



K.P. ENERGY LIMITED

Our Company was incorporated as K.P. Energy Pvt. Ltd. on January 08, 2010 under the Companies Act, 1956, with the Registrar of Companies, Gujarat, Dadra and Nagar Haveli, bearing Registration Number 059169. The status of our Company was changed to public limited company and the name of our Company was changed to K.P. Energy Limited by a special resolution passed on April 10, 2015. A fresh Certificate of Incorporation consequent to the change of name was granted to our Company on May 11, 2015, by the Registrar of Companies, Ahmedabad, bearing CIN U40100GJ2010PLC059169. For further details, please see the chapter titled “History and certain Corporate Matters” beginning on page 116 of this Prospectus.

Registered Office: A-1/2, Firdos Tower, Behind Fazal Shopping Centre, Adajan Patia, Surat, Gujarat – 395009.

Tel.: +91-261-2764757; **Tele-Fax:** +91-261-2764757;

Email: info@kpenery.in; **Website:** www.kpenery.in

Company Secretary and Compliance Officer: Ms. Nita Mishra; Email: info@kpenery.in;

Our Promoters: Mr. Farukhbhai Patel and Mr. Ashish A Mithani

THE ISSUE

PUBLIC ISSUE OF 9,20,000 EQUITY SHARES OF ₹ 10 EACH (“EQUITY SHARES”) OF K.P. ENERGY LIMITED (“KPEL” OR THE “COMPANY” OR THE “ISSUER”) FOR CASH AT A PRICE OF ₹ 70 PER SHARE (THE “ISSUE PRICE”), AGGREGATING TO ₹ 644.00 LAKHS (“THE ISSUE”), OF WHICH, 48,000 EQUITY SHARES OF ₹ 10 EACH WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKERS TO THE ISSUE (AS DEFINED IN THE CHAPTER “DEFINITIONS AND ABBREVIATIONS”) (THE “MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 8,72,000 EQUITY SHARES OF ₹ 10 EACH IS HERINAFTER REFERRED TO AS THE “NET ISSUE”. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 26.90% AND 25.50%, RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF THE COMPANY.

THE ISSUE PRICE IS 7.0 TIMES OF THE FACE VALUE

The Issue is being made through a Book Building Process in accordance with Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended.

RISKS IN RELATION TO THE FIRST ISSUE

This being the first issue of the company, there has been no formal market for the securities of the company. The face value of the shares is ₹ 10 per Equity Share and the Issue Price is 7.0 times of the face value. The Issue Price (as determined and justified by our Company in consultation with the Book Running Lead Manager (“BRLM”) as stated under the chapter titled “Basis for Issue Price” beginning on page 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 equity shares will be traded after listing.

GENERAL RISKS

Investment in equity and equity related securities involves 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 Equity Shares offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”) nor does SEBI guarantee the accuracy or adequacy of this Prospectus. Specific attention of the investors is invited to the Section titled “Risk Factors” beginning on page 11 of this Prospectus.

ISSUER’S 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 this Issue; that the information contained in this Prospectus is true and correct in all material respects and is not misleading in any material respect; that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

IPO GRADING

This Issue has been graded by CRISIL Limited as CRISIL SME Fundamental Grade 3, indicating good fundamentals. The SME Fundamental Grade is assigned on a five-point scale from 1 to 5, with IPO grade 5/5 indicating excellent fundamentals and grade 1/5 indicating poor fundamentals. For details, see sections titled “General Information” and “Material Contracts and Documents for Inspection” on pages 44 and 287 of this Prospectus, respectively.

LISTING

The Equity Shares issued through this Prospectus are proposed to be listed on the SME Platform of BSE. In terms of the Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time, we are not required to obtain an in-principal listing approval for the shares being issued in this Issue. However, our company has received an approval letter dated October 23, 2015 from BSE for using its name in this Offer Document for listing of our shares on the SME Platform of BSE. For the purpose of this Issue, the designated Stock Exchange will be the BSE Limited (“BSE”).

BOOK RUNNING LEAD MANAGER



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

REGISTRAR TO THE ISSUE



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

BID / ISSUE PROGRAMME

BID / ISSUE OPENED ON : FEBRUARY 15, 2016

BID / ISSUE CLOSED ON : FEBRUARY 17, 2016

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates or requires the following terms in this Prospectus have the meaning given below:

General Terms

Term	Description
K.P. Energy Limited / KPEL / KP Energy / The Company / Company / We / Us / Our / Our Company / The Issuer	Unless the context otherwise indicates or implies refers to K.P. Energy Limited a public limited company incorporated under the provisions of the Companies Act, 1956 with its registered office in the state of Gujarat.
Promoter(s)	The Promoters for our Company: <ul style="list-style-type: none"> • Farukbhai Patel • Ashish A Mithani
Promoter Group	Such persons, entities and companies constituting our promoter group pursuant to Regulation 2(zb) of the SEBI ICDR Regulations as disclosed in the Chapter titled “ <i>Our Promoter, Promoter Group and Group Companies</i> ”.
Subsidiaries	Companies in which our company – K.P. Energy Ltd. has more than 50% shareholding: <ul style="list-style-type: none"> • K.P. Energy Mahua Windfarms Pvt. Ltd. • Wind Farm Developers Pvt. Ltd. • Ungarn Renewable Energy Pvt. Ltd.
Group Companies	The Group Companies of our Company are: <ul style="list-style-type: none"> • K P Buildcon Pvt. Ltd. • K.P.I. Global Infrastructure Limited • KP Sor-Urja Limited • KP Human Development Foundation

Company Related Terms

Term	Description
Articles / Articles of Association	Unless the context otherwise requires, refers to the Articles of Association of K.P. Energy Limited
Auditor of the Company (Statutory Auditor)	M/s. Bipinchandra J. Modi & Co, Chartered Accountants, having their office at Bungalow No. 18/A, Prakash Co-operative housing society ltd., B/H Intelligence Guidance Glass, Atwalines, Surat-395001.
Audit Committee	The Audit Committee constituted by our Board of Directors on September 03, 2015
Board of Directors / Board	The Board of Directors of K.P. Energy 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 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	Ms. Nita Mishra
Depositories Act	The Depositories Act, 1996, as amended from time to time
Director(s)	Director(s) of K.P. Energy 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

Term	Description
Indian GAAP	Generally Accepted Accounting Principles in India
MOA/ Memorandum of Association	Memorandum of Association of K.P. Energy Limited
Nomination and Remuneration Committee	The Nomination and Remuneration Committee constituted / re-constituted by our Board of Directors on September 03, 2015
Registered and Corporate Office	The Registered and Corporate Office of our company which is located at: A-1/2, Firdous Tower, New Rander Road, Adajan Patia, Surat – 395 009
RoC	ROC Bhavan, Opposite Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013
Stakeholder's Relationship Committee	The Stakeholder's Relationship Committee constituted / re-constituted by our Board of Directors on September 03, 2015

Issue related Terms

Term	Description
Allotment/ Allot/ Allotted	Unless the context otherwise requires, means the allotment of Equity Shares pursuant to this Issue to successful Bidders
Allottees	A successful Bidder to whom the Equity Shares are allotted
Application Supported by Blocked Amount/ ASBA	The application (whether physical or electronic) used compulsorily by QIB and those investors who have applied for Equity Shares for a cumulative amount of more than ₹ 2 lakhs and optionally by Retail Individual Investors to make an application authorizing the SCSB to block the amount payable on application in their specified bank account
ASBA Account	Account maintained by an ASBA Bidder with a SCSB which will be blocked by such SCSB to the extent of the Application Amount of the ASBA Bidder
ASBA Bid	A Bid made by an ASBA Bidder
ASBA Bidder	Bidders in the Offer who intend to submit the Bid through the ASBA process
Banker(s) to the Company	Such banks which are disclosed as Bankers to our Company in the chapter titled "General Information" on page 44 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 Ltd.
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Bidders under the Issue and which is described in the chapter titled "Issue Procedure" beginning on page 231 of this Prospectus.
Bid(s)	An indication to make an offer during the Bid/ Issue Period by a Bidder pursuant to submission of the Bid cum Application Form to subscribe to the Equity Shares of our Company at a price within the Price Band, including all revisions and modifications thereto
Bid Amount	The highest value of the optional Bids indicated in the Bid-cum-Application Form and payable by the Bidder on submission of the Bid in this Issue and in the case of ASBA Bidders, the amount mentioned in the ASBA Bid-cum-Application Form.
Bid Cum Application Form	An application form, whether physical or electronic, used by Bidders, to make a Bid and which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Bid/ Issue Closing Date	The date after which the members of the Syndicate and the Designated intermediaries shall not accept any Bids for the Issue, which shall be the date notified in an English national newspaper, a Hindi national newspaper and a regional newspaper, where the Registered Office of our Company is situated, each with wide circulation.
Bid/ Issue Opening Date	The date on which the Syndicate and the Designated Intermediaries shall start accepting Bids for the Issue, which shall be the date notified an English national newspaper, a Hindi national newspaper and a regional newspaper, where the Registered Office of our Company is situated, each with wide circulation
Bidder	Any Prospective Investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form.
Bid Lot	2,000 Equity Shares and further in multiple of 2,000 Equity Shares thereafter
Bid/ Issue Period	The period between the Bid/Issue Opening Date and the Bid/ Issue Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof.
Bidding Centers	Centers at which the Designated Intermediaries shall accept the Bid cum Application

Term	Description
	Forms, i.e, Designated SCSB Branch for SCSBs, Specified Locations for Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Book Building Process/ Book Building Method	The book building route as provided under Schedule XI of the SEBI (ICDR) Regulations, 2009, in terms of which this Issue is being made.
Broker Centres	Broker centers notified by the Stock Exchanges where Bidders can submit the Bid cum Application Forms to a Registered Broker. The details of such Broker Centers, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchange.
BSE	BSE Limited
BRLM / Book Running Lead Manager.	Book Running Lead Manager to the Issue, in this case being Aryaman Financial Services Limited.
Business Day	Monday to Friday (except public holidays)
Cap Price	The higher end of the Price Band, in this case being ₹70 per Equity Share above which the Issue Price will not be finalized and above which no Bids will be accepted
Collecting Depository Participant or CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Compliance Officer	The Company Secretary of our Company, Ms. Nita Mishra
Controlling Branches	Such Branches of the SCSBs which co-ordinate Bids by the ASBA Bidders with the Registrar to the Issue and the Stock Exchanges and a list of which is available at http://www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time.
Cut-off Price	Any price within the Price Band finalised by our Company in consultation with the BRLM. Only Retail Individual Bidders are entitled to Bid at the Cut-off Price, for a Bid Amount not exceeding ₹2 lakhs. No other category of Bidders are entitled to Bid at the Cut-off Price
Demographic Details	The demographic details of the Bidders such as their Address, PAN, Occupation and Bank Account details.
Depositories	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 Bid cum Application Forms from the Bidders, in relation to the Issue
Designated SCSB Branches	Such Branches of the SCSBs which shall collect the Bid Cum Application Forms used by the Bidders 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 ASBA Bidders to the Public Issue Account.
Designated Market Maker	Aryaman Capital Markets Limited (formerly known as Aryaman Broking Limited) will act as the Market Maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI ICDR Regulations
Designated 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 websites of the Stock Exchange
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the Bid cum Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Bid cum Application Forms are available on the websites of the Stock Exchange
Designated Stock Exchange	SME Exchange of BSE Limited
Eligible NRIs	An NRI from such a jurisdiction outside India where it is not unlawful to make an offer or invitation under this Offer and in relation to whom the Red Herring Prospectus constitutes

Term	Description
	an invitation to Application on the basis of the terms thereof.
Equity Shares(s)	Equity shares of our Company of ₹ 10 each
Eligible QFIs	QFIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Red Herring Prospectus constitutes an invitation to purchase the Equity Shares offered thereby and who have opened demat accounts with SEBI registered qualified depository participants
Escrow Agreement	Agreement entered into amongst the Company, Book Running Lead Manager, the Registrar and the Banker to the Issue to receive monies from the ASBA Bidders through the SCSBs Bank Account on the Designated Date in the Public Issue Account.
First/Sole Bidder	The Bidder whose name appears first in the Bid-cum-Application Form or Revision Form.
Floor Price	The lower end of the Price Band, in this case being ₹60 per Equity Share, at or above which the Issue Price will be finalized and below which no Bids will be accepted
FPIs	Foreign Portfolio Investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
Key Management Personnel	The personnel listed as key management personnel in “Our Management” on page 122 of this Prospectus
Issue / Issue Size / Public Issue	Public Issue of 9,20,000 Equity Shares of face value of ₹ 10 each for cash at a price of ₹70 per Equity Share (including a share premium of ₹ 60 per Equity Share aggregating upto ₹ 644.00 lakhs, of which 48,000 equity shares will be reserved for subscription by Market Maker(s) to the Issue (“Market Maker Reservation Portion”). The Issue less the Market Maker Reservation Portion i.e. Issue of 8,72,000 Equity Shares of ₹10 each is hereinafter referred to as the “Net Issue”. The Issue and the Net Issue will constitute 26.90% and 25.50%, respectively of the post issue paid up Equity Share capital of the Company.
Issue Closing date	The date on which the Issue closed for subscription being February 17, 2016
Issue Opening date	The date on which the Issue opened for subscription being February 15, 2016
Issue Price	Rs. 70 per Equity Share
Issue Proceeds	The proceeds of the Issue. For further information about use of the Issue Proceeds kindly refer to the Chapter title “ <i>Objects of the Issue</i> ” on page 61 of this Prospectus.
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 Maker	Market Maker appointed by our Company from time to time, in this case being Aryaman Capital Markets Limited, who has agreed to receive or deliver the specified securities in the market making process.
Market Maker Reservation Portion	The Reserved portion of 48,000 Equity shares of ₹ 10/- each at an Issue Price of ₹ 70 (including share premium of ₹ 60 per Equity Share aggregating to ₹ 33.60 lakhs for Designated Market Maker in the Public Issue of our Company.
Mutual Fund	A Mutual Fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended.
Net Issue	The Issue of 8,72,000 Equity Shares of ₹ 10 each at ₹ 70 (including share premium of ₹ 60 per Equity Share aggregating to ₹ 610.40 lakhs by K.P. Energy Limited.
Net Proceeds	The Net proceeds of the Issue. For further information about use of the Net Proceeds kindly refer to the Chapter title “ <i>Objects of the Issue</i> ” on page 61 of this Prospectus.
NIF	National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of Government of India published in the Gazette of India
Non-Institutional Bidder	All Bidders, including Eligible QFIs, sub accounts of FIIs registered with SEBI which are foreign corporate or foreign individuals, that are not QIBs or Retail Individual Bidders and who have applied for Equity Shares for an amount of more than ₹2,00,000 (but not including NRIs other than Eligible NRI(s).
NR/Non-Resident	A person resident outside India, as defined under FEMA including eligible NRIs and FIIs
NRI(s)/Non-Resident Indian	A “person resident outside India”, as defined under FEMA and who is a citizen of India or is a person of Indian origin (as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended).
OCB(s)/ Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000. OCBs are not allowed to invest in this Issue.

