1.70 | 1.42 | - | - | - | - |
| Add: Provision for Income Tax for earlier years regrouped "Prior Period Item" | - | - | - | - | - | - |
| Add: Provision for Gratuity for earlier years regrouped | - | - | 0.76 | 0.41 | 0.16 | 0.08 |

| Particulars | September 30, 2016 | As at March 31, | | | | |
|--|-----------------------|-----------------|-------------|-------------|-------------|-------------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| Long Term Provisions as per Restated Financials | 1.70 | 1.42 | 0.76 | 0.41 | 0.16 | 0.08 |

Reconciliation of Short Term Provisions

(₹ in Lakhs)

| Particulars | September 30, 2016 | As at March 31, | | | | |
|---|-----------------------|-----------------|--------------|-------------|--------------|--------------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| Short Term Provisions as per Audited Financials | 47.32 | 34.34 | 24.10 | 8.83 | 21.60 | 10.05 |
| Add: Provision for Income Tax | - | - | 0.28 | 1.07 | 0.28 | 0.28 |
| Add: Provision for Gratuity not provided / Recognised earlier | - | - | - | - | - | - |
| Short Term Provisions as per Restated Financials | 47.32 | 34.34 | 24.38 | 9.91 | 21.88 | 10.33 |

Other Regrouping done in Balance Sheet – Assets;

FY 2011-12

1. Depreciation has been provided as per WDV method, since inception, at the rates prescribed under Schedule XIV of the Companies Act, 1956. Depreciation has been reworked in consonance with method prescribed under Schedule II of The Companies Act, 2013 under SLM method. The impact of change in depreciation method comes to ₹ 25.90 Lakhs pertaining to years prior to FY 2011-12, since inception, has been recognised in Restated Financials as an Exceptional Item in Restated Financials. And also the impact on current FY 2011-12 comes to ₹ 11.61 Lakhs.
2. Deferred Tax Asset amount of ₹ 0.37 Lakhs were considered and set-off against the Deferred Tax Liability in Restated Financials.
3. Rental Deposits amounting to ₹ 7.90 Lakhs were grouped under "Short Term Loans & Advances" in Audited Financials. These amounts regrouped under "Long Term Loans & Advances" in Restated Financials.

FY 2012-13

1. Depreciation has been provided as per WDV method, since inception, at the rates prescribed under Schedule XIV of the Companies Act, 1956. Depreciation has been reworked in consonance with method prescribed under Schedule II of The Companies Act, 2013 under SLM method. The impact on current FY 2012-13 comes to ₹ 10.20 Lakhs in Restated Financials.
2. Rental Deposits amounting to ₹ 13.30 Lakhs were grouped under Non-Current Assets in Audited Financials. These amounts regrouped under "Long Term Loans and Advances" in Restated Financials.
3. On the basis of IT Returns filed (Revised) the Provision for Income Tax and payments made towards Income Tax has been restated in Books of Account. MAT Credit of ₹ 36.45 Lakhs pertaining to FY 2012-13 - ₹ 11.52 Lakhs, FY 2013-14 - ₹ 5.04 Lakhs and FY 2014-15 - ₹ 19.89 Lakhs. These amounts were restated in FY 2015-16 as per Audited Financials, grouped under "Long Term Loans & Advances". These amounts were restated in respective Financial Years in Restated Financials.
4. On the basis of IT Returns filed (Revised) the Provision for Income Tax and payments made towards Income Tax has been restated in Books of Account. Income Tax Refund Due of ₹ 15.19 Lakhs pertaining to FY 2012-13 - ₹ 8.89 Lakhs, FY 2013-14 - ₹ 3.68 Lakhs and FY 2014-15 - ₹ 2.62 Lakhs. These amounts were restated in FY 2015-16 as per Audited Financials, grouped under "Short Term Loans & Advances". These amounts were restated in respective Financial Years in Restated Financials.

FY 2013-14

1. Depreciation has been provided as per WDV method, since inception, at the rates prescribed under Schedule XIV of the Companies Act, 1956. Depreciation has been reworked in consonance with method prescribed under Schedule II of The Companies Act, 2013 under SLM method. The impact on current FY 2013-14 comes to ₹ 12.87 Lakhs in Restated Financials.
2. Rental Deposits amounting to ₹ 10.40 Lakhs were grouped under Non-Current Assets in Audited Financials. These amounts regrouped under "Long Term Loans and Advances" in Restated Financials.
3. On the basis of IT Returns filed (Revised) the Provision for Income Tax and payments made towards Income Tax has been restated in Books of Account. MAT Credit of ₹ 36.45 Lakhs pertaining to FY 2012-13 - ₹ 11.52 Lakhs, FY 2013-14 - ₹ 5.04 Lakhs and FY 2014-15 - ₹ 19.89 Lakhs. These amounts were restated in FY 2015-16 as per Audited Financials, grouped under "Long Term Loans & Advances". These amounts were restated in respective Financial Years in Restated Financials.
4. On the basis of IT Returns filed (Revised) the Provision for Income Tax and payments made towards Income Tax has been restated in Books of Account. Income Tax Refund Due of ₹ 15.19 Lakhs pertaining to FY 2012-13 - ₹ 8.89 Lakhs, FY 2013-14 - ₹ 3.68 Lakhs and FY 2014-15 - ₹ 2.62 Lakhs. These amounts were restated in FY 2015-16 as per Audited Financials, grouped under "Short Term Loans & Advances". These amounts were restated in respective Financial Years in Restated Financials.
5. Prepaid Expenses amounting to ₹ 0.80 Lakhs were grouped under "Other Current Assets" in Audited Financials. These amounts regrouped under "Short Term Loans and Advances" in Restated Financials.

FY 2014-15

1. Depreciation has been provided as per WDV method, since inception, at the rates prescribed under Schedule XIV of the Companies Act, 1956. Depreciation has been reworked in consonance with method prescribed under Schedule II of The Companies Act, 2013 under SLM method. The impact on current FY 2013-14 comes to ₹ 14.36 Lakhs in Restated Financials.
2. Interest on Term Loan availed for the purpose of Construction of Cold Room at Kesarapalli Site, Gannavaram, and VJA amounting to ₹ 11.55 Lakhs included in Finance Cost as per Audited Financials. In compliance with the AS-16 "Accounting for Borrowing Cost", the interest amount has been reduced from the Finance Cost and included in "Capital Work-in-Progress" in Restated Financials.
3. On the basis of IT Returns filed (Revised) the Provision for Income Tax and payments made towards Income Tax has been restated in Books of Account. MAT Credit of ₹ 36.45 Lakhs pertaining to FY 2012-13 - ₹ 11.52 Lakhs, FY 2013-14 - ₹ 5.04 Lakhs and FY 2014-15 - ₹ 19.89 Lakhs. These amounts were restated in FY 2015-16 as per Audited Financials, grouped under "Long Term Loans & Advances". These amounts were restated in respective Financial Years in Restated Financials.
4. On the basis of IT Returns filed (Revised) the Provision for Income Tax and payments made towards Income Tax has been restated in Books of Account. Income Tax Refund Due of ₹ 15.19 Lakhs pertaining to FY 2012-13 - ₹ 8.89 Lakhs, FY 2013-14 - ₹ 3.68 Lakhs and FY 2014-15 - ₹ 2.62 Lakhs. These amounts were restated in FY 2015-16 as per Audited Financials, grouped under "Short Term Loans & Advances". These amounts were restated in respective Financial Years in Restated Financials.
5. Prepaid Expenses amounting to ₹ 3.55 Lakhs were grouped under the head "Other Current Assets" in Audited Financials. These amounts regrouped under "Short Term Loans and Advances" in Restated Financials
6. TDS Receivable amounting to ₹ 0.02 Lakhs was grouped under the head "Other Current Assets" in Audited Financials. These amounts regrouped under "Short Term Loans and Advances" in Restated Financials.

FY 2015-16

- Interest on Term Loan availed for the purpose of Construction of Cold Room at Kesarapalli Site, Gannavaram, -VJA amounting to ₹ 11.55 Lakhs included in Finance Cost for the FY 2014-15 as per Audited Financials. In compliance with the AS-16 "Accounting for Borrowing Cost", the interest amount has been reduced from the Finance Cost and included in "Capital Work-in-Progress" for FY 2014-15 in Restated Financials and the same carried forwarded to FY 2015-16.

The above mentioned changes to Assets are summarized in the tables below;

Reconciliation of Long Term Loans and Advances

(₹ in Lakhs)

| Particulars | September 30, 2016 | As at March 31, | | | | |
|--|--------------------|-----------------|---------------|--------------|--------------|-------------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| Long Term Loans and Advances as per Audited Financials | 165.31 | 169.69 | 128.33 | - | - | - |
| Add: MAT Credit Entitlement for Earlier years | - | - | - | - | - | - |
| Add: Rental Deposits earlier grouped under Non-Current Assets | - | - | - | 10.40 | 13.30 | - |
| Add: Rental Deposits earlier grouped under Short Term Loans & Advances | - | - | - | - | - | 7.90 |
| Long Term Loans and Advances as per Restated Financials | 165.31 | 169.69 | 128.33 | 10.40 | 13.30 | 7.90 |

Reconciliation of Other Non-Current Assets

(₹ in Lakhs)

| Particulars | September 30, 2016 | As at March 31, | | | | |
|---|--------------------|-----------------|------|--------------|--------------|------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| Other Non-Current Assets as per Audited Financials | - | - | - | 10.40 | 13.30 | - |
| Less: Rental Deposits reclassified under Long term Loans and Advances | - | - | - | (10.40) | (13.30) | - |
| Other Non-Current Assets as per Restated Financials | - | - | - | - | - | - |

Reconciliation of Short Term Loans and Advances

(₹ in Lakhs)

| Particulars | September 30, 2016 | As at March 31, | | | | |
|---|--------------------|-----------------|--------------|--------------|--------------|-------------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| Short Term Loans and Advances as per Audited Financials | 91.57 | 114.83 | 14.74 | 11.88 | 19.59 | 8.38 |
| Add: MAT Credit Entitlement | - | - | - | - | - | - |
| Add: IT Refund Due | - | - | - | - | - | - |
| Add: Prepaid Expenses earlier grouped under Other Current Assets | - | - | 3.55 | 0.80 | - | - |
| Add: TDS Receivable earlier grouped under Other Current Assets | - | - | 0.02 | - | - | - |
| Less : Regrouping of Rent Deposits under Long Term Loans and Advances | - | - | - | - | - | 7.90- |
| Short Term Loans and Advances as per Restated Financials | 91.57 | 114.83 | 18.30 | 12.68 | 19.59 | 0.48 |

Reconciliation of Other Current Assets
(₹ in Lakhs)

| Particulars | September 30, 2016 | As at March 31, | | | | |
|---|-----------------------|-----------------|-------------|-------------|-------------|-------------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| Other Current Assets as per Audited Financials | 24.52 | 8.36 | 3.57 | 0.80 | 0.00 | 0.15 |
| Less: Prepaid Expenses reclassified under Short Term loans and Advances | - | - | (3.55) | (0.80) | - | - |
| Less: TDS Receivable reclassified under Short Term Loans and Advances | - | - | (0.02) | - | - | - |
| Other Current Assets as per Restated Financials | 24.52 | 8.36 | - | - | - | 0.15 |

Regrouping done in Profit and Loss Account that affect the Net Profit after Tax;

FY 2011-12

1. Director Remuneration amounting of ₹ 15.00 Lakhs grouped under "Other Expenses" in Audited Financials. The same reclassified under the head "Employee Benefit Expenses" in Restated Financials.
2. Employee Gratuity Expenses of ₹ 0.08 Lakhs pertaining to this year has been recognised under Prior Period Items in FY 2015-16. The said amount is deducted from the Prior Period Items of FY 2015-16 and added to Employee Benefit expenses in Restated Financials.
3. Farmer Facilitation expenses of ₹ 140.05 Lakhs, Farmer Welfare expenses of ₹ 12.40 Lakhs and Freezer Placing expenses of ₹ 45.01 Lakhs are grouped under "Other expenses" in Audited Financials. These expenses are regrouped as Direct Expenses at Processing Unit Restated Financials. "Purchases & Direct Expenses", in consonance with groupings in FY 2015-16.
4. Staff Medical Expenses amounting of ₹ 1.00 Lakhs grouped under Other Expenses in Audited Financials. In consonance with groupings in FY 2015-16, the said expenses regrouped under "Employee Benefit Expenses" in Restated Financials.
5. Employee Provident Fund Contribution provided in FY 2014-15 amounting of ₹ 1.50 Lakhs pertaining to Previous Years FY 2011-12 (₹ 0.03 Lakhs) , FY 2012-13 (₹ 0.50 Lakhs) & FY 2013-14 (₹ 0.97 Lakhs) grouped under "Prior Period Items" in Audited Financials. Such amount is deducted from "Prior Period Items" of FY 2014-15 and added to "Employee Benefit expenses" in respective years in Restated Financials.
6. Depreciation has been provided as per WDV method at the rates prescribed under Schedule XIV of The Companies Act, 1956. Depreciation method in consonance with method prescribes under Schedule II of The Companies Act, 2013 has been calculated under SLM method in FY 2015-16. The impact of change in accounting policy of ₹ 11.61 Lakhs has been recognised in Restated Financials.
7. VAT paid during FY 2014-15 amounting of ₹ 17.55 Lakhs pertaining to Previous years, such as for FY 2011-12 of ₹ 8.17 Lakhs, FY 2012-13 of ₹ 6.07 Lakhs, for FY 2013-14 of ₹ 3.31 Lakhs were recognised in "Other expenses" in Audited Financials. The said amount included in current financial year under "Other Expenses". And has been added to "Other Expenses" in respective financial years in Restated Financials.
8. Depreciation has been provided as per WDV method at the rates prescribed under Schedule XIV of The Companies Act, 1956. Depreciation method in consonance with method prescribes under Schedule II of The Companies Act, 2013 has been calculated under SLM method in FY 2015-16. The impact of change in accounting policy of ₹ 25.90 Lakhs pertaining to years prior to FY 2011-12 since inception, has been recognised in Restated Financials as an Exceptional Item.
9. VAT liability pertaining to FY 2009-10 & FY 2010-11 amounting of ₹ 1.60 Lakhs paid in FY 2015-16 grouped under the head "Prior Period Items" in Audited Financials. The said amount has been deducted from the "Prior Period Item" in FY 2015-16 and considered in FY 2011-12 under the "Prior Period Item" in Restated Financials.

10. Deferred Tax Liability / Asset has been recalculated in line with change in depreciation policy and considering the timing difference in allowance of expenditure and included in Restated Financials.

FY 2012-13

1. "Cost of Raw Materials Consumed" of ₹ 723.65 Lakhs as per Audited Financials, were regrouped under "Purchases & Direct Expenses" in consonance with groupings in FY 2015-16 and also change in Raw Materials (Inventory) of ₹ 6.69 Lakhs also regrouped under "Purchases & Direct Expenses" in consonance with groupings in FY 2015-16.
2. Farmer Facilitation expenses of ₹ 182.85 Lakhs, Farmer Welfare expenses of ₹ 14.49 Lakhs, Freezer Placing expenses of ₹ 57.16 Lakhs and Loading expenses of ₹ 40.46 Lakhs are grouped under "Other expenses" in Audited Financials. These expenses are regrouped as Direct Expenses at Processing Unit under "Purchases & Direct Expenses", in consonance with groupings in FY 2015-16.
3. Employee Gratuity Expenses of ₹ 0.09 Lakhs pertaining to this year has been recognised under "Prior Period items" in FY 2015-16. The said amount is deducted from the Prior Period Items" of FY 2015-16 and added to "Employee Benefit expenses" in Restated Financials.
4. Staff Medical Expenses amounting of ₹ 2.58 Lakhs grouped under Other Expenses in Audited Financials. In consonance with groupings in FY 2015-16, the said expenses regrouped under "Employee Benefit Expenses" in Restated Financials.
5. Employee Provident Fund Contribution provided in FY 2014-15 amounting of ₹ 1.50 Lakhs pertaining to Previous Years FY 2011-12 (₹ 0.03 Lakhs) , FY 2012-13 (₹ 0.50 Lakhs) & FY 2013-14 (₹ 0.97 Lakhs) grouped under "Prior Period Items" in Audited Financials. Such amount is deducted from "Prior Period Items" of FY 2014-15 and added to "Employee Benefit expenses" in respective years in Restated Financials.
6. Depreciation has been provided as per WDV method at the rates prescribed under Schedule XIV of The Companies Act, 1956. Depreciation method in consonance with method prescribes under Schedule II of The Companies Act, 2013 has been calculated under SLM method in FY 2015-16. The impact of change in accounting policy of ₹ 10.20 Lakhs has been recognised in Restated Financials.
7. VAT amount paid during FY 2014-15 amounting of ₹ 17.55 Lakhs pertaining to Previous years, such as for FY 2011-12 of ₹ 8.17 Lakhs, FY 2012-13 of ₹ 6.07 Lakhs, for FY 2013-14 of ₹ 3.31 Lakhs were recognised in "Other expenses" in Audited Financials. The said amount included in current financial year under "Other Expenses". And has been added to "Other Expenses" in respective financial years in Restated Financials.
8. Deferred Tax Liability / Asset has been recalculated in line with change in depreciation policy and considering the timing difference in allowance of expenditure and included in Restated Financials.

FY 2013-14

1. "Cost of Raw Materials Consumed" of ₹ 1733.07 Lakhs as per Audited Financials, were regrouped under "Purchases & Direct Expenses" in consonance with groupings in FY 2015-16 and also change in Raw Materials (Inventory) of ₹ 8.34 Lakhs also regrouped under "Purchases & Direct Expenses" in consonance with groupings in FY 2015-16.
2. Farmer Facilitation expenses of ₹ 173.73 Lakhs, Farmer Welfare expenses of ₹ 16.10 Lakhs, Freezer Placing expenses of ₹ 57.81 Lakhs and Loading expenses of ₹ 18.25 Lakhs are grouped under "Other expenses" in Audited Financials. These expenses are regrouped as Direct Expenses at Processing Unit under "Purchases & Direct Expenses", in consonance with groupings in FY 2015-16.
3. Employee Gratuity Expenses of ₹ 0.24 Lakhs pertaining to this year has been recognised under "Prior Period Items" in FY 2015-16. The said amount is deducted from the "Prior Period Items" of FY 2015-16 and added to "Employee Benefit expenses" in Restated Financials.

4. Staff Medical Expenses amounting of ₹ 2.31 Lakhs grouped under "Other Expenses" in Audited Financials. In consonance with groupings in FY 2015-16, the said expenses regrouped under "Employee Benefit Expenses" in Restated Financials.
5. Employee Provident Fund Contribution provided in FY 2014-15 amounting of ₹ 1.50 Lakhs pertaining to Previous Years FY 2011-12 (₹ 0.03 Lakhs), FY 2012-13 (M 0.50 Lakhs) & FY 2013-14 (₹ 0.97 Lakhs) grouped under "Prior Period Items" in Audited Financials. Such amount is deducted from "Prior Period Items" of FY 2014-15 and added to "Employee Benefit expenses" in respective years in Restated Financials.
6. ESI Contribution provided in FY 2014-15 amounting of ₹ 0.07 Lakhs pertaining to FY 2013-14 under "Prior Period Items" in Audited Financials. Such amount is deducted from the "Prior Period Items" and added to "Employee Benefit Expenses" in FY 2013-14 in Restated Financials.
7. Interest on delay in remittance of VAT of ₹ 0.31 Lakhs grouped under "Other Expenses" in Audited Financials. In consonance with groupings in FY 2015-16, such amount has been regrouped under "Finance Cost" in Restated Financials.
8. Bank Charges of ₹ 0.02 Lakhs grouped under "Other expenses" in Audited Financials. In consonance with groupings in FY 2015-16, the said amount has been regrouped under "Finance Cost" in Restated Financials.
9. Depreciation has been provided as per WDV method at the rates prescribed under Schedule XIV of The Companies Act, 1956. Depreciation method in consonance with method prescribes under Schedule II of The Companies Act, 2013 has been calculated under SLM method in FY 2015-16. The impact of change in accounting policy of ₹ 12.87 Lakhs has been recognised in Restated Financials.
10. VAT paid during FY 2014-15 amounting of ₹ 17.55 Lakhs pertaining to Previous years, such as for FY 2011-12 of ₹ 8.17 Lakhs, FY 2012-13 of ₹ 6.07 Lakhs, for FY 2013-14 of ₹ 3.31 Lakhs were recognised in "Other expenses" in Audited Financials. The said amount included in current financial year under "Other Expenses". And has been added to "Other Expenses" in respective financial years in Restated Financials.
11. Deferred Tax Liability / Asset has been recalculated in line with change in depreciation policy and considering the timing difference in allowance of expenditure and included in Restated Financials.
12. Income Tax amounting of ₹ 0.79 Lakhs pertaining to FY 2013-14 is recognised in FY 2014-15 under the head "Prior Period Taxes" in Audited Financials. The said amount has been deducted from "Prior Period Taxes" and added to "Provision for Tax" in FY 2013-14 in Restated Financials.

FY 2014-15

1. "Cost of Raw Materials Consumed" of ₹ 2,608.40 Lakhs as per Audited Financials, were regrouped under "Purchases & Direct Expenses" in consonance with groupings in FY 2015-16 and also change in Raw Materials (Inventory) of ₹ 8.75 Lakhs also regrouped under "Purchases & Direct Expenses" in consonance with groupings in FY 2015-16.
2. Farmer Facilitation expenses of ₹ 124.27 Lakhs, Farmer Welfare expenses of ₹ 7.19 Lakhs, Freezer Placing expenses of ₹ 58.72 Lakhs and Loading expenses of ₹ 20.99 Lakhs are grouped under "Other expenses" in Audited Financials. These expenses are regrouped as Direct Expenses at Processing Unit under "Purchases & Direct Expenses", in consonance with groupings in FY 2015-16.
3. Employee Gratuity Expenses of ₹ 0.35 Lakhs pertaining to this year has been recognised under "Prior Period Items" in FY 2015-16. The said amount is deducted from the "Prior Period Items" of FY 2015-16 and added to "Employee Benefit expenses" in Restated Financials.
4. Staff Medical Expenses amounting of ₹ 2.66 Lakhs grouped under "Other Expenses" in Audited Financials. In consonance with groupings in FY 2015-16, the said expenses regrouped under "Employee Benefit Expenses" in Restated Financials.

5. Interest on delay in remittance of VAT of ₹ 0.36 Lakhs grouped under "Other Expenses" in Audited Financials. In consonance with groupings in FY 2015-16, such amount has been regrouped under "Finance Cost" in Restated Financials.
6. Bank Charges of ₹ 2.33 Lakhs grouped under "Other expenses" in Audited Financials. In consonance with groupings in FY 2015-16, the said amount has been regrouped under "Finance Cost" in Restated Financials.
7. Interest on Term Loan availed for the purpose of Construction of Cold room at Kesarapalli Site, Gannavaram, and VJA amounting to ₹ 11.55 Lakhs included in finance cost as per Audited Financials. In compliance with the AS-16 "Accounting for Borrowing Cost" the interest amount has been reduced from the Finance Cost and included in "Capital Work-In-Progress" in Restated Financials.
8. Depreciation has been provided as per WDV method at the rates prescribed under Schedule XIV of The Companies Act, 1956. Depreciation method in consonance with method prescribes under Schedule II of The Companies Act, 2013 has been calculated under SLM method in FY 2015-16. The impact of change in accounting policy of ₹ 14.36 Lakhs has been recognised in Restated Financials.
9. Professional Tax amounting of ₹ 0.20 Lakhs pertaining to FY 2014-15 is recognised in FY 2015-16 under the head "Prior Period Items" in Audited Financials. The said amount has been deducted from 'Prior Period Items' and added to "Other expenses" in this year in Restated Financials.
10. Rent Expenses amounting to ₹ 0.95 Lakhs provided in the FY 2015-16 are pertaining to FY 2014-15 are grouped under "Prior Period Items" in Audited Financials. The said amount has been deducted from the "Prior Period Items" and added to "Other Expenses" in Restated Financials.
11. VAT paid during FY 2014-15 amounting of ₹ 17.55 Lakhs pertaining to previous years, such as for FY 2011-12 of ₹ 8.17 Lakhs, FY 2012-13 of ₹ 6.07 Lakhs, for FY 2013-14 of ₹ 3.31 Lakhs were recognised in "Other expenses" in Audited Financials. The said amount deducted from Current financial year "Other Expenses" and has been added to "Other Expenses" in respective financial years in Restated Financials.
12. Employee Provident Fund Contribution provided in FY 2014-15 amounting of ₹ 1.50 Lakhs pertaining to Previous Years FY 2011-12 (₹ 0.03 Lakhs) , FY 2012-13 (₹ 0.50 Lakhs) & FY 2013-14 (₹ 0.97 Lakhs) grouped under "Prior Period Items" in Audited Financials. Such amount is deducted from "Prior Period Items" of FY 2014-15 and added to "Employee Benefit expenses" in respective years in Restated Financials.
13. ESI Contribution provided in this year amounting of ₹ 0.07 Lakhs pertaining to FY 2013-14 in "Prior Period Items" in Audited Financials. Hence such amount is deducted from the "Prior Period Items" and added to "Employee Benefit Expenses" in respective year in Restated Financials.
14. Deferred Tax Liability / Asset has been recalculated in line with change in depreciation policy and considering the timing difference in allowance of expenditure and included in Restated Financials.
15. Income Tax amounting of ₹ 0.79 Lakhs pertaining to FY 2013-14 is recognised in FY 2014-15 under the head "Prior Period Taxes" in Audited Financials. The said amount has been deducted from 'Prior Period Taxes' and added to "Provision for Tax" in FY 2013-14 in Restated Financials.

FY 2015-16

1. Provision made for Employees Gratuity for ₹ 0.76 Lakhs, pertaining to previous years i.e. FY 2011-12, FY 2012-13, FY 2013-14 & FY 2014-15 and included in "Prior Period Items" in Audited Financials. These amounts are regrouped from the "Prior Period Items" and included in "Employee Benefit Expenses" in respective years in Restated Financials.
2. Professional Tax amounting of ₹ 0.20 Lakhs pertaining to FY 2014-15 was recognized in FY 2015-16 under the head "Prior Period Items" in Audited Financials. These amounts are regrouped from "Prior Period Items" and included to Other expenses in FY 2014-15 in Restated Financials.

3. VAT liability pertaining to FY 2009-10 & FY 2010-11 amounting of ₹ 1.60 Lakhs paid in FY 2015-16 grouped under the head "Prior Period Items" in Audited Financials. The said amount regrouped from "Prior Period Item" in FY 2015-16 and included in FY 2011-12 as "Prior Period Item" in Restated Financials.
4. Rent Expenses of ₹ 0.95 Lakhs provided in this year is pertaining to FY 2014-15 grouped in "Prior Period Items" in Audited Financials. The said amount regrouped from "Prior Period Items" and included in "Other Expenses" for FY 2014-15 in Restated Financials.
5. Depreciation has been provided as per WDV method at the rates prescribed under Schedule XIV of The Companies Act, 1956. Depreciation method in consonance with method prescribes under Schedule II of The Companies Act, 2013 has been calculated under SLM method in FY 2015-16. The impact of change in accounting policy has two parts, a) Amount of ₹ 25.90 Lakhs pertains to years upto 31.03.2011 and b) Amount of ₹ 20.31 Lakhs pertains from FY 2011-12 to FY 2014-15. The amount pertaining to years prior to 31.03.2011, included as Exceptional Item in FY 2011-12 and other has been included in respective FYs in Restated Financials.