Term	Description
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.
Price Band	Price band of a minimum price (Floor Price) of ₹ 60 and the maximum price (Cap Price) of ₹ 70 and includes revisions thereof.
Pricing Date	The date on which our Company in consultation with the BRLM, finalizes the Issue Price
Prospectus	The prospectus to be filed with the RoC in accordance with Section 32 of the Companies Act, containing, <i>inter alia</i> , the Issue Price that is determined at the end of the Book Building Process, the size of the Issue and certain other information.
Public Issue Account	Account opened with the Bankers to the Issue by our Company to receive monies from the SCSBs from the bank accounts of the ASBA Bidders on the Designated Date.
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.
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 and are resident in a country which is (i) a member of Financial Action Task Force or a member of a group which is a member of Financial Action Task Force; and (ii) a signatory to the International Organisation of Securities Commission's Multilateral Memorandum of Understanding or a signatory of a bilateral memorandum of understanding with SEBI. Provided that such non-resident investor shall not be resident in country which is listed in the public statements issued by Financial Action Task Force from time to time on: (i) jurisdictions having a strategic anti-money laundering/combating the financing of terrorism deficiencies to which counter measures apply; (ii) jurisdictions that have not made sufficient progress in addressing the deficiencies or have not committed to an action plan developed with the Financial Action Task Force to address the deficiencies.
Qualified Foreign Investors Depository Participant/ QFIs DP	Depository Participant for Qualified Foreign Investors.
Red Herring Prospectus	The Red Herring Prospectus issued in accordance with Section 32 of the Companies Act, which does not have complete particulars of the price at which the Equity Shares are Issued and certain other information. The Red Herring Prospectus will be filed with the RoC at least three days before the Bid/ Issue Opening Date and will become a Prospectus upon filing with the RoC after the Pricing Date.
Registrar/ Registrar to the Issue	Registrar to the Issue in this case being Bigshare Services Pvt. Ltd.
Resident Retail Individual Investor / Resident Retail Individual Bidder	A Retail Individual Bidder who is a "person resident in India" (as defined in FEMA).
Retail Individual Investors	Individual Bidders who have Bid for Equity Shares for an amount not more than ₹2 lakhs in any of the bidding options in the Issue (including HUFs applying through their Karta and Eligible NRI's
Revision Form	The form used by the Bidders to modify the quantity of Equity Shares or the Bid Price in any of their Bid-cum-Application Forms or any previous Revision Form(s).
Rule 144A	Rule 144A under the U. S. Securities Act of 1933, as amended from time to time.
Self Certified Syndicate Bank(s) / SCSBs	Self Certified Syndicate Bank is a Banker to an Issue registered with SEBI which offers the facility of making an Application Supported by Blocked Amount and recognized as such by SEBI, a list of which is available on http://www.sebi.gov.in/pmd/scsb/html
Stock Exchange	The BSE Ltd.
Sub-Syndicate Members	A SEBI registered member of BSE appointed by the BRLM, and/ or the Syndicate

Term	Description
	Member to act as a Sub-Syndicate Member in the Issue.
Syndicate	The BRLM, the Syndicate Member(s) and Sub-Syndicate Members
Syndicate Agreement	The agreement dated January 19, 2016 entered into among the BRLM, the Syndicate Members and our Company in relation to the collection of Bids in this Issue
Syndicate Members	Intermediaries registered with the SEBI to act as syndicate members and who are permitted to carry on the activity as underwriters, in this case being Aryaman Financial Services Limited and Aryaman Capital Markets Limited
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 Bidder, as proof of registration of the Application.
Underwriters	Aryaman Financial Services Limited and Aryaman Capital Markets Limited.
Underwriting Agreement	The Agreement among the Underwriters and our Company dated January 19, 2016
Working Day	All trading days of the Stock Exchange excluding Sundays and Bank holidays in Mumbai.

Technical / Industry related Terms

Term	Description
AAI	Airport Authority of India
AEs	Advanced Economies
BOP	Balance of Plant
BOT	Build-Operate-Transfer
CMS	Central Monitoring System
CPI	Consumer Price Index
CRZ	Coastal Regulation Zone Notification
CSO	Central Statistics Office
C-WET	Centre for Wind Energy Technology
DIC	District Industries Centre
DILR	District Inspector of Land Records
EMDEs	Emerging Market and Developing Economies
EPCC	Engineering, Procurement, Construction & Commissioning
FEE	Foreign Exchange Earnings
GBI	Generation Based Incentive
GEDA	Gujarat Energy Development Agency
GERC	Gujarat Electricity Regulatory Commission
GETCO	Gujarat Energy Transmission Corporation
GUVNL	Gujarat Urja Vikas Nigam Ltd
GW	Giga Watt
GWEC	Global Wind Energy Council
IEC	International Electro-technical Commission
IPP	Independent Power Producers
IREDA	Indian Renewable Energy Development Agency Limited
IT	Information Technology
LEED	Leadership in Energy and Environmental Design
MNRE	Ministry of New and Renewable Energy
MW	Mega Watt
NCEF	National Clean Energy Fund
NIWE	National Institute of Wind Energy
NOC	No Objection Certificate
NWM	National Wind Mission
O&M	Operations & Management
OEM	Original Equipment Manufacturers
OFC	Optic Fibre Cable.
PGCIL	Power Grid Corporation of India Ltd.
Q2	Quarter 2

Term	Description
AAI	Airport Authority of India
Q3	Quarter 3
Q4	Quarter 4
R&B	Roads & Building department
RE	Renewable Energy
RGO	Renewable Generation Obligation
RPO	Renewables Purchase Obligation
SCADA	Supervisory Control and Data Acquisition
SEB	State Electricity Board
SRA	Slum Rehabilitation Authority
SEZ	Special Economic Zone
Sq. Ft.	Square Feet
SS	Sub Station
USGBC	US Green Building Council
WPI	Wholesale Price Index
WTG	Wind Turbine Generator

Conventional Terms / General Terms / Abbreviations

Term	Description
A/c	Account
ACS	Associate Company Secretary
AEs	Advanced Economies
AGM	Annual General Meeting
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India
ASBA	Applications Supported by Blocked Amount
AY	Assessment Year
BSE	BSE Limited (formerly known as The Bombay Stock Exchange Limited)
CAD	Current Account Deficit
CAGR	Compounded Annual Growth Rate
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CIN	Company Identification Number
CIT	Commissioner of Income Tax
DIN	Director Identification Number
DP	Depository Participant
ECS	Electronic Clearing System
EOGM	Extraordinary General Meeting
EMDEs	Emerging Market and Developing Economies
EPS	Earnings Per Share
FCNR Account	Foreign Currency Non Resident Account
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time, and the regulations framed there under
FII(s)	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
FPI(s)	A foreign portfolio investor who has been registered pursuant to the SEBI FPI Regulations provided that any FII who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations
FVCI	Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI FVCI Regulations
FY / Fiscal / Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated
GDP	Gross Domestic Product

Term	Description
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 N	Rupees, the official currency of the Republic of India
RTGS	Real Time Gross Settlement
Rule 144A	Rule 144A under the Securities Act
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, as amended from time to time
SEBI (ICDR) Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 notified on September 2, 2015
Securities Act	U.S. Securities Act of 1933, as amended
Sec.	Section
STT	Securities Transaction Tax
TIN	Taxpayers Identification Number
US/United States	United States of America
USD/ US\$/ \$	United States Dollar, the official currency of the Unites States of America
VCF / Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.

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 lakh represents 1,00,000.

Financial Data

Unless stated otherwise, the financial data in this Prospectus is derived from our audited financial statements as on for the period ended September 30, 2015 and for the Fiscal Years ended March 31, 2015, 2014, 2013, 2012 and 2011, prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI Regulations and included in this Prospectus. Our Fiscal Year commences on April 1 and ends on March 31 of the following year. In this Prospectus, any discrepancies in any table, graphs or charts between the total and the sums of the amounts listed are due to rounding-off.

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

Any percentage amounts, as set forth in the section titled “*Risk Factors*”, chapters titled “*Business Overview*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on pages 11, 91 and 181 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, for details please see the Chapter titled “*Definitions and Abbreviations*” on page 1 of this Prospectus In the Section titled “*Main Provisions of the Articles of Association of our Company*” beginning on page 274 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 standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources.

FORWARD-LOOKING STATEMENTS

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

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

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

- ✓ Our ability to successfully implement our strategy, growth and expansion plans
- ✓ The outcome of legal or regulatory proceedings that our Company is or might become involved in
- ✓ Geographical changes in the wind directions and wind density
- ✓ Variation in the electricity demand and supply situations
- ✓ Regulations in the wind energy industry, including tax laws
- ✓ the monetary and interest policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices
- ✓ Developments affecting the Indian economy
- ✓ General economic and political conditions in India which have an impact on our business activities or investments;
- ✓ Uncertainty in domestic and global financial markets

For further discussions of factors that could cause our actual results to differ, please see the section titled “*Risk Factors*” and the chapters titled “*Business Overview*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on pages 11, 91, and 181 of this Prospectus, respectively.

By their nature, certain risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Forward-looking statements speak only as of this Prospectus. Our Company, our Directors, the Book Running Lead Manager, and their respective affiliates or associates do not have any obligation to, and do not intend to, update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with the SEBI requirements, our Company and the Book Running Lead Manager will ensure that investors in India are informed of material developments until such time as the grant of listing and trading approvals by the Stock Exchange.

SECTION II - RISK FACTORS

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

Materiality

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

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

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

INTERNAL RISK FACTOR

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

Our Company and our Group Companies are involved in certain legal proceedings and claims, which are pending before the Judicial / Statutory authorities. A summary of the pending proceedings is set forth below.

The amounts claimed in these litigations have been disclosed to the extent ascertainable. Any developments in the proceedings or any rulings by such authorities against our Company and/or Group Companies and/or Promoters or Directors may have an adverse material impact on our goodwill, results of operations and financial condition:

a. Litigations / Proceedings filed against our Company

Sr. No.	Nature of Matter	No. of Matters	Amount (to the extent quantifiable) (₹ in crores)
1.	Litigation Involving Civil Laws	2	3.47*

b. Litigations / Proceedings filed against our Group Companies

Sr. No.	Name of Group Companies/Entities	Nature of Matter	No. of Matters	Amount (to the extent quantifiable) (₹ in crores)
1.	K. P. Personal Care and its sole proprietor	Litigation Involving Civil Laws	1	0.00**
2.	K. P. Buildcon Pvt. Ltd.	Litigation Involving Civil Laws	3	0.0879 - for one of the outstanding litigations. The details regarding the amount claimed in the other outstanding litigation is as mentioned herein below.***

3.	K P Personal Care Ltd. now known as K.P. Sor-Urja Pvt. Ltd.	Litigation Involving Criminal Laws	9	0.00****
4.	K. P. Buildcon Pvt. Ltd.	Litigation involving Indirect Tax Liabilities	1	4.3162 #

* We refer to the details of the outstanding litigations mentioned in item 1 of table a above. By and under ex-parte order passed by the Court of the XXV Addl. Chief Judge, inter-alia the Company was directed to furnish security for an amount of ₹ 3.47 crores. However, subsequently, by and under a notice issued on behalf of the Company to Mytrah, the Company has inter-alia demanded from Mytrah, payment of a sum of approximately 3.50 crores. For further details please refer to section titled “Outstanding Litigations and Material Developments” on page 193 of this Prospectus.

** We refer to the details of the outstanding litigations mentioned in item 1 of table b above. While the payments have been made by our Group Company to IDBI Bank Ltd and the latter has issued a no dues certificate, the matter is to be withdrawn. For further details please refer to section titled “Outstanding Litigations and Material Developments” on page 193 of this Prospectus.

***We refer to the details of the outstanding litigations mentioned in item 2 of table b above. The amount claimed in one outstanding litigation is approximately 0.0879 crores, which has been mentioned in the above table. In addition, in the second outstanding litigation, the amount claimed in the suit is approximately 0.0910 crores whereas that in the counter claim is approximately 0.1230 lacs. For further details please refer to section titled “Outstanding Litigations and Material Developments” on page 193 of this Prospectus.

**** We refer to the details of the outstanding litigations mentioned in item 3 of table b above. As per a Memorandum of Agreement Cum Settlement Agreement between K P Personal Care Ltd. now known as K.P. Sor-Urja Pvt. Ltd. and Ms. Ulka V. Shah, 9 (nine) litigations were instituted on behalf of the latter on account of dishonor of certain cheques. Accordingly as per the aforesaid Memorandum, the parties agreed that upon receiving payment towards each relevant cheque, Ms. Ulka V. Shah would accordingly withdraw the relevant litigation. While the payments have been made by our Group Company to Ms. Ulka V. Shah, the matters are to be withdrawn. For further details please refer to section titled “Outstanding Litigations and Material Developments” on page 193 of this Prospectus.

We refer to the details of the outstanding litigations mentioned in item 4 of table b above. While an amount of ₹ 4.3162 crores has been claimed against K. P. Buildcon Pvt. Ltd., it is in the process of making payments and hence, the outstanding amount may be lower. For further details please refer to section titled “Outstanding Litigations and Material Developments” on page 193 of this Prospectus.

c. Litigations / Proceedings filed by our Group Companies

Sr. No.	Name of Group Companies/Entities	Nature of Matter	No. of Matters	Amount (to the extent quantifiable) (₹ in crores)
1.	K. P. Buildcon Pvt. Ltd.	Litigation Involving Civil Laws	1	91
2.	Solarism - The Power of Nature (A Division of K.P.I. Global Infrastructure Limited)	Litigation Involving Criminal Laws	1	0.0311

For further details please refer to section titled “Outstanding Litigations and Material Developments” on page 193 of this Prospectus.

2. We require certain registrations and permits from government and regulatory authorities in the ordinary course of business and the failure to obtain them in a timely manner or at all may adversely affect our operations.

We require certain registrations, permits and approvals for operating our business. Further, there are certain registrations and approvals that we have to obtain for our Wind farm projects. Such approvals are sought per Wind farm site, based on the stage of development of the Wind farms at that site. Hence, with respect to such project

related approvals, we would have to obtain further approvals for subsequent stages of development of such Wind farms. .

Additionally, we have misplaced certain original documents/approvals/permissions and the same cannot be found, neither do we have a copy of the same, including inter-alia our original Certificate of Registration under Gujarat State Tax on Professions, Traders, Callings and Employments Act, 1976.

Further, there may be certain other approvals/licenses which we may need to obtain for our business as per the applicable laws.

If we fail to obtain any registration, permit or approval or duplicate thereof (where the original is misplaced and cannot be found), whether applied for or otherwise, for our business or Wind farm projects, in a timely manner or at all, our overall business, financial condition and/or results of operations may be adversely affected and our Company, directors and/or officers may be subjected to proceedings under the relevant statute. Further, there can be no assurance that such approvals will be granted in timely manner or at all.

3. *Non-compliance of the terms and conditions in the Approvals, Licenses and Registrations may affect our operations.*

Certain licenses and registrations obtained by our Company including but not limited to the CRZ Clearance for the Proposed Windmill project at Ratdi, Porbandar from the Ministry of Environment, Forests & Climate Change contain certain terms and conditions, which are required to be complied with by our Company. Any default by our Company in complying with the same, may result in inter-alia the cancellation of such licenses, consents, authorizations and/or registrations, which may adversely affect our operations and financial strength.

4. *Our acquisition of Project Sites and/ or Wind Sites Under Acquisition, as the case may be, and our ability to fulfill our contractual obligations in respect of facilitating the transfer of rights over Project Sites and/ or Wind Sites Under Acquisition, may be subject to legal uncertainties and defects.*

As a Wind Farm developer, we provide turnkey services for wind farm projects. As part of our turnkey solutions model for wind farm projects, we acquire and develop Wind Sites and facilitate of the transfer of rights to such Wind Sites in favour of our customers pursuant to project agreements with our customers (either directly or through a joint developer). Our Wind Sites include:

- Project Sites already acquired which have been sub-leased to customers or are in the process of sub-lease
- Project Sites which are at the advanced stages of acquisition and;
- Wind Sites under Acquisition, which are either at a very preliminary stage of acquisition or have yet to be identified.

Pursuant to our agreements with our customers / joint developers, we are required to facilitate the transfer of our Wind Sites free of encumbrance to the end user / buyer / customer for the development of wind farm projects.

Some or all of the land comprising our Wind Sites may not be acquired by us for a variety of reasons, including that allotments of government land may be cancelled and that private land may not be available at competitive prices or at all. Our inability to acquire such Wind Sites may hinder our ability to successfully execute wind power projects for our customers in time or at all, which may in turn result in a material adverse effect to our business, prospects and results of operations. There are a number of uncertainties relating to rights to immovable property in India, including, among other things, difficulties in obtaining title and fragmented or defective title. Title defects may result in the loss of our ability to fulfil our contractual obligations as a turnkey provider of wind solutions in respect of facilitating the transfer of rights over Wind Sites and could expose us to liability to pay liquidated damages. Wind Sites may also have irregularities of title, such as non-execution or non-registration of conveyance deeds and inadequate stamping, and may be subject to encumbrances of which we may not be aware. Such defects may also give rise to significant legal disputes with respect to title in connection with Project Sites acquired and/ or Wind Sites Under Acquisition to be acquired from private or government parties and there can be no assurance that such disputes will be resolved in our favour and without requiring us to expend significant time, expense and management attention.