The above mentioned changes to Profit after Tax are summarized in the tables below;

Reconciliation of Purchases & Direct Expenses;

(₹ in Lakhs)

| Particulars | September 30, 2016 | As at March 31, | | | | |
|---|--------------------|-----------------|-----------------|-----------------|-----------------|---------------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| Purchases & Direct Expenses as per Audited Financials | 2,550.36 | 4,476.02 | - | - | - | 643.19 |
| Add : Regrouping of "Cost of Material Consumed" as per Audited Financials, in consonance with FY 2015-16 | - | - | 2,608.40 | 1,733.07 | 723.65 | - |
| Add: Regrouping of "Change in Inventories of Raw Material" as per Audited Financials, in consonance with FY 2015-16 | - | - | 8.75 | 8.34 | 6.69 | - |
| Add: Regrouping of expenses in the nature of Direct Expenses at Processing Unit earlier regrouped under "Other Expenses" as per Audited Financials, in consonance with FY 2015-16 | - | - | 211.17 | 265.89 | 294.96 | 197.46 |
| Purchases & Direct Expenses as per Restated Financials | 2,550.36 | 4,476.02 | 2,828.33 | 2,007.30 | 1,025.29 | 840.64 |

Reconciliation of Changes in Inventories of Raw Material, Work-In-Progress and Finished goods;

(₹ in Lakhs)

| Particulars | September 30, 2016 | As at March 31, | | | | |
|---|--------------------|-----------------|-----------------|-----------------|-----------------|----------------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| Change in Inventories of Finished Goods and Work-In-progress as per Audited Financials | (102.14) | (262.40) | (165.92) | (419.64) | (110.98) | (61.78) |
| Add: Change in inventories of Raw-Material earlier grouped under "Cost of Material Consumed" | - | - | (8.75) | (8.34) | (6.69) | - |
| Changes in Inventories of Raw Material, Work-In-Progress and Finished goods as per Restated Financials | (102.14) | (262.40) | (174.67) | (427.98) | (117.66) | (61.78) |

Reconciliation of Employee Benefit Expenses
(₹ in Lakhs)

| Particulars | September 30, 2016 | As at March 31, | | | | |
|---|--------------------|-----------------|---------------|--------------|--------------|--------------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| Employee Benefit Expenses as per audited Financials | 87.00 | 98.61 | 145.33 | 45.91 | 85.71 | 62.38 |
| Add: Director Remuneration earlier grouped under the head "Other Expenses" | - | - | - | - | - | 15.00 |
| Add: Provision for Gratuity | - | - | 0.35 | 0.24 | 0.09 | 0.08 |
| Add: Staff Medical Expenses earlier grouped under the head "Other Expenses" | - | - | 2.66 | 2.31 | 2.58 | 1.00 |
| Add: PF & ESIC payments grouped under "Prior Period Items" | - | - | - | 1.03 | 0.50 | 0.03 |
| Employee Benefit Expenses as per Restated Financials | 87.00 | 98.61 | 148.34 | 49.50 | 88.89 | 78.48 |

Reconciliation of Finance Cost
(₹ in Lakhs)

| Particulars | September 30, 2016 | As at March 31, | | | | |
|--|--------------------|-----------------|---------------|--------------|--------------|--------------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| Finance Cost as per audited Financials | 91.68 | 170.59 | 127.06 | 47.93 | 10.10 | 19.77 |
| Add: Interest on late payment of VAT regrouped from "Other Expenses" | - | - | 0.36 | 0.31 | - | - |
| Add: Bank Charges regrouped from "Other Expenses" | - | - | 2.33 | 0.02 | - | - |
| Less: Interest on Term Loan transferred to Capital Work-In-Progress to Comply with "AS-16" | - | - | (11.55) | - | - | - |
| Finance Cost as per Restated Financials | 91.68 | 170.59 | 118.21 | 48.27 | 10.10 | 19.77 |

Reconciliation of Other Expenses
(₹ in Lakhs)

| Particulars | September 30, 2016 | As at March 31, | | | | |
|--|--------------------|-----------------|---------------|---------------|---------------|---------------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| Other Expenses as per Audited Financials | 106.14 | 234.24 | 587.52 | 541.18 | 600.99 | 414.08 |
| Less : Director Remuneration regrouped under "Employee Benefit Expenses" | - | - | - | - | - | (15.00) |
| Less: Staff Medical Expenses regrouped under "Employee Benefit Expenses" | - | - | (2.66) | (2.31) | (2.58) | (1.00) |
| Less: Bank Charges regrouped under "Finance Cost" | - | - | (2.33) | (0.02) | - | - |
| Less: Interest on late payment of VAT regrouped under "Finance Cost" | - | - | (0.36) | (0.31) | - | - |
| Less: The Following expenses regrouped under "Purchases & Direct Expenses" | | | | | | |
| -Farmer Facilitation Expenses | - | - | (124.27) | (173.73) | (182.85) | (140.05) |
| - Farmer Welfare Expenses | - | - | (7.19) | (16.10) | (14.49) | (12.40) |
| - Freezer Placing Expenses | - | - | (58.72) | (57.81) | (57.16) | (45.01) |
| - Loading Expenses | - | - | (20.99) | (18.25) | (40.46) | - |
| Add: Professional Tax regrouped from "Prior period items" | - | - | 0.20 | - | - | - |

| Particulars | September 30, 2016 | As at March 31, | | | | |
|---|--------------------|-----------------|---------------|---------------|---------------|---------------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| Add: Rent Paid for FY 2014-15 regrouped from "Prior Period items" | - | - | 0.95 | - | - | - |
| Add/Less: VAT paid for Previous years | - | - | (17.55) | 3.31 | 6.07 | 8.17 |
| Other Expenses as per Restated Financials | 106.14 | 234.24 | 345.60 | 275.96 | 309.52 | 208.79 |

Reconciliation of Prior Period Items

(₹ in Lakhs)

| Particulars | September 30, 2016 | As at March 31, | | | | |
|--|--------------------|-----------------|-------------|------|------|-------------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| Prior Period Items as per Audited Financials | - | (8.04) | 1.57 | - | - | - |
| Less: Employee Gratuity Expenses | - | (0.76) | - | - | - | - |
| Less: Professional Tax | - | (0.20) | - | - | - | - |
| Less: PF & ESI Payments for Prior Period. | - | - | (1.57) | - | - | - |
| Less: VAT Paid for Earlier Years | - | (1.60) | - | - | - | 1.60 |
| Less: Interest on Term Loan transferred to Capital Work-In-Progress to Comply with "AS-16" | - | 11.55 | - | - | - | - |
| Less: Other Expenses for Earlier Period. | - | (0.95) | - | - | - | - |
| Prior Period Items as per Restated Financials | - | - | - | - | - | 1.60 |

Reconciliation of Exceptional Items

(₹ in Lakhs)

| Particulars | September 30, 2016 | As at March 31, | | | | |
|---|--------------------|-----------------|------|------|------|----------------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| Exceptional items as per Audited Financials | - | (46.21) | - | - | - | - |
| Less: Difference in Depreciation on account of Change in Accounting Policy (FY 2012 to FY 2015) | - | 20.31 | - | - | - | - |
| Less: Impact in Accumulated Depreciation on account of Change in Accounting Policy (Prior to FY 2012) | - | 25.90 | - | - | - | (25.90) |
| Exceptional items as per Restated Financials | - | - | - | - | - | (25.90) |

Reconciliation of Depreciation

(₹ in Lakhs)

| Particulars | September 30, 2016 | As at March 31, | | | | |
|--|--------------------|-----------------|--------------|--------------|--------------|--------------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| Depreciation as per Audited Financials | 48.48 | 79.09 | 41.88 | 28.06 | 21.85 | 21.93 |
| Less: Impact of account of Change in Accounting Policy | - | - | 14.36 | (12.87) | (10.20) | (11.61) |
| Depreciation as per Restated Financials | 48.48 | 79.09 | 56.24 | 15.19 | 11.66 | 10.32 |

Reconciliation of Fixed Assets Net Block;
(₹ in Lakhs)

| Particulars | September 30, 2016 | As at March 31, | | | | |
|---|-----------------------|-----------------|---------------|---------------|---------------|---------------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| Net Block as per Financials | 685.04 | 559.52 | 471.18 | 181.88 | 111.14 | 118.53 |
| Impact of Previous Years | - | 46.21 | 60.58 | 47.71 | 37.51 | - |
| Add: Impact in Depreciation for Current Year. | - | (46.21) | (14.36) | 12.87 | 10.20 | 11.61 |
| Add: Impact in Accumulated Depreciation on account of Change in Accounting Policy (Prior to FY 2012) regrouped from Exceptional Item. | - | - | - | - | - | 25.90 |
| Net Block As per Restated Financials | 685.04 | 559.52 | 517.39 | 242.45 | 158.85 | 156.04 |

Contingent Liabilities

| Sl. No. | Name of the Statute | Nature of Dues | Disputed Amount | Period | Forum, where the dispute is pending | Amount deposited towards disputed demand amount | Remarks |
|---------|----------------------|------------------------|-----------------|---------|--|---|--|
| 1 | Income Tax Act, 1961 | Income Tax | 23,35,802 | 2012-13 | The Commissioner of Income Tax (Appeals) | 10,00,000 | ₹ 5 Lakhs paid on 17.06.2016 |
| 2 | Income Tax Act, 1961 | Interest on Income Tax | 11,69,502 | 2012-13 | | | ₹ 5 Lakhs paid on 02.08.2016 |
| 3 | Income Tax Act, 1961 | Penalty | | 2012-13 | ITO, Ward 2(4), Hyderabad | | Penalty proceedings initiated u/s 271 (1) (C) but the issue is stand before The commissioner of Income Tax (Appeals). Hence amount cannot be quantified. |
| 4 | Income Tax Act, 1961 | Income Tax | | 2013-14 | ITO, Ward 2(4), Hyderabad | | Notice received u/s 143 (2), dated 26.07.2016. Assessment not yet completed. Hence amount cannot be quantified. |
| 5 | Income Tax Act, 1961 | Income Tax | | 2014-15 | ITO, Ward 2(4), Hyderabad | | Notice received u/s 143 (2), dated 26.07.2016. Assessment not yet completed. Hence amount cannot be quantified. |

| Sl. No. | Name of the Statue | Nature of Dues | Disputed Amount | Period | Forum, where the dispute is pending | Amount deposited towards disputed demand amount | Remarks |
|---------|--------------------|----------------|-----------------|--------------------------|-------------------------------------|---|---|
| 6 | APVAT Act, 2005 | VAT | | 02.04.2014 to 30.06.2016 | CTO, Autonagar, Vijayawada | | Notice served under VAT 310, dated 15.07.2016. Assessment not yet completed. Hence amount cannot be quantified. |
| 7 | VAT Act, 2005 | VAT | | 2012-13 to 2015-16 | AC-Audit, Punjagutta | | Notice served under VAT 304, dated 17.08.2016. Assessment not yet completed. Hence amount cannot be quantified. |
| 8 | EPF & MP Act, 1952 | PF | | 01.01.2009 to 31.10.2013 | Asst PF Commissioner (PD Cell - I) | | Notice served u/s 14B, dated 28.07.2016. Assessment not yet completed. Hence amount cannot be quantified. |

Annexure VI
STATEMENT OF SHARE CAPITAL, AS RESTATED

(₹ in Lakhs)

| Particulars | September 30, 2016 | As at March 31, | | | | |
|--|--------------------|-----------------|---------------|---------------|---------------|---------------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| Authorised Share Capital : | | | | | | |
| 45,00,000 Equity Shares of ₹ 10 each | 450.00 | 375.00 | - | - | - | - |
| 30,00,000 Equity Shares of ₹ 10 each | - | - | 300.00 | 300.00 | - | - |
| 10,00,000 Equity Shares of ₹ 10 each | - | - | - | - | 100.00 | 100.00 |
| Total | 450.00 | 375.00 | 300.00 | 300.00 | 100.00 | 100.00 |
| Issued Subscribed and Paid Up Capital : | | | | | | |
| Equity Shares of ₹ 10/- each (Fully Paid Shares) | 344.48 | 344.48 | 275.00 | 75.00 | 75.00 | 75.00 |
| No of Equity Shares Fully Paid up | 34.45 | 34.45 | 27.50 | 7.50 | 7.50 | 7.50 |
| Total | 344.48 | 344.48 | 275.00 | 75.00 | 75.00 | 75.00 |

Reconciliation of number of shares outstanding:

| Particulars | September 30, 2016 | As at March 31, | | | | |
|--------------------------------|--------------------|-----------------|-----------|----------|----------|----------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| Equity Shares | | | | | | |
| At the beginning of the period | 34,45,000 | 27,50,000 | 7,50,000 | 7,50,000 | 7,50,000 | 10,000 |
| Addition during the period | - | 6,95,000 | 20,00,000 | - | - | 7,40,000 |

| Particulars | September 30, 2016 | As at March 31, | | | | |
|------------------------------------|--------------------|-----------------|-----------|----------|----------|----------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| Shares bought back during the Year | - | - | - | - | - | - |
| Outstanding at the end of the year | 34,45,000 | 34,45,000 | 27,50,000 | 7,50,000 | 7,50,000 | 7,50,000 |

Annexure VII
STATEMENT OF RESERVES AND SURPLUS

(₹ in Lakhs)

| Particulars | September 30, 2016 | As at March 31, | | | | |
|--|--------------------|-----------------|---------------|---------------|---------------|--------------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| Security Premium | | | | | | |
| Balance as at the beginning of the year | 48.63 | - | - | - | - | - |
| Additions during the year | - | 48.63 | - | - | - | - |
| Utilised during the year | - | - | - | - | - | - |
| Balance as at the end of the year | 48.63 | 48.63 | - | - | - | - |
| Surplus | | | | | | |
| Balance as at the beginning of the year | 309.18 | 209.65 | 122.43 | 101.46 | 61.41 | 22.10 |
| Add : Profit/(Loss) for the year transferred to reserves | 53.68 | 100.66 | 87.22 | 20.97 | 40.04 | 39.59 |
| Less: Adjustment as per Schedule II of Companies Act 2013. | - | 1.13 | - | - | - | - |
| Less: Tax relevant to Previous Years | - | - | - | - | - | 0.28 |
| Balance as at the end of the year | 362.86 | 309.18 | 209.65 | 122.43 | 101.46 | 61.41 |
| Total | 411.49 | 357.81 | 209.65 | 123.43 | 101.46 | 61.41 |

Annexure VIII
STATEMENT OF FIXED ASSETS, AS RESTATED

(₹ in Lakhs)

| Particulars | September 30, 2016 | As at March 31, | | | | |
|--|--------------------|-----------------|---------------|---------------|---------------|---------------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| Plant & Machinery | | | | | | |
| Opening Balance | 241.96 | 233.38 | 228.50 | 153.12 | 153.02 | 153.02 |
| Addition during the year | 3.77 | 8.58 | 4.48 | 75.38 | 0.10 | - |
| Reduction during the year | - | - | - | - | - | - |
| Accumulated Depreciation as per Financials | 75.98 | 112.59 | 96.32 | 84.53 | 63.17 | 48.65 |
| Difference on account of change in Accounting Policy | - | (44.90) | (44.90) | (48.83) | (37.76) | (30.51) |
| Revised Accumulated Depreciation | 75.98 | 67.69 | 51.42 | 35.70 | 25.41 | 18.14 |
| Closing Balance | 169.74 | 174.27 | 181.96 | 192.80 | 127.71 | 134.88 |
| Furniture and Fixtures | | | | | | |
| Opening Balance | 20.39 | 15.11 | 14.00 | 10.21 | 10.21 | 10.21 |
| Addition during the year | 5.89 | 5.28 | 1.11 | 3.79 | - | - |
| Reduction during the year | - | - | - | - | - | - |
| Accumulated Depreciation as per Financials | 7.85 | 9.15 | 7.13 | 6.34 | 5.12 | 4.00 |
| Difference on account of change in Accounting Policy | - | (2.55) | (2.55) | (3.38) | (2.91) | (2.43) |
| Revised Accumulated Depreciation | 7.85 | 6.60 | 4.58 | 2.96 | 2.21 | 1.57 |
| Closing Balance | 18.43 | 13.78 | 10.53 | 11.03 | 8.00 | 8.64 |

| Particulars | September 30, 2016 | As at March 31, | | | | |
|---|-----------------------|-----------------|---------------|---------------|---------------|---------------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| Computer Systems | | | | | | |
| Opening Balance | 14.54 | 11.14 | 9.84 | 9.15 | 8.70 | 8.70 |
| Addition during the year | 4.66 | 3.40 | 1.30 | 0.68 | 0.45 | - |
| Reduction during the year | - | - | - | - | - | - |
| Accumulated Depreciation as per Financials | 12.55 | 10.05 | 8.89 | 8.02 | 7.11 | 5.81 |
| Difference on account of change in Accounting Policy | - | 1.27 | 0.13 | (0.79) | (1.37) | (1.50) |
| Revised Accumulated Depreciation | 12.55 | 11.31 | 9.02 | 7.23 | 5.74 | 4.32 |
| Closing Balance | 6.65 | 3.23 | 2.12 | 2.61 | 3.41 | 4.39 |
| Office Equipments | | | | | | |
| Opening Balance | 6.01 | 4.99 | - | - | - | - |
| Addition during the year | 0.72 | 1.02 | 4.99 | - | - | - |
| Reduction during the year | - | - | - | - | - | - |
| Accumulated Depreciation as per Financials | 2.21 | 1.62 | 0.55 | - | - | - |
| Difference on account of change in Accounting Policy | - | (0.02) | (0.02) | - | - | - |
| Revised Accumulated Depreciation | 2.21 | 1.59 | 0.53 | - | - | - |
| Closing Balance | 4.52 | 4.42 | 4.46 | - | - | - |
| Vehicles | | | | | | |
| Opening Balance | 459.16 | 362.21 | 43.32 | 24.37 | 10.45 | 10.45 |
| Addition during the year | 158.96 | 107.39 | 318.90 | 18.95 | 13.92 | - |
| Reduction during the year | - | 10.45 | - | - | - | - |
| Accumulated Depreciation as per Financials | 132.41 | 94.20 | 42.76 | 14.89 | 10.31 | 5.39 |
| Difference on account of change in Accounting Policy | - | 1.13 | 1.13 | (7.59) | (5.67) | (3.07) |
| Revised Accumulated Depreciation | 132.41 | 95.34 | 43.89 | 7.30 | 4.64 | 2.32 |
| Closing Balance | 485.70 | 363.82 | 318.32 | 36.02 | 19.73 | 8.13 |
| As per Financials (i) | 685.04 | 559.52 | 471.18 | 181.88 | 111.14 | 118.53 |
| Difference on account of change in Accounting Policy (ii) | - | - | 46.21 | 60.58 | 47.71 | 37.51 |
| Total (i + ii) | 685.04 | 559.52 | 517.39 | 242.45 | 158.85 | 156.04 |
| CAPITAL WORK IN PROGRESS | | | | | | |
| Opening Balance | 44.48 | 17.40 | - | - | - | - |
| Addition during the year | 30.50 | 27.09 | 5.85 | - | - | - |
| Add: Amount reclassified from Finance Cost | - | - | 11.55 | - | - | - |
| Reduction during the year | - | - | - | - | - | - |
| Accumulated Depreciation | - | - | - | - | - | - |
| Closing Balance | 74.98 | 44.48 | 17.40 | - | - | - |
| Total [b] | 74.98 | 44.8 | 17.40 | - | - | - |
| Net Block [a+b] | 760.02 | 604.00 | 534.79 | 242.45 | 158.85 | 156.04 |

Annexure IX
STATEMENT OF LONG TERM BORROWINGS, AS RESTATED

(₹ in Lakhs)

| Particulars | September 30, 2016 | As at March 31, | | | | |
|------------------------------------|--------------------|-----------------|---------------|---------------|--------------|--------------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| Secured | | | | | | |
| a) Term Loans | | | | | | |
| From Banks | 43.23 | 53.48 | 75.50 | - | - | - |
| From NBFC's | - | - | - | - | - | 4.76 |
| b) Vehicle Loans | | | | | | |
| From Banks | 192.59 | 119.28 | 93.96 | 13.39 | - | - |
| From NBFC's | 19.87 | 37.61 | 49.76 | 5.99 | 8.76 | - |
| Total Secured LTB | 255.69 | 210.37 | 219.22 | 19.38 | 8.76 | 4.76 |
| Unsecured | | | | | | |
| a) Business Loans | | | | | | |
| From Banks | 10.70 | 14.93 | - | 2.27 | 4.85 | - |
| From NBFC's | 85.80 | 110.63 | 162.71 | 40.10 | 9.57 | 19.15 |
| b) From Others | - | - | - | 164.16 | - | - |
| Total Unsecured LTB | 96.50 | 125.56 | 162.71 | 206.54 | 14.42 | 19.15 |
| Total | 352.19 | 335.92 | 381.93 | 225.92 | 23.18 | 23.92 |
| Current Maturity to Long Term Debt | 279.41 | 248.57 | 117.83 | 45.30 | 28.61 | 15.44 |

Annexure X
STATEMENT OF DEFERRED TAX AND LONG TERM LIABILITY, AS RESTATED

(₹ in Lakhs)

| Particulars | September 30, 2016 | As at March 31, | | | | |
|-------------------------------------|--------------------|-----------------|--------------|--------------|--------------|--------------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| Deferred Tax Liability (Net) | | | | | | |
| Opening | 36.24 | 24.08 | 19.78 | 15.67 | 13.32 | 3.98 |
| Add: Current year provision | 3.94 | 12.16 | 4.30 | 4.12 | 2.35 | 9.33 |
| Total | 40.19 | 36.24 | 24.08 | 19.78 | 15.67 | 13.32 |
| Other Long Term Liabilities | 0.70 | 0.70 | 0.70 | 0.00 | 0.00 | 0.00 |
| Total | 40.89 | 36.94 | 24.78 | 19.78 | 15.67 | 13.32 |

Annexure XI
STATEMENT OF SHORT TERM BORROWINGS, AS RESTATED

(₹ in Lakhs)

| Particulars | September 30, 2016 | As at March 31, | | | | |
|--------------------------------|--------------------|-----------------|---------------|---------------|---------------|--------------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| Secured | | | | | | |
| From Banks | | | | | | |
| Cash Credit / Bank Over Draft | 749.94 | 734.22 | 654.61 | 269.94 | 100.00 | - |
| Others | | | | | | |
| From NBFC | | | | | | |
| Cash Credit / Bank Over Draft | - | - | - | - | 100.00 | 99.97 |
| Total (A) | 749.94 | 734.22 | 654.61 | 269.94 | 200.00 | 99.97 |
| Unsecured | | | | | | |
| From Director and Shareholders | - | - | - | - | - | - |
| From Others | 37.03 | 21.26 | - | - | 4.48 | 40.00 |

| Particulars | September 30, 2016 | As at March 31, | | | | |
|--------------------|--------------------|-----------------|---------------|---------------|---------------|---------------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| Total (B) | 37.03 | 21.26 | - | - | 4.48 | 40.00 |
| Total (A+B) | 786.97 | 755.49 | 654.61 | 269.94 | 204.48 | 139.97 |

Annexure XII
STATEMENT OF TRADE PAYABLES, AS RESTATED

(₹ in Lakhs)

| Particulars | September 30, 2016 | As at March 31, | | | | |
|--|--------------------|-----------------|--------------|--------------|--------------|--------------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| Trade Payables due to Micro, Small & Medium Enterprises | - | - | - | - | - | - |
| Trade Payables due to other than Micro, Small & Medium Enterprises | 119.32 | 83.61 | 60.47 | 12.42 | 25.16 | 13.76 |
| Total | 119.32 | 83.61 | 60.47 | 12.42 | 25.16 | 13.76 |

Note:

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the auditors.

Annexure XIII
STATEMENT OF OTHER CURRENT LIABILITIES, AS RESTATED

(₹ in Lakhs)

| Particulars | September 30, 2016 | As at March 31, | | | | |
|--|--------------------|-----------------|---------------|--------------|--------------|--------------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| Current Maturities of Long Term Borrowings | | | | | | |
| a) Term Loans | | | | | | |
| From Banks | 24.96 | 24.88 | 22.60 | 0.00 | 0.00 | 0.00 |
| From NBFC's | 0.00 | 0.00 | 0.00 | 0.00 | 4.56 | 8.91 |
| b) Business Loans | | | | | | |
| From Banks | 8.11 | 7.38 | 2.30 | 2.59 | 2.16 | 0.00 |
| From NBFC's | 122.93 | 117.66 | 33.44 | 35.92 | 19.42 | 6.53 |
| c) Vehicle Loans | | | | | | |
| From Banks | 90.56 | 58.81 | 34.26 | 4.02 | 0.00 | 0.00 |
| From NBFC's | 32.85 | 39.84 | 25.24 | 2.77 | 2.47 | 0.00 |
| Interest Accrued and Due on Borrowings | 7.38 | 0.00 | 0.68 | 0.00 | 0.00 | 0.00 |
| Interest Accrued But not Due on Borrowings | 4.87 | 4.86 | 0.00 | 1.13 | 0.02 | 0.00 |
| Sundry Creditors for Expenses | 46.85 | 17.72 | 15.43 | 17.67 | 14.90 | 4.28 |
| Sundry Creditors for Capital Goods | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Advances received from Customers | 0.03 | - | - | - | - | - |
| Statutory Dues Payable | 29.84 | 23.60 | 23.74 | 33.54 | 25.15 | 9.80 |
| Total | 368.38 | 294.74 | 157.68 | 97.65 | 68.67 | 29.52 |

Annexure XIV
STATEMENT OF LONG TERM PROVISIONS, AS RESTATED

(₹ in Lakhs)

| Particulars | September 30, 2016 | As at March 31, | | | | |
|------------------------|--------------------|-----------------|-------------|-------------|-------------|-------------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| Provision for Gratuity | 1.42 | 1.42 | 0.76 | 0.41 | 0.16 | 0.08 |
| Provision for Taxation | 0.28 | - | - | - | - | - |
| Provisions - Others | - | - | - | - | - | - |
| Total | 1.70 | 1.42 | 0.76 | 0.41 | 0.16 | 0.08 |

Annexure XV
STATEMENT OF SHORT TERM PROVISIONS, AS RESTATED

(₹ in Lakhs)

| Particulars | September 30, 2016 | As at March 31, | | | | |
|---|--------------------|-----------------|--------------|-------------|--------------|--------------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| Provision for Taxation | | | | | | |
| - Current Year | 13.26 | 34.34 | 24.38 | 9.91 | 21.88 | 10.33 |
| - Previous Year | 34.06 | - | - | - | - | - |
| Provision for proposed dividend | - | - | - | - | - | - |
| Provision for tax on proposed dividends | - | - | - | - | - | - |
| Total | 47.32 | 34.34 | 24.38 | 9.91 | 21.88 | 10.33 |

Annexure XVI
STATEMENT OF LONG TERM INVESTMENTS, AS RESTATED

(₹ in Lakhs)

| Particulars | September 30, 2016 | As at March 31, | | | | |
|--|--------------------|-----------------|----------|----------|----------|----------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| Investment in Equity Instruments | | | | | | |
| Quoted | | | | | | |
| Unquoted | | | | | | |
| In Equity Shares at cost | | | | | | |
| 4,40,026/- shares of Polarcube Cold Storage Solutions (P) Ltd. | 74.80 | 74.80 | - | - | - | - |
| 2,54,749/- shares of Sqaurepeg Distribution Services (P) Ltd. | 43.31 | 43.31 | - | - | - | - |
| Total | 118.11 | 118.11 | - | - | - | - |

Note:

- a) Sri Nagaveer Adusumilli holds 5 Equity Shares in Polar Cube Cold Storage Solutions (P) Ltd., Wholly Owned Subsidiary, in compliance of Sec.3 of Companies Act, 2013 and the beneficial ownership lies with the company.
- b) Sri Nagaveer Adusumilli holds 5 Equity Shares in Squarepeg Distribution Services (P) Ltd., Wholly Owned Subsidiary, in compliance of Sec.3 of Companies Act, 2013 and the beneficial ownership lies with the company."

Annexure XVII
STATEMENT OF LONG TERM LOANS AND ADVANCES, AS RESTATED

(₹ in Lakhs)

| Particulars | September 30, 2016 | As at March 31, | | | | |
|---|--------------------|-----------------|---------------|--------------|--------------|-------------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| Unsecured & Considered Good | | | | | | |
| Capital Advances | 121.94 | 128.49 | 101.80 | - | - | - |
| Rental Deposits | 7.99 | 7.14 | 11.53 | 10.40 | 13.30 | 7.90 |
| Loans and advances to other parties | - | - | 15.00 | - | - | - |
| Loans and advances to related parties | - | - | - | - | - | - |
| Advance Tax & Tax Deducted at Source (Direct Tax) | - | - | - | - | - | - |
| MAT Credit Entitlement | 35.38 | 34.06 | - | - | - | - |
| Total | 165.31 | 169.69 | 128.33 | 10.40 | 13.30 | 7.90 |

Long term loans and advances given to Directors/Promoters/Group companies of issuer

(₹ in Lakhs)

| Particulars | September 30, 2016 | As at March 31, | | | | |
|---------------------------------------|--------------------|-----------------|--------------|------|------|------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| Loans and advances to related parties | 0.30 | 0.30 | 15.00 | - | - | - |
| Total | 0.30 | 0.30 | 15.00 | - | - | - |

Annexure XVIII

STATEMENT OF INVENTORIES, AS RESTATED

(₹ in Lakhs)

| Particulars | September 30, 2016 | As at March 31, | | | | |
|------------------------|--------------------|-----------------|---------------|---------------|---------------|--------------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| Raw Material | 47.80 | 11.54 | 36.47 | 27.72 | 19.38 | 12.69 |
| Work-in-Progress | 2.37 | 1.84 | 98.56 | 76.55 | 86.11 | 37.09 |
| Finished Goods: | | | | | | |
| Manufacturing Goods | 50.01 | 30.80 | 13.23 | 5.72 | 11.55 | 2.23 |
| Trading Goods | 1,082.30 | 1,036.15 | 669.67 | 533.27 | 98.25 | 45.60 |
| Stores & Spares | - | - | - | - | - | - |
| Packing Materials | - | - | - | - | - | - |
| Total | 1,182.47 | 1,080.33 | 817.93 | 643.26 | 215.28 | 97.62 |

Annexure XIX

STATEMENT OF TRADE RECEIVABLES, AS RESTATED

(₹ in Lakhs)

| Particulars | September 30, 2016 | As at March 31, | | | | |
|---|--------------------|-----------------|---------------|---------------|---------------|---------------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| Trade Receivables | - | - | - | - | - | - |
| Outstanding for less than 6 Months | | | | | | |
| Considered good | | | | | | |
| Promoter/Promoter Group | - | - | - | - | - | - |
| Others | 100.18 | 89.03 | 45.00 | 25.69 | 28.64 | 115.77 |
| Outstanding for more than 6 Months | | | | | | |
| Considered good | | | | | | |
| Promoter/Promoter Group | - | - | - | - | - | - |
| Others | 14.61 | 44.27 | 228.47 | 130.43 | 111.02 | - |
| Total | 114.79 | 133.29 | 273.47 | 156.13 | 139.66 | 115.77 |

Trade Receivables related to Directors/Promoters/Group Companies of issuer:

(₹ in Lakhs)

| Particulars | September 30, 2016 | As at March 31, | | | | |
|-------------------|--------------------|-----------------|--------------|------|------|------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| Trade Receivables | 21.60 | 53.23 | 59.94 | - | - | - |
| Total | 21.60 | 53.23 | 59.94 | - | - | - |

Annexure XX
STATEMENT OF CASH AND CASH EQUIVALENT, AS RESTATED

(₹ in Lakhs)

| Particulars | September 30, 2016 | As at March 31, | | | | |
|---|-----------------------|-----------------|--------------|--------------|-------------|-------------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| Cash on Hand | 9.78 | 12.44 | 5.65 | 5.32 | 4.34 | 6.27 |
| Balances with banks-In Deposit accounts | - | - | - | - | - | - |
| Balances with banks-In current accounts | 6.16 | 3.68 | 10.77 | 5.23 | 1.63 | 0.08 |
| Total | 15.94 | 16.12 | 16.43 | 10.54 | 5.97 | 6.35 |

Annexure XXI
STATEMENT OF SHORT TERM LOANS AND ADVANCE, AS RESTATED

(₹ in Lakhs)

| Particulars | September 30, 2016 | As at March 31, | | | | |
|---|-----------------------|-----------------|--------------|--------------|--------------|-------------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| Unsecured (Considered Good) | | | | | | |
| Security Deposits | - | - | - | - | 3.37 | - |
| Advances recoverable in cash or kind | | | | | | |
| Advance to suppliers | 11.66 | 22.98 | - | - | - | - |
| Advance to Staff / Workers | 27.83 | 37.86 | 2.97 | 0.65 | 5.00 | - |
| Balance with government authorities | - | - | - | - | - | - |
| Advance Tax and TDS | 24.06 | 11.69 | 0.02 | - | - | - |
| VAT / EPF | 0.40 | 0.40 | 11.22 | 11.22 | 11.22 | - |
| IT Refund Due | - | - | - | - | - | - |
| MAT Credit entitlement - Unsecured, considered good | - | - | - | - | - | - |
| Prepaid Expenses | 10.31 | 9.44 | 3.55 | 0.80 | - | - |
| Loans and advances to related parties | - | - | - | - | - | - |
| Other Loans & Advances | 17.31 | 32.45 | 0.54 | - | - | 0.48 |
| Total | 91.57 | 114.83 | 18.30 | 12.68 | 19.59 | 0.48 |

Short term loans and advances given to Directors/Promoters/Group companies of issuer

(₹ in Lakhs)

| Particulars | September 30, 2016 | As at March 31, | | | | |
|---|-----------------------|-----------------|----------|----------|----------|----------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| Private companies in which any director is a director or member | - | - | - | - | - | - |
| Total | - | - | - | - | - | - |

Annexure XXII
STATEMENT OF OTHER CURRENT ASSETS AS STATED, AS RESTATED

(₹ in Lakhs)

| Particulars | September 30, 2016 | As at March 31, | | | | |
|----------------------|-----------------------|-----------------|-------------|----------|-------------|-------------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| Advance to Creditors | - | - | - | - | - | - |
| Payment of Taxes | - | - | - | - | - | - |
| Prepaid expenses | - | - | - | - | - | - |
| Others | 24.52 | 8.36 | 0.00 | - | 0.00 | 0.15 |
| Total | 24.52 | 8.36 | 0.00 | - | 0.00 | 0.15 |

Annexure XXIII
STATEMENT OF REVENUE FROM OPERATIONS, AS RESTATED

(₹ in Lakhs)

| Particulars | September 30, 2016 | As at March 31, | | | | |
|-----------------------------------|--------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| Revenue from Operations | | | - | - | - | |
| Sales - Trading | 2,743.30 | 4,709.99 | 3,354.35 | 1,938.21 | 978.45 | 1,032.73 |
| Sales - Processing Activity | 52.15 | 106.63 | 82.80 | 64.75 | 167.68 | 38.40 |
| Total Sales | 2,795.45 | 4,816.62 | 3,437.14 | 2,002.95 | 1,146.12 | 1,071.13 |
| Less: Taxes | - | - | - | - | - | - |
| Total Sales (Net of Taxes) | 2,795.45 | 4,816.62 | 3,437.14 | 2,002.95 | 1,146.12 | 1,071.13 |

Annexure XXIV
STATEMENT OF OTHER INCOME, AS RESTATED

(₹ in Lakhs)

| Particulars | September 30, 2016 | As at March 31, | | | | |
|----------------------------------|--------------------|-----------------|-------------|----------|---------------|--------------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| Recurring in nature: | | | | | | |
| Rental Income | 46.50 | 83.53 | - | - | - | - |
| Discount received | - | 4.91 | - | - | - | - |
| Other Income | 9.14 | 3.92 | 0.51 | - | - | - |
| Non-Recurring in nature: | | | | | | |
| Franchise Income | - | - | - | - | 63.45 | 5.00 |
| Income from technical knowhow | - | - | - | - | 34.48 | - |
| Branding fees from Counters | - | - | - | - | 23.57 | 2.34 |
| Income from Counters | - | - | - | - | 30.80 | 27.43 |
| Income from sale of seeds | - | - | - | - | 63.37 | 17.45 |
| Royalty income from distributors | - | - | - | - | 30.00 | 7.55 |
| Total | 55.64 | 92.36 | 0.51 | - | 245.68 | 59.77 |

Note: Other Incomes shown above have arisen from business related activities in respective years.

Annexure – XXV

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:-

| September 30, 2016 | As at March 31, | | | | |
|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| | 2016 | 2015 | 2014 | 2013 | 2012 |
| Sri Nagaveer Adusumilli | Sri Nagaveer Adusumilli | Sri Nagaveer Adusumilli | Sri Nagaveer Adusumilli | Sri Nagaveer Adusumilli | Sri Nagaveer Adusumilli |
| Vasavi Adusumilli | Vasavi Adusumilli | Vasavi Adusumilli | Vasavi Adusumilli | Vasavi Adusumilli | Vasavi Adusumilli |
| Sarat Chandra Babu Adusumilli | Sarat Chandra Babu Adusumilli | Sarat Chandra Babu Adusumilli | Sarat Chandra Babu Adusumilli | Sarat Chandra Babu Adusumilli | Sarat Chandra Babu Adusumilli |
| Sarada Adusumilli | Sarada Adusumilli | Sarada Adusumilli | Sarada Adusumilli | Sarada Adusumilli | Sarada Adusumilli |
| Paturi Sarada | Paturi Sarada | | | | |
| Mikkilineni Sravanthi | Mikkilineni Sravanthi | | | | |

| September 30, 2016 | As at March 31, | | | | |
|-----------------------|-----------------|------|------|------|------|
| | 2016 | 2015 | 2014 | 2013 | 2012 |
| Banda Mahalakshmi | | | | | |
| Shilpa Kotagiri | | | | | |

ii) Associates / Subsidiaries / Enterprises over which directors and / or their relatives has significant influence

| September 30, 2016 | As at March 31, | | | | |
|---|---|---|---|---|------------------|
| | 2016 | 2015 | 2014 | 2013 | 2012 |
| Sri Sai Agencies | Sri Sai Agencies | Sri Sai Agencies | Sri Sai Agencies | Sri Sai Agencies | Sri Sai Agencies |
| Polar Cube Cold Storage Solutions Private Limited | Polar Cube Cold Storage Solutions Private Limited | Polar Cube Cold Storage Solutions Private Limited | Polar Cube Cold Storage Solutions Private Limited | Polar Cube Cold Storage Solutions Private Limited | - |
| Squarepeg Distribution Services Private Limited | Pearl Translines Private Limited* | Pearl Translines Private Limited* | - | - | - |
| | Squarepeg Distribution Services Private Limited | Squarepeg Distribution Services Private Limited | - | - | - |

* M/s Pearl Translines Pvt. Ltd. is not a related party (EDS) from January 2nd, 2016.

(iii) Particulars of Transactions with Related Parties:-

(a) Key Management Personnel

(₹ in Lakhs)

| Particulars | September 30, 2016 | As at March 31, | | | | |
|-------------------------------------|--------------------|-----------------|-------|-------|-------|-------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| 1) Finance | | | | | | |
| Loan Taken | - | - | - | - | - | - |
| Repayment of Loan Taken | - | - | - | - | - | - |
| 2) Expenses | | | | | | |
| Remuneration / Salary | 32.90 | 28.65 | 28.20 | 21.36 | 12.00 | 12.00 |
| Rent (Expenses) | 1.44 | 1.80 | 1.44 | 0.36 | - | - |
| Royalty (Expenses) | 1.20 | 2.40 | - | 0.36 | - | - |
| 3) Out standing | | | | | | |
| Rent Deposit | 0.30 | 0.30 | 0.30 | - | - | - |
| Acquisition of shares in Subsidiary | - | 43.31 | - | - | - | - |
| Payables | 5.65 | 2.92 | 1.97 | - | - | - |

(b) Relatives of KMPs & Associates / Enterprises over which directors and / or their relatives has significant influence

(₹ in Lakhs)

| Particulars | September 30, 2016 | As at March 31, | | | | |
|---------------------------------|--------------------|-----------------|-------|-------|-------|-------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| 1) Purchases & Sales | | | | | | |
| Goods & Material with Service | | | | | | |
| Sales | 8.52 | 18.11 | 22.39 | 26.65 | 28.03 | 32.03 |
| 2) Finance | | | | | | |
| Loan taken | - | - | - | - | - | - |
| Repayment of Loan taken | - | - | - | - | - | - |

| Particulars | September 30, 2016 | As at March 31, | | | | |
|--------------------------|--------------------|-----------------|-------|-------|------|------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| 3) Income | | | | | | |
| Rent (Income) | 45.45 | 85.50 | - | - | - | - |
| 4) Expenses | | | | | | |
| Freezer Placing Expenses | 1.73 | 3.42 | - | - | - | - |
| Interest Paid | - | - | - | - | - | - |
| Transport Charges | 4.86 | 23.39 | - | - | - | - |
| 5) Out standing | | | | | | |
| Receivables | 21.60 | 53.23 | 59.94 | 27.40 | 5.87 | - |
| Payables | - | - | 0.65 | 0.65 | - | - |
| Investments | 118.11 | 118.11 | - | - | - | - |
| Current Assets | 13.76 | 7.85 | - | - | - | - |

Annexure XXVI
STATEMENT OF CAPITALIZATION, AS RESTATED

(₹ in Lakhs)

| Particulars | Pre Issue (as at September 30, 2016) | Post Issue |
|--|---|-----------------|
| Debt | | |
| Long Term Debt | 394.77 | 394.77 |
| Short Term Debt | 1,321.99 | 1,321.99 |
| Total Debts (A) | 1,716.76 | 1,716.76 |
| Equity (Shareholder's funds) | | |
| Equity share capital | 344.48 | 411.68 |
| Reserve and Surplus * | 411.49 | 747.49 |
| Total Equity (B) | 755.97 | 1,159.17 |
| Long Term Debt / Equity Shareholder's funds | 0.52 | 0.23 |
| Total Debts / Equity Shareholder's funds | 2.27 | 1.48 |

* The above has been computed on the basis of Restated Financials of the company.

Annexure XXVII
STATEMENT OF CONTINGENT LIABILITIES, AS RESTATED

(₹ in Lakhs)

| Particulars | September 30, 2016 | As at March 31, | | | | |
|--|--------------------|-----------------|------|------|------|------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| Letters of Credits, Bank Guarantees & Bills discounted | - | - | - | - | - | - |
| Estimated Amount of contracts to be executed on capital accounts (net of advances) | - | - | - | - | - | - |
| Capital Commitments towards expansion of Processing Activity | - | - | - | - | - | - |
| Statutory claims against Company | 35.05 | 35.05 | - | - | - | - |
| Sales Tax Claim against SCN | - | - | - | - | - | - |
| Total | 35.05 | 35.05 | - | - | - | - |

Changes in Accounting Policies in the Last Three Years:

There has been no change in the Accounting Policies in the last three (3) years, except:

1. Since inception, the company has charged Depreciation as per WDV method, at the rates prescribed under Schedule XIV of the Companies Act, 1956. Depreciation has been reworked in consonance with method prescribed under Schedule II of The Companies Act, 2013 under SLM method. The impact on Depreciation, Depreciation Reserve and Deferred Tax Liability has made in the Restated Financials.

2. Company has adopted the Accounting Standard 15 (Revised) Employee Benefits for accounting the gratuity expenses based on the actuarial valuation as on the date of balance sheet w. e. f. the period ended March 31, 2016, as against the earlier practice of accounting for the gratuity on payment basis. The impact on Employee Benefit Expenses, Short Term Provisions and Long Term Provisions has made in the Restated Financials.

Change in Accounting Period:

There has been no change in the accounting period of the Company.

Annexure XXVIII

STATEMENT OF DIVIDEND DECLARATION, AS RESTATED

(₹ in Lakhs)

| Particulars | September 30, 2016 | As at March 31, | | | | |
|---------------------------------|--------------------|-----------------|-------|-------|-------|-------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| On Equity Shares | | | - | - | - | - |
| Number of Fully Paid up Shares | 34.45 | 34.45 | 27.50 | 7.50 | 7.50 | 7.50 |
| Face Value (₹) | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 |
| Paid up Value per Share (₹) | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 |
| Rate of Dividend (%) | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Dividend Amount | - | - | - | - | - | - |
| Corporate dividend tax on above | - | - | - | - | - | - |
| Dividend Amount per Share (₹) | - | - | - | - | - | - |

Annexure XXIX

STATEMENT OF ACCOUNTING RATIOS, AS RESTATED

(₹ in Lakhs)

| Particulars | | September 30, 2016 | As at March 31, | | | | |
|---|------------|--------------------|-----------------|--------|--------|--------|--------|
| | | | 2016 | 2015 | 2014 | 2013 | 2012 |
| Restated Net Profit After Tax as per P & L Account | A | 53.68 | 100.66 | 87.22 | 20.97 | 40.04 | 39.59 |
| Restated Net Profit After Tax as per P & L Account excluding exceptional items | B | 53.68 | 100.66 | 87.22 | 20.97 | 40.04 | 13.69 |
| Net Worth | C | 755.97 | 702.29 | 484.65 | 197.43 | 176.46 | 136.41 |
| No. of Equity shares outstanding at the end of the year | D | 34.45 | 34.45 | 27.50 | 7.50 | 7.50 | 7.50 |
| Weighted average No. of Equity shares outstanding during the year (Refer Note No.2 and 3 below) | E | 34.45 | 30.37 | 27.50 | 7.50 | 7.50 | 0.20 |
| Basic Earnings Per Share (₹) | A/E | 1.56* | 3.31 | 3.17 | 2.80 | 5.34 | 196.89 |
| "Basic Earnings Per Share excluding exceptional items (₹)" | B/E | 1.56* | 3.31 | 3.17 | 2.80 | 5.34 | 68.08 |
| Return on Net worth (%) | A/C | 7.10%* | 14.33% | 18.00% | 10.62% | 22.69% | 29.02% |
| Return on Net worth excluding exceptional items(%) | B/C | 7.10%* | 14.33% | 18.00% | 10.62% | 22.69% | 10.04% |
| Net Asset Value per Equity Share | C/D | 21.95 | 20.39 | 17.62 | 26.32 | 23.53 | 18.19 |

*Not Annualised

Notes to Accounting Ratios:

1) The Ratios have been computed as follows:

| | |
|--|---|
| a) Basic Earnings Per Share (₹)(Without Bonus Effect) | $\frac{\text{Net Profit After Tax as restated}}{\text{Weighted Average Number of Equity Shares outstanding during the year}}$ |
| b) Basic Earnings Per Share (₹)(With Bonus Effect) | $\frac{\text{Net Profit After Tax as restated}}{\text{Weighted Average Number of Equity Shares outstanding during the year}}$ |
| c) Return on Net worth (%) | $\frac{\text{Net Profit After Tax as restated}}{\text{Net Worth}} \times 100$ |
| d) Net Asset Value Per Equity Share (₹) | $\frac{\text{Net Worth}}{\text{No. of Equity shares outstanding at the end of the year}}$ |

2) Weighted average number of Equity Shares is the number of Equity Shares outstanding at the beginning of the year adjusted by the number of Equity Shares issued during year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.

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 year. The above statements should be read with the Notes to Restated Financial Statements.

Annexure XXX

STATEMENT OF TAX SHELTER

(₹ in Lakhs)

| Particulars | September 30, 2016 | As at March 31, | | | | |
|--|--------------------|-----------------|----------------|----------------|----------------|--------------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| Normal Corporate tax rates (%) | 30.90% | 33.06% | 32.45% | 32.45% | 32.45% | 32.45% |
| Minimum alternative tax rates | 19.06% | 20.39% | 20.01% | 20.01% | 20.01% | 19.47% |
| Profit before tax as per Restated P/L (A) | 69.57 | 112.82 | 115.61 | 34.72 | 64.00 | 58.98 |
| Applicable Corporate tax Rate | 30.90% | 30.90% | 30.90% | 30.90% | 30.90% | 30.90% |
| Notional tax as per tax rate on profits | 21.50 | 34.86 | 35.72 | 10.73 | 19.77 | 18.22 |
| Tax Adjustment | | | | | | |
| Permanent Difference | | | | | | |
| Income Exempt from Income Tax u/s 80 (IB) | (16.57) | (71.68) | (81.64) | (25.74) | (62.96) | 0.00 |
| Income Exempt from Income Tax u/s 10 | | | | | | |
| Disallowance under section 43B / 14A | 0.70 | | | | | |
| Profit / Loss on Sale of Fixed Assets | 0.00 | 1.82 | - | - | - | - |
| Income considered under Other Heads of Income | | | | | | |
| Total Permanent Difference (B) | (15.87) | (69.86) | (81.64) | (25.74) | (62.96) | 0.00 |

| Particulars | September 30, 2016 | As at March 31, | | | | |
|---|-----------------------|-----------------|-----------------|----------------|----------------|---------------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| Timing Difference | | | | | | |
| Depreciation as Per Books | 48.48 | 79.09 | 56.24 | 15.19 | 11.66 | 10.32 |
| Depreciation as per Income Tax Act | 63.52 | 121.45 | 71.64 | 28.75 | 19.36 | 20.74 |
| Difference in Depreciation as per Books and Income Tax Act | (15.05) | (42.35) | (15.40) | (13.56) | (7.70) | (10.42) |
| Closing MODVAT u/s 145A | | | | | | |
| Provision for Gratuity and other provisions | 0.00 | (0.61) | (18.57) | 4.59 | 6.66 | 9.87 |
| Disallowance u/s 43B / 40A(7) | | | | | | |
| Total Timing Difference (C) | (15.05) | (42.96) | (33.97) | (8.97) | (1.03) | (0.55) |
| Business Losses not set off in past years (D) | | | | | | |
| Total Adjustment (E) = (B+C+D) | (30.91) | (112.82) | (115.61) | (34.72) | (64.00) | (0.55) |
| Tax Expenses / (Saving) thereon (F) = (E)* Tax rate | (9.55) | (34.86) | (35.72) | (10.73) | (19.77) | (0.17) |
| Income From Other Sources (G) | | | | | | |
| Taxable Income / (Loss) H = (A+E+G) | 38.66 | 0.00 | 0.00 | 0.00 | 0.00 | 58.43 |
| Tax Rate as per normal provisions | 30.90% | 30.90% | 30.90% | 30.90% | 30.90% | 30.90% |
| Tax payable as per normal provisions (other than 115JB) of the Act (G) | 11.95 | 0.00 | 0.00 | 0.00 | 0.00 | 18.05 |
| Taxable income as per MAT | 69.57 | 112.82 | 115.61 | 34.72 | 64.00 | 58.98 |
| MAT tax rate (H) | 19.06% | 20.39% | 20.01% | 20.01% | 20.01% | 19.47% |
| Tax under MAT (I) | 13.26 | 23.00 | 23.13 | 6.95 | 12.80 | 11.48 |
| Tax payable for the year maximum of (G) or (I) | 13.26 | 23.00 | 23.13 | 6.95 | 12.80 | 18.05 |
| Interest as per Income Tax Return | - | - | 2.20 | 0.91 | 2.34 | 1.51 |
| Total Tax as per Return | - | - | 19.89 | 5.04 | 19.46 | 10.05 |

1. The aforesaid statement of Tax Shelter has been prepared as per the "Restated Profit & Loss Statement".
2. The eligible deductions and ineligible additions have been considered in Computation of Taxable Income as per "Restated Financials".

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion and analysis of financial condition and results of operations together with our financial statements included in this Prospectus. The following discussion relates to our Company and is based on our restated financial statements. Our financial statements have been prepared in accordance with Indian GAAP, the accounting standards and other applicable provisions of the Companies Act.

Note: Statement in the Management Discussion and Analysis Report describing our objectives, outlook, estimates, expectations or prediction may be "Forward looking statement" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to our operations include, among others, economic conditions affecting demand/supply and price conditions in domestic and overseas market in which we operate, changes in Government Regulations, Tax Laws and other Statutes and incidental factors.

Significant Accounting Policies

Basis of Accounting

The accompanying financial statements are prepared and presented in accordance with Indian Generally Accepted Accounting Principles (GAAP) under historical cost convention on the accrual basis. GAAP comprises mandatory Accounting Standards issued by the Institute of Chartered Accountants of India, The Provisions of the Companies Act, 2013. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to existing accounting standard requires the change in the accounting policy hitherto in use. Management evaluates all relevant issues or revised accounting standards on an ongoing basis.

Accounting Policies not specifically referred to otherwise are consistent and in consonance with the Generally Accepted Accounting Principles that are followed by the company.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the result of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

Contingencies and events occurring after the balance sheet date (AS 4);

All contingencies and events occurring after the balance sheet date which have a material effect on the financial position of the company are considered for preparing the financial statements.

Fixed Assets, Depreciation and Intangible Assets (AS 10, 6 & 26);

Fixed Assets are stated at cost, less accumulated depreciation. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Financing costs relating to acquisition of fixed assets are also included to the extent they related to the period till such assets are ready to be put to use. The same is in compliance with AS-10 to the extent applicable.

Depreciation on fixed assets is being provided on straight line method at the rates in the manner specified in Schedule II of the companies Act, 2013. Depreciation on assets sold during the year is being provided at their respective rates up to the date on which such assets are sold. Depreciation / Amortisation of Intangibles is in compliance with AS 26 to the extent applicable. The expenditure incurred on Leasehold premises is depreciated over the Lease period.

Capital Work-In-Progress (AS 10)

Capital Work-In-Progress is carried at cost, comprising direct cost and related Incidental expenses.

Government Grants (AS 12)

- a) The grants or subsidies received in the nature of promoters contributions are treated as capital receipts and credited to capital reserves.
- b) The grants or subsidies received relating to specific fixed assets are shown as deduction from the cost of the respective assets concerned in arriving at its book value.
- c) The grant in the form of revenue subsidy is treated as revenue receipt and credited to "Other Income" instatement of Profit and Loss.

Borrowing Cost (AS 16);

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of such asset till such time as the asset is ready for its intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred. The same is in compliance with AS-16 to the extent applicable.

Investments (AS 13);

- a) Investments are capitalised at actual cost including costs incidental to acquisition.
- b) Investments are classified as long-term or current at the time of making such investments.
- c) Long-term investments are individually valued at cost, less provision for diminution that is other than temporary. Investments held in Subsidiary Companies are stated at cost.
- d) Current investments are valued at the lower of cost and market value.

Inventories (AS 2);

- a) Inventories are valued at lower of cost or Net Realisable Value.
- b) Cost of inventories have been computed to include all cost of purchases, cost of conversion and other costs incurred in bringing the inventories to their present location and condition
- c) The basis of determining cost for various categories of inventories is as follows:
 - i Raw Material: At Cost or Realisable Value, whichever is lower.
 - ii Work In Progress: At Cost or Realisable Value, whichever is lower.
 - iii Traded / Finished Goods: At Cost or Realisable Value, whichever is lower.

Transactions in Foreign Currency (AS 11);

Foreign currency transactions are recorded at the exchange rates prevailing at the date of the transaction. Monetary foreign currency assets and liabilities are translated into Indian rupees at the exchange rate prevailing at the balance sheet date. All exchange differences are dealt with in Profit and Loss Account. In the case of assets and liabilities covered by Forward contracts, the difference between the exchange rate at the inception of forward exchange contract and the forward rate specified in the contract is amortised and recognized in the statement of profit and loss over the period of the contract. Premium or discount on foreign exchange forward contract are amortised and recognized in the statement of profit and loss over the period of the contract. The same is in compliance with AS-11 to the extent applicable.

Revenue Recognition (AS 9);

i) Sale of Goods:

Revenue from sale of goods is recognized when risk and rewards of ownership of the products are passed on to the customers, which is generally on dispatch of goods and is stated net of sales tax, trade discounts and claims etc.

ii) Other revenue:

Other revenue is recognized only when it is reasonably certain that the ultimate collection will be made. The same is in compliance with AS-9 to the extent applicable.

Retirement and other employee benefits (AS 15);

Defined Contribution Plan: The Company makes defined contribution to Provident Fund, which are recognized in the Profit and Loss Account on accrual basis.

Defined Benefit Plan: The Company's liability under Payment of Gratuity Act is determined on the basis of actuarial valuation provisional made at the end of financial year. Provision for leave entitlement accounted on accrual basis at the end of the financial year.

The same is in compliance with AS-15 to the extent applicable.

Provision for Current tax, and Deferred tax (AS 22);

Provision for current tax is made on the basis of estimated taxable income for the current accounting period in accordance with the provisions of Income Tax Act, 1961. Deferred tax resulting from "timing differences" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a virtual certainty that the asset will be realized in future. The same is in compliance with AS-22 to the extent applicable.

Provision for income tax is made on the basis of estimated taxable income. Advance Tax and Tax Deducted at Source (TDS) are shown in the balance sheet under head Loans and advances during the year and in subsequent years the Advance Tax & TDS are adjusted against Provision for Tax on receipt of intimation u/s143(1) of Income Tax Act, 1961 or the Assessment completed for the relevant year.

Cash Flow Statement (AS 3);

The Cash Flow Statement is prepared by indirect method set in Accounting Standard 3 on cash flow statement and presents the cash flows by Operating, Investing and Finance activities of the company. Cash and cash equivalents presented in cash flow consists of cash in hand, cheques in hand, bank balances. The same is in compliance with AS-3 to the extent applicable.

Provisions, Contingent Liabilities and Contingent Assets (AS 29);

Provisions involving substantial degree of estimation in measurement are recognized when there is present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements. The same is in compliance with AS-29 to the extent applicable.

Impairment of Assets (AS 28);

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is charged to Profit & Loss Account in the year in which the asset is impaired and the impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount. The same is in compliance with AS-28 to the extent applicable.

Leases (AS 19);

Operating lease payments and finance lease payments are recognized as expenses in the profit and loss account as per the terms of the agreements which is representative of the time pattern of the users' benefit. The same is in compliance with AS-19 to the extent applicable.

Extra-ordinary and Exceptional items & Changes in Policies (AS 5);

All the extra ordinary and prior period items of Income and expenses are separately disclosed in the statement of Profit and Loss account in the manner such that its impact on the current profit or loss can be perceived. If there has been any change in the Company's accounting policies or accounting estimate so as to have material impact on the current year profit/loss or that of later periods the same would be disclosed as part of notes to accounts. All the items of Income and Expenses from ordinary activities with such size and nature such that they become relevant to explain the performance of the company have been disclosed separately. The same is in compliance with AS-5 to the extent applicable.

Earnings Per Share (AS 20);

- a. The Basic earnings per share is calculated considering the weighted average number of equity shares outstanding during the year.
- b. The Diluted earnings per share is calculated considering the effects of potential equity shares on net profits after tax for the year and weighted average number of equity shares outstanding during the year.

Our Business

Our Company, Tanvi Foods (India) Limited, is involved in trading, distribution, and processing of Food and Beverages primarily operating in the states of Andhra Pradesh and Telangana. Incorporated in 2007, over the years we have grown organically as well as inorganically and today we along with our subsidiaries operate over four exclusive point of sales; three Cold Room Facilities aggregating to 8,728 sq. ft., one food processing and packaging unit spread across 495 sq. yards, around 28 logistics vehicles dedicated towards F&B distribution making us one of few select organised players in this highly unorganised segment

Significant Developments after March 31, 2016 that may affect our Future Results of Operations

In the opinion of the Board of Directors of our Company, there have not arisen, since the date of the last financial statements disclosed in the Prospectus, any circumstance that materially or adversely affect or are likely to affect the profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months.

Factors affecting our Result of Operation

Our business is subject to various risks and uncertainties, including those discussed in the section titled "*Risk Factors*" beginning on page no. 10 of this Prospectus.

Among various other factors that affect our financial results and operations for a given financial year, some key factors are as follows:

- Changes in laws and regulations that apply to the industry;
- Increasing competition in the industry;
- Company's inability to successfully implement its growth and expansion plans;
- General economic and business conditions.