While we believe that leasehold rights acquired from regulatory authorities where we have, or expect to have, such leasehold rights are clear of any material encumbrances, we are required to comply with the terms and conditions of such leases. Failure to comply with the terms of any such lease may result in forfeiture of our rights. The

uncertainty of title to a Project Site and/ or Wind Site under Acquisition may impede our ability to facilitate transfer of title to the site, expose us to legal disputes, adversely affect the value of the Wind Site or delay commissioning of the applicable project, which may require us to pay liquidated damages. Legal disputes in respect of title to a Wind Site can take several years and considerable expense to resolve if they become the subject of court proceedings and their outcomes can be uncertain. There can be no assurance that such disputes will not arise in the future and over the long term. We may lose our interests in Wind Site if we are, or the lessor is, unable to resolve such disputes. The Wind Site is a critical element of a successful wind farm project. We or a lessor's failure to obtain good title with respect to a Wind Site may materially prejudice the success of the project and may require us to write-off expenditures in respect of the wind farm.

We may not be able to assess or identify all the risks and liabilities associated with a Wind Site. For example, title defects with respect to a Wind Site, which may include faulty or disputed title, unregistered encumbrances or adverse possession rights, among others, may result in the cancellation of our development plans or delay development or commissioning of the applicable project, which could expose us to claims for liquidated damages. Any of the foregoing could adversely impact our business, results of operations and financial condition.

5. *Changes in capacity utilisation factor of wind sites owned or managed by us would affect the economic value of these assets.*

Wind power assets generally do not generate the full MW of energy they are built for based on various factors including but not limited to hub height of the WTG, availability of wind potential density etc. Many of these factors are beyond our control and may change from time to time, which would affect our Capacity Utilisation Factor. The average conservatively accepted CUF currently is 24% (which is as per the GERC order dated January 07 2013) however there can be no assurance that our wind sites would yield CUF more or less than this average. Changes in CUF would mean that we may not be able to generate revenue from these sites as envisaged may vary and hence may reduce the demand of our wind energy projects w.r.t the EPC business and also affect our profitability estimates for the IPP business.

6. *We have a limited operating history, which may make it difficult to evaluate our past performance and prospects.*

Our Company was incorporated in January 2010 and prior to the year ended March 31, 2015, all of our revenues were derived from EPC Contract revenue as Proxy Developers, i.e. services for other Wind Farm Developers or IPPs on a contract revenue basis only. During this period, we were simultaneously engaged in identifying and acquiring viable wind sites as well as in development of other infrastructure for our "self development" wind farm projects. During FY 2015, our Ratdi Wind Farm Project was commissioned and hence we began recognizing revenue from the same. Thus there is a substantial jump in our revenues and results for this fiscal year. Given our limited operating history in the wind power business, we may not succeed in addressing certain risks pertaining to companies in an early stage of growth, including our ability to acquire and retain customers or maintain adequate control of our costs and expenses. We may also need to alter our business and strategies on an ongoing basis to manage our growth and to compete effectively with more established service providers. Entering into new regions or spaces may pose challenges to our management, administrative, financial and operational resources. If we are unsuccessful in addressing business risks in time or at all, our business may be materially and adversely affected. Accordingly, investors should consider our business and prospects in light of the risks, losses and challenges that we face as an early-stage company.

For our business to succeed, amongst other things, we must successfully undertake the following activities:

- Develop and increase our customer base (either directly or through our joint developers);
- Implement and successfully execute our business and marketing strategies;
- Provide superior customer service and order fulfilment;
- Manage costs to ensure we can maintain competitive pricing with attractive margins;
- Continue to develop our technology;
- Respond to competitive developments; and
- Attract, retain and motivate qualified personnel.

There can be no assurance that we will be successful in undertaking such activities in time or at all. Our failure to successfully undertake one or more of the activities described above could materially adversely affect our business, prospects, financial condition and results of operations. Further, our limited operating history may not provide a meaningful basis for evaluating our business, financial performance, prospects or results of operations, or to make a decision about an investment in our Equity Shares.

For further details in this regard, please refer to the chapters “*History and Other Corporate Matters*”, “*Our Promoters, Promoter Group and Group Companies*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on page 116, 132 and 181, respectively of this Prospectus.

7. *We are dependent on our joint developers for implementing key aspects pertaining to some of our Wind Farms under development.*

Out of the total 291.90 MW of Wind Farms being proposed to be developed by our company, we are currently operating through joint development agreements (“JDA”) with Suzlon Energy Ltd for 160.80 MW. Pursuant to such JDA we have divided the scope of work between the two joint developers. We are hence reliant on the following key aspects on our joint developers:

- Marketing the Wind Farm to customers including negotiations on pricing and other commercials
- Supply of WTGs and other related equipments and tools including engineering support for commissioning of WTGs
- SCADA related implementations
- CMS related implementations

Hence, we do not control certain vital elements of our Wind Farm projects and variations in implementation or execution of these key aspects could have a material adverse effect on our results of operations and financial condition.

8. *We cannot assure that we would be able to successfully market our wind farms and ultimately realize the value from the sites developed or being developed.*

As on November 30, 2015, we have commissioned 33.60 MW for clients / end users and these are now part of our O&M Portfolio. Further our order book (representing of projects where end user / client has been signed up and are being commissioned) aggregates to 29.40 MW, all of which is scheduled for commissioning in FY 2015-16. The remaining 228.90 MW worth of Wind energy projects which we are in process of developing and propose to execute over the next few years, do not have a firm client tie-up / purchase order as on date.

We have offered 50.40 MW each from the Kuchdi and Mahua – I (Vadli) in a government tender, which if awarded to us, would result in immediate orders for these capacities. Further, we have entered into Joint development agreements for our projects at Ratdi, Matalpar, Kuchddi and Mahua (Vadli) aggregating to 160.80 MW with Suzlon Energy Ltd. However, none of these arrangements can be called a “firm order” from end client / user.

Furthermore, even after entering into binding agreements, these agreements may be subject to contingencies, such as the timing and receipt of necessary government authorizations, or financing conditions which provide that the agreements can be terminated without penalty in the event the customer cannot obtain financing for the project. Our inability to market our sites either individually or through joint developers on profitable terms and successfully deliver the same to end users would adversely affect our revenues and also our financial conditions.

9. *Demand for our services depends on the activity and new capital expenditure levels in the wind power sector.*

All of our historical income has been, and we expect that our future income will for the foreseeable future be, derived from services sold in connection with wind power projects. Demand for our services is particularly sensitive to the commercial viability of wind power relative to the commercial viability of other sources of power. Capital expenditure in the wind power sector is influenced by, among other factors, demand for energy, prices for, and the pace of development and implementation of, competing energy sources, governmental regulations and policies including with respect to tax incentives, local and international political and economic conditions, cost and availability of capital, local demand and availability of supply of power. The price of oil, which is a competing energy source, has declined dramatically since the middle of calendar year 2014, which, if sustained or expected to be sustained for a significant period of time, could potentially result in reduced capital investment in the wind power industry. With respect to governmental policies, certain fiscal incentives including the ability to use accelerated depreciation for tax purposes, have spurred demand for WTGs by individuals and certain companies. While the stated policy objective of the Government of India, which is reflected in recently announced regulations, is to increase generation of power from renewable sources, a reduction of capital investment in the wind power industry due to changes to any of the above factors or for any other reason could have a material adverse effect on our results of operations and financial condition.

10. Delays in announcing or changes in tariffs payable by power off takers may cause our customers to reduce or delay their investments in Wind Farm Projects.

The power generated by our customers from their wind power projects is generally sold to state-owned utilities. States have traditionally specified fixed feed-in tariffs for wind power, which vary from period to period. Revisions to fixed feed-in tariffs could increase or decrease the tariff. Any material reduction in the feed-in tariffs could materially adversely affect the level of investment in wind power infrastructure in a particular state or in India as a whole. There can be no assurance that tariffs will increase in the future and will not be reduced. Furthermore, the extent to which tariffs for a state are not stable over the long-term but are subject to confirmation on a periodic basis, this uncertainty could materially adversely affect the level of investment in wind power infrastructure even if tariffs ultimately increase over the long-term. Uncertainty in the structure or amount of tariffs has in the past, and could in the future, delay investment in wind power projects. In particular, if the finalization of a tariff is delayed beyond the date that it is expected to be set, our customers may postpone their investment decisions. Any of the foregoing could adversely affect our business, financial condition and results of operations.

11. Delays in and/ or non-uniform implementation of various incentive schemes by the regulatory authorities may cause our customers to reduce or delay their investments in WTGs.

With an aim to broaden the investor base and to facilitate entry of large independent power producers and foreign direct investors in the wind power sector, the regulators have declared various incentives to wind power producers, including a return to the Generation Based Incentive (GBI) Scheme for Wind Power Projects after the incentive was removed for financial year 2012-13. The Union Budget, which is the annual budget of the Republic of India, for financial year 2013-14, affords a GBI to wind electricity producers based on the volume of electricity fed in to the grid for a determined period. Furthermore, the Union Budget for financial year 2014-15 re-introduced accelerated depreciation for tax purposes to incentivize investment in wind power with effect from September 2014. Accelerated depreciation was previously available for wind power projects, but was removed for financial years 2012-13 and 2013-14, resulting in a period of reduced capital investment in wind power projects. Though various State Commissions have specified the RPO obligations for their distribution companies, as required under section 86(1)(e) of the Electricity Act, the implementation of the RPO schemes has not been uniform. State distribution companies, in the absence of strict implementation of the RPO schemes, have generally not met with their RPO obligations. In the absence of strict implementation of the RPO schemes, demand for the RECs is not very high and they are being traded at the lower end of the band specified by the regulatory authorities.

Any delays in, non-uniform implementation of and/or withdrawal of various incentives to wind power producers including in the implementation of the RPO scheme, GBI Scheme, or accelerated depreciation has in the past resulted, and may in the future result, in our customers reducing or delaying their investment decisions in our WTGs which could adversely affect our business, financial condition and results of operations.

Any of the foregoing could adversely affect our business, financial condition and results of operations.

12. We operate in a very competitive industry.

The wind energy sector is still largely fragmented in India. We face competition from various regional and national domestic wind farm developers as well as from OEMs, IPPs and others developing wind farms for proprietary purposes. Competitors having superior resources (financial, research, execution and marketing) than us pose competition to us. Our key competitors in our space are Veer Energy and Infrastructure, Intech Energy Systems, Weizmann Energy and Maruti Wind Power. We also face competition from various small unorganized operators in the wind farm developer segment.

Our ability to compete depends on various factors including cost-competitiveness, site selection (including wind resource and energy production assessments), quality of services, and ability to tie-up with WTG Manufacturers having reliable product quality, technology and price, including operation and maintenance services, and training offered to customers.

We face competition from companies that may have greater financial resources and more favourable cost structures or strategic goals than we do. Further, some of our competitors may have greater financial, technical and other resources and greater market share and goodwill which may enable them to compete effectively. There can be no assurance that we will be able to compete successfully with such companies or any other entrants to our industry. If we are unable to compete successfully for new customers and projects, our business financial condition and results of operations would be adversely affected.

Further, we also face competition generally from other power companies including but not limited to Solar Energy, Thermal Energy and other energy generating sources. Reduction of power tariff by such competing companies would affect our ability to price our wind energy products as required and hence may also adversely affect our results of operations and financial conditions.

13. *Our top five customers contributed over 96.65% of our total income for the financial year ended March 31, 2015. We are dependent on a small number of customers and our business is dependent on our continuing relationships with our customers, with whom we have not entered into long term arrangements.*

We derive a high proportion of our revenues from a small number of customers. Our top five customers contributed over 96.65% of our total income for the financial year ended March 31, 2015. In a given financial year, a single client may contribute significantly to our total income and then may not contribute significantly or at all in subsequent periods. We may not be successful in winning significant business each year from our existing or future clients as the award of project is dependent on various factors. Furthermore, we do not have long term arrangements with our customers to purchase the products and services provided by us in the future, at the current prices or at all. There is no assurance that we will be able to maintain historic levels of business from the existing customers or to retain existing customers, or that we will be able to replace our customer base in a timely manner or at all, in the event our existing customers do not continue to purchase products & services provided by us at the same rate as in the past or at all. Such loss of customers or customer orders may have an adverse effect on our revenues, cash flows and operations, including an interruption or partial or total work stoppage at our facilities.

14. *If wind patterns at sites that we have previously identified as suitable for wind farm projects change, our business, financial condition and results of operations could be adversely affected.*

The viability of a wind power project is dependent on the availability of wind, which by its very nature is intermittent. The viability of wind farm projects at sites we have identified is primarily dependent on the wind patterns at these sites conforming to the patterns that were used to determine the suitability of these sites for wind farm projects. Furthermore, there can be no assurance that the actual capacity of our Project Sites and Wind Sites under Acquisition will not be less than the capacity that we have estimated with respect to such Project Sites and Wind Sites under Acquisition. Although both the Government of India and we conduct wind resource assessments based on long-term wind patterns at identified Wind Sites, there can be no assurance that wind patterns at a particular site will remain constant. Changes in wind patterns at particular sites that we have previously identified as suitable for wind farm projects, and which we have acquired and developed, could affect our ability to provide turnkey solutions for such sites. Further, any change in wind patterns at sites we have identified as suitable for wind farms could also damage our reputation and the reputation of the wind power industry as a whole. Any of these could have a material adverse effect on our business, financial condition and results of operations.

15. *We propose to finance the setting up of Substations (including acquisition of lands) used for power evacuations of our Projects from our own funds and have not tied-up any other form of finance for the same.*

As part of our turnkey business, we are required to set up substations (owned by us) for evacuating power from the wind projects we set up for our clients. Even the land for these substations should be purchased in our individual capacity. As part of our process, major portions of acquisition of land and setting up of substations happens prior to marketing the wind sites to clients, as proven evacuation facilities is a key required to attract wind power investors / clients. Hence, this forms a major part of our capital expenditure requirements. As on date, we have acquired and set up substations for two wind power projects aggregating to 63.60 MW (including all evacuation formalities with GETCO), and are in the process of setting up substation for another two project for 69.30 MW wherein the land has already been acquired. For details please refer the chapter titled "Our business" beginning on page 91 of this Prospectus. These capex activities have been primarily funded from our owned funds and internal accruals, and the future capex required for additional lands and substations is also being proposed from owned funds itself. We have not availed any term loan facilities etc. from Banks / Financial Institutions for these activities.

We may not be able to generate adequate internal accruals or equity for these activities and hence not be able to set up an integral part of our Wind Farm Projects, which could severely affect our future results and financial conditions.

16. *All of our experience implementing projects is derived from projects we have implemented in the state of Gujarat. Hence, we have limited experience implementing projects outside Gujarat.*

All of our projects are located in the state of Gujarat. As a result, most of our experience implementing projects is derived from a single state in India. The experience that we have gained from our existing projects may not be fully

relevant or applicable to the development of future wind energy projects if any in other states of India and hence we may face limitations to geographical growth of business.

17. *We are exposed to significant risks from fixed price contracts that could cause us to incur losses.*

We have derived all of our revenue from fixed price contracts. Under the terms and conditions of such fixed-price contracts, we generally agree to a fixed price for providing our services in connection with wind power projects. The actual expense to us for executing such a contract may vary substantially from the assumptions underlying our bid for several reasons, including:

- Unanticipated changes in design of the project;
- Unanticipated increases in the cost of equipment, materials or manpower;
- Adverse foreign exchange fluctuations;
- Technical problems with the equipment;
- Delays associated with the delivery of equipment and materials to the project site due to logistical bottlenecks or otherwise;
- Inability to obtain requisite environmental and other approvals, resulting in delays and increased costs;
- Delays caused by local weather conditions; and
- Suppliers' or subcontractors' failure to perform.

These variations and the risks generally inherent to our industry may result in our profits being different from those originally estimated and may result in our experiencing reduced profitability or losses on projects. Depending on the size of a project, these variations from estimated contract performance could have a significant effect on our results of operations.

18. *Certain data presented in this Prospectus is based on management estimates.*

Portions of the acreage and power generating capacity data presented in this Prospectus are based on management estimates. As a result, the acreage that we actually use in the development of wind farms may differ from the amounts presented herein, based on various factors such as title defects, modifications of engineering or design specifications and any inability to obtain required regulatory approvals. For example, title defects may prevent us from holding development rights that are enforceable against third parties and could render our estimates of the acreage data presented in this Prospectus incorrect and subject to uncertainty. There can be no assurance that our managements' estimates of the power generating capacity of our Project Sites and Wind Sites Under Acquisition is accurate and we may experience reduced revenue, or face liability to our customers, as a result of any inaccuracies. Any of the foregoing could adversely affect our business, financial condition and results of operations.

19. *We may be unable to acquire our targeted Wind Sites or to develop wind farms on the specific Wind Sites that we target.*

Our customers typically seek a turnkey solution for wind power, pursuant to which we identify and procure the Wind Site and provide other services. The Wind Site inventory to which we have access comprises Project Sites and Wind Sites under Acquisition in the states of Gujarat, which we believe are suitable for the installation of an aggregate of at least 291.90 MW of capacity, of which Project Sites suitable for the installation of an aggregate of 33.60 MW of capacity are fully commissioned. For details please refer to the chapter titled "Our Business" beginning on page 91 of this Prospectus.

There can be no assurance that we will succeed in procuring access to targeted Wind Sites or that any Wind Sites to which we have acquired access, or acquire access in the future, will adequately meet the needs of our customers' projects. While we have in the past succeeded in obtaining rights to Wind Sites at reasonable prices, there can be no assurance that we will be able to acquire Wind Sites in the future on reasonable terms, if at all, and there can be no assurance that such sites will not be subject to contingencies such as the need to rehabilitate inhabitants of such locations or potential title defects. Any failure to acquire access to Wind Sites at a reasonable cost and without defects,

Contingencies and community opposition could impede our ability to offer turnkey solutions to our customers. Any of the foregoing could adversely affect our business, financial condition and results of operations.

20. *The construction and operation of wind power projects in a number of countries has faced opposition from local communities and other parties.*

The construction and operation of wind power plants in a number of countries has faced opposition from the local communities where these plants are located and from special interest groups. WTGs cause noise and are considered by some to be aesthetically unappealing. Certain environmental organizations have expressed opposition to wind turbines on the allegation that wind farms cause the killing of birds and have other adverse effects on flora and fauna. For instance in India, some communities have claimed that the local climate has been adversely affected by the operation of WTGs. Legislation is in place in many countries, which regulate the accepted distance between wind power plants and urban areas to guard especially against the effects of noise. It is possible that such legislation could be amended to place further restrictions on distance, or to limit the size or height of WTGs in a given area, to prohibit the installation of WTGs at certain sites, or to impose other restrictions, such as noise requirements. A significant increase in the extent of such legislation or other restrictions could cause significant constraints on the growth of the wind power industry as a whole. This would have a material adverse effect on our business, financial condition and results of operations.

21. *Our flexibility in managing our operations is limited by the regulatory environment in which we operate. This environment is undergoing reform and we may not be able to respond effectively.*

Our business is subject to complex regulations, both local as well as central government, supervised by multiple regulatory authorities and government bodies. For more information, for details please refer to the chapter titled *Key Industry Regulations and Policies*” on page 103 of this Prospectus. To conduct our business, we must obtain licenses, permits and approvals, for which we may have made, or are in the process of making, an initial or renewal application. If we fail to obtain or retain any of these approvals or licenses, or renewals thereof, in a timely manner, or at all, our business may be adversely affected. Furthermore, our Government approvals and licenses are subject to numerous conditions, some of which are onerous and require expenditure. If we fail to comply or a regulator claims that we have not complied with these conditions, we may be required to incur costs to remedy the lack of compliance and/or the damage caused as a result or pay fines or other penalties for non-compliance, in which case our business, prospects, financial condition and results of operations could be materially adversely affected. We cannot assure you that we would be able to continuously meet such conditions or be able to prove compliance with such conditions to the statutory authorities, and this may lead to cancellation, revocation or suspension of relevant licenses or approvals, which may result in the interruption of our operations and may adversely affect our business, financial condition and results of operations. If we fail to obtain necessary approvals required by us to undertake our business, or if these approvals are cancelled/terminated and/or expired, our business, financial condition and results of operations could be adversely affected. Safety, health and environmental laws and regulations in India have become increasingly stringent, and it is possible that these laws and regulations will become more stringent in the future. The adoption of new safety, health and environmental laws and regulations, new interpretations of existing laws, increased governmental enforcement of environmental laws or other developments in the future may require additional capital expenditures or the incurrence of additional operating expenses in order to comply with such laws and to maintain current operations. Furthermore, if the measures implemented by us to comply with these new laws and regulations are deemed insufficient by the government, compliance costs may significantly exceed current estimates. There can be no assurance that we will not become involved in future litigation or other proceedings or be held responsible in any such future litigation or proceedings relating to safety, health and environmental matters in the future, the costs of which could materially and adversely affect our cash flow, results of operations and financial condition.

22. *The failure to keep our technical knowledge confidential could erode our competitive advantage.*

Like many of our competitors, we possess extensive technical knowledge about our services. Our know-how is a significant independent asset, which may not be protected by intellectual property rights such as patents, but is protected only by keeping it secret. As a result, we cannot be certain that our know-how will remain confidential in the long run. We have not entered into any employment contracts with our employees who have special technical knowledge about our service procedures or our business which contain a specific obligation to keep all such knowledge confidential. Even if every possible precaution, whether contractual or otherwise, is taken to protect confidential technical knowledge about our services or our business, there is still a danger that such information may be disclosed to others or become public knowledge in circumstances beyond our control including by other licensees of technical knowledge. In the event that confidential technical information or know-how about our services or our business becomes available to third parties or to the public, our competitive advantage over other companies in the wind energy industry could be harmed, which could have a material adverse effect on our current business, future prospects, financial condition and results of operations.

23. *We may infringe on the intellectual property rights of others.*

While we take care to ensure that we comply with the intellectual property rights of others, we cannot determine with certainty whether we are unknowingly infringing upon any existing third-party intellectual property rights which may force us to alter our technologies, obtain licenses or significantly cease some portions of our operations. We may also be susceptible to claims from third parties asserting infringement and other related claims. Regardless of whether such claims that we are infringing patents or other intellectual property rights have any merit, those claims could adversely affect our relationships with current or future customers; result in costly litigation; cause project implementation delays or stoppages; divert management's attention and resources; subject us to significant liabilities; require us to enter into royalty or licensing agreements; and require us to cease certain activities. An adverse ruling arising out of any intellectual property dispute could subject us to significant liability for damages, prevent us from using technologies or developing products, or require us to negotiate licenses to disputed rights from third parties. Although patent and intellectual property disputes in the technology area are often settled through licensing or similar arrangements, costs associated with these arrangements may be substantial and could include license fees and ongoing royalties, which could be prohibitively expensive. Furthermore, necessary licenses may not be available to us on satisfactory terms, if at all. Any of the foregoing could materially and adversely affect our business, results of operations and financial condition.

24. We have issued Equity Shares during the last 1 (one) year at a price that may be below the Issue Price.

We have, in the last twelve months prior to the date of this Prospectus, issued Equity Shares at a price which could be below the Issue Price. The price at which the Equity Shares have been issued in the last one year is not indicative of the price at which they will be issued or traded. Details of these issuances are set forth in the table below:

Date of Allotment	No of Shares Issued	Issue Price(in ₹)
March 20, 2015	75,000	₹20 Per Share
March 23, 2015	2,00,000	₹20 Per Share
March 31, 2015	2,25,000	₹20 Per Share
April 10, 2015	15,00,000	Bonus Allotment
Total	20,00,000	

25. We rely on third parties for a substantial portion of our project development activities.

We derive revenue from setting up and transferring Wind Power Projects to our clients on a turnkey basis. A Wind Project is normally broken up into two portions, namely WTG related and BOP (i.e. Balance of Plant). We do not manufacture WTGs and hence are reliant on WTG manufacturers for ensuring timely and cost-effective delivery of this portion of the project. Further, for executing other portions our of the BOP portions such as erection and commissioning of substations, land levelling, internal roads, and other civil and mechanical activities, we sometimes provide works to sub-contractors or third party vendors. We may or may not be able to effectively control these third parties and it is possible that due to faults in execution of our third party vendors and contractors, we may not be able to execute our project as per scheduled timelines, which in turn would affect our results of operations and financial conditions.

26. K.P. Personal Care (Proprietary concern of one of our Promoter - Farukbhai Patel has in the past been irregular with debt repayment to IDBI Bank.

IDBI Bank Ltd. has filed an Original Application No. 433 of 2014 before the Debt Recovery Tribunal – II at Ahmedabad against K P Personal Care and Mr. Farukbhai Patel being its sole proprietor to *inter-alia* recover jointly and severally from them ₹59,79,005.42/- (Rupees Fifty Nine Lakhs Seventy Nine Thousand Five and Paise Forty Two Only) with interest at “as is basis” and 2% penal interest thereon from February 1, 2014 till the date of realization on account of financial assistance extended by IDBI. Even though the repayment has been carried out properly as part of monthly instalments and the amounts are fully repaid, this track record of our promoter, could in the future affect our credit ratings and hence adversely affect our ability to raise debt funds, if at all or at competitive rates.

27. We have in the past acquired land from entities belonging to our Promoter Group.

We have acquired land at Palitana Village – Shevivar from our Promoter - Mr. Farukbhai Patel. This land is being used for our substations setup for the Matalpar Wind Power Project. For details please refer to the chapter titled “Our Business” on page 91 of this Prospectus. We believe that this transaction is at arm's length; however, these cannot be any assurance that whether we would have been able to reduce the cost of land further by acquiring other land suitable parcels.

As part of the nature of our business, we are sometimes required to buy agricultural land, and hence we may continue to initially acquire this land in the name of our promoters / directors or related entities and once the necessary formalities are completed we may transfer the land to the company's name. There can be no assurance that we would not enter into such related party transactions for land and properties in the future.

28. We do not own some of the key properties from where, we carry out our operations

Following are the key properties, which we utilize for our business operations; however, the same are being occupied on a rental / lease basis and are not owned by us:

Sr. No.	Property Description	Name of Owner	Relation of Owner with company	Period	Utilization
1.	GIDC Plot No. 454 B/h. GIDC Police Station, Porbandar – 360576	Meramanbhai Lakhmanbhai Parmar	No Relation	Term: From March 01, 2015 to Jan 31, 2016	Porbander Local Work
2.	Office situated at A-1/2, Firdous Tower, New Rander Road, Adajan Patia, Surat – 395 009*	Farukbhai Patel	Promoter Director	N.A.	Registered Office
3.	Office situated at B/H. Ramnagar Primary School Ta- Jesar D. Bhavnagar pin 364510	Jivuben Rajabhai Dhapa	No Relation	Term: From November 11, 2015 to September 30, 2016	Matalpar & Mahua site

* We do not have any formal understanding with our promoter – Mr. Farukbhai Patel for occupying this office premises.

Further, all of our Wind Project sites are land spots allotted by the Government to us for a fix term on a lease basis.

In case these arrangements are cancelled on an ad-hoc basis, our company may not be able to locate suitable alternatives, if at all, or on an acceptable commercial cost. Our inability to renew these arrangements may affect our operations and goodwill.

29. Some of the unsecured loans taken by some of our group companies are repayable on demand.

Our company has obtained a Business Loan of ₹ 19.00 lakhs from ICICI Bank which is being classified as part of Unsecured Loans on our books. The same is repayable through fixed monthly instalments and is hence not repayable on demand.

However, some of our group companies have availed unsecured loans, which may be repayable on demand. The details of the same are as summarized below:

Sr. No.	Name of Group Company	Amt. of unsecured loan repayable on demand (₹ in lakhs)
1.	K.P. Buildcon Pvt. Ltd.	345.42*
2.	K.P.I Global Infrastructure Ltd.	Nil*
3.	Kp Sor-Urja Limited(Formerly known as K.P. Personal Care Ltd.)	24.17*

* Source: Audited Financial Statements as on March 31, 2015

Inability of these group companies, to pay these unsecured loans on time or at all, would adversely affect our goodwill.

30. *Conflicts of interest may arise out of common business objects shared by our Company and certain of our Group Entities.*

Our Promoters have interests in other companies and entities that may compete with us, including other Group Entities that conduct businesses with operations that are similar to ours. Our Promoters are also Directors on the Board of certain other Group Companies. For details please refer to the Chapter titled “*Our Management*” on page 122 of this Prospectus. Even though our company has entered into a non-compete agreement with our promoters Farukhbhai Patel and Ashish Mithani dated January 05, 2016; however there can be no assurance that this agreement would be honoured or would be enforceable in the future and hence as a result, conflict of interests may arise in allocating or addressing business opportunities and strategies amongst our Company and our Group Entities in circumstances where our interests differ from theirs. In cases of conflict, our Promoter may favour other Companies in which our Promoter has an interest. Further, the Memorandum of Association of certain of our Group Companies, namely, K P Buildcon Pvt. Ltd., K.P.I. Global Infrastructure Ltd., and KP Sor-Urja Ltd. entitle such Companies to undertake and carry out businesses that are similar or related to our business.

Hence, conflict of interest may occur between our business and the businesses of our Promoters and Group Companies which could have an adverse effect on our business, financial condition, results of operations and prospects.

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

Our Company has entered into certain related party transactions with its Promoter / Promoter Group / Directors / Subsidiary Companies / Group Companies. While we believe that all such transactions have been conducted on an arms-length basis and contain commercial terms, there can be no assurance that our Company could not have achieved more favourable terms had such transactions not be entered into with related parties. Furthermore, it is likely that our Company will enter into related party transactions in the future. Kindly refer to the Chapter titled “*Related Party Transactions*” beginning on 174 of this Prospectus for further details on the Related Party Transactions of our Company.

32. *Our success depends significantly upon our senior management team and key managerial personnel of our Company. Any inability on our part to attract and retain any or all the key members of our management team could have an adverse effect on our business, results of operations and financial condition.*

We are highly dependent on our senior management and key managerial personnel for our business. Our business model is reliant on the efforts and initiatives of our key managerial personnel. Our ability to successfully function and meet future business challenges depends on our ability to attract and retain them. Our future performance will depend upon the continued services of these persons. We cannot assure you that we will be able to retain our skilled senior management or managerial personnel or continue to attract new talents in the future. The loss of the services of any key member of our management team could have an adverse effect on our business, results of operations and financial condition. For details please refer to the Chapter titled “*Our Management*” beginning on page 122 of this Prospectus.

33. *Our funding requirements and deployment of the Net Proceeds are based on management estimates and have not been independently appraised.*

“We intend to use the Net Issue Proceeds towards setting up of 2.10 MW Wind Power Project and General Corporate Purpose. We intend to deploy the Net Issue Proceeds in FY 2015-16 and such deployment is based on certain assumptions and strategy which our Company proposes to implement in future. The funds raised from the Net Issue Proceeds may remain idle on account of change in assumptions, market conditions, strategy of the Company, etc. For further details on the use of the Net Issue Proceeds, please refer to the Chapter titled “*Object of the Issue*” beginning on page 61 of this Prospectus.

The management of our Company will have broad discretion to use the Net Proceeds, and investors will be relying on the judgment of our Company’s management regarding the application of the Net Proceeds. The funding plans are in accordance with our Company’s own estimates and have not been appraised by any bank or financial institution. Our Company may have to revise its management estimates from time to time and consequently its requirements may change. Additionally, various risks and uncertainties, including those set forth in this section “*Risk Factors*”, may limit or delay our Company’s efforts to use the Net Proceeds to achieve profitable growth in its business. Further, pursuant to Section 27 of the Companies Act 2013, any variation in the objects would require a

special resolution of the Shareholders and our Promoters or controlling Shareholders will be required to provide an exit opportunity to the Shareholders of our Company who do not agree to such proposal to vary the Objects.”