RESULTS OF OUR OPERATIONS

(₹ in lakhs)

| Particulars | For the period ended September 30, | | For the year ended March 31, | | | | | | | | | |
|--|------------------------------------|-------------------|------------------------------|-------------------|-----------------|-------------------|-----------------|-------------------|-----------------|-------------------|-----------------|-------------------|
| | 2016 | % of Total Income | 2016 | % of Total Income | 2015 | % of Total Income | 2014 | % of Total Income | 2013 | % of Total Income | 2012 | % of Total Income |
| Revenue: | | | | | | | | | | | | |
| Revenue from Operations | 2,795.45 | 98.05 | 4,816.62 | 98.12 | 3,437.14 | 99.98 | 2,002.95 | 100.00 | 1,146.12 | 82.35 | 1,071.13 | 94.71 |
| Other Income | 55.64 | 1.95 | 92.36 | 1.88 | 0.51 | 0.01 | - | - | 245.68 | 17.65 | 59.77 | 5.29 |
| Total revenue | 2,851.09 | 100.00 | 4,908.98 | 100.00 | 3,437.66 | 100.00 | 2,002.95 | 100.00 | 1,391.80 | 100.00 | 1,130.90 | 100.00 |
| Expenses: | | | | | | | | | | | | |
| Purchases & Direct Expenses | 2,550.36 | 89.45 | 4,476.02 | 91.18 | 2,828.33 | 82.27 | 2,007.30 | 100.22 | 1,025.29 | 73.67 | 840.64 | 74.33 |
| Change in Inventories of finished goods, WIP and stock-in-trade | (102.14) | (3.58) | (262.40) | (5.35) | (174.67) | (5.08) | (427.98) | (21.37) | (117.66) | (8.45) | (61.78) | (5.46) |
| Employee benefits expense | 87.00 | 3.05 | 98.61 | 2.01 | 148.34 | 4.32 | 49.50 | 2.47 | 88.89 | 6.39 | 78.48 | 6.94 |
| Finance Cost | 91.68 | 3.22 | 170.59 | 3.48 | 118.21 | 3.44 | 48.27 | 2.41 | 10.10 | 0.73 | 19.77 | 1.75 |
| Depreciation and amortization expenses | 48.48 | 1.70 | 79.09 | 1.61 | 56.24 | 1.64 | 15.19 | 0.76 | 11.66 | 0.84 | 10.32 | 0.91 |
| Other Expenses | 106.14 | 3.72 | 234.24 | 4.77 | 345.60 | 10.05 | 275.96 | 13.78 | 309.52 | 22.24 | 208.79 | 18.46 |
| Total expenses | 2,781.51 | 97.56 | 4,796.16 | 97.70 | 3,322.04 | 96.64 | 1,968.24 | 98.27 | 1,327.80 | 95.40 | 1,096.23 | 96.93 |
| Profit before exceptional & extraordinary items, prior period items and tax | 69.57 | 2.44 | 112.82 | 2.30 | 115.61 | 3.36 | 34.72 | 1.73 | 64.00 | 4.60 | 34.67 | 3.07 |
| Exceptional items | - | - | - | - | - | - | - | - | - | - | (25.90) | (2.29) |
| Prior Period items | - | - | - | - | - | - | - | - | - | - | 1.60 | 0.14 |
| Profit before | 69.57 | 2.44 | 112.82 | 2.30 | 115.61 | 3.36 | 34.72 | 1.73 | 64.00 | 4.60 | 58.98 | 5.22 |

| Particulars | For the period ended September 30, | | For the year ended March 31, | | | | | | | | | |
|---|------------------------------------|-------------------|------------------------------|-------------------|--------------|-------------------|--------------|-------------------|--------------|-------------------|--------------|-------------------|
| | 2016 | % of Total Income | 2016 | % of Total Income | 2015 | % of Total Income | 2014 | % of Total Income | 2013 | % of Total Income | 2012 | % of Total Income |
| extraordinary items and tax | | | | | | | | | | | | |
| Less: Provision for Taxes | | | | - | | - | | - | | - | | - |
| Current Tax as per Income Tax | 13.26 | 0.47 | 34.06 | 0.69 | 24.10 | 0.70 | 9.63 | 0.48 | 21.60 | 1.55 | 10.05 | 0.89 |
| Short/Excess provision for tax for earlier years | - | - | - | - | - | - | - | - | - | - | - | - |
| Deferred Tax | 3.94 | 0.14 | 12.16 | 0.25 | 4.30 | 0.13 | 4.12 | 0.21 | 2.35 | 0.17 | 9.33 | 0.83 |
| MAT Credit Receivable | (1.31) | (0.05) | (34.06) | (0.69) | - | - | - | - | - | - | - | - |
| Total | 15.89 | 0.56 | 12.16 | 0.25 | 28.39 | 0.83 | 13.74 | 0.69 | 23.95 | 1.72 | 19.38 | 1.71 |
| Net profit / (Loss) for the period after tax but before extraordinary item | 53.68 | 1.88 | 100.66 | 2.05 | 87.22 | 2.54 | 20.97 | 1.05 | 40.04 | 2.88 | 39.59 | 3.50 |
| Extraordinary Items (Net of tax) | - | - | - | - | - | - | - | - | - | - | - | - |
| Net profit / (Loss) for the period after tax and after extraordinary items available for appropriation | 53.68 | 1.88 | 100.66 | 2.05 | 87.22 | 2.54 | 20.97 | 1.05 | 40.04 | 2.88 | 39.59 | 3.50 |
| Less: Proposed Dividend | - | - | - | - | - | - | - | - | - | - | - | - |
| Divided distribution tax | - | - | - | - | - | - | - | - | - | - | - | - |
| Net Profit Transferred to Reserves | 53.68 | 1.88 | 100.66 | 2.05 | 87.22 | 2.54 | 20.97 | 1.05 | 40.04 | 2.88 | 39.59 | 3.50 |

Main Components of our Profit and Loss Account

Income

Our total income comprises of revenue from operations and other income.

Revenue from Operations

Our revenue from operations includes revenue from Trading and Processing activity; which as a percentage of total income was 98.12%, 99.98%, 100%, 82.35% and 94.71% fiscals 2016, 2015, 2014, 2013 and 2012 and 98.05% for six months periods ended September 30, 2016 respectively.

Other Income

Our other income includes mainly interest on bank deposits and rental charges received from vehicles. Other income, as a percentage of total income was 1.88%, 0.01%, 0.00%, 17.65% and 5.29% for fiscals 2016, 2015, 2014, 2013 and 2012 and 1.95% for six months periods ended September 30, 2016 respectively.

Expenditure

Our total expenditure primarily consists of Purchases & Direct Expenses, Employee Benefit Expenses, Finance cost, Depreciation & Amortisation Expenses and Other Expenses.

Purchases

Costs of Purchases are primarily in relation to purchases of goods for trading and raw materials for processing including Fresh Corn & products procured for distribution purposes.

Employee Benefit Expenses

Expenses in relation to employees' remuneration and benefits include salary, bonus and staff welfare expenses, statutory contributions, etc.

Financial Cost

Financial Cost primarily consists of interest payable on loans availed by our Company from various banks, financial institutions and entities and also includes Bank Charges.

Depreciation and Amortization Expenses

Depreciation and Amortization Expenses primarily consist of depreciation/amortization on the fixed assets of our Company which primarily includes Plant and Machinery, Vehicles, Furniture and fixtures, Computers and Office Equipments.

Other Expenses

Other expenses primarily include Rent, Electricity charges, Advertising expenses, Office expenses, Transportation Charges, Administrative Expenses etc.

Provision for Tax

Income taxes are accounted for in accordance with Accounting Standard – 22 on “Accounting for Taxes on Income” (“AS-22”), prescribed under the Companies (Accounting Standards) Rules, 2006. Our Company provides for current tax as well as deferred tax, as applicable.

Provision for current taxes is made at the current tax rates after taking into consideration the benefits available to our Company under the provisions of the I. T. Act.

Deferred tax arises from the timing differences between book profits and taxable profits that originate in one period and are capable of reversal in one or more subsequent periods and is measured using the tax rates and laws applicable as of the date of the financial statements. Our Company provides for deferred tax asset / liability on such timing differences subject to prudent considerations in respect of deferred tax assets.

Review for the Six (6) months period ended September 30, 2016

Income

Our total income for the six months period ended September 30, 2016 was ₹ 2,851.09 lakhs. In the current period, the revenue earned from operations is ₹ 2,795.45 lakhs or 98.05% of the total income. Other income for said period was recorded at ₹ 55.64 lakhs or 1.95% of total income.

Purchases & Direct Expenses

Our purchases & direct expenses for the six months period ended September 30, 2016 were ₹ 2,550.36 lakhs which as a proportion of our total income was 89.45%.

Employee Benefit Expenses

Our Employee Benefit Expenses for the six months period ended September 30, 2016 were ₹ 87.00 lakhs. As a proportion of our total income they were 3.05%.

Financial Cost

Our Financial Cost for the six months period ended September 30, 2016 was ₹ 91.68 lakhs i.e. 3.22% of the total income for the period.

Depreciation and Amortization Expenses

Our Depreciation and Amortization Expenses for the six months period ended September 30, 2016 were ₹ 48.48 lakhs. As a proportion of total income they were 1.70%.

Other Expenses

Our Other Expenses for the six months period ended September 30, 2016 ₹ 106.14 lakhs. As a proportion of our total income they were 3.72%.

Profit before Tax

Profit / (Loss) before Tax for the six months period ended September 30, 2016 were ₹ 69.57 lakhs.

Profit after Tax

Profit / (Loss) after Tax for the six months period ended September 30, 2016 were ₹ 53.68 lakhs.

Fiscal 2016 compared with fiscal 2015

Income

In fiscal 2016, increased by ₹ 1,471.32 lakhs or 42.80% from ₹ 3437.66 lakhs in fiscal 2015 from ₹ 4,908.98 lakhs in fiscal 2016. The increase in sales represents increase in trading as well as processing business.

Other income increased by ₹ 91.85 lakhs; from ₹ 0.51 lakhs in fiscal 2015 to ₹ 92.36 lakhs in fiscal 2016. The major factor for such increase was increase rental income derived from renting out of vehicles.

Purchases

Our purchases for fiscal 2016 increased by ₹ 1647.69 lakhs or 58.26 %; from ₹ 2,828.33 lakhs in fiscal 2015 as compared to ₹ 4,476.02 lakhs in fiscal 2016. The increase was due to increased trading volume.

Employee Benefit Expenses

Our staff cost decreased by ₹ 49.73 lakhs or 33.52%, from ₹ 148.34 lakhs in fiscal 2015 to ₹ 98.61 lakhs in fiscal 2016. One of the factors responsible for such decrease was additional staff hired for logistics business being shifted to our subsidiary.

Financial Cost

Financial cost during the year increased by ₹ 52.38 lakhs or 44.31% from ₹ 118.21 lakhs in fiscal 2015 to ₹ 170.59 lakhs in fiscal 2016. The increase was due to increase in short term borrowings and also increase in bank charges and processing fees

Depreciation and Amortization Expenses

Depreciation and Amortisation expenses increased by ₹ 22.85 lakhs from ₹ 56.24 lakhs in fiscal 2015 to ₹ 79.09 lakhs in fiscal 2016. This increase was on account of additional fixed assets being purchased during the year

Other Expenses

Other expenses decreased by ₹ 111.36 lakhs or 32.22% from ₹ 345.60 lakhs in fiscal 2015 to ₹ 234.24 lakhs in fiscal 2016. The decrease was due to better administration resulting in reduction of costs such as Advertising & Marketing Expenses Professional Charges etc. during this year.

Profit before Tax

Primarily due to increase in Finance Cost & Depreciation expense of, our Profit before tax decreased by ₹ 2.79 lakhs from ₹ 115.61 lakhs in fiscal 2015 to ₹ 112.82 lakhs in fiscal 2016.

Profit after Tax

After accounting for taxes at applicable rates, our Profit after Tax increased by ₹ 13.44 lakhs or 15.41%, from ₹ 87.22 lakhs in fiscal 2015 to ₹100.66 lakhs in fiscal 2016.

Fiscal 2015 compared with fiscal 2014

Income

In fiscal 2015, our total income increased by ₹ 1,434.19 lakhs or 71.60%, from ₹ 2,002.95 lakhs in fiscal 2014 to ₹ 3,437.14 lakhs in fiscal 2015. The increase represents the growth in our sales and operations.

Other income was ₹ 0.51 lakhs fiscal 2015 to as compared to NIL fiscal 2014. The major factor for such increase was due to increase in interest income from deposits.

Purchases

The purchases in fiscal 2015, increased by ₹ 821.03 lakhs or 40.90%, from ₹ 2,007.30 lakhs in fiscal 2014 to ₹ 2,828.33 lakhs in fiscal 2015. The above increase was due to increased trading volume

Employee Benefit Expenses

Our staff cost increased by ₹ 98.84 lakhs from ₹ 49.50 lakhs in fiscal 2014 to ₹ 148.34 lakhs in fiscal 2015. This significant increase was mainly due to additional staff being recruited for logistics operations.

Financial Cost

Financial cost during the year increased by ₹ 69.94 lakhs or 144.89% from ₹ 48.27 lakhs in fiscal 2014 to ₹ 118.21 lakhs in fiscal 2015. The increase was due to increase in interest on non-fund based facilities and also increase in bank charges and processing fees.

Depreciation and Amortization Expenses

Depreciation and Amortisation expenses increased by ₹ 41.05 lakhs, from ₹ 15.19 lakhs in fiscal 2014 to ₹ 56.24 lakhs in fiscal 2015. This increase was on account of additional fixed assets being purchased during the year

Other Expenses

Other expenses increased by ₹ 69.64 lakhs or 25.24% from ₹ 275.96 lakhs in fiscal 2014 to ₹ 345.60 lakhs in fiscal 2015. The increase was due increase in Fuel charges, Administrative expenses and Advertising & Marketing expenses

Profit before Tax

Due to better management of our overall expenses and corresponding increase in our revenues, our Profit before tax increased by ₹ 80.89 lakhs or 232.98% from ₹ 34.72 lakhs in fiscal 2014 to ₹ 115.61 lakhs in fiscal 2015.

Profit after Tax

After accounting for taxes at applicable rates, our Profit after Tax increased by ₹ 66.25 lakhs or 315.93 %, from ₹ 20.97 lakhs in fiscal 2014 to ₹ 87.22 lakhs in fiscal 2015.

Fiscal 2014 compared with fiscal 2013

Income

Our total income increased by ₹ 611.15 lakhs or 43.91% from ₹ 1391.80 lakhs in fiscal 2013 to ₹ 2005.95 lakhs in fiscal 2014. The increase represents the growth in our sales and operations.

Other income for the fiscal year 2014 was NIL from ₹ 245.68 lakhs in fiscal 2013 was due to change in our business model

Purchases

The purchases in fiscal 2014 increased by ₹ 982.01 lakhs or 95.78% i.e. from ₹ 1,029.29 lakhs in fiscal 2013 to ₹ 2,007.39 lakhs in fiscal 2014. The above increase was majorly due to increase in our scale of our trading operations.

Employee Benefit Expenses

Our staff costs decreased by ₹ 39.39 lakhs or 44.31%, from ₹ 88.99 lakhs in fiscal 2013 to ₹ 49.50 lakhs in fiscal 2014. This decrease was due to changes made to our business model

Financial Cost

Financial cost during the year increased by ₹ 38.17 lakhs or 377.99% from ₹ 10.10 lakhs in fiscal 2013 to ₹ 48.27 lakhs in fiscal 2014. The increase was mainly due to availment of additional credit facilities.

Depreciation Expenses

Depreciation expenses increased by ₹ 3.53 lakhs, from ₹ 11.66 lakhs in fiscal 2013 to ₹ 15.19 lakhs in fiscal 2014, mainly on account of increase in Fixed Assets (mainly Plant & Machinery & Vehicles).

Other Expenses

Other Expenses decreased by ₹ 33.56 lakhs or 10.84% in fiscal 2014, from ₹ 309.52 lakhs in fiscal 2013 to ₹ 275.96 lakhs in fiscal 2014. The decrease was mainly due to decrease in Transportation charges & Business Promotion expenses.

Profit before Tax

PBT decreased by ₹ 29.28 lakhs or 45.75% as compared from ₹ 64.00 lakhs in fiscal 2013 to ₹ 34.72 lakhs in fiscal 2014. This was primarily due to increase in Finance Cost, Depreciation Expense as well as change in our business model.

Profit after Tax

After accounting for taxes at applicable rates, our profit after tax decreased by ₹ 19.07 lakhs from ₹ 40.04 lakhs in fiscal 2013 to ₹ 20.97 lakhs in fiscal 2014.

Fiscal 2013 compared with fiscal 2012

Income

In fiscal 2013, we recorded a total income of ₹ 1416.12 lakhs, an increase of ₹ 74.99 lakhs or 7.00% as compared to ₹ 1071.13 lakhs in fiscal 2012. The increase was due to increase in trading operations as well as increase in other sources of revenue.

Other income increased by ₹ 185.91 lakhs or 311.04%, from ₹ 59.77 lakhs in fiscal 2012 to ₹ 245.68 lakhs in fiscal 2013. The major factor for such increase in receipt of income was change in our business model to try new verticals.

(₹ in lakhs)

| Particulars | 2013 |
|---------------------------|---------------|
| Recurring Income | - |
| Non-recurring Income | 245.68 |
| Total Other Income | 245.68 |

Purchases

The purchases in fiscal 2013 increased by ₹ 184.65 lakhs or 21.97% i.e. from ₹ 840.64 lakhs in fiscal 2012 to ₹ 1025.29 lakhs in fiscal 2013. The above increase was due to increase in our scale of trading operations.

Employee Benefit Expenses

Our staff costs decreased by ₹ 9.67 lakhs or 48.91%, from ₹ 19.77 lakhs in fiscal 2012 to ₹ 10.10 lakhs in fiscal 2013. This decrease was mainly on account financing arrangements being made at favourable rates.

Financial Cost

Financial cost during the year increased by ₹ 164.14 lakhs or 35.03% from ₹ 498.51 lakhs in fiscal 2012 to ₹ 632.65 lakhs in fiscal 2013. This decrease was mainly on account financing arrangements being made at favourable rates.

Depreciation Expenses

Depreciation expenses increased by ₹ 1.34 lakhs, from ₹ 10.32 lakhs in fiscal 2012 to ₹ 11.66 lakhs in fiscal 2013 on account of increase Fixed Assets; mainly Vehicles.

Other Expenses

Other expenses increased by ₹ 100.73 lakhs or 48.24%, from ₹ 208.79 lakhs in fiscal 2012 to ₹ 309.52 lakhs in fiscal 2013. This was on account of increase in Administrative expenses & Transport Charges.

Profit before Tax

Profit before tax increased by ₹ 5.02 lakhs or 8.51% as compared from a of ₹ 58.98 lakhs in fiscal 2012 to ₹ 64.00 lakhs in fiscal 2013.

Profit after Tax

After accounting for taxes at applicable rates, our profit after tax increased by ₹ 0.45 lakhs or 1.14% from a profit of ₹ 39.59 lakhs in fiscal 2012 to ₹ 40.04 lakhs in fiscal 2013.

Cash Flows

(₹ in lakhs)

| Particulars | As on September 30, 2016 | Year ended March 31, | | | | |
|--|--------------------------------|----------------------|----------|----------|----------|---------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| Net Cash from Operating Activities | 192.60 | 174.32 | (27.22) | (341.57) | (285.26) | (85.89) |
| Net Cash from Investing Activities | (148.85) | (58.90) | (348.07) | (98.80) | 231.21 | 59.77 |
| Net Cash used in Financial Activities | (43.93) | (115.72) | 381.17 | 444.94 | 53.67 | 23.34 |
| Net Increase / (Decrease) in Cash and Cash equivalents | (0.18) | (0.30) | 5.88 | 4.57 | (0.38) | (2.78) |

Cash Flows from Operating Activities

Net cash from operating activities in the six month period ended September 30, 2016 was ₹ 192.60 lakhs as compared to the PBT of ₹ 69.57 lakhs for the same period.

Net cash from operating activities in fiscal 2016 was ₹ 174.32 lakhs as compared to the PBT of ₹ 112.82 lakhs for the same period. This difference is primarily on account of changes in trade receivables, inventories, other current liabilities & trade payables.

Net cash from operating activities in fiscal 2015 was negative ₹ 27.22 lakhs as compared to the PBT of ₹ 115.61 lakhs for the same period. This difference is primarily on account of changes in trade & other payables, other current liabilities and Trade & other Receivables.

Net cash from operating activities in fiscal 2014 was negative ₹ 341.57 lakhs as compared to the PBT were ₹ 34.72 lakhs for the same period. This difference is primarily on account of changes in trade payables, trade receivables, inventories and other current liabilities.

Net cash from operating activities in fiscal 2013 was negative ₹ 285.26 lakhs as compared to the PBT of ₹ 64.00 lakhs for the same period. This difference is primarily on account of changes in trade receivable, trade payables and other current liabilities.

Net cash from operating activities in fiscal 2012 was negative ₹ 59.99 lakhs as compared to the PBT of ₹ 58.98 lakhs for the same period. This difference is primarily on account of changes in trade receivable, other current assets, trade payables and other current liabilities.

Cash Flows from Investment Activities

In the six month period ended September 30, 2016, the net cash invested in Investing Activities was negative ₹ 148.85 lakhs.

In fiscal 2016, the net cash invested in Investing Activities was negative ₹ 58.90 lakhs. This was on account of purchase of fixed assets and long term investments.

In fiscal 2015, the net cash invested in Investing Activities was negative ₹ 348.07 lakhs. This was on account of purchase of fixed assets.

In fiscal 2014, the net cash invested in Investing Activities was negative ₹ 98.80 lakhs. This was on account of purchase of fixed assets.

In fiscal 2013, the net cash invested in Investing Activities was ₹ 231.21 lakhs. This was on account of Other Income generated from investments.

In fiscal 2012, the net cash invested in Investing Activities was ₹ 59.77 lakhs. This was on account of other income generated from investments.

Cash Flows from Financing Activities

Net cash from financing activities in the six month period ended September 30, 2016 was negative ₹ 43.93 lakhs.

Net cash from financing activities in fiscal 2016 was negative ₹ 115.72 lakhs. This was on account of increase in long term and short term borrowings and interest paid.

Net cash from financing activities in fiscal 2015 was ₹ 381.17 lakhs. This was on account of increase in long term and short term borrowings and interest paid.

Net cash from financing activities in fiscal 2014 was ₹ 444.94 lakhs. This was on account of increase in long term and short term borrowings and interest paid.

Net cash from financing activities in fiscal 2013 was ₹ 53.67 lakhs. This was on account of increase in long term and short term borrowings and interest paid.

Net cash from financing activities in fiscal 2012 was ₹ 23.34 lakhs. This was on account of increase in long term and short term borrowings and interest paid.

OTHER MATTERS

1. Unusual or infrequent events or transactions

Except as described in this Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

2. Significant economic changes that materially affected or are likely to affect income from continuing Operations

Other than as described in the Section titled “*Financial Information*” and chapter titled “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*”, beginning on pages nos. 137 and 203 respectively of this Prospectus respectively, to our knowledge there are no significant economic changes that materially affected or are likely to affect income from continuing Operations.

3. Known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations

Other than as described in the chapter titled “*Risk Factors*” and “*Management’s Discussion and Analysis of Financial Conditions and Result of Operations*”, beginning on page nos. 10 and 203 respectively of this Prospectus respectively to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our company from continuing operations.

4. Future relationship between Costs and Income

Other than as described in the chapter titled “*Risk Factors*” beginning on page no. 10 of this Prospectus, to our knowledge there are no factors, which will affect the future relationship between costs and income or which are expected to have a material adverse impact on our operations and finances.

5. The extent to which material increases in revenue or income from operations are due to increased volume, introduction of new products or services or increased prices

Increases in revenues are by and large linked to increases in volume of business activity carried out by the Company.

6. Total turnover of each major industry segment in which our Company operates.

The Company is in the business of trading, distribution, and processing of Food and Beverages primarily operating in the states of Andhra Pradesh and Telangana. Our Company operates under a single segment. Relevant industry data, as available, has been included in the chapter titled “Industry Overview” beginning on page no. 72 of this Prospectus.

7. Status of any publicly announced new products or business segments

Please refer to the chapter titled “Our Business” beginning on page no. 85 of this Prospectus.

8. The extent to which the business is seasonal.

Every food item needs a certain season and / or weather conditions to grow and the same are consumed in certain other seasons also. As regards to our trading business and processing business our sale of particular product is dependent on the season. Due to perishable nature of the products we deal in, seasonality and weather conditions do affect our few businesses.

9. Any significant dependence on a single or few suppliers or customers

The Company does not have any significant dependence on any of the suppliers or customers.

10. Competitive Conditions

Demand and supply dynamics are always active in perishable items. With regards to our trading business, much of the market in which we operate is unorganized and fragmented with many small and medium-sized entities. We face substantial competition for our products from other traders / dealers in domestic market. We compete with other traders / dealers on the basis of product range, product quality, and product price including factors, based on reputation, needs, and customer convenience. Further; for our branded products business wherein we sell packed as well as loose form of Corn based food items as well as frozen corn and frozen green peas etc. we would be competing to large MNCs or corporations involved in frozen foods segment. Also, the third party temperature controlled transportation and cold room logistics business would face similar competitive pressures.

Due to industry’s fragmented nature, there is no authentic data available to our Company on total industry size and markets share of our Company vis-a-vis the competitors.

FINANCIAL INDEBTEDNESS

Set forth below, is a brief summary of our Company's borrowings as on September 30, 2016 together with a brief description of certain significant terms / material covenants of the relevant financing arrangements.

| Nature of Borrowing | Amount (₹ in Lakhs) |
|-----------------------------------|---------------------|
| Secured Borrowings ⁽¹⁾ | 1,154.01 |
| Unsecured Borrowings | 264.56 |
| Total | 1,418.57 |

⁽¹⁾Includes ₹279.41 lakhs shown under Other Current Liabilities as 'Current Maturities of Long Term Debt'

SECURED BORROWINGS

Term Loans

(₹ in Lakhs)

| Sr. No. | Name of Lenders | Type of Credit Facility & Account No. | Date of Sanction of the Loan | Date of Closure of the Loan | Amount Sanctioned | Amount outstanding as on September 30, 2016 | Interest rate (% per annum) | Security Details | Repayment Schedule |
|---------|-----------------|---------------------------------------|------------------------------|-----------------------------|-------------------|---|-----------------------------|--|------------------------------------|
| 1. | Andhra Bank | Term Loan Account No. - 52310 | May 28, 2015 | Dec 28, 2019 | 123 | 68.19 | 12.75% | Hypothecation of all the equipment procured and fixed assets acquired from the term loan | 15 Quarterly EMI of ₹ 5.125 Lakhs. |

Working Capital Loan

(₹ in Lakhs)

| Sr. No. | Name of Lenders | Type of Credit Facility & Account No. | Date of Sanction of the Loan | Amount Sanctioned | Amount outstanding as on September 30, 2016 | Interest rate (% per annum) | Security and Financial Covenants | Repayment Schedule for Outstanding Amount |
|---------|-----------------|---------------------------------------|------------------------------|-------------------|---|-----------------------------|----------------------------------|---|
| 1. | Andhra Bank | Cash Credit | January 29, 2016 | 750.00 | 749.98 | Base rate + 2.25% | See Note 1 | Repayable on Demand |

NOTE 1:

The Security offered for the above mentioned loans include Immovable Property, movable fixed assets and current assets, details of which are as mentioned below:

A. Secured Immovable Properties

- (i) Vacant land situated at R.S.No.3571/2008, L.R.S.No.3571/2008, Plot No.980, Near door No.2-94, Tadigadapa Donka Road, Janchaitanya layout, poranki village & Grampanchayat, Penamaluru mandal with appurtenant site of 209.00 Sq. yards or 174.81 sq.mts. standing in the name of Tamma Reddy Venkataratnam, Valued at ₹ 31.35 Lakhs as per valuation dt.08.01.2016.
- (ii) Vacant House site situated at R S No.302 to 310, 320, 321, 322, 324 to 361, 363 to 365, 384, 385, 387 to 391, 399, Plot No.295 LIG Nallagandla HUDA Residential complex, Nallagandla Village, Serilingampally, GHML & Mandal, Ranga Reddy District, Telangana with an extent of 331.89 sq.yds standing in the name of Vasavi Adusumilli, Valued at ₹ 83.00 Lakhs dt.08.01.2016

- (iii) Residential Flat (Two Bed Room) situated at R S No.8, MW No.30, Asst. No.263992, Flat No.PH-5, 4th Floor, Kakathiya Apartments, No.5 Bus route, Ashok Nagar, Ramachandra Nagar Patamata, Vijayawada, Krishna District, with an extent of 1526.00 Sq. Yards or 1276.39 Sq. Mts. standing in the name of Vasavi Adusumilli, Valued at ₹ 46.72 Lakhs dt.08.01.2016
- (iv) Vacant site and GI Sheet shed under construction situated at R S No.262/1, 263, 273/3B, L P No.33/2013 Plot No.151, 152, Back side of Airport area, Kesarapalli Village, Gannavaram Mandal, Krishna District, with an appurtenant site of 721.00 Sq.Yards of 603.06 Sq. Mts. standing in the name of Vasavi Adusumilli, Valued at ₹ 121.50 Lakhs dt.08.01.2016
- (v) Flat No. S-4, with a plinth area of 744 Sq ft., 2nd Floor, Sai Kakatiya Apartments, Ramachandra Nagar, Ashok Nagar, Vijayawada, standing in the name of Sarat Chandra Babu Adusumilli, Valued at ₹ 30.76 Lakhs dt.16.06.2014
- (vi) Residential House Flat No.171, Measuring 200 Sq. Yards situated at Road No.278/3, Kesarapalli Village, Gannavaram Mandal, Krishna District, standing in the name of Sri Nagaveer Adusumilli, Valued at ₹ 24.00 Lakhs dt.12.12.2015

B. Secured Moveable Fixed Assets

Hypothecation of Plant and Machinery and other fixed assets with value of ₹ 151.73 Lakhs after reducing the Vehicles value of ₹ 319.45 Lakhs from total WDV of Assets of ₹ 471.18 Lakhs, Standing in the name of M/s Tanvi Foods India Private Limited valued as per ABS on 31.03.2015 (since the company has taken vehicle loans from other banks, the same is excluded from WDV of Fixed Assets).

C. Secured Current Assets

Hypothecation of stock of Raw Material, Consumables, Work in progress, Finished Goods, Assignment of receivables.

RESTRICTIVE / NEGATIVE COVENANTS

The above loan agreements includes various restrictive covenants in relation to certain actions to be undertaken by our Company and for which prior written approval of the Bank(s) is required. The major restrictive covenants (which require prior approval) are mentioned below: (some of these may be common across all banks, while some may be specific to a particular bank)

1. Effect any change in the Company's Capital Structure
2. Formulate any Scheme of Amalgamation
3. Implement any scheme of expansion or acquire Fixed Assets
4. Make Investments / advances or deposit amounts with any other concern
5. Enter into borrowing obligations on behalf of any other company
6. Undertake guarantee obligations on behalf of any other company
7. Declare dividends for any year except out of profits relating to that year
8. Change in composition of Company's Board of Directors.