34. *We have experienced negative cash flows in the past.*

We have experienced negative operating as well as financial cash flows, in the past. Our net cash from / (used in) operating activities amounted to ₹(166.27) lakhs in fiscal 2012, as per the Restated Financial Statements. Our net cash from / (used in) financing activities amounted to ₹(40.56) lakhs in fiscal 2014. Our net cash from / (used in) investment activities amounted to ₹ (244.79) lakhs for the period ended September 30, 2015, ₹(902.98) lakhs in fiscal 2015, ₹(44.43) lakhs in fiscal 2014, ₹(18.42) lakhs in fiscal 2012 and ₹(26.15) lakhs in fiscal 2011 as per the Restated Financial Statements.

Any negative cash flows in the future could adversely affect our financial condition and the trading price of our Equity Shares. During the course of our business, we have entered into various capital commitments. In the event that the proposed Issue is not completed or is delayed and we are unable to make other alternative arrangements to raise funds to meet our cash flows requirements, it could have an adverse effect on our business, financial condition and results of operations.

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

As on September 30, 2015, we have made investments in Unquoted National Savings Certificates aggregating to ₹ 0.10 lakhs, as per Standalone Restated Financial Statements. We have not made any provision for the decline (if any) 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 the same could adversely affect our results of operations.

Further, we have acquired substantial control of three of our group companies, thereby inducting them as subsidiaries of our company, after March 2015. The aggregate amount invested in these equity shares is ₹1.53 lakhs. Any reduction in value of these securities could result in write-offs in future years to that extent.

36. *Our indebtedness, in terms of various conditions and restrictions imposed on us by our lender, could adversely affect our ability to react to changes in our business. Moreover, if we are unable to comply with the terms of our lenders, our liquidity, business and results of operations could be adversely affected.*

Some of our financing agreements contain requirements to maintain specified security margins and financial ratios and also contain restrictive covenants, including but not limited to, requirement of lender consent for, among others things, issuance of new shares, making material changes to constitutional documents, incurring further indebtedness, creating further encumbrances on or disposing of assets, undertaking guarantee obligations, declaring dividends in case of default or incurring capital expenditures beyond certain limits. There can be no assurance that we will be able to comply with these financial or other covenants or that we will be able to obtain the consents necessary to take the actions we believe are necessary to operate and grow our business. Our level of existing debt and any new debt that we may incur in the future has important consequences.


A default under one such clause may also trigger cross-defaults under other debt terms with other lenders. Any of these developments could adversely affect our business, financial condition and results of operations. For details please refer to the Chapter titled “Financial Statements” and “Financial Indebtedness” on page 141 and 190 respectively of this Prospectus



We cannot provide any assurance that our business will generate cash in an amount sufficient to enable us to service our debt or to fund our other liquidity needs as they come due. In addition, under certain circumstances, we may need to refinance all or a portion of our debt on or before maturity. If we are unable to repay or refinance our outstanding indebtedness, or if we are unable to obtain additional financings on terms acceptable to us, our business, financial condition and results of operations may be adversely affected.

37. *Our operations may be adversely affected by strikes, work stoppages or increased wage demands by our or our contractors’ workforce or any other industrial unrest or dispute.*

While we have not experienced any major industrial unrest or dispute in the past, we cannot be certain that we will not suffer any disruption to our operations due to strikes, work stoppages or increased wage demands in the future. Further, if our or our sub-contractor’s work force unionizes in the future, collective bargaining efforts by labor unions may divert our management’s attention and result in increased costs. We may be unable to negotiate

acceptable collective wage settlement agreements with those workers who have chosen to be represented by unions, which may lead to union-initiated strikes or work stoppages. Any shortage of skilled and experienced workers caused by such industrial unrest or disputes may adversely affect our business, results of operations and financial condition. Further, under Indian law, we may be held liable for wage payments or benefits and amenities made available to contract workers engaged by our independent contractors, if any of our contractors default on their obligations to provide such wages, benefits and amenities. Any requirement to discharge such payment obligations, benefits or amenities or to absorb a significant portion of the contract workforce on our own rolls may adversely affect our business, results of operations and financial condition.

38. We do not own the “” logo, and our ability to use the logo may be impaired.

Our Company is using the logo  but the same does not belong to us. The logo is registered under the Trade Marks Act, 1999 in the name of our group company, K. P. Buildcon Pvt. Ltd. We make use of this logo through an informal arrangement with our group company. If K. P. Buildcon Pvt. Ltd. withdraws, refuses to renew or terminates this arrangement, we will not be able to make use of the  logo in connection with our business and consequently, we may be unable to capitalize on the brand recognition associated with the K.P. Group. Accordingly, we may be required to invest significant resources in developing a new brand.

For further details please refer to section titled “Government and Other Key Approvals” on page 203 of this Prospectus.

39. We have not registered our trade mark name.

We have not applied for registration of our trademark name and therefore, we do not enjoy the statutory protections accorded to a registered trademark. Consequently, we are subject to various risks arising out of the same, including but not limited to passing off our name by a third party.

40. We will be controlled by our Promoter Group so long as they control a majority of our Equity Shares.

After the completion of this Issue, our Promoter Group will control, directly or indirectly, a majority of our outstanding Equity Shares (i.e. 69.44%). As a result, our Promoters Group will continue to exercise significant control over us, including being able to control the composition of our board of directors and determine decisions requiring simple or special majority voting, and our other shareholders will be unable to affect the outcome of such voting. Our Promoters Group may take or block actions with respect to our business, which may conflict with our interests or the interests of our minority shareholders, such as actions which delay, defer or cause a change of our control or a change in our capital structure, merger, consolidation, takeover or other business combination involving us, or which discourage or encourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of us. We cannot assure you that our Promoters and members of our Promoter Group will act in our interest while exercising their rights in such entities, which may in turn materially and adversely affect our business and results of operations. We cannot assure you that our Promoter will act to resolve any conflicts of interest in our favour. If our Promoter sells a substantial number of the Equity Shares in the public market, or if there is a perception that such sale or distribution could occur, the market price of the Equity Shares could be adversely affected. No assurance can be given that such Equity Shares that are held by the Promoters Group will not be sold any time after the Issue / lapse of lock-in period, which could cause the price of the Equity Shares to decline.

41. Our Promoter and Promoter Group Entities have given personal guarantees in relation to certain debt facilities provided to us, which if revoked may require alternative guarantees, repayment of amounts due or termination of the facilities.

Our Promoter and Promoter Group Entities have given personal guarantees in relation to certain debt facilities provided to us. In the event that any of these guarantees are revoked, the lenders for such facilities may require alternate guarantees, repayment of amounts outstanding under such facilities, or even terminate such facilities. We may not be successful in procuring guarantees satisfactory to the lenders, and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could affect our financial condition and cash flows.

42. Our insurance policies provide limited coverage and we may not be insured against some business risks.

Our operations are subject to hazards inherent to construction industry, such as accidents at work sites. We are also subject to force majeure events such as fires, earthquakes, floods, acts of terrorism and explosions, including

hazards that may cause injury and loss of life, severe damage to and the destruction of property, equipment and environment. Following are the insurance policies obtained by us:

Name of Insurance Company	Type of Policy	Validity Period	Description of Property / Asset covered under the Policy	Total Sum Insured (₹ In lakhs)	Premium (₹ In lakhs)
Magma HDI General Insurance Company Ltd	Standard Fire and Perils	December 26, 2015 to December 25, 2016	Stocks at Site namely <ul style="list-style-type: none"> • Substation-Ratdi(Porbandar) • Substation-Matalpur(Porbandar) • P&M-Ratdi & Matalpur(porbandar) • P&M-Matalpur(Porbandar) • Metmast-Bhavnagar • Metmast-Jamnagar 	1131.87	0.49
IFFCO – TOKIO General Insurance Co. Ltd.	Workmen’s Compensation Policy	February 11, 2015 to February 10, 2016	05 Skilled Worker 03 Semi Skilled Worker 03 Unskilled Worker	11.17	0.21
Magma HDI General Insurance Company Ltd	Erection All Risk Insurance & Marine Inland Open	December 05, 2015 to December 04, 2016	Materials being erected at Site - Matalpar, Bhavnagar	EAR-20160.00 Marine Open-15000.00	EAR-2.37 Marine Open-1.03

We have not obtained any insurance coverage for our office premises and certain of our project sites. Further, notwithstanding the insurance coverage that we carry, we may not be fully insured against some business risks and the occurrence of an accident that causes losses in excess of limits specified under the relevant policy, or losses arising from events not covered by insurance policies, could materially and adversely affect our financial condition and results of operations.

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

Our ability to pay dividends in future will depend on our earnings, financial condition and capital requirements, and that of our Subsidiary and the dividends they distribute to us. Our business is capital intensive. We further propose to incur capital expenditure in setting up more facilities for forward as well as backward integration. We are required to obtain consents from certain of our lenders prior to the declaration of dividend as per the terms of the agreements executed with them. We may be unable to pay dividends in the near or medium term, and our future dividend policy will depend on our capital requirements and financing arrangements in respect of our operations, financial condition and results of operations.

44. Our group company – M/s. KP Sor-Urja Ltd. has declared losses in each of the last three financial years.

Our Group Company – M/s. KP Sor-Urja Ltd. has declared losses in each the preceding three financial years as explained below:

(₹ In lakhs)

Name of Group Company	PAT (FY 2015)	PAT (FY 2014)	PAT (FY 2013)
KP Sor-Urja Ltd	(0.01)	(5.12)	(2.91)

Sustained losses by group companies could adversely affect our promoter’s financial condition.

EXTERNAL RISK FACTORS

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

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

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

- 46. *Our Company is subject to risk arising from changes in interest rates and banking policies.***

Increased interest rates will have a bearing on profitability and credit controls will have an effect on our liquidity and will have serious effects on adequate working capital requirements. We are dependent on various banks for arranging of our working capital requirement etc. Accordingly, any change in the existing banking policies or increase in interest rates may have an adverse impact on profitability of our company.

- 47. *Our ability to raise foreign capital may be constrained by Indian law.***

As an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies. Such regulatory restrictions limit our financing sources and hence could constrain its ability to obtain financing on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that the required approvals will be granted to it without stringent conditions, if at all. Limitations on raising foreign debt may have an adverse effect on our business growth, financial condition and results of operations.

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

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

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

49. Political instability or changes in the Government in India or in the Government of the states where we operate could cause us significant adverse effects.

We are incorporated in India and most of our operations, assets and personnel are located in India. Consequently, our performance and the market price and liquidity of the Equity Shares may be affected by changes in exchange rates and controls, interest rates, Government policies, taxation, social and ethnic instability and other political and economic developments affecting India. The Government has traditionally exercised, and continues to exercise, a significant influence over many aspects of the economy. Our business is also impacted by regulation and conditions in the various states in India where we operate. Since 1991, successive Governments have pursued policies of economic liberalisation and financial sector reforms. However, there can be no assurance that such policies will be continued. Any political instability could affect the rate of economic liberalisation, specific laws and policies affecting foreign investment, the Power industry or investment in our Equity Shares. A significant change in the Government's policies, in particular, those relating to the Power industry in India, could adversely affect our business, results of operations, financial condition and prospects and could cause the price of our Equity Shares to decline.

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

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

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

51. Any downgrading of India's debt rating by an international rating agency could have a negative impact on our business and the trading price of the Equity Shares.

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

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

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

- Volatility in the Indian and other Global Securities Markets;
- The performance of the Indian and Global Economy;
- Risks relating to our business and industry, including those discussed in this Prospectus;
- Strategic actions by us or our competitors;
- Investor perception of the investment opportunity associated with the Equity Shares and our future performance;
- Adverse media reports about us, our shareholders or Group Companies;
- Future sales of the Equity Shares;
- Variations in our quarterly results of operations;
- Differences between our actual financial and operating results and those expected by investors and analysts;

Our future expansion plans;

- Perceptions about our future performance or the performance of Indian Energy companies generally;
- Performance of our competitors in the power generation EPC industry and the perception in the market about investments in the Power sector;
- Significant developments in the regulation of the Power industry in our key locations;
- Changes in the estimates of our performance or recommendations by financial analysts;
- Significant developments in India's economic liberalisation and deregulation policies; and
- Significant developments in India's fiscal and environmental regulations. There has been significant volatility in the Indian stock markets in the recent past, and our Equity Share
- Price could fluctuate significantly as a result of market volatility. A decrease in the market price of the Equity Shares could cause you to lose some or all of your investment.

53. *Economic developments and volatility in securities markets in other countries may cause the price of the Equity Shares to decline.*

The Indian economy and its securities markets are influenced by economic developments and volatility in securities markets in other countries. Investors' reactions to developments in one country may have adverse effects on the market price of securities of companies located in other countries, including India. For instance, the financial crisis in the United States and European countries, lead to a global financial and economic crisis that adversely affected the market prices in the securities markets around the world, including Indian securities markets. Negative economic developments, such as rising fiscal or trade deficits, or a default on national debt, in other emerging market countries may affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general.

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

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

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

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

PROMINENT NOTES

1) Key Issue Particulars:

Pre Issue Net worth (Standalone)	₹617.50 lakhs
Pre Issue Net worth (Consolidated)	₹ 615.82 lakhs
Issue Size	920,000 Equity Shares of ₹10 each for cash at a Price of ₹ 70 per share(including share premium of ₹ 60 per share) aggregating ₹ 644.00 lakhs
Cost Per Share to the Promoters	Mr. Farukbhai Patel: ₹6.49 per equity share Mr. Ashish A Mithani: ₹6.03 per equity share
Net Asset Value per share or Book Value (Based on Audited Accounts as on	
a). Septemner 30, 2015 (Standalone)	₹24.70
b). September 30, 2015 (Consolidated)	₹24.63
(Face Value of ₹10 per share)	

- 2) Our Company, it's Promoters / Directors, Company's Associates or Group companies have not been prohibited from accessing the Capital Market under any order or direction passed by SEBI. The Promoters, their relatives, Company, Group Companies and Associate Companies are not declared as wilful defaulters by RBI / Government authorities and there are no violations of securities laws committed in the past or pending against them.
- 3) Investors are advised to for details please refer to the chapter titled "Basis for Issue Price" beginning on page 67 of this Prospectus.
- 4) The Book Running Lead Manager and our Company shall update this Prospectus and keep the investors / public informed of any material changes till listing of the Equity Shares offered in terms of this Prospectus and commencement of trading.
- 5) Investors are free to contact the Book Running Lead Manager for any clarification, complaint or information pertaining to the Issue. The Book Running Lead Manager and our Company shall make all information available to the public and investors at large and no selective or additional information would be made available for a section of the investors in any manner whatsoever.
- 6) In the event of over-subscription, allotment shall be made as set out in paragraph titled "Basis of Allotment" beginning on page 262 of this Prospectus and shall be made in consultation with the Designated Stock Exchange i.e. BSE. The Registrar to the Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner as set out therein.
- 7) Except as disclosed in the chapters titled "Our Promoter, Promoter Group and Group Companies" and "Related Party Transactions" beginning on pages 132 and 174 of this Prospectus, respectively, none of our Group Companies have business interests or other interests or any other transaction with / in our Company.
- 8) No loans and advances have been made to any person(s) / companies in which Directors are interested except as stated in the Financial Statements. For details, please refer to the Chapter titled "Financial Information" beginning on page 141 of this Prospectus.
- 9) The details of transaction by our Company with Group Companies during the last year are disclosed under "Annexure XVIII - Related Party Transactions" on page 174 of this Prospectus.
- 10) None of the members of the Promoter Group/Directors and their immediate relatives have financed the purchase by any other person of Equity shares of our Company other than in the normal course of business of the financing entity within the period of six months immediately preceding the date of this Prospectus.
- 11) Our Company was incorporated as K.P. Energy Pvt. Ltd. on January 08, 2010 under the Companies Act, 1956, with the Registrar of Companies, Gujarat, Dadra & Nagar Havelli, bearing Registration Number – 059169 and CIN-U40100GJ2010PTC059169. A fresh Certificate of Incorporation dated May 11, 2015, was issued by the Registrar of Companies, Registrar of Companies Ahmedabad, consequent to the change of name from "K.P. Energy Private. Limited." to "K.P. Energy Limited" on conversion into a public limited company, bearing CIN U40100GJ2010PLC059169. For further details, please see the chapter titled "History and certain Corporate Matters" beginning on page 116 of this Prospectus.