Vehicle Loans
(₹ in Lakhs)

| Name of the Lender | Sanctioned Amount | Outstanding Amount as on September 30, 2016 | Repayment Schedule for Outstanding Amount | Security Created |
|------------------------------|-------------------|---|--|---|
| Axis Bank | 11.00 | 9.69 | Repayable in 40 monthly EMI of ₹ 29,995/- | Hypothecation of ISUZU Vehicle |
| Axis Bank | 11.40 | 10.05 | Repayable in 40 monthly EMI of ₹ 31,086/- | Hypothecation of ISUZU Vehicle |
| Axis Bank | 11.40 | 10.05 | Repayable in 40 monthly EMI of ₹ 31,086/- | Hypothecation of ISUZU Vehicle |
| Axis Bank | 11.40 | 10.05 | Repayable in 40 monthly EMI of ₹ 31,086/- | Hypothecation of ISUZU Vehicle |
| Axis Bank | 11.40 | 10.05 | Repayable in 40 monthly EMI of ₹ 31,086/- | Hypothecation of ISUZU Vehicle |
| Axis Bank | 11.00 | 9.69 | Repayable in 40 monthly EMI of ₹ 29,995/- | Hypothecation of ISUZU Vehicle |
| Axis Bank | 8.08 | 7.30 | Repayable in 53 monthly EMI of ₹ 17,128/- | Hypothecation of Honda Jazz Vehicle |
| Axis Bank | 11.14 | 8.39 | Repayable in 33 monthly EMI of ₹ 30,434/- | Hypothecation of ISUZU Vehicle |
| Axis Bank | 11.14 | 8.39 | Repayable in 33 monthly EMI of ₹ 30,434/- | Hypothecation of ISUZU Vehicle |
| Axis Bank | 4.57 | 3.10 | Repayable in 29 monthly EMI of ₹ 12,640/- | Hypothecation of DOST Vehicle |
| Axis Bank | 4.57 | 3.10 | Repayable in 29 monthly EMI of ₹ 12,640/- | Hypothecation of DOST Vehicle |
| HDFC Bank | 6.00 | 1.73 | Repayable in 9 monthly EMI of ₹ 20,120/- | Hypothecation of 2518 BODY Vehicle |
| HDFC Bank | 6.00 | 1.73 | Repayable in 9 monthly EMI of ₹ 20,120/- | Hypothecation of 2518 BODY Vehicle |
| HDFC Bank | 18.57 | 8.62 | Repayable in 19 monthly EMI of ₹ 49,650/- | Hypothecation of TATA 2518 Vehicle |
| HDFC Bank | 7.87 | 3.82 | Repayable in 19 monthly EMI of ₹ 21,270/- | Hypothecation of TATA 407 SFC Vehicle |
| HDFC Bank | 18.57 | 8.62 | Repayable in 19 monthly EMI of ₹ 49,650/- | Hypothecation of TATA 2518 Vehicle |
| ING Vysya Bank | 21.50 | 11.15 | Repayable in 21 monthly EMI of ₹ 59,137/- | Hypothecation of TATA 2518 Vehicle |
| ING Vysya Bank | 21.50 | 11.15 | Repayable in 21 monthly EMI of ₹ 59,137/- | Hypothecation of TATA 2518 Vehicle |
| Kotak Mahindra Bank Limited | 12.14 | 4.21 | Repayable in 14 monthly EMI of ₹ 32,360/- | Hypothecation of TATA 1109 Vehicle |
| Kotak Mahindra Bank Limited | 4.14 | 2.34 | Repayable in 24 monthly EMI of ₹ 10,990/- | Hypothecation of TATA 407 Pickup Body Vehicle |
| Kotak Mahindra Bank Limited | 6.28 | 2.18 | Repayable in 14 monthly EMI of ₹ 16,740/- | Hypothecation of TATA 407 Pickup Vehicle |
| Kotak Mahindra Prime Limited | 25.00 | 13.48 | Repayable 12 monthly EMI of ₹ 75,000/- & 12 monthly EMI of ₹ 61,000/- | Hypothecation of SKODA Vehicle |
| Kotak Mahindra Prime Limited | 15.00 | 8.09 | Repayable in 12 monthly EMI of ₹ 45,000/- & 12 monthly EMI of ₹ 36,600/- | Hypothecation of Mobilio Vehicle |

| Name of the Lender | Sanctioned Amount | Outstanding Amount as on September 30, 2016 | Repayment Schedule for Outstanding Amount | Security Created |
|---|-------------------|---|---|---|
| Kotak Mahindra Bank Limited | 7.33 | 4.15 | Repayable in 24 monthly EMI of ₹ 19,460/- | Hypothecation of TATA 1109 Vehicle BODY |
| TATA Capital Financial Services Limited | 9.17 | 1.68 | Repayable in 11 monthly EMI of ₹ 31,520/- | Hypothecation of TATA 1109 Vehicle BODY |
| TATA Capital Financial Services Limited | 11.02 | 2.05 | Repayable in 10 monthly EMI of ₹ 37,610/- | Hypothecation of TATA 2518 Vehicle BODY |
| TATA Capital Financial Services Limited | 11.02 | 3.56 | Repayable in 10 monthly EMI of ₹ 37,610/- | Hypothecation of TATA 2518 Vehicle BODY |
| TATA Capital Financial Services Limited | 18.58 | 8.97 | Repayable in 19 monthly EMI of ₹ 52,230/- | Hypothecation of TATA 2518 Vehicle |
| TATA Capital Financial Services Limited | 18.58 | 8.97 | Repayable in 19 monthly EMI of ₹ 52,230/- | Hypothecation of TATA 2518 Vehicle |
| TATA Capital Financial Services Limited | 12.24 | 5.94 | Repayable in 19 monthly EMI of ₹ 34,718/- | Hypothecation of TATA 1109 Vehicle |
| Axis Bank | 3.95 | 3.58 | Repayable in 31 monthly EMI of ₹ 13,832/- | Hypothecation of TATA ACE Vehicle |
| Axis Bank | 33.00 | 33.00 | Repayable in 47 monthly EMI of ₹ 86,770/- | Hypothecation of Eicher Pro 6025 24FT Vehcile |
| Axis Bank | 33.00 | 33.00 | Repayable in 47 monthly EMI of ₹ 86,770/- | Hypothecation of Eicher Pro 6025 24FT Vehcile |
| Axis Bank | 32.00 | 32.00 | Repayable in 47 monthly EMI of ₹ 84,140/- | Hypothecation of Eicher Pro 6025 24FT Vehcile |
| Axis Bank | 32.00 | 32.00 | Repayable in 47 monthly EMI of ₹ 84,140/- | Hypothecation of Eicher Pro 6025 24FT Vehcile |
| Total | 491.56 | 335.87 | | |

Unsecured Borrowings
(₹ in Lakhs)

| Sr. No. | Name of the Lender | Amount Sanctioned | Amount Outstanding as on September 30, 2016 | Repayment schedule for outstanding amount |
|---------|--|-------------------|---|--|
| 1 | RBL Bank Limited | 25.00 | 18.81 | Repayable in 25 monthly EMI of ₹ 91,641/- |
| 2 | Bajaj Finserv Limited | 26.55 | 19.35 | Repayable in 24 monthly EMI of ₹ 97,994/- |
| 3 | Capital First Limited | 40.40 | 29.41 | Repayable in 24 monthly EMI of ₹ 1,48,602/- |
| 4 | Capital First Limited | 20.00 | 2.13 | Repayable in 3 monthly EMI of ₹ 73,313/- |
| 5 | Edelweiss Retail Finance Limited | 30.26 | 26.62 | Repayable in 49 monthly EMI of ₹ 78,508/- |
| 6 | Fullerton India Credit Company Limited | 25.54 | 19.24 | Repayable in 25 monthly EMI of ₹ 94,279/- |
| 7 | HDB Financial Services Limited | 15.00 | 0.46 | Repayable in 1 monthly EMI of ₹ 56,513/- |
| 8 | Religare Finvest Limited | 30.20 | 22.76 | Repayable in 25 monthly EMI of ₹ 1,11,619/- |
| 9 | Religare Finvest Limited | 23.42 | 12.07 | Repayable in 16 monthly EMI of ₹ 86,195/- |
| 10 | Shriram City Union Finance Limited | 20.00 | 11.82 | Repayable in 19 monthly EMI of ₹ 1,02,772/- |
| 11 | TATA Capital Financial Services Limited | 4.20 | 4.20 | Repayable in 23 monthly EMI of ₹ 20,740/- |
| 12 | TATA Capital Financial Services Limited | 6.00 | 6.00 | Repayable in 23 monthly EMI of ₹ 29,360/- |
| 13 | TATA Capital Financial Services Limited | 4.20 | 4.20 | Repayable in 23 monthly EMI of ₹ 29,360/- |
| 14 | Religare Finvest Limited | 24.28 | 24.28 | Repayable in 1 Bi-Monthly Installment of ₹ 25,00,000/- |
| 15 | Religare Finvest Limited | 9.73 | 9.73 | Repayable in 1 Bi-Monthly Installment of ₹ 10,00,000/- |
| 16 | Religare Finvest Limited | 14.57 | 14.57 | Repayable in 1 Bi-Monthly Installment of ₹ 15,00,000/- |
| 17 | Prasad Media Corporation Private Limited | 50.00 | 37.02 | Repayable on Demand |
| | Total | 371.15 | 264.56 | |

SECTION VIII – LEGAL AND OTHER INFORMATION

GOVERNMENT AND OTHER KEY APPROVALS

Our Company has received the necessary licenses, permissions and approvals from the Central and State Governments and other government agencies/regulatory authorities/certification bodies required to undertake the Issue or continue our business activities. In view of the approvals listed below, we can undertake the Issue and our current/ proposed business activities and no further major approvals from any governmental/regulatory authority or any other entity are required to be undertaken, in respect of the Issue or to continue our business activities. It must, however, be distinctly understood that in granting the above approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of the Company or for the correctness of any of the statements or any commitments made or opinions expressed in this behalf.

The main objects clause of the Memorandum of Association of the Company and the objects incidental, enable our Company to carry out its activities.

Approvals for the Issue

1. The Board of Directors have, pursuant to Section 62(1)(C) of the Companies Act 2013, by a resolution passed at its meeting held on September 24, 2016 authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
2. The shareholders of our Company have, pursuant to Section 62(1) (C) of the Companies Act, 2013, by a special resolution passed in the Extra Ordinary General Meeting held on September 26, 2016 authorized the Issue.
3. Approval dated November 07, 2016 from the BSE for listing of the Equity Shares issued by our Company pursuant to the Issue.
4. Our Company's International Securities Identification Number (“**ISIN**”) is INE978V01015.

Approvals pertaining to Incorporation, name and constitution of our Company

1. Certificate of Incorporation dated March 30, 2007 issued by the Registrar of Companies, Hyderabad (“**RoC**”) in the name of “Tanvi Foods Private Limited”.
2. Fresh Certificate of Incorporation, dated June 25, 2009, issued by the RoC, Hyderabad, consequent upon change of the Company from “Tanvi Foods Private Limited” to “Tanvi Foods (India) Private Limited”
3. A fresh Certificate of Incorporation consequent upon change of name from “Tanvi Foods (India) Private Limited” to “Tanvi Foods (India) Limited” was issued on September 22, 2016 by the Registrar of Companies, Hyderabad.
4. The Corporate Identity Number (CIN) of the Company is U15433TG2007PLC053406.

I. TAX RELATED APPROVALS

| Sr. No. | Description | Authority | Registration Number | Date of Expiry |
|---------|---|---|---------------------|-----------------------|
| 1. | Permanent Account Number (PAN) | Income Tax Department, Government of India | AACCT6543J | Valid until cancelled |
| 2. | Tax Deduction Account Number (TAN) | Income Tax Department, Government of India | HYDT04158A | Valid until cancelled |
| 3. | Certificate of Registration issued under Central Sales Tax , 1956 | Commercial Taxes Department, Andhra Pradesh | 37098241667 | Valid until cancelled |

| Sr. No. | Description | Authority | Registration Number | Date of Expiry |
|---------|--|---|---------------------|-----------------------|
| 4 | Certificate of Registration issued under Central Sales Tax , 1956 | Commercial Taxes Department, Telangana | 36098241667 | Valid until cancelled |
| 5 | <p>Certificate of Registration issued under Andhra Pradesh Value Added Tax Act, 2005 (Applicable for the following address)</p> <p>1) D. No. 7-2-4/D/A, Gr. Floor, old canteen Building, Sanath Nagar, Industrial Estate, Hyderabad, Telangana-500018</p> <p>2) 40-6-27, Shree Nilayam, Near Murlu Fortune Park, Krishna Nagar, Vijayawada, Krishna, Andhra Pradesh- 520007 (Branch office)</p> <p>3) 54-20/ 9-9, Timmarusu Street, Srinagar Colony, Vijaywada, Krishna, Andhra Pradesh -520008 (Branch office)</p> <p>4) H.NO.6, Plot No.114, Venkateshwara Enclave, Suchitra Junction, Jeedimelta, Rangareddy, Telangana-500055. (Branch office)</p> | Commercial Taxes Department, Telangana | 36098241667 | Valid until cancelled |
| 6 | <p>1) Plot No. 737, Masjid Street, Padmavathi Puram, Tirupati Rural Mandal, Chittoor District, Andhra Pradesh</p> <p>2) D.No. 3-1-47, Main Road, Nellore-2, Andhra Pradesh</p> <p>3) Site Survey No. 262/1, 263, 273/3B, Layout No. 33/2012 VGA, Plot No. 151, 152, Back side of Airport area, Sai Priya RTC Colony, Apparao Pet Road, Kesarpalli, Gannavaram, Manadalam, Andhra Pradesh</p> | Commercial Taxes Department, Andhra Pradesh | 37098241667 | Valid until cancelled |
| 7 | Registration Certificate under the Telangana Tax on Professions, Trades, Callings and Employments Act, 1987 | Commercial Taxes Department, Hyderabad | 36238873519 | Valid until cancelled |
| 8 | Enrollment Certificate under the Telangana Tax on Professions, Trades, Callings and Employments Act, 1987 | Commercial Taxes Department, Hyderabad | 36194749041 | Valid until cancelled |

| Sr. No. | Description | Authority | Registration Number | Date of Expiry |
|---------|--|--|---------------------|-----------------------|
| 9 | Enrollment Certificate under the Andhra Pradesh Tax on Professions, Trades, Callings and Employments Act, 1987 | Commercial Taxes Department, Hyderabad | 28990095125 | Valid until cancelled |

II. BUSINESS RELATED APPROVALS

The Company has obtained the following approvals for the purposes of conducting its business activities:

| Sr. No. | Description | Location | Authority | Registration Number | Date of Expiry |
|---------|---|--|-------------------|---------------------------|-------------------|
| 1. | Certificate of Registration under Andhra Pradesh (Issuance of Integrated Registration and Furnishing of Combined Returns under various Labour Laws by certain Establishment) Act, 2015 | 3/39, Tadikala Bazar, Nawabpeta Nellore ward-2, Nellore (Urban), Nellore- 524001. | Labour Department | AP-09-82-002-0337516 | March 31, 2019 |
| 2. | Certificate of Registration under Andhra Pradesh (Issuance of Integrated Registration and Furnishing of Combined Returns under various Labour Laws by certain Establishment) Act, 2015 | 32-14-10/2, Moghulrajapuram, Vijayawada, Ward-7, Vijayawada (Urban), Krishna- 520010 | Labour Department | AP- 06- 84-7-0336386 | March 31, 2019 |
| 3 | Certificate of Registration under Andhra Pradesh (Issuance of Integrated Registration and Furnishing of Combined Returns under various Labour Laws by certain Establishment) Act, 2015 | 40-6-27, Hotel Fortune, Murali Park Lane, Vijayawada, Ward-13, Vijaywada (Urban), Krishna- 520010 | Labour Department | AP-06-84-13-0336400 | March 31, 2019 |
| 4 | Certificate of Registration under Andhra Pradesh (Issuance of Integrated Registration and Furnishing of Combined Returns under various Labour Laws by certain Establishment) Act, 2015 | 7-37, Maszid Street, Padmavathipuram, Tirupathi, Ward-9, Tirupathi (Urban), Chittoor- 517503 | Labour Department | AP-10-84-009-0337610 | March 31, 2019 |
| 5 | Certificate of Registration under Andhra Pradesh (Issuance of Integrated Registration and Furnishing of Combined Returns under various Labour Laws by certain Establishment) Act, 2015 | 54-20/9-9A, Srinagar Colony, Ward-2, Vijayawada (Urban), Krishna- 520008. | Labour Department | AP-06-84-2-094393 | March 31, 2018 |
| 6 | Renewal of Registration Certificate under Telangana Shops & Establishments Act, 1988 | H.No.6-8, P No.114, Venkateshwara Enclave, Near Suchitra Junction , Ranga Reddy, Quthubullapur (M), Jeedimetla | Labour Department | SER/MED/ALO/QB/31821/2017 | December 31, 2017 |
| 7 | Renewal of Registration Certificate under - Telangana | 7-2-4/D/A, Industrial Estate Opp: SBH | Labour Department | SER/HYD/ALO/03/04658/2016 | December 31, 2017 |

| Sr. No. | Description | Location | Authority | Registration Number | Date of Expiry |
|---------|---|---|--|-----------------------|--------------------|
| | Shops and Establishment Act, 1988 | Sanathnagar, Hyderabad-500018 | | | |
| 8 | License and Registration under rule 16(3) of the Legal Metrology (Packaged Commodities) Rules, 2011 | D. No. 54-20/9-9, L.P. 7/86, R.S. No. 452/2, Thimmarasu Street, Sri Nagar, Vijaywada, Andhra Pradesh -520008 | Officer of the Controller, Legal Metrology - Hyderabad | 01781210 | August 17, 2017 |
| 9 | Quality Management Certificate ISO 9001:2008 | D.No.54-20/9-9A, Thimmarasu Street, Srinagar Colony, Vijayawada-8 | LMS Certifications Private Limited | 20836-A01 | October 20, 2019 |
| 10 | Quality Management Certificate ISO 22000:2005 | D.No.54-20/9-9A, Thimmarasu Street, Srinagar Colony, Vijayawada-8 | LMS Certifications Private Limited | 70115-A01 | November 22, 2019 |
| 11 | License under Government of Andhra Pradesh Food Safety and Standards Act, 2006 | D.No.31-14-10-2, Sivalayam Street, Moghalrajpuram, Vijayawada (Urban), Krishna, Andhra Pradesh-520010 | State Licensing Authority, Food Safety & Standards Authority of India. | 10116006000644 | September 08, 2018 |
| 12 | License under Government of Andhra Pradesh Food Safety and Standards Act, 2006 | D. No. 54/20/9-9A, Thimmarasu Street, Sri Nagar Colony, Vijayawada(Urban), Krishna, Andhra Pradesh-520008 | State Licensing Authority, Food Safety & Standards Authority of India. | 10114006000791 | October 05, 2018 |
| 13 | License under Government of Telangana Food Safety and Standards Act, 2006 | Old Canteen Building, opposite SBH Bank, Industrial Area, Sanathnagar, Hyderabad, Circle No.10 (Old MCH Circle-V), Khairatabad, Hyderabad- Central Zone, (Telangana)- 500018. | State Licensing Authority, Food Safety & Standards Authority of India. | 13616011000516 | May 21, 2021 |
| 14 | Trade License | 54-20/9, Timmarasu Street, Srinagar Colony, Vijayawada | Municipal Corporation of Vijayawada | 28/443/1559 | March 31, 2017 |
| 15 | Trade License | 32-14-10/2, Gr. Floor, Sivalayam Street, Moghalrajpuram, Vijayawada-520010 | Municipal Corporation of Vijayawada | 0358714 | March 31, 2017 |
| 16 | Trade License | 40-6-27, Sri Nilayam, Kandhari Hotel Road, Vijayawada | Municipal Corporation of Vijayawada | 216358/PTM | March 31, 2017 |
| 17 | Trade License | D.No. 3/39, Nawabpet, Nellore | Nellore Municipal Corporation (A.P.) | Roc. No. 9705/2016/F2 | November 07, 2017 |
| 18 | Provisional Trade License under Hyderabad Municipal Corporation Act, 1955 | 7-2-4/D & 7-2-4/D/A, Old Canteen Building, Opp: Sbb Bank, Industrial Areal, Sanathnagar, Hyderabad | Commissioner of GHMC, Hyderabad | CSC23071604244 | March 31, 2017 |


| Sr. No. | Description | Location | Authority | Registration Number | Date of Expiry |
|---------|-------------------------|--|---|---------------------|-----------------------|
| 19 | Udyog Adhaar Memorandum | Door No.54-20/9/9, Timmarasu Street, Sri Nagar Colony, Vijayawada, Krishna, Andhra Pradesh- 520008 | Ministry of Micro, Small & Medium Enterprises | AP06B0002363 | Valid until cancelled |
| 20 | Factory License | 54-20/9-9A, Timmarasu street, Srinagar colony, Vijayawada- 8, Krishna District | Office of the Inspector of Factories (Vijayawada) | 113235 | Valid until cancelled |


III. LABOUR / EMPLOYEES RELATED APPROVALS:

| Sr. No | Description | Authority | Registration Number | Date of Expiry |
|--------|--|--|------------------------------------|-----------------------|
| 1. | Registration under Employees Provident Funds & Miscellaneous Provisions Act, 1952 issued on January 17, 2013 | Regional Provident Fund Commissioner, Employees' Provident Fund Organization, Andhra Pradesh | RO/AP/HY/73780/Enf/I/T-5/2013/1027 | Valid until cancelled |
| 2. | Registration under Employees' State Insurance Act, 1948 | Asst. Director, Employees' State Insurance Corporation, Andhra Pradesh | 52-00-034132-000-1002 | Valid until cancelled |

IV. APPROVALS RELATING TO INTELLECTUAL PROPERTY

TRADEMARKS

| Sr. No. | Particulars of the mark | Word/La bel mark | Applicant | Trademark/ Application Number | Issuing Authority | Certificate Detail | Class | Period of validity |
|---------|---|------------------|-----------------------|-------------------------------|-------------------------------|---|-------|--|
| 1. | FROZEN KINGS | Word | Tanvi Foods Pvt. Ltd. | 1831387 | Trade Marks Registry, Chennai | Certificate bearing No. 1140304 dated December 18, 2013 | 43 | Valid upto 10 years from June 22, 2009 |
| 2 | FROZEN KINGS | Word | Tanvi Foods Pvt. Ltd. | 1831384 | Trade Marks Registry, Chennai | Certificate bearing No. 1071462 dated August 10, 2012 | 30 | Valid upto 10 years from - June 22, 2009 |
| 3 | FROZEN KINGS | Word | Tanvi Foods Pvt. Ltd. | 1831385 | Trade Marks Registry, Chennai | Certificate bearing No. 1071456 dated August 10, 2012 | 29 | Valid upto 10 years from June 22, 2009 |
| 4 |  | Device | Tanvi Foods Pvt. Ltd. | 1943863 | Trade Marks Registry, Chennai | Certificate bearing No. 1018024 dated July 21, 2011 | 43 | Valid upto 10 years from March 30, 2010 |

| Sr. No. | Particulars of the mark | Word/La bel mark | Applicant | Trademark/ Application Number | Issuing Authority | Certificate Detail | Class | Period of validity |
|---------|---|------------------|--|-------------------------------|-------------------------------|--|-------|--|
| 5. |  | Word* | Mr. A. Nagaveer trading as Sri Sai Agencies* | 1424463 | Trade Marks Registry, Chennai | Certificate bearing No. 748859 dated August 26, 2008 | 42 | Valid upto 10 years from February 27, 2016 |

*Vide Royalty Agreement dated April 01, 2015, Mr. Sri Nagaveer Adusumilli has accorded permission to the Company for making use of the said trademark. For further details, please refer to risk factor no. 04 appearing on page no. 10 of the section titled "Risk Factors".




V. Pending Approvals

The Company is in the process of obtaining renewals/registration of the following approvals:

1. Certificate of Registration under the Hyderabad Tax on Professions, Trades, Callings and Employments Act, 1987 for Vijayawada
2. The following trademarks :

Relating to Intellectual Property

| Sr. No. | Nature of License/Approvals | Applicant | Application No. | Date of Filing | Class |
|---------|---|---|-----------------|-------------------|-------|
| 1 |  | Squarepeg Distribution Services Private Limited | 3423768 | November 30, 2016 | 11 |
| 2 |  | Squarepeg Distribution Services Private Limited | 3423766 | November 30, 2016 | 37 |
| 3 |  | Squarepeg Distribution Services Private Limited | 3423767 | November 30, 2016 | 39 |
| 4 |  | Tanvi Foods (India) Limited | 3423760 | November 30, 2016 | 29 |
| 5 |  | Tanvi Foods (India) Limited | 3423757 | November 30, 2016 | 30 |
| 6 |  | Tanvi Foods (India) Limited | 3423758 | November 30, 2016 | 35 |
| 7 |  | Tanvi Foods (India) Limited | 3423759 | November 30, 2016 | 43 |
| 8 |  | Tanvi Foods (India) Limited | 3423756 | November 30, 2016 | 29 |
| 9 |  | Tanvi Foods (India) Limited | 3423761 | November 30, 2016 | 29 |
| 10 |  | Tanvi Foods (India) Limited | 3423762 | November 30, 2016 | 29 |
| 11 |  | Tanvi Foods (India) Limited | 3423763 | November 30, 2016 | 35 |

| Sr. No. | Nature of License/Approvals | Applicant | Application No. | Date of Filing | Class |
|---------|---|-----------------------------|-----------------|-------------------|-------|
| 12 |  | Tanvi Foods (India) Limited | 3423764 | November 30, 2016 | 37 |
| 13 |  | Tanvi Foods (India) Limited | 3423765 | November 30, 2016 | 11 |
| 14 |  | Tanvi Foods (India) Limited | 3428792 | December 07, 2016 | 29 |

3. Trade Licenses for following places :

- i. House No. 06-08, Plot No. 114, Venkateswara Enclave, Near Suchitra Junction, Jeedimata, Ranga Reddy District, Telangana

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as described below, there are no outstanding litigations, suits, civil or criminal prosecutions, proceedings before any judicial, quasi-judicial, arbitral or administrative tribunals, including pending proceedings for violation of statutory regulations or, alleging criminal or economic offences or tax liabilities or any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (i) of Part 1 of Schedule XIII of the Companies Act) against our Company, our Directors, our Promoter and our Group Entities that would have a material adverse effect on our business. There are no defaults, non-payments or overdue of statutory dues, institutional/bank dues and dues payable to holders of debentures or fixed deposits and arrears of cumulative preference shares that would have a material adverse effect on our business.

Further, except as disclosed in this section, our Board of Directors do not consider any other outstanding litigation or past penalties involving our Company, Subsidiaries, Promoter, Group Companies and Directors as material as on the date of this Prospectus. Our Board of Directors considers dues owed by our Company to the small scale undertakings and other creditors exceeding ₹ 100.00 lakhs (i.e. 2% of total turnover as on March 31, 2016, (round off)) as material dues for our Company. This materiality threshold has been approved by our Board of Directors pursuant to the resolution passed on September 24, 2016.

CONTINGENT LIABILITIES OF OUR COMPANY

| Particulars | Amount (₹ in lakhs) |
|-----------------|---------------------|
| Disputed Amount | 35.05 |

LITIGATION INVOLVING OUR COMPANY

A. LITIGATION AGAINST OUR COMPANY

1. Litigations involving Criminal matters

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

| Sr. No. | Type of Direct Tax | No. of Cases | Amount in dispute/ demanded (₹ in lakhs) |
|--------------|--------------------|--------------|--|
| 1. | Income-tax | 1 | 35.05 |
| Total | | 1 | 35.05 |

(ii) Indirect Taxes Liabilities

| Sr. No. | Type of Indirect Tax | No. of Cases | Amount in dispute/ demanded (₹ in lakhs) |
|--------------|----------------------|--------------|--|
| 2. | NIL | NIL | NIL |
| Total | | NIL | NIL |

4. Other Pending Litigations

NIL

B. LITIGATIONS FILED BY OUR COMPANY

1. Litigation Involving Criminal matters

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

| Sr. No. | Type of Direct Tax | No. of Cases | Amount in dispute/ demanded (₹ in lakhs) |
|--------------|--------------------|--------------|--|
| 1. | NIL | NIL | NIL |
| Total | | NIL | NIL |

(ii) Indirect Taxes Liabilities

| Sr. No. | Type of Indirect Tax | No. of Cases | Amount in dispute/ demanded (₹ in lakhs) |
|--------------|----------------------|--------------|--|
| 2. | NIL | NIL | NIL |
| Total | | NIL | NIL |

5. Other Pending Litigations

NIL

LITIGATION INVOLVING OUR DIRECTORS

A. LITIGATION AGAINST OUR DIRECTORS

1. Litigation Involving Criminal Matters

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

| Sr. No. | Type of Direct Tax | No. of Cases | Amount in dispute/ demanded (₹ in lakhs) |
|--------------|--------------------|--------------|--|
| 1. | NIL | NIL | NIL |
| Total | | NIL | NIL |

(ii) Indirect Taxes Liabilities

| Sr. No. | Type of Indirect Tax | No. of Cases | Amount in dispute/ demanded (₹ in lakhs) |
|--------------|----------------------|--------------|--|
| 2. | NIL | NIL | NIL |
| Total | | NIL | NIL |

4. Other Pending Litigations

NIL

B. LITIGATION FILED BY OUR DIRECTORS

1. Litigation Involving Criminal matters

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

| Sr. No. | Type of Direct Tax | No. of Cases | Amount in dispute/ demanded (₹ in lakhs) |
|--------------|--------------------|--------------|--|
| 1. | NIL | NIL | NIL |
| Total | | NIL | NIL |

(ii) Indirect Taxes Liabilities

| Sr. No. | Type of Indirect Tax | No. of Cases | Amount in dispute/ demanded (₹ in lakhs) |
|--------------|----------------------|--------------|--|
| 2. | NIL | NIL | NIL |
| Total | | NIL | NIL |

4. Other Pending Litigations

NIL

LITIGATION INVOLVING OUR PROMOTER

A. LITIGATION AGAINST OUR PROMOTER

1. Litigation Involving Criminal matters

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

| Sr. No. | Type of Direct Tax | No. of Cases | Amount in dispute/ demanded (₹ in lakhs) |
|--------------|--------------------|--------------|--|
| 1. | NIL | NIL | NIL |
| Total | | NIL | NIL |

(ii) Indirect Taxes Liabilities

| Sr. No. | Type of Indirect Tax | No. of Cases | Amount in dispute/ demanded (₹ in lakhs) |
|--------------|----------------------|--------------|--|
| 2. | NIL | NIL | NIL |
| Total | | NIL | NIL |

4. Other Pending Litigations

NIL

B. LITIGATION FILED BY OUR PROMOTER

1. Litigation Involving Criminal matters

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

| Sr. No. | Type of Direct Tax | No. of Cases | Amount in dispute/ demanded (₹ in lakhs) |
|--------------|--------------------|--------------|--|
| 1. | NIL | NIL | NIL |
| Total | | NIL | NIL |

(ii) Indirect Taxes Liabilities

| Sr. No. | Type of Indirect Tax | No. of Cases | Amount in dispute/ demanded (₹ in lakhs) |
|--------------|----------------------|--------------|--|
| 2. | NIL | NIL | NIL |
| Total | | NIL | NIL |

4. Other Pending Litigations

NIL

LITIGATION INVOLVING OUR SUBSIDIARIES COMPANIES

A. LITIGATION AGAINST OUR SUBSIDIARIES COMPANIES

1. Litigation involving Criminal matters

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

| Sr. No. | Type of Direct Tax | No. of Cases | Amount in dispute/ demanded (₹ in lakhs) |
|--------------|--------------------|--------------|--|
| 1. | NIL | NIL | NIL |
| Total | | NIL | NIL |

(ii) Indirect Taxes Liabilities

| Sr. No. | Type of Indirect Tax | No. of Cases | Amount in dispute/ demanded (₹ in lakhs) |
|--------------|----------------------|--------------|--|
| 2. | NIL | NIL | NIL |
| Total | | NIL | NIL |

4. Other Pending Litigations

NIL

B. LITIGATION FILED BY OUR SUBSIDIARIES COMPANIES

1. Criminal matters

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

| Sr. No. | Type of Direct Tax | No. of Cases | Amount in dispute/ demanded (₹ in lakhs) |
|--------------|--------------------|--------------|--|
| 1. | NIL | NIL | NIL |
| Total | | NIL | NIL |

(ii) Indirect Taxes Liabilities

| Sr. No. | Type of Indirect Tax | No. of Cases | Amount in dispute/ demanded (₹ in lakhs) |
|--------------|----------------------|--------------|--|
| 2. | NIL | NIL | NIL |
| Total | | NIL | NIL |

4. Other Pending Litigations

NIL

There are no litigations or legal actions, pending or taken, by any Ministry or Department of the Government or a statutory authority against our Promoter during the last 5 (five) years.