SECTION III – INTRODUCTION

SUMMARY OF INDUSTRY OVERVIEW

OVERVIEW OF THE DOMESTIC POWER SECTOR

The Indian power sector is one of the most diversified in the world. Sources for power generation range from conventional ones such as coal, lignite, natural gas, oil, hydro and nuclear power to other viable non-conventional sources such as wind, solar, and agriculture and domestic waste. The demand for electricity in the country has been growing at a rapid rate and is expected to grow further in the years to come. In order to meet the increasing requirement of electricity, massive addition to the installed generating capacity in the country is required.

OVERVIEW OF THE DOMESTIC WIND ENERGY SECTOR

India was the fifth largest market globally in 2014, adding 2,315 MW of new wind power capacity to reach a total of 22.5 GW. Among renewable energy sources, wind power accounted for almost two-thirds of the installed capacity. The Indian government expects the share of renewable energy, presently at 6.9% of the total electricity production in the country, to grow to at least 15% in the next five years. Wind energy's share in the total power mix of the country was approximately 3% for the calendar year 2014. India's investments in the renewable sector in the year 2014 reached almost USD 7.9 billion (EUR 6.5bn). The renewable energy sector investments rose by almost 13% in 2014 over the previous year.

The growth of Renewable Energy in India is enormous and Wind Energy proves to be the most effective solution to the problem of depleting fossil fuels, importing of coal, greenhouse gas emission, environmental pollution etc. Wind energy as a renewable, non-polluting and affordable source directly avoids dependency of fuel and transport, can lead to green and clean electricity.

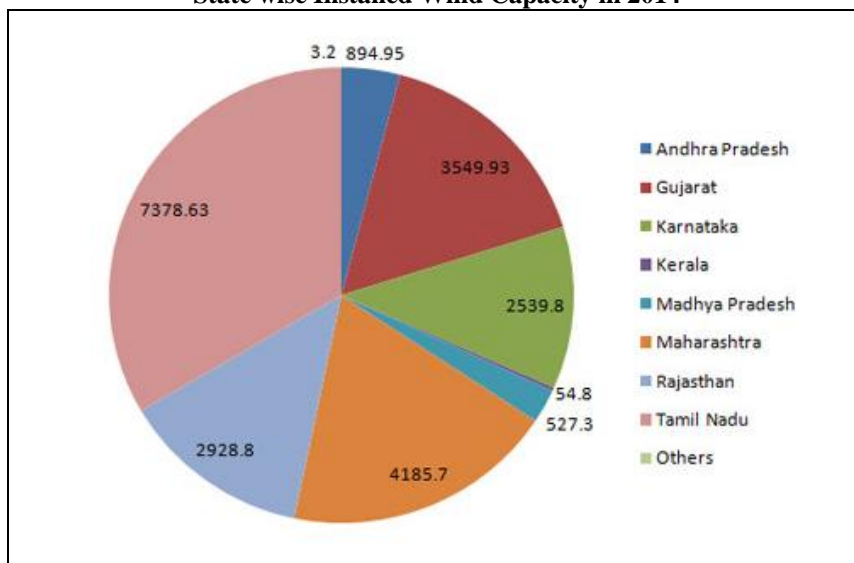
With an installed capacity of 21136.3 MW of wind energy, Renewable Energy Sources (excluding large Hydro) currently accounts for 13.86 % of India's overall installed power capacity of 228721.73 MW. Wind Energy holds the major portion of 66.7 % (of 31707.2 GW total RE capacity) among renewable and continued as the largest supplier of clean energy.

In its 12th Five Year Plan (2012-2017), the Indian Government has set a target of adding 18.5 GW of renewable energy sources to the generation mix out of which 11 GW is the Wind estimation and rest from renewable sources like Solar 4 GW and others 3.5 GW.

(Source: Report of the Working Group on Power for Twelfth Plan 2012-17, Govt. of India, Ministry of Power)

The industry has represented its capability with good policy frame work to achieve a reference target of 15,000 MW, realistic target of 20,000 MW and an aspirational target of 25,000 MW in the plan period of 2012-2017.

State wise Installed Wind Capacity in 2014



(Source: Indian Wind Turbine Manufacturer's Association)

In the year 2014, the leading states in terms of installed capacity were:

- Tamil Nadu (7378.63 MW)
- Maharashtra (4185.7 MW)
- Gujarat (3549.93 MW)
- Rajasthan (2928.8 MW)
- Karnataka (2539.8 MW)

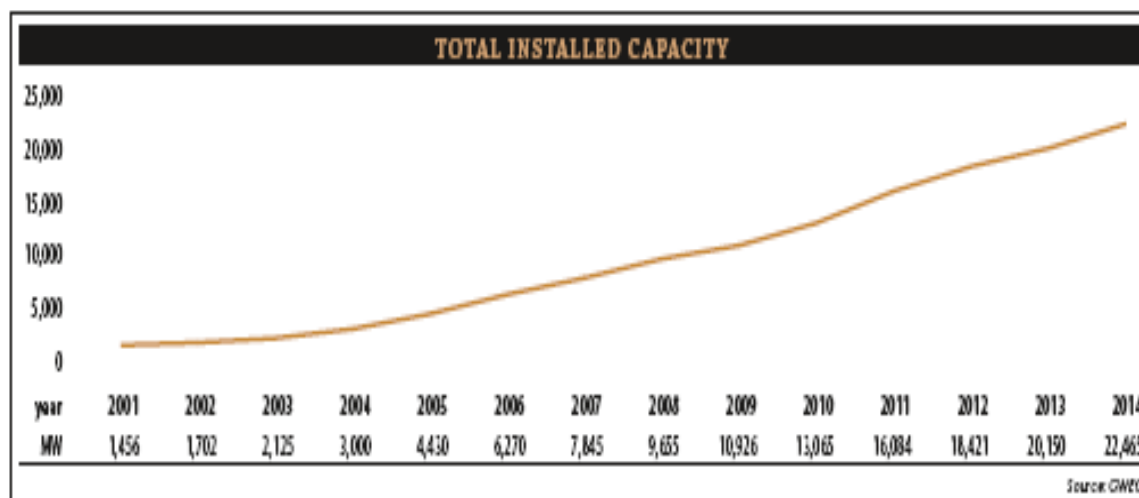
Other emerging states include:

- Andhra Pradesh (894.95 MW)
- Madhya Pradesh (527.3 MW)

The recent announcements by the Indian Ministry of New and Renewable Energy (MNRE) indicate that India plans to achieve 60,000 MW in total wind power installations by 2022. This sets the industry an ambitious annual target of approximately 5,000 MW/year up to 2022.

The long-term outlook for wind power remains positive mainly because of regulatory support, cost competitiveness and the generation-based incentive benefit. Though the National Action Plan for Climate Change from 2008 had specified a minimum Renewables Purchase Obligation (RPO) target of 15% by FY 2020, currently a majority of the states are below the recommended RPO trajectory. During 2014 the sector continued to face challenges, as a majority of the 28 states failed to meet the long-term track for RPO norms.

The graph given below shows the total installed capacity with relation to wind energy from 2001-2014



(Source: Global Wind Report, issued by Global Wind Energy Council (GWEC), in 2014)

Government Initiatives that boost Renewable energy sector:

The new government has shown significant interest in promoting wind energy. Apart from reinstatement of the accelerated depreciation benefit in 2014, various other benefits and incentives were also announced for wind energy this year including:

- Measures to promote renewable energy are included in the Electricity Amendment Bill of 2014. It also includes the provision for a separate National Renewable Energy Policy, measures to support development of a domestic industry, a renewable generation obligation (RGO) on coal and lignite based thermal power projects, specific exemptions to renewable energy from open-access surcharge, and separate penal provisions for non-compliance of RPOs. A National Wind Mission (NWM) comprising targeted developments in onshore and offshore wind power is expected to be announced soon.
- A draft policy on offshore wind is also under consideration.
- A preferential clearance for wind projects is given by the Ministry of Environmental and Forests. This has led to moving them to the ‘green projects’ category.
- The tax (cess) on coal for the National Clean Energy Fund (NCEF) increased from INR 50 (EUR 0.65) to INR 100 (EUR 1.3) per ton in the budget FY 2014/15. NCEF is used for funding research and innovative projects on clean energy technology.

- Full exemption from special additional duty and excise duty on parts and components used in manufacturing of wind turbines was granted in the budget 2014-15.

(Source: Global Wind Report, issued by Global Wind Energy Council (GWEC), in 2014)

Key Challenges:

There are many challenges that affect the growth of wind energy in India.

A key challenge is the high cost of finance. High interest rates (12-14%) and limited availability of debt financing are challenges for developers as well as OEMs in the country. Most of the state level power sector utilities in India also suffer from poor financial health and are unable to comply with RPOs.

Due to extremely poor financial health, state owned utilities are unwilling to purchase higher cost wind power.

Technical challenges include grid integration issues and the development of wind turbines to cater to the lower wind speed wind regimes in large parts of India. The problems are exacerbated by a weak grid code and noncompliance by producers and grid operators. OEMs and project developers also face supply chain and logistics related challenges.

India's inverted duty structure allows for lower import duties on wind turbine components and higher duties on raw materials, thereby encouraging OEMs to import components instead of manufacturing them locally.

Logistical challenges continue to be experienced during transport of bigger structures including blades, nacelles and towers.

(Source: Global Wind Report, issued by Global Wind Energy Council (GWEC), in 2014)

Future Outlook:

Renewable energy is being recognized as vital to energy security concerns, reducing fossil fuel import dependence and environmental benefits. There are tremendous expectations from renewable energy in the country, including wind.

The implementation of the national Green Energy Grid Corridor plans prepared by the state owned grid operator (PGCIL) was accelerated in 2014. This will ease in evacuation of large amounts of energy from wind farms. However, grid issues remain a major issue and broke state utilities frequently curtail wind power, despite the fact that wind farms are designated as 'must run' power plants. A National Wind Energy Mission is in the works. The mission could provide a coordinated and stable policy framework to achieve highly ambitious targets for wind power. It will cover policy and regulatory aspects including incentives for onshore, offshore and small wind. Issues of repowering, tariff setting, transmission infrastructure and grid integration might also be addressed in the mission document.

(Source: Global Wind Report, issued by Global Wind Energy Council (GWEC), in 2014)

SUMMARY OF OUR BUSINESS

OVERVIEW

About K.P. Group

KP Group is a well recognized infrastructure focused group operating from the state of Gujarat in India. The Group was founded by Mr. Farukbhai Patel in 1994. It is constituted by several group companies. The Group has completed more than 20 years of its Business. KP Group has core interests in businesses of utility scale Renewable Energy Projects in Wind & Solar Sector. It also is involved in micro-grid solar Projects, Construction Projects, Fabrication and galvanizing, Telecom Infrastructure (Telecom Towers and OFC Network set up). The KP Group has been selected as India's Most Promising Brands – 2015 by World Consulting & Research Corporation.

The group intends to play a significant role in responding to the problem of heavy reliance on fossil fuel based energy in India and providing a sustainable power for all initiatives of Government.

About our company

In line with the group's focus on renewable energy; our company represents the "Wind Energy" business vertical of the group.

K.P. Energy Ltd provides complete solutions from concept till completion of the project life-cycle of a Wind Project. Activities covered are Siting of Wind-farms, Lands & Permits acquisition, EPCC (Engineering, Procurement, Construction & Commissioning) of Wind Project Infrastructure including power transmission and Operations & Maintenance of entire Balance of Plant of a Utility Scale Wind-farm. Business model of company is designed to bring scalability in wind sector by serving OEMs (Original Equipment Manufacturers) of Wind Turbines, IPPs (Independent Power Producers), Captive Users as well as Institutional Investment Programmes.

The Business model of development of Wind Projects by K.P. Energy Ltd is as explained below:



The goal of the company is to bring together all the key stakeholders of a wind power project and ensure efficiencies of time, cost, quality and resources. We have recently fully commissioned 33.60 MW Wind Energy projects from our Farm at Ratdi, Porbander. Further we propose to commission 29.40 MW at Matalpar in FY 2015-16, of which the power evacuation facilities for Matalpar have already been commissioned. Further, Wind Projects at various locations (including those being executed through our subsidiaries) having aggregate proposed capacity of approximately 232 MW are at different stages of implementation where Siting, land acquisition, power evacuation & development tie-up is internally clipped for commissioning by 2017. For further details please refer the Chapter "Wind Farm Projects" on page 98 of this Prospectus.

In addition to the Wind Power Project Development business, we propose to become an Independent Power Producer in Wind Energy and hence we propose to utilise the funds raised through this IPO for Owned generating asset of 2.10 MW scheduled for commissioning in FY 2016. For further details please refer to "Objects of the Issue" on page 61 of this Prospectus.

Our total income has increased at a CAGR of 102.22% from ₹326.89 lakhs in FY 2012 to ₹2703.35 lakhs in FY 2015. Our EBITDA has increased at a CAGR of 117.82% from ₹47.52 lakhs in FY 2012 to ₹ 491.08 lakhs in FY 2015 and our Profit after tax has increased at a CAGR of 191.97% from ₹11.83 lakhs in FY 2012 to ₹ 294.25 lakhs in FY 2015. Our total income, EBITDA and profit after tax for the period ended September 30, 2015 was ₹ 1246.70 lakhs, ₹ 226.14 lakhs and ₹ 124.83 lakhs respectively.

Following are the key achievements of K.P. Energy Ltd till date:

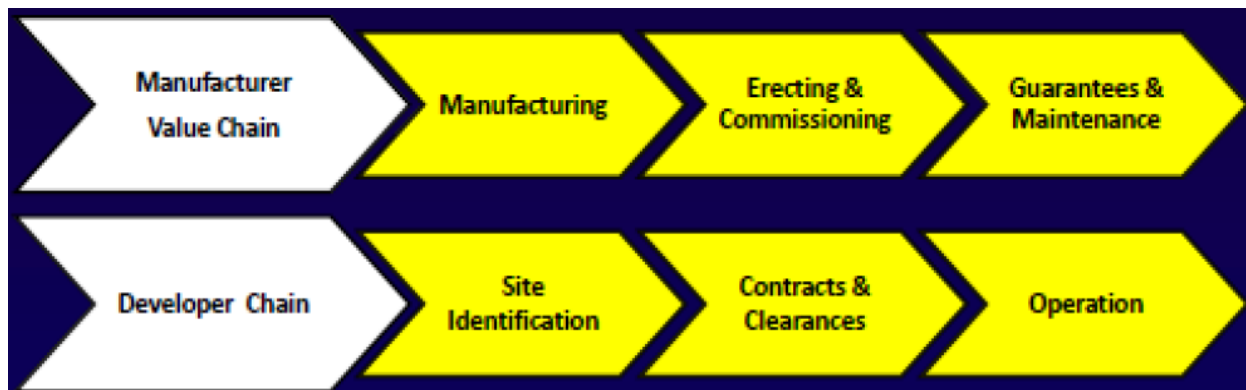
- Joint Development Agreements with Complete solutions from site acquisition & development to turbine erection independently with Suzlon Energy Limited.
- Obtained Coastal Regulation Zone Approval for development of 10.50 MW at Ratdi from Ministry of Environment, Forests & Climate Change, The Government of India.

As on December 31, 2015, we employ 40 people on our payroll.

Our Strengths

Unique model and value proposition

In India currently, the trend within the wind energy sector is that Wind Turbine Manufacturers play a dual role and also act as developers or purely land owning companies act as developers. Hence, their primary focus is on either selling turbines or land or partially developed infrastructure. The same is better explained from the difference in value chains of each player:



As part of our business model, we are providing complete turnkey solutions including on a BOT basis for wind energy clients which includes all of the above processes from Site Identification to Capacity Installation with a focus on client cost reduction and timely as well as high performance delivery of the project and not just the turbine or land. We believe that this model would be able to create a niche for our company in the market and help in creating a more vibrant wind energy sector in India.