There are no litigations or legal actions, pending or taken, by any Ministry or Department of the Government or a statutory authority against our Promoter during the last 5 (five) years.

Pending proceedings initiated against our Company for economic offences.

There are no pending proceedings initiated against our Company for economic offences

Inquiries, investigations etc. instituted under the Companies Act, 2013 or any previous companies enactment in the last 5 (five) years against our Company.

There are no inquiries, investigations etc. instituted under the Companies Act or any previous companies enactment in the last 5 (five) years against our Company.

Material Fraud against our Company in the last 5 (five) years

There has been no material fraud committed against our Company in the last 5 (five) years.

Fines imposed or compounding of offences for default

There are no fines imposed or compounding of offences done in the last 5 (five) years immediately preceding the year of the Prospectus for the Company and its Subsidiaries for default or outstanding defaults.

Non-Payment of Statutory Dues

There have been no defaults or outstanding defaults in the payment of statutory dues payable by the Company. For details of dues of income tax, sales tax, wealth tax, service tax, customs duty, excise duty, value added tax and cess, which have not been deposited as on March 31, 2016 on account of disputes, see “*Summary Financial Information*” beginning on page no. 34 of this Prospectus.

Amounts owed to small scale undertakings and other creditors

The Board of Directors of our Company considers dues exceeding ₹ 100.00 lakhs (i.e. 2% of total turnover as on March 31, 2016, (round off)) to small scale undertakings and other creditors as material dues for our Company. Our Company does not owe any small scale undertakings any amounts exceeding ₹ 100.00 as of the date of this Prospectus.

Our Company owes amounts aggregating to ₹ 83.61 lakhs or more to its other creditors. There are no disputes with such entities in relation to payments to be made to them. The details pertaining to amounts due towards such creditors are available on the website of our Company at the following link: www.tanvifoods.com The details in relation to other creditors and amount payable to each creditor is available on the website of our Company.

Material developments occurring after last balance sheet date

There have been no material developments since the date of the last financial statements as disclosed in the Prospectus

SECTION VIII – OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

Our Board of Directors have vide resolution dated September 24, 2016 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 with a shorter notice on September 26, 2016 in accordance with the provisions of Section 62(1)(C) of the Companies Act, 2013.

The Offer for Sale has been authorised by the Selling Shareholders by their consent letter dated September 23, 2016. The No. of Equity Shares offered by each Selling Shareholders are as follows:

| Sr. No. | Name of the Selling Shareholders | No. of Equity Shares Offered |
|---------|----------------------------------|------------------------------|
| 1 | Mr. Sri Nagaveer Adusumilli | 2,14,000 |
| 2 | Mrs. Vasavi Adusumilli | 2,14,000 |
| | Total | 4,28,000 |

The Selling Shareholders have severally confirmed that the Equity Shares proposed to be offered and sold in the Issue are eligible in term of SEBI (ICDR) Regulations and that they have not been prohibited from dealings in securities market and the Equity Shares offered and sold are free from any lien, encumbrance or third party rights. The Selling Shareholders have also severally confirmed that they are the legal and beneficial owners of the Equity Shares being offered by them under the Offer for Sale

The Company has obtained approval from BSE vide letter dated November 07, 2016 to use the name of BSE in this Offer Document for listing of equity shares on the SME platform of the BSE. BSE is the designated stock exchange.

Prohibition by SEBI, the RBI or Governmental Authorities

We confirm that there is no prohibition on our Company, the Selling Shareholders, its Directors, Promoter 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 Promoter, relatives of Promoter (as defined under Companies Act, 2013), our Directors, our Group Companies, nor the Selling Shareholders have been identified as wilful defaulters by the RBI or other authorities. Each of the Selling Shareholder severally confirms that they have not been identified as a Wilful Defaulter.

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 Promoter, Promoter Group and Group Companies*” and “*Outstanding Litigations and Material Developments*” beginning on page nos. 10, 132 and 229 respectively, of this Prospectus.

Eligibility for the Issue

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulation; and this Issue is an “Initial Public Offer” in terms of the SEBI (ICDR) Regulations.

This Issue is being made in terms of Regulation 106 (M) (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. 47 of this Prospectus.
- b) In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty, otherwise, the entire application money will be refunded / 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 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. 48 of this Prospectus.
- e) Our Company has Net Tangible assets of at least ₹ 3 crores as per the latest audited financial results
- f) The Net worth (excluding revaluation reserves) of our Company is at least ₹ 3 crores as per the latest audited financial results
- g) Our Company has track record of distributable profits in terms of sec. 123 of Companies Act, 2013 for at least two years out of immediately preceding three financial years and each financial year has been a period of at least 12 months.
- h) The distributable Profit, Net tangible Assets and Net worth of our Company as per the restated financial statements for the period/ year ended as at September 30, 2016, March 31, 2016, 2015 and 2014 is as set forth below:

(₹ in lakhs)

| Particulars | September 30, 2016 | Fiscal 2016 | Fiscal 2015 | Fiscal 2014 |
|-------------------------------------|--------------------|-------------|-------------|-------------|
| Distributable Profit ⁽¹⁾ | 53.68 | 100.66 | 87.22 | 20.97 |
| Net tangible Assets ⁽²⁾ | 630.84 | 568.84 | 380.40 | 448.81 |
| Net Worth ⁽³⁾ | 755.97 | 702.29 | 484.65 | 197.43 |

⁽¹⁾ Distributable profits have been computed in terms section 123 of the Companies Act, 2013.

⁽²⁾ Net Tangible Assets are defined as the sum of fixed assets (including capital work in-progress and excluding revaluation reserve) investments, current assets (excluding deferred tax assets) less current liabilities (excluding deferred tax liabilities) and secured as well as unsecured long term liabilities excluding intangible assets as defined in Accounting Standard 26 (AS 26) issued by the Institute of Chartered Accountants of India.

⁽³⁾ Net Worth has been computed as the aggregate of equity shares capital and reserves (excluding revaluation reserves) and after deducting miscellaneous expenditure not written off, if any.

- i) As on the date of this Prospectus, our Company has a paid up capital of ₹ 344.48 lakhs (₹ 3.44 crores), which is in excess of ₹ 3 crore, and the Post Issue Capital will be of ₹ 411.68 lakhs (₹ 4.12 crores).
- j) Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
- k) There is no winding up petition against the company, which has been admitted by the court or a liquidator has not been appointed.

- l) There has been no change in the Promoter(s) of the Company in the preceding one year from date of filing application to BSE for listing on SME segment.
- m) Our company shall mandatorily facilitate trading in demat securities and enter into an agreement with both the depositories.
- n) We have a website: www.tanvifoods.com
- o) We are not a Stock / Commodity Broking Company since incorporation.
- p) We are not a Finance Company since incorporation.

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.

Disclaimer Clause of SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF PROSPECTUS 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 ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MERCHANT BANKER, ARYAMAN FINANCIAL SERVICES LIMITED, 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 AND THE SELLING SHAREHOLDERS ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE PROSPECTUS, THE LEAD MERCHANT BANKER ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY AND THE SELLING SHAREHOLDERS 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 FEBRUARY 07, 2017 WHICH READS AS FOLLOWS:

- 1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE PROSPECTUS PERTAINING TO THE SAID ISSUE;**
- 2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:**

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. WE, THE LEAD MANAGER TO THE ABOVE MENTIONED OFFER, STATE AND CONFIRM AS FOLLOWS:

- A. **THE PROSPECTUS FILED WITH THE BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;**
- B. **ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**
- C. **THE DISCLOSURES MADE IN THE PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956, THE COMPANIES ACT, 2013 (TO THE EXTENT NOTIFIED), THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.**
3. **WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.**
4. **WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS.**
5. **WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTER HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTER CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTER CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD /TRANSFERRED BY THE PROMOTER DURING THE PERIOD STARTING FROM THE DATE OF FILING OF THE PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE PROSPECTUS.**
6. **WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTER CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE PROSPECTUS.**
7. **WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTER CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITOR'S CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTER CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC OFFER. – NOT APPLICABLE**
8. **WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE "MAIN OBJECTS" LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.**
9. **WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 73 OF THE COMPANIES ACT, 1956**

(SECTION 40 OF COMPANIES ACT, 2013) AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION. – NOTED FOR COMPLIANCE. ALL MONIES RECEIVED OUT OF THE ISSUE SHALL BE CREDITED/ TRANSFERRED TO A SEPARATE BANK ACCOUNT AS REFERRED TO IN SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013.

10. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE. – NOT APPLICABLE. UNDER SECTION 29 OF THE COMPANIES ACT, 2013, THE EQUITY SHARES ARE TO BE ISSUED IN DEMAT ONLY.
11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.
12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE PROSPECTUS:
 - A. AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER, AND
 - B. AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.
13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE– NOTED FOR COMPLIANCE.
14. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTER EXPERIENCE, ETC.
15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.
16. WE ENCLOSE STATEMENT ON PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKERS AS PER FORMAT SPECIFIED BY SEBI THROUGH CIRCULAR (PLEASE SEE “ANNEXURE A” FOR FURTHER DETAILS).
17. WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS - COMPLIED WITH TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS CERTIFIED BY M/s. GV & Co., CHARTERED ACCOUNTANTS (FIRM REGISTRATION NUMBER: 012875S) PURSUANT TO THEIR REPORT DATED FEBRUARY 03, 2017.

THE FILING OF THIS OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE ANY PERSON WHO HAS AUTHORISED THIS PROSPECTUS FROM ANY LIABILITIES UNDER SECTION 34 OR SECTION

36 OF THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE LEAD MERCHANT BANKERS ANY IRREGULARITIES OR LAPSES IN THE OFFER DOCUMENT.

THE FILING OF THE PROSPECTUS DOES NOT ABSOLVE THE SELLING SHAREHOLDERS FROM ANY LIABILITY TO THE EXTENT OF THE STATEMENTS MADE BY IT IN RESPECT OF THE EQUITY SHARES OFFERED BY IT UNDER THE OFFER FOR SALE, UNDER SECTION 34 AND 36 OF THE COMPANIES ACT, 2013.

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, 28 and 30 of the Companies Act, 2013.

ADDITIONAL CONFIRMATIONS/ CERTIFICATIONS TO BE GIVEN BY MERCHANT BANKER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH OFFER DOCUMENT REGARDING SME EXCHANGE

1. WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.
2. WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES OFFERED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN.
3. WE CONFIRM THAT THE ABRIDGED PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009. – NOTED FOR COMPLIANCE
4. WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE ISSUER.
5. WE CERTIFY THAT AS PER THE REQUIREMENTS OF FIRST PROVISIO TO SUB-REGULATION (4) OF REGULATION 32 OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009; CASH FLOW STATEMENT HAS BEEN PREPARED AND DISCLOSED IN THE PROSPECTUS.
6. WE CONFIRM THAT UNDERWRITING AND MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 106P AND 106V OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE.

Disclaimer from our Company, the Selling Shareholders and the Lead Manager

Our Company, the Directors, the Selling Shareholders and the Lead Manager accept no responsibility for statements made otherwise than those contained in this Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information would be doing so at his or her own risk.

CAUTION

The Lead Manager accepts no responsibility, save to the limited extent as provided in the MoU for Issue Management entered into among the Lead Manager, our Company and the Selling Shareholders dated September 27, 2016, the Underwriting Agreement dated September 27, 2016 entered into among the Underwriter and our Company, the Selling Shareholders and the Market Making Agreement dated September 27, 2016, 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 Selling Shareholders, 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 Selling Shareholders, 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 Prospectus does not, however, constitute an issue to sell or an invitation to subscribe to Equity Shares offered hereby in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession the Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Mumbai only.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and the Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of the Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been any change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date

Disclaimer Clause of the SME Platform of BSE

“BSE Limited ("BSE") has given vide its letter dated November 07, 2016, permission to this Company to use its name in this offer document as one of the stock exchanges on which this company's securities are proposed to be listed on the SME Platform. BSE has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. BSE does not in any manner:

- i. warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
- ii. warrant that this Company's securities will be listed or will continue to be listed on BSE; or
- iii. take any responsibility for the financial or other soundness of this Company, its promoter, its management or any scheme or project of this Company;

and it should not for any reason be deemed or construed that this offer document has been cleared or approved by BSE. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever”.

Disclaimer Clause under Rule 144A of the U.S. Securities Act

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the “Securities Act”) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to “qualified institutional buyers”, as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur.

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

Filing

The Draft Prospectus shall not be filed with SEBI, nor will SEBI issue any observation on the offer document in term of Reg. 106 (O) (1). However, a copy of the Prospectus shall be filed with SEBI at Overseas Towers, 7th Floor, 756-L, Anna Salai, Chennai : 600002.

A copy of the Prospectus, along with the documents required to be filed under Section 26, 28 and other applicable law of the Companies Act, 2013 will be delivered to the RoC situated at 2nd Floor, Corporate Bhawan, GSI Post, Tattianaram Nagole, Bandlaguda, Hyderabad - 500 068.

Listing

Application shall be made to SME Platform of BSE for obtaining permission for listing of the Equity Shares being offered and sold in the Issue on its SME Platform after the allotment in the Issue. BSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue.

If the permission to deal in and for an official quotation of the Equity Shares on the SME Platform is not granted by BSE, our Company and the Selling Shareholders shall forthwith repay, without interest, all moneys received from the applicants in pursuance of the prospectus. The allotment letters shall be issued or application money shall be refunded / unblocked within fifteen days from the closure of the Issue or such lesser time as may be specified by Securities and Exchange Board or else the application money shall be refunded to the applicants forthwith, failing which interest shall be due to be paid to the applicants at the rate of fifteen per cent per annum for the delayed period as prescribed under Companies Act, 2013, the SEBI (ICDR) Regulations and other applicable law.

Our Company and the Selling Shareholders 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.

The Company has obtained approval from BSE vide letter dated November 07, 2016 to use the name of BSE in this Offer document for listing of equity shares on SME Platform of BSE.

Price Information of past issues handled by the Lead Manager

| Sr. No. | Issue Name | Issue size (M Cr.) | Issue Price (M) | Listing date | Opening price on listing date | +/- % change in Price on closing price, [+/- % change in closing benchmark]- 30 th calendar days from listing | | +/- % change in Price on closing price, [+/- % change in closing benchmark]- 90 th calendar days from listing | | +/- % change in Price on closing price, [+/- % change in closing benchmark]- 180 th calendar days from listing | |
|---------|-----------------------------------|--------------------|-----------------|--------------|-------------------------------|--|--------|--|--------|---|--------|
| | | | | | | | | | | | |
| 1 | Diksat Transworld Ltd. | 18.43 | 40 | 18/10/2016 | 40.75 | 6.25% | -6.50% | 27.50% | -2.72% | NA | NA |
| 2 | Valiant Organics Ltd. | 21.22 | 220 | 14/10/2016 | 264.00 | 105.75% | -3.09% | 78.18% | -1.54% | NA | NA |
| 3 | Mitsu Chem Plast Ltd. | 9.51 | 95 | 09/09/2016 | 96.00 | 0.79% | -2.56% | 20.53% | -7.30% | NA | NA |
| 4 | Bajaj Healthcare Ltd. | 30.90 | 170 | 10/05/2016 | 170.00 | 2.18% | 3.84% | 23.53% | 9.35% | 44.76% | 5.83% |
| 5 | Franklin Leasing And Finance Ltd. | 6.34 | 15 | 13/04/2016 | 15.10 | 1.67% | -0.54% | 7.67% | 8.51% | 6.67% | 9.58% |
| 6 | Relicab Cable Manufacturing Ltd. | 3.22 | 20 | 22/03/2016 | 20.00 | 2.50% | 2.17% | 3.75% | 6.07% | 25.00% | 12.90% |
| 7 | K.P. Energy Ltd. | 6.44 | 70 | 25/02/2016 | 72.00 | 10.00% | 10.28% | 28.57% | 12.64% | 81.71% | 21.82% |
| 8 | Vaksons Automobiles Ltd. | 6.24 | 26 | 16/10/2015 | 26.25 | 4.23% | -5.89% | 1.92% | -8.97% | 1.73% | -5.83% |
| 9 | AGI Infra Ltd. | 14.99 | 54 | 27/03/2015 | 54.40 | 4.17% | -0.08% | 50.00% | 1.59% | 115.74% | -5.96% |
| 10 | Vishal Fabrics Ltd. | 15.63 | 45 | 20/08/2014 | 45.20 | 12.22% | 2.95% | 15.56% | 7.03% | 34.33% | 10.72% |

Summary Statement of Disclosure

| Financial Year | Total no. of IPOs | Total Funds Raised (₹ in Cr.) | Nos. of IPOs trading at discount - 30 th calendar day from listing day | | | Nos. of IPOs trading at premium - 30 th calendar day from listing day | | | Nos. of IPOs trading at discount - 180 th calendar day from listing day | | | Nos. of IPOs trading at premium - 180 th calendar day from listing day | | |
|----------------|-------------------|-------------------------------|---|----------------|---------------|--|----------------|---------------|--|----------------|---------------|---|----------------|---------------|
| | | | Over 50% | Between 25-50% | Less than 25% | Over 50% | Between 25-50% | Less than 25% | Over 50% | Between 25-50% | Less than 25% | Over 50% | Between 25-50% | Less than 25% |
| 2016-17 | 5 ⁽¹⁾ | 86.40 | - | - | - | 1 | - | 4 | - | - | - | - | 1 | 1 |
| 2015-16 | 3 | 15.90 | - | - | - | - | - | 3 | - | - | - | - | 1 | 2 |
| 2014-15 | 3 | 35.06 | - | - | 1 | - | - | 2 | - | - | 1 | 1 | 1 | - |

⁽¹⁾ Details indicated in 2016-17 are for the IPOs completed as on date.

Notes:

- Since the listing date of Mitsu Chem Plast Limited, Diksat Transworld Limited and Valiant Organics Limited was September 09, 2016, October 18, 2016 and October 14, 2016 respectively, information related to closing price and benchmark index as on 180th calendar day from the listing date is not available.
- The respective Designated Stock Exchange for each Issue has been considered as the Benchmark index for each of the above Issues.
- 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 and BSE Sensex as the Benchmark Index.

Track record of past issues handled by the Lead Manager

For details regarding the track record of the Lead Manager to the Issue as specified in Circular reference CIR/MIRSD/1/ 2012 dated January 10, 2012 issued by the SEBI, please see the website of Aryaman Financial Services Limited – www.afsl.co.in

Consents

Consents in writing of: (a) the Selling Shareholders, the Directors, the Company Secretary and Compliance Officer, the Chief Financial Officer, the Statutory Auditor and Banker(s) to the Company; and (b) the Lead Manager, Registrar to the Issue, the Legal Advisors to the Issue, Banker to the Issue, Share Escrow Agent, 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, 28 and other applicable law 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. GV & Co., Statutory Auditors, have provided their written consent to the inclusion of their report dated February 03, 2017 on Restated Financial Statements and report dated September 27, 2016 on Statement of Tax Benefits, respectively, which may be available to the Company and its shareholders, included in this Prospectus in the form and context in which they appear therein and such consents and reports have not been withdrawn up to the time of filing of this Prospectus.

Expert Opinion

Our Company has received written consent from its Auditor namely, M/s. GV & Co., Chartered Accountants to include their name as required under section 26(1)(a)(v) of the Companies Act, 2013 in this 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 February 03, 2017 and the Statement of Tax Benefits dated September 27, 2016, issued by them respectively, included in this Prospectus and such consent has not been withdrawn as on the date of this 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: Same as object of the Issue

| Sr. No. | Particulars | Amount (₹ in lakhs) | % of Total Expenses | % of Total Issue size |
|--------------|--|---------------------|---------------------|-----------------------|
| 1 | Issue Management fees and payment to other intermediaries such as Legal Advisors, Registrars and other out of pocket expenses. | 38.00 | 70.70% | 5.76% |
| 2 | Brokerage and Selling Commission, Underwriting Commission, etc | 3.50 | 6.51% | 0.53% |
| 3 | Advertisement, Printing & Stationery and Marketing Expenses | 4.50 | 8.37% | 0.68% |
| 4 | Listing Fees, Market Making fees (1st year), Regulatory & Other Expenses | 7.75 | 14.42% | 1.17% |
| Total | | 53.75 | 100.00% | 8.14% |

- 1) Except for the Listing Fees, ROC Charges & the Market Making Fees, which will be borne by our Company, all other expenses relating to the Issue as mentioned above will be borne by the Company and Selling Shareholders in proportion to the Equity Shares contributed to the Issue. The Issue expenses are estimated expenses and subject to change.
- 2) The SCSBs and other intermediaries will be entitled to a commission of ₹ 50/- per every valid Application Form submitted to them and uploaded on the electronic system of the Stock Exchange by them
- 3) The SCSBs would be entitled to processing fees of ₹ 25/- per Application Form, for processing the Application Forms procured by other intermediaries and submitted to the SCSBs.

- 4) *Further the SCSBs and other intermediaries will be entitled to selling commission of 0.05% 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.*
- 5) *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 MOUs dated September 27, 2016, the Underwriting Agreement dated September 27, 2016 and the Market Making Agreement dated September 27, 2016 among our Company, the Selling Shareholders 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 26, 2016

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.

Previous Public and Rights Issues

We have not made any rights and public issues in the past, and we are an “Unlisted Company” in terms of the SEBI (ICDR) Regulations and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations.

Previous Issues of Equity Shares otherwise than for Cash

Except as stated in the chapter titled “*Capital Structure*” beginning on page no. 50 of this Prospectus, we have not issued any Equity Shares for consideration other than for cash.

Commission and Brokerage Paid on Previous Issues of our Equity Shares

Since this is an Initial Public Offer of the Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since inception of the Company.

Capital Issues in the last three (3) years by Listed Group Companies / Subsidiaries / Associates

None of our Group Companies / Associates / Subsidiaries is listed on any Stock Exchange and hence there is no Capital Issue.

Promise v. Performance (Issuer and Listed Group Companies / Subsidiaries / Associates)

Our Company has not made any rights and public issues in the past. None of our Group Companies / Subsidiaries / Associates is listed on any Stock Exchange and not made any rights and public issues in the past. Further, we do not have any subsidiary as on date of this Prospectus

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 Prospectus.

Stock Market Data for our Equity Shares

This being an initial public offer of the Company, the Equity Shares of the Company are not listed on any stock exchange.

Mechanism for Redressal of Investor Grievances

The Company and the Selling Shareholders 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 24, 2016 constituted a Stakeholders Relationship Committee. The composition of the Stakeholders Relationship Committee is as follows:

| Name of the Member | Nature of Directorship | Designation in Committee |
|------------------------|------------------------------------|--------------------------|
| Mr. R.V. Radhakrishna | Non Executive Independent Director | Chairman |
| Mr. Naveen Nandigam | Non Executive Independent Director | Member |
| Mrs. Vasavi Adusumilli | Executive Director | Member |

For further details, please see the chapter titled "*Our Management*" beginning on page no. 118 of this Prospectus.

The Company has also appointed Mrs. Shilpa Kotagiri as the Company Secretary and Compliance Officer for this Issue and She may be contacted at the Registered Office of our Company. The contact details are as follows:

Name: Mrs. Shilpa Kotagiri

Address: No.7-2-4/D, Old Canteen Building, Sanathnagar Industrial Estate, Opp: SBH Sanathnagar, Hyderabad, Telangana – 500 018.

Tel Fax No: +91 – 40 – 6678 9900

Email: investors@tanvifoods.com

Investors can contact the Compliance Officer or the Registrar to the Issue or the Lead Manager in case of any pre- Issue or post- Issue related problems, such as non-receipt of letters of Allotment, credit of Allotted Equity Shares in the respective beneficiary accounts and refund orders.

Status of Investor Complaints

We confirm that we have not received any investor complaint during the three years preceding the date of this Prospectus and hence there are no pending investor complaints as on the date of this Prospectus.

Disposal of Investor Grievances by Listed Companies under the same Management as the Company

No company under the same management as the Company within the meaning of Section 370(1B) of the Companies Act, 1956 has made any public issue (including any rights issues to the public) during the last three years and hence there are no pending investor grievances.

Change in Auditors

Our Company has changed the Statutory Auditors, appointing M/s. GV & Co., Chartered Accountant in place of M/s. P. S. Nagaraju & Co., Chartered Accountants vide Resolution passed in the EGM dated March 01, 2016.

Capitalisation of Reserves or Profits

Except as stated in the chapter titled “*Capital Structure*” beginning on page no. 50 of this Prospectus, our Company has not capitalised our reserves or profits during the last five years.

Revaluation of Assets

We have not revalued our assets in the last 5 years.

SECTION IX – ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

The Equity Shares being offered and transferred pursuant to this Issue are subject to the provisions of the Companies Act, SEBI (ICDR) Regulations, 2009, our Memorandum and Articles of Association, the terms of this Prospectus, the Application Form, the Revision Form, the Confirmation of Allocation Note and other terms and conditions as may be incorporated in the allotment advices and other documents/certificates that may be executed in respect of this Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable, 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 operationalization 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 24, 2016 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 26, 2016 in accordance with the provisions of Section 62 (1)(C) of the Companies Act, 2013.

The Offer for Sale has been authorised by the Selling Shareholders by their consent letter dated September 23, 2016. The No. of Equity Shares offered by each Selling Shareholders are as follows:

| Sr. No. | Name of the Selling Shareholders | No. of Equity Shares Offered |
|---------|----------------------------------|------------------------------|
| 1 | Mr. Sri Nagaveer Adusumilli | 2,14,000 |
| 2 | Mrs. Vasavi Adusumilli | 2,14,000 |
| | Total | 4,28,000 |

The Selling Shareholders have severally confirmed that the Equity Shares proposed to be offered and sold in the Issue are eligible in term of SEBI (ICDR) Regulations and that they have not been prohibited from dealings in securities market and the Equity Shares offered and sold are free from any lien, encumbrance or third party rights. The Selling Shareholders have also severally confirmed that they are the legal and beneficial owners of the Equity Shares being offered by them under the Offer for Sale.

Offer for Sale

The Issue comprises of a Fresh Issue and an Offer for Sale by the Selling Shareholders. The fees and expenses relating to the Issue shall be shared in the proportion mutually agreed between the Company and the respective Selling Shareholders in accordance with applicable law. However, for ease of operations, expenses of the Selling Shareholders may, at the outset, be borne by our Company on behalf of the Selling Shareholders, and the Selling Shareholders agree that they will reimburse our Company all such expenses.

Ranking of Equity Shares

The Equity Shares being issued and transferred pursuant to the Issue 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 see the section titled "*Main Provisions of the Articles of Association*" beginning on page no. 305 of this 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. In respect of the Offer for Sale, all dividends, if any, declared by our Company after the date of Allotment, will be payable to the Applicants who have been issued and allotted Equity Shares in such issue for the entire year. For further details, please refer the chapter titled "*Dividend Policy*" and "*Main Provisions of Article of Association*" beginning on page nos. 136 and 305 of this Prospectus.

Face Value and Issue Price

The Equity Shares having a face value of ₹ 10 each are being offered in terms of this Prospectus at the price of ₹ 60 per Equity Share. The Issue Price is decided by our Company and the Selling Shareholders, in consultation with the Lead Manager and is justified under the section titled "*Basis of Issue Price*" beginning on page no 67 of this Prospectus. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

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, the Listing Regulations 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 refer the section titled "*Main Provisions of Article of Association*" beginning on page no. 305 of this 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 October 28, 2016 between our Company, NSDL and the Registrar and Share Transfer Agent to the Issue.
- 2) Tripartite agreement dated October 24, 2016 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 2,000 Equity Shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012 and the same may be modified by BSE from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Issue will be done in multiples of 2,000 Equity Share subject to a minimum allotment of 2,000 Equity Shares to the successful Applicants.

Minimum Number of Allottees

The minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies collected shall be refunded within 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 and the Selling Shareholders, 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 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 and the Selling Shareholders 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 Prospectus.

ISSUE PROGRAMME

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

| Event | Indicative Date |
|---|-------------------|
| Issue Opening Date | February 17, 2017 |
| Issue Closing Date | February 22, 2017 |
| Finalisation of Basis of Allotment with the Designated Stock Exchange | February 28, 2017 |
| Initiation of Refunds | March 01, 2017 |
| Credit of Equity Shares to demat accounts of Allottees | March 02, 2017 |
| Commencement of trading of the Equity Shares on the Stock Exchange | March 03, 2017 |

The above timetable is indicative and does not constitute any obligation on our Company, the Selling Shareholders 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 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 Selling Shareholders 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-à-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-à-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.

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 becomes liable to pay the amount, we shall pay interest prescribed under section 40 of the Companies Act, 2013.

Arrangements for Disposal of Odd Lots

The trading of the Equity Shares will happen in the minimum contract size of 2,000 shares. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME platform of BSE.

Restrictions, if any, on transfer and transmission of shares or debentures and on their consolidation or splitting

For a detailed description in respect of restrictions, if any, on transfer and transmission of shares and on their consolidation / splitting, please refer the section titled “*Main Provisions of Article of Association*” beginning on page no. 305 of this Prospectus.

New Financial Instruments

Our 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 offered through this Issue are proposed to be listed on the SME Platform of BSE (SME Exchange), wherein the Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Maker of the SME Exchange for a minimum period of three years from the date of listing on the SME Platform of BSE.

For further details of the agreement entered into between our Company, the Lead Manager and the Market Maker, please refer the chapter titled "*General Information - Details of the Market Making Arrangement for this Issue*" beginning on page no. 48 of this 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, a Company whose post issue/ Issue face value capital does not exceed ten crore rupees, shall issue/ 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 refer the chapters titled "*Terms of the Issue*" and "*Issue Procedure*" beginning on page nos. 248 and 256 respectively, of this Prospectus.

Issue Structure:

Initial Public Offer of 11,00,000 Equity Shares of ₹ 10 each (the "Equity Shares") for cash at a price of ₹ 60 per Equity Share (including a Share premium of ₹ 50 per Equity Share) aggregating to ₹ 660.00 lakhs ("the Issue") by Tanvi Foods (India) Limited ("TFL" or the "Company").

The Issue comprises a Net Issue to Public of 10,44,000 Equity Shares of ₹ 10 each ("the Net Issue"), and a reservation of 56,000 Equity Shares of ₹ 10 each for subscription by the designated Market Maker ("the Market Maker Reservation Portion"). The Issue and the Net Issue will constitute 26.72% and 25.36%, 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 | 10,44,000 Equity Shares | 56,000 Equity Shares |
| Percentage of Issue Size available for allocation | 94.91% of the Issue Size | 5.09% of the Issue Size |
| Basis of Allotment | Proportionate subject to minimum allotment of 2,000 Equity Shares and further allotment in multiples of 2,000 Equity Shares each. For further details please refer to the " <i>Basis of Allotment</i> " on page no. 293 of this Prospectus. | Firm Allotment |
| Minimum Application Size | <i>For QIB and NII:</i> Such number of Equity Shares in multiples of 2,000 Equity Shares such that the Application Value exceeds ₹ 2,00,000 <i>For Retail Individuals:</i> 2,000 Equity Shares | 56,000 Equity Shares |
| Maximum Application Size | <i>For QIB and NII:</i> Such number of Equity Shares in multiples of 2,000 Equity Shares such that the Application Size does not exceed 10,44,000 Equity Shares. <i>For Retail Individuals:</i> Such number of Equity Shares in multiples of 2,000 Equity Shares such that the Application Value does not exceed ₹ 2,00,000 | 56,000 Equity Shares |
| Mode of Allotment | Dematerialized Form | Dematerialized Form |
| Trading Lot | 2,000 Equity Shares | 2,000 Equity Shares, However the Market Maker may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2009. |

| Particulars of the Issue | Net Issue to Public | Market Maker Reservation Portion |
|--------------------------|--|----------------------------------|
| Terms of Payment | The entire Application Amount will be payable at the time of submission of the Application Form. | |
| Application Lot Size | 2,000 Equity Shares and in multiples of 2,000 Equity Shares thereafter | |

- 1) 50 % of the Equity Share offered are reserved for allocation to Applicants below or equal to ₹ 2.00lakhs 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 Selling Shareholders name, 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) |
|-------------------------|-------------------------|
| Upto 14 | 10000 |
| More than 14 upto 18 | 8000 |
| More than 18 upto 25 | 6000 |
| More than 25 upto 35 | 4000 |
| More than 35 upto 50 | 3000 |
| More than 50 upto 70 | 2000 |
| More than 70 upto 90 | 1600 |
| More than 90 upto 120 | 1200 |
| More than 120 upto 150 | 1000 |
| More than 150 upto 180 | 800 |
| More than 180 upto 250 | 600 |
| More than 250 upto 350 | 400 |
| More than 350 upto 500 | 300 |
| More than 500 upto 600 | 240 |
| More than 600 upto 750 | 200 |
| More than 750 upto 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, the Selling Shareholders 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 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 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 Reg. 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 spillover 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 application 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), 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 authorisation 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 Centres 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:

| Category | Colour ⁽¹⁾ |
|---|-----------------------|
| 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 |

⁽¹⁾ 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 authorised to invest in equity shares;
4. Mutual Funds registered with SEBI;
5. Eligible NRIs on a repatriation basis or on a non-repatriation basis subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
6. Indian financial institutions, scheduled commercial banks (excluding foreign banks), regional rural banks, co-operative banks (subject to RBI regulations and the SEBI Regulations and other laws, as applicable);
7. FIIs and sub-accounts registered with SEBI, other than a sub-account which is a foreign corporate or foreign individual under the QIB portion;

8. Sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals only under the Non-Institutional Applications portion;
9. VCFs registered with SEBI;
10. FVCIs registered with SEBI;
11. Eligible QFIs;
12. 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 authorised 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 Legal 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 2,000 Equity Shares and in multiples of 2,000 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 2,000 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 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), 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), 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 FII after registering as an FPI under the SEBI FPI Regulations. Further, a qualified foreign investor who had not obtained a certificate of registration as and FPI could only continue to buy, sell or otherwise deal in securities until January 6, 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 sectorial cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included. The existing individual and aggregate investment limits an FII or sub account in our Company is 10.00% and 24.00% 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 color).

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, the Selling Shareholders 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 and the Selling Shareholders 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 and the Selling Shareholders 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 and the Selling Shareholders 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).

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 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such

account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

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 and the Selling Shareholders 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, the Selling Shareholders and the Lead Manager may deem fit.

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 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 Prospectus.

General Instructions

Do's:

- 1) Check if you are eligible to apply as per the terms of this 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 a 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 ₹ 200,000 (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 LM 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 ₹ 60 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 bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalisation of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public issue Account, or until withdrawal / failure of the Issue or until rejection of the 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 1, 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, the Selling Shareholders, our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Prospectus; 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 56,000 Equity Shares shall be reserved for the Market Maker. 10,44,000 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 27, 2016.
- b) For terms of the Underwriting Agreement please see chapter titled “*General Information*” beginning on page no 43 of this Prospectus.
- c) We will file a copy of the Prospectus with the RoC in terms of Section 26, 28 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 withdraws 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 is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law for the delayed period;
- 7) The certificates of the securities/refund orders to Eligible NRIs shall be dispatched within specified time;
- 8) No further Issue of Equity Shares shall be made till the Equity Shares issued through the Prospectus are listed or until the Bid monies are refunded / unblocked in ASBA Account on account of non-listing, under-subscription etc;
- 9) Adequate arrangements shall be made to collect all Application Forms and

Undertakings by the Selling Shareholders

Each Selling Shareholder severally undertakes that:

- 1) it shall deposit its Equity Shares offered in the Issue in an escrow account opened with the Registrar to the Issue at least one Working Day prior to the Bid/ Issue Opening Date;
- 2) it shall not have any recourse to the proceeds of the Offer for Sale until final listing and trading approvals have been received from the Stock Exchanges;
- 3) it shall take all steps and provide all assistance to our Company and the LMs, as may be required for the completion of the necessary formalities for listing and commencement of trading at all the stock exchanges where the Equity Shares are proposed to be listed within six Working Days from the Bid/ Issue Closing Date of the Issue, failing which it shall forthwith repay without interest all monies received from Bidders to the extent of the Offered Shares. In case of delay, interest as per applicable law shall be paid by the Selling Shareholder;
- 4) it shall not offer, lend, pledge, charge, transfer or otherwise encumber, sell, dispose off any of the Equity Shares held by it except the Equity Shares being offered in the Offer for Sale until such time that the lock-in remains effective save and except as may be permitted under the SEBI Regulations;
- 5) it shall ensure that the Equity Shares being offered by it in the Issue, shall be transferred to the successful Bidders within the time specified under applicable law; and

it shall give appropriate instructions for dispatch of the refund orders or Allotment Advice to successful Bidders within the time specified under applicable law.

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.

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.

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. Bidders/Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the issue. For taking an investment decision, the Bidders/Applicants should rely on their own examination of the Issuer and the Issue, and should carefully read the Red Herring Prospectus/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 Offers. The purpose of the “General Information Document for Investing in Public Issues” is to provide general guidance to potential Bidders/Applicants in IPOs and FPOs, and on the processes and procedures governing IPOs and FPOs, undertaken in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“SEBI ICDR Regulations, 2009”).

Bidders/Applicants should note that investment in equity and equity related securities involves risk and Bidder/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 Offer are set out in the Red Herring Prospectus (“RHP”) / Prospectus filed by the Issuer with the Registrar of Companies (“RoC”). Bidders/Applicants should carefully read the entire RHP / Prospectus and the Bid cum Application Form/Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Offer. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the RHP/Prospectus, the disclosures in the RHP/Prospectus shall prevail. The RHP/Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the BRLM(s) to the Offer and on the website of Securities and Exchange Board of India (“SEBI”) at www.sebi.gov.in.

For the definitions of capitalized terms and abbreviations used herein Bidders/Applicants may 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, Bidders/Applicants may refer to the RHP/Prospectus.

2.2 Further public offer (FPO)

An FPO means an offer of specified securities by a listed Issuer to the public for subscription and may include Offer for Sale of specified securities to the public by any existing holder of such securities in a listed Issuer.

For undertaking an FPO, the Issuer is *inter-alia* required to comply with the eligibility requirements in terms of Regulation 26/ Regulation 27 of the SEBI ICDR Regulations, 2009. For details of compliance with the eligibility requirements by the Issuer, Bidders/Applicants may refer to the RHP/Prospectus.

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 Bidders/Applicants may refer to the RHP/Prospectus.

2.4 Types of Public Issues – Fixed Price Issues and Book Built Issues

In accordance with the provisions of the SEBI ICDR Regulations, 2009, an Issuer can either determine the Offer Price through the Book Building Process (“Book Built Issue”) or undertake a Fixed Price Offer (“Fixed Price Issue”). An Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in the Prospectus (in case of a fixed price Issue) and determine the price at a later date before registering the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The Issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-offer advertisement was given at least five Working Days before the Bid/Offer Opening Date, in case of an IPO and at least one Working Day before the Bid/Offer Opening Date, in case of an FPO.

The Floor Price or the Offer price cannot be lesser than the face value of the securities.

Bidders/Applicants should refer to the RHP/Prospectus or Offer advertisements to check whether the Offer is a Book Built Issue or a Fixed Price Issue.

2.5 ISSUE PERIOD

The Issue may be kept open for a minimum of three Working Days (for all category of Bidders/Applicants) and not more than ten Working Days. Bidders/Applicants are advised to refer to the Bid cum Application Form and Abridged Prospectus or RHP/Prospectus for details of the Bid/ Issue Period. Details of Bid/ Issue Period are also available on the website of the Stock Exchange(s).

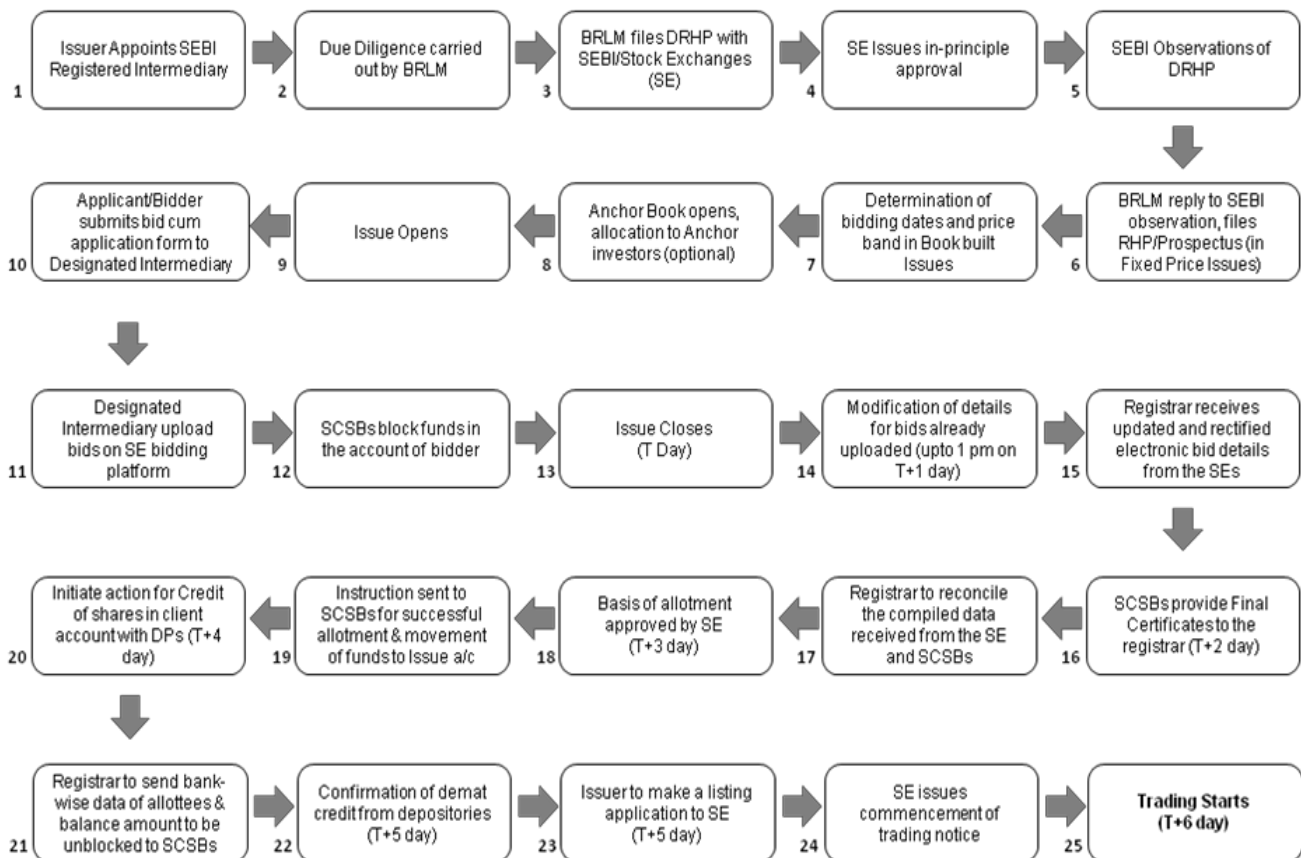
In case of a Book Built Issue, the Issuer may close the Bid/ Issue Period for QIBs one Working Day prior to the Bid/ Issue Closing Date if disclosures to that effect are made in the RHP. In case of revision of the Floor Price or Price Band in Book Built Issues the Bid/ Issue Period may be extended by at least three Working Days, subject to the total Bid/ Issue Period not exceeding 10 Working Days. For details of any revision of the Floor Price or Price Band, Bidders/Applicants may check the announcements made by the Issuer on the websites of the Stock Exchanges and the BRLM(s), and the advertisement in the newspaper(s) issued in this regard.

2.6 FLOWCHART OF TIMELINES

A flow chart of process flow in Fixed Price and Book Built Issues is as follows. Bidders/Applicants may note that this is not applicable for Fast Track FPOs:

In case of 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 Bidder/Applicant should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Bidders/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. Bidders/Applicants are requested to refer to the RHP/Prospectus for more details.

Subject to the above, an illustrative list of Bidders/Applicants is as follows:

- Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, in single or joint names (not more than three);
- Bids/Applications belonging to an account for the benefit of a minor (under guardianship);
- Hindu Undivided Families or HUFs, in the individual name of the *Karta*. The Bidder/Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: “Name of sole or first Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*”. Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals;
- Companies, corporate bodies and societies registered under applicable law in India and authorised to 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 RHP/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.

Bidders/Applicants should ensure that they apply in the appropriate category. The prescribed color of the Bid cum Application Form for various categories of Bidders/Applicants is as follows:

| Category | Colour ⁽¹⁾ |
|---|-----------------------|
| 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 |

⁽¹⁾ 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. Bidders/Applicants will not have the option of getting the Allotment of specified securities in physical form. However, they may get the specified securities rematerialised subsequent to Allotment.

4.1 INSTRUCTIONS FOR FILING THE BID CUM APPLICATION FORM/APPLICATION FORM

Bidders/Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the RHP/ 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:

COMMON BID CUM APPLICATION FORM

XYZ LIMITED - INITIAL PUBLIC ISSUE - R
 Address : Contact Details: CIN No

FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs AND ELIGIBLE NRI, APPLYING ON A NON-REPATRIATION BASIS

LOGO
 TO,
 THE BOARD OF DIRECTORS
 XYZ LIMITED

BOOK BUILT ISSUE
 ISIN :

Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE
 SUB-BROKER'S / SUB-AGENT'S STAMP & CODE
 BANK BRANCH SERIAL NO.

BROKER/SCSB/DP/RTA STAMP & CODE
 ESCROW BANK/SCSB BRANCH STAMP & CODE
 SCSB SERIAL NO.

1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER
 Mr. / Ms. _____
 Address _____
 Email _____
 Tel. No (with STD code) / Mobile _____
2. PAN OF SOLE / FIRST BIDDER

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS NSDL CDSL
 For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID
4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")

| Bid Options | 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) | | | | | | | | | |
|---------------|---|---|-----------|-----------|-----------------|-----------|-----------|-----------|-----------|--|----------------------------|
| | | Bid Price | | | Retail Discount | | | Net Price | | | "Cut-off" (Please tick) |
| | 8 7 6 5 4 3 2 1 | 3 2 1 | 3 2 1 | 3 2 1 | 3 2 1 | 3 2 1 | 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"/> |

5. CATEGORY
 Retail Individual Bidder
 Non-Institutional Bidder
 QIB
6. INVESTOR STATUS
 Individual(s) - IND
 Hindu Undivided Family* - HUF
 Bodies Corporate - CO
 Banks & Financial Institutions - FI
 Mutual Funds - MF
 Non-Resident Indians - NRI (Non-Repatriation basis)
 National Investment Fund - NIF
 Insurance Funds - IF
 Insurance Companies - IC
 Venture Capital Funds - VCF
 Alternative Investment Funds - AIF
 Others (Please specify) - OTH
* HUF should apply only through Karta (Application by HUF would be treated on par with Individual)

7. PAYMENT DETAILS
 Amount paid (₹ in figures) _____ (₹ in words) _____
 ASBA Bank A/c No. _____
 Bank Name & Branch _____

PAYMENT OPTION : FULL PAYMENT **PART PAYMENT**

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 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 FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.

8A. SIGNATURE OF SOLE/ FIRST BIDDER

 Date : _____

8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)
 I/We authorize the SCSB to do all acts as are necessary to make the Application in the line
 1) _____
 2) _____
 3) _____

BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)

TEAR HERE

LOGO
XYZ LIMITED
INITIAL PUBLIC ISSUE - R

Acknowledgement Slip for Broker/SCSB/ DP/RTA

Bid cum Application Form No.

DPID / CLID _____
 Amount paid (₹ in figures) _____ Bank & Branch _____
 ASBA Bank A/c No. _____
 Received from Mr./Ms. _____
 Telephone / Mobile _____ Email _____

PAN of Sole / First Bidder _____
 Stamp & Signature of SCSB Branch

TEAR HERE

XYZ LIMITED - INITIAL PUBLIC ISSUE - R

| | Option 1 | Option 2 | Option 3 |
|----------------------|----------|----------|----------|
| No. of Equity Shares | | | |
| Bid Price | | | |
| Amount Paid (₹) | | | |

 ASBA Bank A/c No. _____
 Bank & Branch _____

Stamp & Signature of Broker / SCSB / DP / RTA
 Name of Sole / First Bidder _____
Acknowledgement Slip for Bidder
 Bid cum Application Form No.

TEAR HERE

PLEASE FILL IN BLOCK LETTERS

TEAR HERE

4.1.1 FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE / FIRST BIDDER / APPLICANT

- a) Bidders/Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.
- b) **Mandatory Fields:** Bidders/Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/mobile number fields are optional. Bidders/Applicants should note that the contact details mentioned in the Bid cum Application Form/Application Form may be used to dispatch communications (including letters notifying the unblocking of the bank accounts of Bidders/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 Bids/Applications, the Bids/Applications should be made in the name of the Bidder/Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidder/Applicant would be required in the Bid cum Application Form/Application Form and such first Bidder/Applicant would be deemed to have signed on behalf of the joint holders. All communications may be addressed to such Bidder/Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.
- d) **Impersonation:** Attention of the Bidders/Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who:

- *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 Bidder/Applicant:** Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of Allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders/Applicants should inform their respective DP.

4.1.2 FIELD NUMBER 2: PAN NUMBER OF SOLE/FIRST BIDDER/APPLICANT

- a) PAN (of the sole/first Bidder/Applicant) provided in the Bid cum Application Form/Application Form should be exactly the same as the PAN of the person(s) in whose name the relevant beneficiary account is held as per the Depositories' records.
- b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Bids/Applications on behalf of the Central or State Government, Bids/Applications by officials appointed by the courts and Bids/Applications by Bidders/Applicants residing in Sikkim (“PAN Exempted Bidders/Applicants”). Consequently, all Bidders/Applicants, other than the PAN Exempted Bidders/Applicants, are required to disclose their PAN in the Bid cum Application Form/Application

Form, irrespective of the Bid/Application Amount. Bids/Applications by the Bidders/Applicants whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.

- c) The exemption for the PAN Exempted Bidders/Applicants is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.
- d) Bid cum Application Forms which provide the General Index Register Number instead of PAN may be rejected.
- e) Bids/Applications by Bidders whose demat accounts have been ‘suspended for credit’ are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as “Inactive demat accounts” and Demographic Details are not provided by depositories.

4.1.3 FIELD NUMBER 3: BIDDERS/APPLICANTS DEPOSITORY ACCOUNT DETAILS

- a) Bidders/Applicants should ensure that DP ID and the Client ID are correctly filled in the Bid cum Application Form/Application Form. The DP ID and Client ID provided in the Bid cum Application Form/Application Form should match with the DP ID and Client ID available in the Depository database, **otherwise, the Bid cum Application Form/Application Form is liable to be rejected.**
- b) Bidders/Applicants should ensure that the beneficiary account provided in the Bid cum Application Form/Application Form is active.
- c) Bidders/Applicants should note that on the basis of the DP ID and Client ID as provided in the Bid cum Application Form/Application Form, the Bidder/Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Bidder/Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for unblocking of ASBA Account or for other correspondence(s) related to an Issue.
- d) Bidders/Applicants are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Bidders/Applicants’ sole risk.

4.1.4 FIELD NUMBER 4: BID OPTIONS

- a) Price or Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) may be disclosed in the Prospectus/RHP by the Issuer. The Issuer is required to announce the Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) by way of an advertisement in at least one English, one Hindi and one regional newspaper, with wide circulation, at least five Working Days before Bid/ 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, the Selling Shareholders 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 RHP/Prospectus or the advertisement regarding the Price Band published by the Issuer.

4.1.4.1 MAXIMUM AND MINIMUM BID SIZE

- a) The Bidder may Bid for the desired number of Equity Shares at a specific price. Bids by Retail Individual Investors, Employees and Retail Individual Shareholders must be for such number of shares so as to ensure that the Bid Amount less Discount (as applicable), payable by the Bidder does not exceed ₹ 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 RHP/Prospectus, or as advertised by the Issuer, as the case may be. Non-Institutional Investors and QIBs are not allowed to Bid at Cutoff 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 RHP/Prospectus.
- c) An Issuer can make reservation for certain categories of Bidders/Applicants as permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, Bidders/Applicants may refer to the RHP/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 Bidder/Applicant may refer to the RHP/Prospectus.

4.1.6 FIELD NUMBER 6: INVESTOR STATUS

- a) Each Bidder/Applicant should check whether it is eligible to apply under applicable law and ensure that any prospective Allotment to it in the Issue is in compliance with the investment restrictions under applicable law.
- b) Certain categories of Bidders/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. Bidders/Applicants are requested to refer to the RHP/Prospectus for more details.

- c) Bidders/Applicants should check whether they are eligible to apply on non -repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Bid cum Application Form and Non-Resident Bid cum Application Form.
- d) Bidders/Applicants should ensure that their investor status is updated in the Depository records.

4.1.7 FIELD NUMBER 7: PAYMENT DETAILS

- a) The full Bid Amount (net of any Discount, as applicable) shall be blocked based on the 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 RHP/Prospectus indicates that part payment may be made, such an option can be exercised by the Bidder. In case of Bidders specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less Discount offered, if any.
- b) 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 Bidders/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 RHP/Prospectus.
- c) The Bidders entitled to the applicable Discount in the Offer 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 Bidder/ Applicant is required to sign the Bid cum Application Form/Application Form. Bidders/Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.
- b) If the ASBA Account is held by a person or persons other than the Bidder/Applicant., then the Signature of the ASBA Account holder(s) is also required.
- c) The signature has to be correctly affixed in the 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) Bidders/Applicants must note that Bid cum Application Form/Application Form without signature of Bidder/Applicant and/or ASBA Account holder is liable to be rejected.

4.1.9 ACKNOWLEDGEMENT AND FUTURE COMMUNICATION

- a) Bidders should ensure that they receive the 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 Sshares, refund orders, the Bidders/Applicants should contact the Registrar to the Issue.
 - 2) In case of Bids submitted to the Designated Branches of the SCSBs, the Bidders/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 Bidders/Applicants should contact the relevant Syndicate Member.
 - 4) In case of queries relating to uploading of Bids by a Registered Broker, the Bidders/Applicants should contact the relevant Registered Broker
 - 5) In case of Bids submitted to the RTA, the Bidders/Applicants should contact the relevant RTA.
 - 6) In case of Bids submitted to the DP, the Bidders/Applicants should contact the relevant DP.

- 7) Bidder/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 Bidder/Applicant, Bid cum Application Form number, Applicants'/Bidders' 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, Bidder/Applicant may refer to the RHP/Prospectus and the Bid cum Application Form.

4.2 INSTRUCTIONS FOR FILING THE REVISION FORM

- a) During the Bid/ Issue Period, any Bidder/Applicant (other than QIBs and NIIs, who can only revise their bid upwards) who has registered his or her interest in the Equity Shares at a particular price level is free to revise his or her Bid within the Price Band using the Revision Form, which is a part of the Bid cum Application Form.
- b) RII may revise their bids or withdraw their Bids 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 Bidder/Applicant can make this revision any number of times during the Bid/ Issue Period. However, for any revision(s) in the Bid, the Bidders/Applicants will have to use the services of the same Designated Intermediary through which such Bidder/Applicant had placed the original Bid. Bidders/Applicants are advised to retain copies of the blank Revision Form and the Bid(s) must be made only in such Revision Form or copies thereof.