We have the early mover advantage of offering a tailor made wind farm development solution, which helped us to create development tie-ups and visible business for all the projects in pipeline till 2017. This has given us enough impetus to grow broader and deeper in wind energy sector and play a significant role in India's Renewable Energy Success Story.

Project management expertise and established track record of project execution

Wind Energy is a niche sector and not many organized engineering companies have specialized focus and expertise in this. Since our incorporation in 2010, we were completely focused to set a new trend in the Wind Energy Sector. Wind-farm sites we selected, acquired and offered to market were focused completely on pure power player's perspective. We have successfully received power evacuation permissions for 167.20 MW of Wind Energy as on November 30, 2015 of which 16 Wind Turbines of 2.10 MW each are already commissioned and evacuating power from our Ratdi facility.

Development of wind project in low lying water prone areas of Ratdi, coastal belts of Porbander was never an easy task. Precise planning and execution methodology adopted by Project Team of K.P. Energy Ltd could make it happen even during monsoon and high winds seasons. Equally difficult was developing transmission infrastructure in hills of Palitana, Bhavnagar and the roads connecting to each and every wind locations on distinct hills. We believe that our established track record has helped us in developing project management skills for executing projects in a time and cost effective manner even in most challenging terrains. Our experience in wind energy sector of bringing together all the key participants has helped develop niche goodwill amongst the wind sector eco-system. We believe that our project execution capabilities have enabled us to establish long term relationships with our suppliers and buyers.

Experienced Management team

We have an experienced management team led by our Promoters, Mr. Farukbhai Patel and Mr. Ashish A Mithani, each of whom has more than 20 years of work experience in diverse sectors including 5 years in the Wind Energy Space. Our senior management team includes experts from electricity board, state administration and project specific organizations including PSUs with decades of experience and exposure to execution challenges. We believe that our management

team is well qualified with significant industry experience and has been responsible for the growth in our operations. For further details regarding the educational qualifications and experience of our promoter directors and key management team please see “Our Management” beginning on page 122 of this Prospectus. We believe that the experience and relationships that our management team has, have extended our operating capabilities, improved the quality of our services and facilitated access to our clients. The Organisation Structure has been robust to scale up the activities and achieve the desired results in time and cost-effective manner.

Strong land bank of wind farm locations at Windy Sites

The core competence of K.P. Energy Ltd remains site identification and lands acquisition. We believe that we were able to forecast the changing trends towards wind projects as profitable through “power sale model” instead of “simply tax saving propositions”. The only factor ensuring viability of project in all circumstances was wind potential. Our team had strived for years together to set its feet, and searched best of sites, have got it scientifically analyzed with best available and proven technology prevalent in the world and then initiated acquisition. We have installed masts at identified wind potential sites of required numbers and heights (ranging from 80m to 120m) meeting IEC Standards, equipped with proven instrumentation from world class suppliers to measure & analyze all necessary weather parameters for assessing the project viability. Out of the current seven projects which the company proposes to develop aggregating to 137 sites (1 hectare each) of 2.10 MW each, we have November 30, 2015 (including those acquired by our subsidiaries) acquired 103 spots / parcels from the Government and have identified 34 hectares of land as viable for wind energy and are in the process of acquiring the same in the state of Gujarat. Further, we have acquired 19 government sites (of 1 hectare each) at these seven locations as additional land sites, which have not been configured as part of our project estimates. This proven land bank, we believe is the most important competitive advantage of our company in this industry.

Existing Development Tie-up and visible order book

Based on the proven track record of our Site Generation Performance and execution expertise, we have been able to complete development tie-up for 160.80 MW of wind projects proposed to be jointly developed with Suzlon Energy Ltd. As part of the Joint development agreement, the scope of work of Suzlon Energy Ltd. consists of providing the WTG related technologies and materials and providing support in marketing the wind farm sites to end users / customers as well as to finalise the pricing and commercial details.

As on November 30, 2015, we have commissioned 33.60 MW for clients / end users and these are now part of our O&M Portfolio. Further our order book (representing of projects where end user / client has been signed up and are being commissioned) aggregates to 29.40 MW of which 25.20 MW is scheduled for commissioning in FY 2015-16. Further, we have offered 50.40 MW each from the Kuchdi and Mahua – I (Vadli) in a government tender, which if awarded to us, would result in immediate orders for these capacities. In addition to this, because we have a development tie-up with Suzlon, we are confident of our ability to find buyers through our turnkey model or as and when we improve our financial capabilities, to execute additional projects as “IPP”.

Existing synergies within the KP Group

The rich infrastructure and engineering experience of the group helps our company take advantage of various synergies within the group. For e.g. our group companies involved in engineering and construction are used by us as suppliers / vendors and help us create another competitive edge as compared to stand alone Wind Farm Developing groups. Secondly, we believe that relations developed by the group companies with industry players in various sectors helps us with cross-selling our products & services as well.

For risks related to our business, our Company and our industry, see “Risk Factors” on page 11 of this Prospectus

Our Business Strategies

Our objective is to become a significant player within the Wind Energy sector in India. We plan to achieve this by implementing the following strategies:

- ***Focus on the high growth potential in the Wind Energy sector in India***

India was the fifth largest market globally in 2014, adding 2,315 MW of new wind power capacity to reach a total of 22.5 GW. Among renewable energy sources, wind power accounted for almost two-thirds of the installed capacity. The growth of Renewable Energy in India is enormous and Wind Energy proves to be the most effective solution to the problem of depleting fossil fuels, importing of coal, greenhouse gas emission, environmental pollution etc. With an installed capacity of 21136.3 MW of wind energy, Renewable Energy Sources (excluding large Hydro) currently accounts for 13.86 % of India’s overall installed power capacity of 228721.73 MW. Wind Energy holds the major portion of 66.7 % (of 31707.2 GW total RE capacity) among renewable and continued as the largest supplier of clean

energy. In its 12th Five Year Plan (2012-2017), the Indian Government has set a target of adding 18.5 GW of renewable energy sources to the generation mix out of which 11 GW is the Wind estimation and rest from renewable sources like Solar 4 GW and others 3.5 GW. (Source: Report of the Working Group on Power for Twelfth Plan 2012-17, Govt. of India, Ministry of Power)

As in complete Wind Farm Development Service provider, we currently generate 100% of our revenue from Wind Energy only. We seek to continue to focus on the opportunities available in this sector. We seek to develop our capabilities in this segment by successfully executing wind farm projects in consortium with larger IPPs and OEMs and building a track record to bid for larger contracts, as the lead contractor on such projects and deploy our resources more efficiently and improve operating margins. For certain large value projects, we also plan to form strategic alliances with relevant experienced and qualified stake holders.

- **Well designed sizing and scale of Project**

“Bigger is better” is not always true in case of Wind Energy Projects which runs with many external risk factors. One of the unique value proposition created by us is in limiting size of an individual project from 30 MW to 50 MW as a separate Site. This provides all the benefits of economies to scale, minimum electrical losses & operation risks coupled with a shorter external transmission lines connecting the closest SEB Substation at 66kv voltage level.

- **Value for Money**

As a well focused and clear road-map organization, we believe in optimizing the costs of the project right from the stage of conceptualization of sites and our experience in managing land acquisition and local risks provides us an edge to offer very competitive rates for entire balance of plant infrastructure of wind farms. This remains key aspect in attracting established industry players to sign contracts for entire capacities we propose to develop, as it reduces overall cost of project, better performance of generating assets and lesser risks in operations.

- **Forward integration into becoming an IPP**

We believe that the Wind Farm projects developed by us are high on techno economic feasibility and hence, if the capital base is made available, utilising the same to own the assets developed by us as a part of our proprietary portfolio would help us improve our balance sheet size as well as operating results. In line with this strategy, we intend to utilise the proceeds from this Issue to acquire a Wind Energy Asset of 2.10 MW in our individual capacity to start with. Further, as and when the company has ready availability of finance including internal accruals, we propose to add more valuable wind energy assets and grow our proprietary portfolio.

As on November 30, 2015, we have acquired land spots for Wind Energy Projects aggregating to 220.50 MW and another 34 sites aggregating to 71.40 MW are in various stages of acquisition, of which 63.00 MW have been formally sold / tie-up with end users as part of our Turnkey business. Hence, the remaining spots representing 157.50 MW (already acquired) and 71.40 MW (under acquisition) of proposed Wind Energy are open for development either as IPP or as part of our Turnkey business.

(Note: Some portions of these sites would form part of the joint development agreement with Suzlon, however, in case we decide to commission the same as part of our IPP portfolio, there would be no objection from the joint developer as it does not change their commercials)

- **Increase our portfolio of offerings and innovations within the wind sector**

We believe that the key to our business is identifying locations / sites where wind energy projects would be highly successful and profitable. We propose to continue to add newer sites and locations in and outside the state of Gujarat. Further, we propose to explore newer methods and processes to scale up the capacities and reducing overall timelines for completing the wind project. We are also developing more secured wind project model to suit the needs of International Funds with assured minimum returns in coming times. We believe that our focus on innovation within the wind sector would help us stay ahead of the learning curve of the industry.

SUMMARY OF FINANCIAL INFORMATION

The following summary financial statements have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI (ICDR) Regulations 2009 and restated as described in the Independent Auditor's Report of Bipin Chandra J Modi & Co. dated January 07, 2016 in the chapter titled "Financial Statements" beginning on page 141 of this Prospectus. The summary financial information presented below should be read in conjunction with our consolidated restated financial statement for the period ended September 30, 2015 and our standalone restated financial statements for the period ended September 30, 2015 and for the year ended March 31, 2015, 2014, 2013, 2012 and 2011 including the notes thereto and the chapter titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" on page 181 of this Prospectus

STATEMENT OF CONSOLIDATED ASSETS AND LIABILITIES, AS RESTATED

(₹ in lakhs)

Particulars	As at Sept 30, 2015
I. EQUITY AND LIABILITIES	
(1) Shareholder's Funds	
(a) Share Capital	250.00
(b) Reserves and Surplus	369.43
Total Shareholder's Funds (A)	619.43
(2) Share application money pending allotment (B)	
(3) Minority Interest (C)	1.47
(4) Non-Current Liabilities	
(a) Long-term borrowings	52.40
(b) Deferred tax liabilities (Net)	38.71
(c) Other Long term liabilities	391.58
(d) Long term provisions	-
Total Non-Current Liabilities (D)	482.69
(5) Current Liabilities	
(a) Short-term borrowings	215.50
(b) Trade payables	403.76
(c) Other current liabilities	1,288.51
(d) Short-term provisions	-
Total Current Liabilities (E)	1,907.77
Total (A+B+C+D+E)	3,011.36
II. ASSETS	
(1) Non-current assets	
(a) Fixed assets	
(i) Tangible assets	1,086.13
(ii) Intangible assets	-
(iii) Capital work-in-progress	1,040.16
(iv) Intangible assets under development	-
(b) Non-current investments	0.10
(c) Deferred tax assets (net)	-
(d) Long term loans and advances	-
(e) Other non-current assets	-
Total Non-Current Assets (A)	2,126.39
(2) Current assets	
(a) Current investments	-
(b) Inventories	630.80
(c) Trade receivables	74.66
(d) Cash and cash equivalents	57.58
(e) Short-term loans and advances	118.32
(f) Other current assets	3.61
Total Current Assets (B)	884.98
Total (A+B)	3,011.36

STATEMENT OF CONSOLIDATED PROFIT AND LOSS ACCOUNT, AS RESTATED

(₹ in lakhs)

Particulars	For the period ended Sept 30, 2015
Income	
Revenue from Operations	1,244.50
Other Income	2.20
Total Income	1,246.70
Expenditure	
Purchases	973.70
Change in Inventories	(75.85)
Employee benefit expense	62.34
Financial costs	21.82
Depreciation and amortization expense	17.27
Other expenses	60.37
Total Expenses	1,059.65
Profit before exceptional and extraordinary items and tax	187.05
<i>Add: Exceptional Items</i>	
Profit before extraordinary items and tax	187.05
<i>Less: Extraordinary Items</i>	
Profit before tax	187.05
Tax expense:	
Current tax	46.36
Deferred tax	15.85
	62.22
Profit/(Loss) from the period from continuing operations	124.83
Profit/(Loss) from discontinuing operations	
Tax expense of discounting operations	-
Profit/(Loss) from Discontinuing operations	-
Profit/(Loss) for the period	124.83

CONSOLIDATED CASH FLOW STATEMENT, AS RESTATED

(₹ in lakhs)

Particulars	As at Sept 30, 2015
CASH FLOW FROM OPERATING ACTIVITIES	
Net Profit before tax as Restated	187.05
Adjustment for :	
Depreciation	17.27
Interest Income	(1.14)
Operating Profit before Working Capital Changes	203.18
<i>Adjustment for :-</i>	
(Increase) / Decrease in Inventories	(98.67)
(Increase) / Decrease in Trade Receivables	114.74
Increase/Decrease in Trade Payables	(33.64)
Increase /Decrease in short term provision	-
Increase /Decrease in long term liabilities	(37.00)
Increase /Decrease in Other current liabilities	158.36
Increase /Decrease in short term loans & Advances & other current asset	(13.85)
Increase /Decrease in other Current Assets	(1.68)
Increase /Decrease in other Non Current Assets	-
Cash Generated from Operations	291.44
Direct Taxes Paid	46.36
Net cash from / (used in) operating activities (A)	245.08
CASH FLOW FROM INVESTING ACTIVITIES	
Purchase Of fixed Assets	(143.72)
Sale Of Fixed Assets	25.41
(Increase) / Decrease in Capital WIP	(191.09)
Other non Current Investments	
Interest Income	1.14
Net cash from/ (used in) Investing activities (B)	(308.26)
CASH FLOW FROM FINANCING ACTIVITIES	
Proceeds from Issue of Share Capital	-
Share Application Money	-
Proceeds from Securities Premium	-
Increase/Decrease in Long Term Borrowing	32.64
Increase/(Decrease) in Short Term borrowing	(2.58)
Net cash from/ (used in) financing activities (C)	30.05
Net (Decrease)/Increase in cash and Cash Equivalents (A+B+C)	(33.13)
Cash and cash equivalents at beginnings of year	90.71
Cash and cash equivalents at end of year	57.58

STATEMENT OF STANDALONE ASSETS AND LIABILITIES, AS RESTATED

(₹ in lakhs)

Particulars	As at Sept 30, 2015	As at March 31,				
		2015	2014	2013	2012	2011
I. EQUITY AND LIABILITIES						
(1) Shareholder's Funds						
(a) Share Capital	250.00	100.00	50.00	50.00	1.00	1.00
(b) Reserves and Surplus	369.43	394.60	50.35	20.49	13.71	1.88
Total Shareholder's Funds (A)	619.43	494.60	100.35	70.49	14.71	2.88
(2) Share application money pending allotment (B)					54.50	22.50
(3) Non-Current Liabilities						
(a) Long-term borrowings	52.40	19.76	-	-	-	-
(b) Deferred tax liabilities (Net)	38.71	22.85	1.04	0.68	1.11	0.25
(c) Other Long term liabilities	391.58	428.59	352.00	190.00	180.00	-
(d) Long term provisions		-				-
Total Non-Current Liabilities (C)	482.69	471.20	353.04	190.68	181.11	0.25
(4) Current Liabilities						
(a) Short-term borrowings	213.90	218.09	141.83	182.39	155.84	-
(b) Trade payables	403.76	437.40	214.59	171.68	20.09	1.69
(c) Other current liabilities	1,288.21	282.55	234.40	270.99	11.64	211.82
(d) Short-term provisions		-	-	-	-	-
Total Current Liabilities (D)	1,905.87	938.04	590.82	625.06	187.57	213.51
Total (A+B+C+D)	3,008.00	1,903.84	1,044.21	886.22	437.89	239.14
II. ASSETS						
(1) Non-current assets						
<i>(a) Fixed assets</i>						
(i) Tangible assets	1,086.13	985.09	87.92	42.24	45.51	26.10
(ii) Intangible assets	-	-	-	-	-	-
(iii) Capital work-in-progress	1,040.16	-	-	-	-	-
(iv) Intangible assets under development						
(b) Non-current investments	1.63	0.10	0.10	0.10	0.10	0.10
(c) Deferred tax assets (net)	-	-	-	-	-	-
(d) Long term loans and advances	-	-	-	-	-	-
(e) Other non-current assets	-	-	-	-	-	-
Total Non-Current Assets (A)	2,127.92	985.19	88.02	42.34	45.61	26.20
(2) Current assets						
(a) Current investments	-	-	-	-	-	-
(b) Inventories	607.98	532.13	779.75	645.83	260.14	131.37
(c) Trade receivables	74.66	189.42	-	11.23	2.94	13.38
(d) Cash and cash equivalents	55.78	90.71	12.75	89.78	35.80	32.65
(e) Short-term loans and advances	139.73	104.47	162.92	96.01	93.39	35.33
(f) Other current assets	1.93	1.93	0.78	1.04	-	0.20
Total Current Assets (B)	880.08	918.66	956.20	843.89	392.28	212.94
Total (A+B)	3,008.00	1,903.84	1,044.22	886.23	437.89	239.14