A sample revision form is reproduced below:

| | | |
|---------------------------------|---|---|
| COMMON BID REVISION FORM | XYZ LIMITED - INITIAL PUBLIC ISSUE - R Address : Contact Details : CIN No | FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs, AND ELIGIBLE NRI APPLYING ON A NON-REPATRIATION BASIS |
|---------------------------------|---|---|

| | | | |
|------|--|--|---|
| LOGO | TO, THE BOARD OF DIRECTORS XYZ LIMITED | <input type="text" value="BOOK BUILT ISSUE"/> <input type="text" value="ISIN :"/> | Bid cum Application Form No. <input style="width:100%;" type="text"/> |
|------|--|--|---|

| | | |
|---|--------------------------------------|---|
| SYNDICATE MEMBER'S STAMP & CODE | BROKER/SCSB/DP/RTA STAMP & CODE | 1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER Mr. / Ms. <input style="width:100%;" type="text"/> Address <input style="width:100%;" type="text"/> Email <input style="width:100%;" type="text"/> Tel. No (with STD code) / Mobile <input style="width:100%;" type="text"/> |
| SUB-BROKER'S / SUB-AGENT'S STAMP & CODE | ESCROW BANK/SCSB BRANCH STAMP & CODE | 2. PAN OF SOLE / FIRST BIDDER <input style="width:100%;" type="text"/> |
| BANK BRANCH SERIAL NO. | SCSB SERIAL NO. | 3. BIDDER'S DEPOSITORY ACCOUNT DETAILS <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL <small>For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID</small> |

| 4. FROM (AS PER LAST BID OR REVISION) | | | | | | | | | | | | | |
|---------------------------------------|---|---|---|---|---|---|---|---|-----------|---|-----------|--------------------------|--|
| Bid Options: | No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised) | | | | | | | | | Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) | | | |
| | (In Figures) | | | | | | | | | (In Figures) | | | |
| | 8 | 7 | 6 | 5 | 4 | 3 | 2 | 1 | Bid Price | Retail Discount | Net Price | "Cut-off" | |
| Option 1 | | | | | | | | | | | | <input type="checkbox"/> | |
| (OR) Option 2 | | | | | | | | | | | | <input type="checkbox"/> | |
| (OR) Option 3 | | | | | | | | | | | | <input type="checkbox"/> | |

| 5. TO (Revised Bid) (Only Retail Individual Bidders can Bid at "Cut-off") | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|-----------|---|-----------|--------------------------|--|
| Bid Options: | No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised) | | | | | | | | | Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) | | | |
| | (In Figures) | | | | | | | | | (In Figures) | | | |
| | 8 | 7 | 6 | 5 | 4 | 3 | 2 | 1 | Bid Price | Retail Discount | Net Price | "Cut-off" | |
| Option 1 | | | | | | | | | | | | <input type="checkbox"/> | |
| (OR) Option 2 | | | | | | | | | | | | <input type="checkbox"/> | |
| (OR) Option 3 | | | | | | | | | | | | <input type="checkbox"/> | |

| 6. PAYMENT DETAILS | | | | | | | | | | PAYMENT OPTION : FULL PAYMENT <input type="checkbox"/> PART PAYMENT <input type="checkbox"/> | |
|--|--|--|--|--|--|--|--|--|--|--|--|
| Additional Amount Paid (₹ in figures) <input style="width:100%;" type="text"/> | | | | | | | | | | (₹ in words) <input style="width:100%;" type="text"/> | |
| ASBA Bank A/c No. <input style="width:100%;" type="text"/> | | | | | | | | | | | |
| Bank Name & Branch <input style="width:100%;" type="text"/> | | | | | | | | | | | |

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 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 REVISION FORM GIVEN OVERLEAF.

| | | |
|--------------------------------------|---|---|
| 7A. SIGNATURE OF SOLE / FIRST BIDDER | 7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) I/We authorize the SCSB to do all acts as are necessary to make the Application in the line 1) _____ 2) _____ 3) _____ | BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system) |
|--------------------------------------|---|---|

| | | | |
|------|--|--|---|
| LOGO | XYZ LIMITED BID REVISION FORM - INITIAL PUBLIC ISSUE - R | Acknowledgement Slip for Broker/SCSB/DP/RTA | Bid cum Application Form No. <input style="width:100%;" type="text"/> |
|------|--|--|---|

| | | |
|--------------------------------------|---|---|
| DPID / CLID | <input style="width:100%;" type="text"/> | PAN of Sole / First Bidder <input style="width:100%;" type="text"/> |
| Additional Amount Paid (₹) | Bank & Branch | Stamp & Signature of SCSB Branch |
| ASBA Bank A/c No. | <input style="width:100%; height: 100px;" type="text"/> | |
| Received from Mr./Ms. _____ | | |
| Telephone / Mobile _____ Email _____ | | |

| XYZ LIMITED - BID REVISION FORM - INITIAL PUBLIC ISSUE - R | <table style="width:100%;"> <tr> <th>Option 1</th><th>Option 2</th><th>Option 3</th></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>Additional Amount Paid (₹)</td><td></td><td></td></tr> </table> | Option 1 | Option 2 | Option 3 | No. of Equity Shares | | | Bid Price | | | Additional Amount Paid (₹) | | | Stamp & Signature of Broker / SCSB / DP / RTA <input style="width:100%; height: 40px;" type="text"/> | Name of Sole / First Bidder <input style="width:100%;" type="text"/> |
|---|---|---|----------|----------|----------------------|--|--|-----------|--|--|----------------------------|--|--|---|---|
| Option 1 | Option 2 | Option 3 | | | | | | | | | | | | | |
| No. of Equity Shares | | | | | | | | | | | | | | | |
| Bid Price | | | | | | | | | | | | | | | |
| Additional Amount Paid (₹) | | | | | | | | | | | | | | | |
| | | Acknowledgement Slip for Bidder | | | | | | | | | | | | | |
| ASBA Bank A/c No. _____ Bank & Branch _____ | | Bid cum Application Form No. <input style="width:100%;" type="text"/> | | | | | | | | | | | | | |

Instructions to fill each field of the Revision Form can be found on the reverse side of the Revision Form. Other than instructions already highlighted at paragraph 4.1 above, point wise instructions regarding filling up various fields of the Revision Form are provided below:

4.2.1 FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER/APPLICANT, PAN OF SOLE/FIRST BIDDER/APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/APPLICANT

Bidders/Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3. 4.2.2

FIELD 4 & 5: BID OPTIONS REVISION 'FROM' AND 'TO'

- a) Apart from mentioning the revised options in the Revision Form, the Bidder/Applicant must also mention the details of all the bid options given in his or her Bid cum Application Form or earlier Revision Form. For example, if a Bidder/Applicant has Bid for three options in the Bid cum Application Form and such Bidder/Applicant is changing only one of the options in the Revision Form, the Bidder/Applicant must still fill the details of the other two options that are not being revised, in the Revision Form. The 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 Bidders/Applicants in the same order as provided in the Bid cum Application Form.
- c) In case of revision of Bids by RIIs, Employees and Retail Individual Shareholders, such Bidders/Applicants should ensure that the Bid Amount, subsequent to revision, does not exceed ₹ 200,000. In case the Bid Amount exceeds ₹ 200,000 due to revision of the Bid or for any other reason, the Bid may be considered, subject to eligibility, for allocation under the Non-Institutional Category, not being eligible for Discount (if applicable) and such Bid may be rejected if it is at the Cut-off Price. The Cut-off Price option is given only to the RIIs, Employees and Retail Individual Shareholders indicating their agreement to Bid for and purchase the Equity Shares at the 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 RHP/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 Bidders/Applicants are required to make payment of the full Bid Amount (less Discount, if applicable) along with the Bid Revision Form. In case of Bidders/Applicants specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less discount offered, if any.
- b) Bidder/Applicant may Issue instructions to block the revised amount based on cap of the revised Price Band (adjusted for the Discount (if applicable) in the ASBA Account, to the same Designated Intermediary through whom such Bidder/Applicant had placed the original Bid to enable the relevant SCSB to block the additional Bid Amount, if any.
- c) In case the total amount (i.e., original Bid Amount less discount (if applicable) plus additional payment) exceeds ₹ 200,000, the Bid may be considered for allocation under the Non-Institutional Category in terms of the RHP/Prospectus. If, however, the Bidder/Applicant does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for may be adjusted downwards for the purpose of Allotment, such that additional amount is required blocked and the Bidder/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 draft Prospectus. However a prospectus registered with RoC contains one price or coupon rate (as applicable).
- b) **Minimum Application Value and Bid Lot:** The Issuer, the Selling Shareholders 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 Bidder/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 & ACKNOWLEDGEMENT AND FUTURE COMMUNICATION

Applicants should refer to instructions contained in paragraphs 4.1.8 & 4.1.9.

4.4 SUBMISSION OF BID CUM APPLICATION FORM/REVISION FORM/APPLICATION FORM

4.4.1 Bidders/Applicants may submit completed Bid cum application form/Revision Form in the following manner:-

| Mode of Application | Submission of Bid cum Application Form |
|--|--|
| Anchor Investors Application Form | <ul style="list-style-type: none"> To the Book Running Lead Managers at the Specified Locations mentioned in the Bid cum Application Form |
| All Applications (other than Anchor Investors) | <ul style="list-style-type: none"> 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 |

- Bidders/Applicants should submit the Revision Form to the same Designated Intermediary through which such Bidder/Applicant had placed the original Bid.
- Upon submission of the Bid cum Application Form, the Bidder/Applicant will be deemed to have authorized the Issuer to make the necessary changes in the RHP and the Bid cum Application Form as would be required for filing Prospectus with the RoC and as would be required by the RoC after such filing, without prior or subsequent notice of such changes to the relevant Bidder/Applicant.
- 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, Bidders/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 Bidders/Applicants (excluding NIIs and QIBs) Bidding at Cut-off Price, the Bidders/Applicants may instruct the SCSBs to block Bid Amount based on the Cap Price less Discount (if applicable).
- For Details of the timing on acceptance and upload of Bids in the Stock Exchanges Platform Bidders/Applicants are requested to refer to the RHP.

5.2 ELECTRONIC REGISTRATION OF BIDS

- 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.
- 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 Bidders/Applicants through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchanges' on a regular basis. The book gets built up at various price levels. This information may be available with the BRLMs at the end of the Bid/ 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 this Draft Red Herring 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 RHP;
- q) Multiple Bids/Applications as defined in this GID and the RHP/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 RHP/ 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

- The SEBI ICDR Regulations, 2009 specify the allocation or Allotment that may be made to various categories of Bidders/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 RHP/Prospectus. For details in relation to allocation, the Bidder/Applicant may refer to the RHP/Prospectus.
- Under-subscription in any category (except QIB Category) is allowed to be met with spillover 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.
- In case of under subscription in the Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders/Applicants may refer to the RHP/ Prospectus.
- 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 and the Selling Shareholders, 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 RHP/ 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 Offer therefore on filing of the Prospectus with the RoC, the Application so submitted is considered as the Application Form.

Applicants may only use the specified Application Form for the purpose of making an Application in terms of the Prospectus which may be submitted through the Designated Intermediary.

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, Bidders/Applicants may refer to the relevant section of the GID.

SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The Allotment of Equity Shares to Bidders/Applicants other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to RHP/Prospectus. No Retail Individual Investor will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue (excluding any Issue 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, Bidders/Applicants may refer to the SEBI ICDR Regulations, 2009 or RHP/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;
- b) In the second instance, Allotment to all QIBs may be determined as follows: (i) In the event of oversubscription in the QIB Category, all QIBs who have submitted Bids above the 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 Selling Shareholder 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 RHP/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. Bidders/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 Bidders/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 Bidders/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 RHP/Prospectus. The Designated Stock Exchange may be as disclosed in the RHP/Prospectus with which the Basis of Allotment may be finalised.

If the Issuer fails to make application to the Stock Exchange(s) 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 Bidders/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 RHP/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 offer 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 Offer 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 Bidders/Applicants' bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Anchor Investors in their Anchor Investor Application Forms for refunds. Accordingly, Anchor Investors are advised to immediately update their details as appearing on the records of their 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 RHP/Prospectus.

8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer may pay interest at the rate of 15% per annum where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner and/or demat credits are not made to Bidders/Applicants or instructions for unblocking of funds in the ASBA Account are not dispatched within the 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 Offer to successful Bidders/Applicants |
| Allotment Advice | Note or advice or intimation of Allotment sent to the Bidders/Applicants who have been Allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchanges |
| Allottee | An Bidder/Applicant to whom the Equity Shares are Allotted |
| Anchor Investor | A Qualified Institutional Buyer, applying under the Anchor Invest or Portion in accordance with the requirements specified in SEBI ICDR Regulations, 2009 and the Red Herring Prospectus/ 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 Red Herring Prospectus and Prospectus |
| Anchor Investor Portion | Up to 60% of the QIB Category which may be allocated by the Issuer in consultation with the BRLMs, to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion is reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to Anchor Investors |
| Application Form | The form in terms of which the Applicant should make an application for Allotment in case of issues other than Book Built Issues, includes Fixed Price Issue |
| Application Supported by Blocked Amount/ASBA | An application, whether physical or electronic, used by Bidders/Applicants, other than Anchor Investors, to make a Bid and authorising an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB |
| ASBA Account | Account maintained with an SCSB which may be blocked by such SCSB to the extent of the Bid Amount of the Bidder/Applicant |
| Banker(s) to the Offer / Escrow Collection Bank(s) / Collecting Banker | The banks which are clearing members and registered with SEBI as Banker to the Offer with whom the Escrow Account(s) for Anchor Investors may be opened ,and as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer |
| Basis of Allotment | The basis on which the Equity Shares may be Allotted to successful Bidders/Applicants under the Offer |
| Bid | An indication to make an offer during the Bid/Offer Period by a prospective Bidder pursuant to submission of Bid cum Application Form or during the Anchor Investor Bid/Offer 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 Bidder/Applicant up on submission of the |

| Term | Description |
|---|--|
| | Bid(except for Anchor Investors), less discounts (if applicable). In case of issues undertaken through the fixed price process, all references to the Bid Amount should be construed to mean the Application Amount |
| Bid/Offer Closing Date | Except in the case of Anchor Investors (if applicable), the date after which the Designated Intermediaries may not accept any Bids for the Offer, which may be notified in an English national daily, a Hindi national daily and a regional language news paper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants/Bidders may refer to the RHP/Prospectus for the Bid/Offer Closing Date |
| Bid/Offer Opening Date | The date on which the Designated Intermediaries may start accepting Bids for the Offer, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants/Bidders may refer to the RHP/Prospectus for the Bid/Offer Opening Date |
| Bid/Offer Period | Except in the case of Anchor Investors(if applicable),the period between the Bid/Offer Opening Date and the Bid/Offer Closing Date inclusive of both days and during which prospective Bidders/Applicants (other than Anchor Investors) can submit their Bids, inclusive of any revisions thereof. The Issuer may consider closing the Bid/Offer Period for QIBs one working day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDRRegulations,2009. Applicants/Bidders may refer to the RHP/Prospectus for the Bid/Offer Period |
| Bid cum Application Form | An application form, whether physical or electronic, used by Bidders, other than Anchor Investors, to make a Bid and which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus |
| Bidder/Applicant | Any prospective investor who makes a Bid pursuant to the terms of the RHP/Prospectus and the Bid cum Application Form. In case of issues undertaken through the fixed price process, all references to a Bidder/Applicant should be construed to mean an Bidder/Applicant |
| Book Built Process / Book Building Process / Book Building Method | The book building process as provided under SEBI ICDR Regulations, 2009, in terms of which the Offer is being made |
| Broker Centres | Broker centres notified by the Stock Exchanges, where Bidders/Applicants can submit the Bid cum Application Forms to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchanges. |
| BRLM(s) / Book Running Lead Manager(s) / Lead Manager / LM | The Book Running Lead Manager to the Offer as disclosed in the RHP/Prospectus and the Bid cum Application Form of the Issuer. In case of issues undertaken through the fixed price process, all references to the Book Running Lead Manager should be construed to mean the Lead Manager or LM |
| Business Day | Monday to Saturday (except 2nd & 4th Saturday of a month and public holidays) |
| CAN / Confirmation of Allotment Note | The note or advice or intimation sent to each successful Bidder/Applicant indicating the Equity Shares which may be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange |
| Cap Price | The higher end of the Price Band, above which the Offer Price and the Anchor Investor Offer Price may not be finalised and above which no Bids may be accepted |
| Client ID | Client Identification Number maintained with one of the Depositories in relation to demat account |
| Collecting Depository Participant or CDPs | A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by |

| Term | Description |
|--|--|
| | SEBI |
| Cut-off Price | Offer Price, finalised by the Issuer and the Selling Shareholders in consultation with the Book Running Lead Manager(s), which can be any price within the Price Band. Only RIIs, Retail Individual Shareholders and employees are entitled to Bid at the Cut-off Price. No other category of Bidders/Applicants are entitled to Bid at the Cut-off Price |
| DP | Depository Participant |
| DP ID | Depository Participant's Identification Number |
| Depositories | National Securities Depository Limited and Central Depository Services (India) Limited |
| Demographic Details | Details of the Bidders/Applicants including the Bidder/Applicant's address, name of the Applicant's father/husband, investor status, occupation and bank account details |
| Designated Branches | Such branches of the SCSBs which may collect the Bid cum Application Forms used by Bidders/Applicants (exc Anchor Investor) and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html |
| Designated CDP Locations | Such locations of the CDPs where Bidders can submit the Bid cum Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid cum Application Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com) |
| 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 Bidders/Applicants in the Fresh Issue may give delivery instructions for the transfer of the Equity Shares constituting the Offer for Sale |
| Designated Intermediaries / Collecting Agent | Syndicate Members, Sub-Syndicate/Agents, SCSBs, Registered Brokers, Brokers, the CDPs and RTAs, who are authorized to collect Bid cum Application Forms from the Bidders, in relation to the Offer |
| Designated RTA Locations | Such locations of the 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 (www.bseindia.com and www.nseindia.com) |
| Designated Stock Exchange | The designated stock exchange as disclosed in the RHP/Prospectus of the Issuer |
| Discount | Discount to the Offer Price that may be provided to Bidders/Applicants in accordance with the SEBI ICDR Regulations, 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, Bidder/Applicant may refer to the RHP/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 |

| Term | Description |
|--|---|
| | submitting a Bid |
| Escrow Agreement | Agreement to be entered into among the Issuer, the Selling Shareholders, the Registrar to the Offer, 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 Offer |
| FCNR Account | Foreign Currency Non-Resident Account |
| First Bidder/Applicant | The Bidder/Applicant whose name appears first in the Bid cum Application Form or Revision Form |
| FII(s) | Foreign Institutional Investors as defined under the SEBI (Foreign Institutional Investors) Regulations, 1995 and registered with SEBI under applicable laws in India |
| Fixed Price Issue / Fixed Price Process / Fixed Price Method | The Fixed Price process as provided under SEBI ICDR Regulations, 2009, in terms of which the Offer is being made |
| Floor Price | The lower end of the Price Band, at or above which the Offer Price and the Anchor Investor Offer Price may be finalised and below which no Bids may be accepted, subject to any revision thereto |
| FPIs | Foreign Portfolio Investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014 |
| FPO | Further public offering |
| Foreign Venture Capital Investors or FVCIs | Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI (Foreign Venture Capital Investors) Regulations, 2000 |
| IPO | Initial public offering |
| Issuer/Company | The Issuer proposing the initial public offering/further public offering as applicable |
| Maximum RII Allottees | The maximum number of RIIs who can be Allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot. |
| MICR | Magnetic Ink Character Recognition - nine-digit code as appearing on a cheque leaf |
| Mutual Fund | A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996 |
| Mutual Funds Portion | 5% of the QIB Category (excluding the Anchor Investor Portion) available for allocation to Mutual Funds only, being such number of equity shares as disclosed in the RHP/Prospectus and Bid cum Application Form |
| NEFT | National Electronic Fund Transfer |
| NRE Account | Non-Resident External Account |
| NRI | NRIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the RHP/Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares |
| NRO Account | Non-Resident Ordinary Account |
| Net Offer | The Offer less reservation portion |
| Non-Institutional Investors or NIIs | All Bidders/Applicants, including sub accounts of FIIs registered with SEBI which are foreign corporates or foreign individuals and FPIs which are Category III foreign portfolio investors, that are not QIBs or RIBs and who have Bid for Equity Shares for an amount of more than ₹ 200,000 (but not including NRIs other than Eligible NRIs) |
| Non-Institutional Category | The portion of the Offer being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the RHP/Prospectus and the Bid cum Application Form |
| Non-Resident | A person resident outside India, as defined under FEMA and includes Eligible NRIs, FPIs and FVCIs registered with SEBI |
| OCB/Overseas Corporate | A company, partnership, society or other corporate body owned directly or |

| Term | Description |
|--|--|
| Body | indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA |
| Offer | Public issue of Equity Shares of the Issuer including the Offer for Sale if applicable |
| Offer for Sale | Public offer of such number of Equity Shares as disclosed in the RHP/Prospectus through an offer for sale by the Selling Shareholders |
| 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 |
| Offer Price | The final price, less discount (if applicable) at which the Equity Shares may be Allotted to Bidders other than Anchor Investors, in terms of the Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price The Offer Price may be decided by the Issuer and the Selling Shareholders 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 Offer may be decided by the Issuer and the Selling Shareholders in consultation with the Book Running Lead Manager(s) and advertised, at least five working days in case of an IPO and one working day in case of FPO, prior to the Bid/Offer Opening Date, in English national daily, Hindi national daily and regional language at the place where the registered office of the Issuer is situated, newspaper each with wide circulation |
| Pricing Date | The date on which the Issuer and the Selling Shareholders in consultation with the Book Running Lead Manager(s), finalise the Offer Price |
| Prospectus | The prospectus to be filed with the RoC in accordance with Section 26 of the Companies Act, 2013 after the Pricing Date, containing the Offer Price, the size of the Offer and certain other information |
| Public Issue Account | An account opened with the Banker to the Offer to receive monies from the Escrow Account and from the ASBA Accounts on the Designated Date |
| QIB Category | The portion of the Offer being such number of Equity Shares to be Allotted to QIBs on a proportionate basis |
| Qualified Institutional Buyers or QIBs | As defined under SEBI ICDR Regulations, 2009 |
| RTGS | Real Time Gross Settlement |
| Red Herring Prospectus / RHP | The red herring prospectus issued in accordance with Section 32 of the Companies Act, 2013, which does not have complete particulars of the price at which the Equity Shares are offered and the size of the Offer. The RHP may be filed with the RoC at least three working days before the Bid/Offer Opening Date and may become a Prospectus upon filing with the RoC after the Pricing Date. In case of issues undertaken through the fixed price process, all references to the RHP should be construed to mean the Prospectus |
| Refund Account(s) | The account opened with Refund Bank(s), from which refunds to Anchor Investors, if any, of the whole or part of the Bid Amount may be made |
| Refund Bank(s) | Refund bank(s) as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer |
| Refunds through electronic transfer of funds | Refunds through Direct Credit, NEFT, RTGS or ASBA, as applicable |
| 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 |

| Term | Description |
|---|--|
| | 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 Offer/RTO | The Registrar to the Offer as disclosed in the RHP/Prospectus and Bid cum Application Form |
| Reserved Category / Categories | Categories of persons eligible for making application/Bidding under reservation portion |
| Reservation Portion | The portion of the Offer reserved for such category of eligible Bidders/Applicants as provided under the SEBI ICDR Regulations, 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 Offer being such number of Equity Shares available for allocation to RIIs which shall not be less than the minimum Bid Lot, subject to availability in RII category and the remaining shares to be Allotted on proportionate basis. |
| Revision Form | The form used by the Bidders, 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 http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html |
| 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 http://www.sebi.gov.in/ And updated from time to time |
| Stock Exchanges / SE | The stock exchanges as disclosed in the RHP/Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Offer are proposed to be listed |
| Syndicate | The Book Running Lead Manager(s) and the Syndicate Member |
| Syndicate Agreement | The agreement to be entered into among the Issuer, and the Syndicate in relation to collection of Bid cum Application Forms by Syndicate Members |
| Syndicate Member(s) / SM | The Syndicate Member(s) as disclosed in the RHP/Prospectus |
| Underwriters | The Book Running Lead Manager(s) and the Syndicate Member(s) |
| Underwriting Agreement | The agreement amongst the Issuer, and the Underwriters to be entered into on or after the Pricing Date |
| Working Day | All trading days of the Stock Exchange excluding Sundays and Bank holidays in Mumbai. |

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 June 07, 2016 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 June 7, 2016. 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 LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them.

SECTION X – MAIN PROVISIONS OF ARTICLE 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 September 15, 2016

Interpretation

- 1.** In the interpretation of these Articles, unless repugnant to the subject or context:-
- a) “The company” or “this company” means **TANVI FOODS (INDIA) LIMITED**.
 - b) “The Act” means the Companies Act 2013, or any statutory modification or re- enactment thereof for the time being in force.
 - c) “Auditor” means and includes those persons appointed as such for the time being by the Company.
 - d) “Board Meeting” means meeting of the Directors duly and constituted or as the case may be, the Directors assembled at a Board.
 - e) “Capital” means the share capital for the time being raised or authorized to be raised, for the Company.
 - f) “Debenture” includes the Debenture stock.

The erstwhile Articles of Association, containing Article 1 – 89 was replaced by new set of Articles of Association containing Article 1 to 97 vide a resolution passed in the EGM held on 15th September, 2016.

- g) “Directors” mean the Directors for the time being of the Company of as the case may be the Directors assembled at as Board.
- h) “Dividend” includes bonus.
- i) Gender
Word importing the masculine gender also includes the feminine gender.
- j) In Writing or Written
“In Writing” or “Written” includes printing, lithography and other modes of representing or reproducing words in a visible form.
- k) Member
“Member” means the duly registered holder from time to time of the shares of the Company and includes the subscriber to the Memorandum of the Company.
- l) Meeting or Annual General Meeting
“Annual General Meeting” means a General Meeting of the members duly called and constituted and any adjourned holding thereof in accordance of section 96 of the Act.
- m) Meeting or Extraordinary general meeting
“Extraordinary General Meeting” means Extraordinary General meeting of the Members duly called and constituted and any adjourned holding thereof.

n) Month

“Month” means a calendar month

o) Office

“Office” means the registered office for the time being of the Company.

p) Paid up

Paid up” includes credited as paid up.

q) *Persons*

“Persons” includes corporation and firms as well as individuals.

r) *Register of members*

“Register of member” means the Register of members to be kept pursuant to the Act.

s) *The Registrar*

“The Registrar” means the Registrar of the Companies (as defined under Section 2(75) of the Act of the state in which the office of the Company is for the time being situated.

t) *Officer*

“Officer” includes any director, manager or secretary, or any person in accordance with whose direction or instruction the board of Director or any or more of the directors is accustomed to act

u) *Seal*

“Seal” means the Common Seal for the time being of the Company.

v) *Share*

“Share” means share in the share capital of a company and includes stock except where a distinction between stock and share is expressed or implied.

w) *Special Resolution*

“Special Resolution” shall have the meaning assigned thereto by section 114 of Companies Act, 2013.

x) *Year and Financial Year.*

“Year” means the calendar year and “financial year” shall have the meaning assigned thereto by section 2(41) of the Act.

Public Company

3. The company is a Public Company within the meaning of section 2(71) of the Companies Act, 2013 with a minimum paid up capital of Rupees Five Lakhs or such higher amount as may be prescribed from time to time.

Share capital and variation of rights

4. (i) The Authorised 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 there under, 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.
5. (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.
6. (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.
7. 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.
8. (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 there under.
- (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.

9. (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.
10. 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.
11. 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

12. (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.
13. 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.
14. (i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.
- (ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.
- (iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
15. (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

16. (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

- (ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.
- (iii) A call may be revoked or postponed at the discretion of the Board.
- (iv) The option or right to make call on shares shall not be given to any person except with the sanction of the Company in General Meetings. That is, it may delegate power to make calls on shares subject to approval of the shareholders in a general meeting of the company.

17. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments.

18. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

19. (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.

20. (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.

21. 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

22. (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.
23. 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.
24. The Board may decline to recognise 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.
25. 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.
26. 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

27. (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares.
- (ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
28. (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.
29. (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.

30. 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

31. 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.
32. 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.
33. 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.
34. (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.
35. (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.
36. (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

(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.

37. 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

38. 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.

39. Subject to the provisions of section 61, the company may, by ordinary resolution,—

- (a) increase its authorised 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.

40. 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.

41. 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

42. (i) The company in general meeting may, upon the recommendation of the Board resolve—

- (a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and
 - (b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
 - (ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards—
 - A. paying up any amounts for the time being unpaid on any shares held by such members respectively;
 - B. paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, 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);
 - (iii) 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;
 - (iv) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.
43. (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.

Dematerialisation Of Securities

44. (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

45. 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 Section 58A of the Act.

Buy-Back Of Shares

46. 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

47. All general meetings other than Annual General Meeting shall be called extraordinary general meeting.
48. (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

49. (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.
- (iii) The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.
- (iv) 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.
- (v) 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

50. (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

51. 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.
52. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
53. (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.
54. 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.
55. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
56. 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.
57. (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

58. 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.
59. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
60. 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

61. The minimum number of Directors shall be 2 and maximum number of directors shall be 15.

The First Directors of the Company are:

- 1) Sri Nagaveer Adusumilli
- 2) Sarat Chandra Babu Adusumilli
- 3) Sarada Adusumilli

62. (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.

63. The Board may pay all expenses incurred in getting up and registering the company.

64. 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.

65. 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.

66. 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.

67. (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

68. (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.
- 69.** The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.
- 70.** (i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.
- (ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.
- 71.** (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.
- 72.** (ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
- 73.** A committee may elect a Chairperson of its meetings.
- 74.** 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.
- 75.** (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.
- 76.** 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.
- 77.** 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

- 78.** 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.

79. 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

80. 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.
81. 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

82. (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

83. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
84. 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.
85. (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.
86. (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.

87. 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.
88. (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
89. 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.
90. 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.
91. No dividend shall bear interest against the company.
92. 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

93. (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

94. 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.
95. 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.
96. 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

Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

SECTION 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 Prospectus) which are or may be deemed material have been attached to the copy of the Prospectus delivered to the RoC for registration. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at 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 27, 2016 between our Company, the Selling Shareholders and the Lead Manager.
2. Memorandum of Understanding dated September 26, 2016 between our Company, the Selling Shareholders and the Registrar to the Issue.
3. Escrow Agreement November 08, 2016 between our Company, the Selling Shareholders, the Lead Manager, Banker to the Issue and the Registrar to the Issue.
4. Market Making Agreement dated September 27, 2016 between our Company, the Lead Manager and the Market Maker.
5. Underwriting Agreement dated September 27, 2016 between our Company, the Selling Shareholders, the Lead Manager and the Market Maker.
6. Share Escrow Agreement dated November 08, 2016 between the Selling Shareholders, our Company, the Lead Manager and the Escrow Agent.
7. Tripartite agreement between the NSDL, our Company and the Registrar dated October 28, 2016.
8. Tripartite agreement between the CDSL, our Company and the Registrar dated October 24, 2016.

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 Tanvi Foods (India) Limited
3. Resolution of the Board of Directors meeting dated September 24, 2016 authorizing the Issue.
4. Shareholders' resolution passed at the Extra-Ordinary General Meeting dated September 26, 2016 authorizing the Issue.
5. Auditor's report for Restated Financials dated February 03, 2017 included in this Prospectus.
6. The Statement of Tax Benefits dated September 27, 2016 from our Statutory Auditor.
7. Consent of our Directors, CFO, CS & CO, the Selling Shareholders, Statutory Auditor, Banker to the Company, Lead Manager, Legal Advisor to the Issue, Registrar to the Issue, Banker to the Issue, Share Escrow Agent, Market Maker and Underwriters as referred to in their specific capacities.
8. Due Diligence Certificate(s) dated February 07, 2017 of the Lead Manager to be submitted to SEBI along with the filing of the Prospectus.

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9. Approval from BSE vide letter dated November 07, 2016 to use the name of BSE in this Issue Document for listing of Equity Shares on the SME Platform of the BSE.

Any of the contracts or documents mentioned in this Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We, 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 the 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 the Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY:

Mr. Sarat Chandra Babu Adusumilli
Chairman and Whole-Time Director

Mr. Sri Nagaveer Adusumilli
Managing Director

Mrs. Vasavi Adusumilli
Executive Director

Mrs. Sarada Adusumilli
Non-Executive Non- Independent Director

Mr. Naveen Nandigam
Non-Executive Independent Director

Mr. R. V. Radhakrishna
Non-Executive Independent Director

SIGNED BY THE CHIEF FINANCIAL OFFICER

Ms. B. Mahalakshmi
Chief Financial Officer

SIGNED BY THE COMPANY SECRETARY AND COMPLIANCE OFFICER

Mrs. Shilpa Kotagiri
Company Secretary and Compliance Officer

Date: February 08, 2017
Place: Hyderabad

DECLARATION

The undersigned Selling Shareholder hereby certifies that all statements and undertakings made in this Prospectus about or in relation to himself and the Equity Shares being offered by him in the Issue are true and correct, provided however, that the undersigned Selling Shareholder assumes no responsibility for any of the statements or undertakings made by the Company or any other Selling Shareholder or any expert or any other person(s) in this Prospectus.

SIGNED BY THE SELLING SHAREHOLDER

MR. SRI NAGAVEER ADUSUMILLI

DECLARATION

The undersigned Selling Shareholder hereby certifies that all statements and undertakings made in this Prospectus about or in relation to herself and the Equity Shares being offered by her in the Issue are true and correct, provided however, that the undersigned Selling Shareholder assumes no responsibility for any of the statements or undertakings made by the Company or any other Selling Shareholder or any expert or any other person(s) in this Prospectus.

SIGNED BY THE SELLING SHAREHOLDER

MRS. VASAVI ADUSUMILLI