STATEMENT OF STANDALONE PROFIT AND LOSS ACCOUNT, AS RESTATED

(₹ in lakhs)

Particulars	Period ended Sept 30, 2015	For the year ended March 31,				
		2015	2014	2013	2012	2011
Income						
Revenue from Operations	1,244.50	2,692.52	944.29	104.22	324.36	16.00
Other Income	2.20	10.83	2.77	2.27	2.54	-
Total Income	1,246.70	2,703.35	947.06	106.49	326.89	16.00
Expenditure						
Purchases	973.70	1,795.16	969.90	391.22	336.28	100.67
Change in Inventories	(75.85)	247.62	(133.92)	385.69	128.77	131.37
Employee benefit expense	62.34	106.74	30.17	33.96	56.02	32.62
Financial costs	21.82	37.94	25.38	28.82	28.83	3.73
Depreciation and amortization expense	17.27	16.65	1.52	2.81	1.55	0.10
Other expenses	60.37	62.75	10.69	28.16	15.85	7.17
Total Expenses	1,059.65	2,266.87	903.73	99.29	309.75	12.92
Profit before exceptional and extraordinary items and tax	187.05	436.49	43.33	7.21	17.14	3.08
Add: Exceptional Items	-	-	-	2.28	-	-
Profit before extraordinary items and tax	187.05	436.49	43.33	9.49	17.14	3.08
Less: Extraordinary Items	-	-	-	-	-	-
Profit before tax	187.05	436.49	43.33	9.49	17.14	3.08
Tax expense:						
Current tax	46.36	120.43	13.10	3.14	4.45	0.95
Deferred tax	15.85	21.81	0.37	-0.44	0.86	0.25
Total Tax	62.22	142.24	13.47	2.70	5.31	1.20
Profit/(Loss) from the period from continuing operations	124.83	294.25	29.86	6.78	11.83	1.88
Profit/(Loss) from discontinuing operations						
Tax expense of discounting operations	-	-	-	-	-	-
Profit/(Loss) from Discontinuing operations	-	-	-	-	-	-
Profit/(Loss) for the period	124.83	294.25	29.86	6.78	11.83	1.88

STANDALONE CASH FLOW STATEMENT, AS RESTATED
(₹ in lakhs)

Particulars	For the year ended March 31,					
	Sep-15	2015	2014	2013	2012	2011
CASH FLOW FROM OPERATING ACTIVITIES						
Net Profit before tax as Restated	187.05	436.49	43.33	9.49	17.14	3.08
Depreciation	17.27	16.65	1.52	2.81	1.55	0.10
Interest Income	(1.14)	(10.83)	(2.77)	(2.27)	(2.54)	0.00
Operating Profit before Working Capital Changes	203.18	442.31	42.08	10.03	16.15	3.18
<i>Adjustment for :-</i>						
(Increase) / Decrease in Inventories	(75.85)	247.62	(133.92)	(385.69)	(128.77)	(131.37)
(Increase) / Decrease in Trade Receivables	114.74	(189.42)	11.23	(8.29)	10.44	(13.38)
Increase/Decrease in Trade Payables	(33.64)	222.81	42.91	151.59	18.40	1.69
Increase /Decrease in short term provision	-	-	-	-	-	(0.01)
Increase /Decrease in long term liabilities	(37.00)	76.59	162.00	10.00	180.00	-
Increase /Decrease in Other current liabilities	156.60	48.15	(36.59)	259.35	(200.18)	208.62
Increase /Decrease in short term loans & Advances & other current asset	(35.26)	58.45	(66.91)	(2.62)	(58.06)	(34.33)
Increase /Decrease in other Current Assets	-	(1.15)	0.26	(1.04)	0.20	(0.20)
Increase /Decrease in other Non Current Assets	-	-	-	-	-	0.25
Cash Generated from Operations	292.78	905.36	21.06	33.33	(161.82)	34.45
Direct Taxes Paid	46.36	120.43	13.10	3.14	4.45	0.95
Net cash from /(used in) operating activities (A)	246.42	784.93	7.96	30.19	(166.27)	33.50
CASH FLOW FROM INVESTING ACTIVITIES						
Purchase Of fixed Assets (incl. WIP)	(143.72)	(913.81)	(47.20)	(33.26)	(20.96)	(26.05)
Sale Of Fixed Assets (incl. WIP)	25.41	-	-	33.72	-	-
(Increase) / Decrease in Capital WIP	(191.09)	-	-	-	-	-
Other non Current Investments	(1.53)	-	-	-	-	(0.10)
Interest Income	1.14	10.83	2.77	2.27	2.54	-
Net cash from/(used in) Investing activities (B)	(309.79)	(902.98)	(44.43)	2.73	(18.42)	(26.15)
CASH FLOW FROM FINANCING ACTIVITIES						
Proceeds from Issue of Share Capital	-	50.00	-	49.00	-	-
Share Application Money	-	-	-	(54.50)	32.00	22.50
Proceeds from Securities Premium	-	50.00	0.00	0.00	0.00	0.00
Increase/Decrease in Long Term Borrowing	32.64	19.76				0.00
Increase/(Decrease) in Short Term borrowing	(4.18)	76.25	(40.56)	26.55	155.84	
Net cash from/(used in) financing activities (C)	28.46	196.01	(40.56)	21.05	187.84	22.50
Net (Decrease)/Increase in cash and Cash Equivalents (A+B+C)	(34.93)	77.96	(77.03)	53.97	3.15	29.85
Cash and cash equivalents at beginnings of year / period	90.71	12.75	89.78	35.81	32.66	2.81
Cash and cash equivalents at end of year / period	55.78	90.71	12.75	89.78	35.81	32.66

THE ISSUE

Equity Shares Offered: Present Issue of Equity Shares by our Company	Issue of 9,20,000 Equity Shares of ₹10/- each at a price of ₹ 70 per Equity Share
<i>Of which:</i>	
Issue Reserved for the Market Makers	48,000 Equity Shares of ₹10/- each at a price of ₹ 70 per Equity Share reserved as Market Maker Portion
Net Issue to the Public	Net Issue to Public of 8,72,000 Equity Shares of ₹10/- each at a price of ₹ 70/- per Equity Share to the Public
	<i>Of which:</i>
	4,36,000 Equity Shares of ₹10/- each at a price of ₹ 70/- per Equity Share will be available for allocation for Investors of up to ₹2.00 Lakhs
	4,36,000 Equity Shares of ₹10/- each at a price of ₹ 70/- per Equity Share will be available for allocation for Investors of above ₹2.00 Lakhs
Equity Shares outstanding prior to the Issue	25,00,000 Equity Shares of face value of ₹10/- each
Equity Shares outstanding after the Issue	34,20,000 Equity Shares of face value of ₹10/- each
Objects of the Issue	For details please refer to the chapter titled “ <i>Objects of the Issue</i> ” beginning on page 61 of this Prospectus

Allocation to all categories shall be made on a proportionate basis subject to valid Bids received at or above the Issue Price. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Book Running 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.

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 refer to the chapter titled “*Issue Related Information*” on page 224 of this Prospectus.

The present Issue has been authorized pursuant to a resolution of our Board dated May 20, 2015 and by Special Resolution dated June 17, 2015, passed under Section 62(1)(C) of the Companies Act, 2013 at an Extra-Ordinary General Meeting of our shareholders.

GENERAL INFORMATION

Our Company was incorporated as K.P. Energy Pvt. Ltd. on January 08, 2010 under the Companies Act, 1956, with the Registrar of Companies, Gujarat, Dadra and Nagar Haveli, bearing Registration Number 059169. The status of our Company was changed to public limited company and the name of our Company was changed to K.P. Energy Limited by a special resolution passed on April 10, 2015. A fresh Certificate of Incorporation consequent to the change of name was granted to our Company on May 11, 2015, by the Registrar of Companies, Ahmedabad, bearing CIN U40100GJ2010PLC059169.

For further details, please refer to the chapter titled “History and Certain Corporate Affairs” beginning on page 116 of this Prospectus.

Brief Company and Issue Information

Registered Office	Address: A-1/2, Firdos Tower, Behind Fazal Shopping Centre, Adajan Patia, Surat – 395009, Gujarat. Tel No.: 0261-2764757 Tele-Fax No.: 0261-2764757 Email: info@kpenergy.in Website: www.kpenergy.in
Date of Incorporation	January 08, 2010
Company Registration No.	059169
Company Identification No.	U40100GJ2010PLC059169
Address of Registrar of Companies	ROC Bhavan, Opp. Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad – 380013. Tel No.: +91 – 79-27437597 Fax No.: +91 – 79-27438371
Designated Stock Exchange	SME Platform of BSE Limited
Company Secretary & Compliance Officer	Name:- Nita Mishra Address:- A-1/2, Firdos Tower, Behind Fazal Shopping Centre, Adajan Patia, Surat – 395009, Gujarat Tel No.: 0261-2764757 Tele-Fax No.: 0261-2764757 Email: info@kpenergy.in

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. Farukbhai Patel	Managing Director	00414045
Mr. Ashish A Mithani	Whole Time Director	00152771
Mr. Raghavendra Rao Bondada	Non-Executive Independent Director	01883766
Mr. Sajesh Kolte	Non-Executive Independent Director	07277524
Mrs. Bhadrabala Joshi	Non-Executive Non Independent Director and Chairman	07244587

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 122 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 ASBA process may be addressed to the Registrar to the Issue quoting the full name of the sole or First Bidder, Bid cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid cum Application Form, name and address of the member of the Syndicate or the SCSB / Designated Intermediary, where the Bid was submitted and bank account number in which the amount equivalent to the Bid Amount was blocked.

Details of Key Intermediaries pertaining to this Issue and Our Company

Book Running Lead Manager



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 – 2261 8264
 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. Shreyas Shah / Mr. Deepak Biyani
 SEBI Registration No.: INM000011344

Registrar to the Issue



Bigshare Services Pvt. Ltd.

E/2 Ansa Industrial Estate, Saki Vihar Road
 Saki Naka, Andheri (E),
 Mumbai - 400 072
 Tel No.: +91 – 22 – 4043 0200
 Fax No.: +91 – 22 – 2847 5207
 Email: ipo@bigshareonline.com
 Website: www.bigshareonline.com
 CIN: U99999MH1994PTC076534
 Contact Person: Mr. Babu Rapheal
 SEBI Registration No.: MB / INR000001385

Legal Advisor to the Issue



M/s Kanga & Company (Advocates & Solicitors)

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

Statutory Auditors of our Company

M/s Bipinchandra J. Modi & Co., Chartered Accountants

Bungalow No. 18/A, Prakash Co-Operative Housing Society Ltd.,
 Behind Intelligent Guidance Class,
 Athwalines, Surat - 395001
 Tel. No.: +91 – 261 – 2665349
 Fax No.: +91 – 261 – 2397501
 Email: bjmodi@gmail.com
 Contact Person: Bipinchandra J. Modi

Bankers to our Company



State Bank of India

1st Floor, kiran Chambers, Opp J.K. Towers,
 Ring Road, Surat, Gujarat
 Tel No.: +91 – 261 – 232 - 9469
 Fax No.: +91 – 261– 233 - 4979
 Website: www.sbi.co.in
 Email: sbi.04083@sbi.co.in
 Contact Person: Mr. P.R Meena

Bankers to the Issue



Axis Bank Limited

Ground Floor, Jeevan Prakash Building,
Sir P.M. Road, Fort, Mumbai – 400 001.
Tel No.: +91 – 22 – 4086 7371 / 7464 / 7429 / 7373
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 Bid Cum Application Forms, please see the above mentioned SEBI link.

Registered Brokers

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 Offer and Share Transfer Agents

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

Collecting Depository Participants

The list of the CDPs eligible to accept Bid cum Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the website of Stock Exchange at 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 Bid cum Application Forms from the Designated Intermediaries will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

Syndicate Members

Aryaman Financial Services Limited

60, Khatau Building, Gr. Floor,
Alkesh Dinesh Modi Marg,
Opp. P.J. Tower (BSE Bldg.), Fort,
Mumbai – 400001
Tel. No.: +91 – 22 – 2261 8264
Fax No.: +91 – 22 – 2263 0434
Email: ipo@afsl.co.in
SEBI Registration No.: INM000011344

Aryaman Capital Markets Limited

60, Khatau Building, Gr. Floor,
Alkesh Dinesh Modi Marg,
Opp. P.J. Tower (BSE Bldg.), Fort,
Mumbai – 400001
Tel. No.: +91 – 22 – 2261 8264
Fax No.: +91 – 22 – 2263 0434
Email: aryacapm@gmail.com
SEBI Registration No.: INB011465938

Market Maker

As per Regulation 106(P) of the SEBI ICDR Regulations, 2009, the BRLM will ensure compulsory Market Making in the manner specified by SEBI. Aryaman Capital Markets Ltd. has given its consent to act as Market Maker subject to the Market Making Agreement.



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 – 2261 8635
Fax No.: +91 – 22 – 2263 0434
Email: aryacapm@gmail.com
Contact Person: Mr. Harshad Dhanawade
SEBI Registration No.: INB011465938
Market Maker Reg. No.: SMEMM0651421122012

Inter-se Allocation of Responsibilities

Aryaman Financial Services Limited is the Sole Book Running 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. Since the Issue size is below ₹50,000 lakhs, our Company has not appointed a monitoring agency for this issue.

Pursuant to Regulation 32(3) of the SEBI Listing Regulations, 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 Listing Regulations, 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

The Issue has been graded by CRISIL Limited and assigned the "CRISIL SME Fundamental Grade 3/5" indicating good fundamentals in comparison to other SMEs in India through its report dated December 24, 2015. The SME Fundamental Grade is assigned on a five -point scale from 1 to 5, with IPO grade 5/5 indicating excellent fundamentals and grade 1/5 indicating poor fundamentals. The said report is annexed to this Prospectus as Annexure A.

Trustees

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

Details of the Appraising Authority

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

Credit Rating

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

Expert Opinion

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

Book Building Process

Book building, with reference to the Issue, refers to the process of collection of Bids on the basis of the Red Herring Prospectus within the Price Band. The Issue Price shall be determined by our Company, in consultation with the BRLM, in accordance with the Book Building Process, after the Bid / Issue Closing Date. The principal parties involved in the Book Building Process are:

- Our Company;
- The Book Running Lead Manager in this case being Aryaman Financial Services Limited, the Syndicate Member(s) who are intermediaries registered with SEBI/ registered as brokers with BSE and eligible to act as Underwriters. The Syndicate Member(s) will be appointed by the BRLM;
- The Registrar to the Issue and;
- The Designated Intermediaries

All Bidders (excluding Anchor Investors) can participate in the Issue only through the ASBA process. Anchor Investors are not permitted to participate through the ASBA process.

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

We will comply with the SEBI ICDR Regulations and any other ancillary directions issued by SEBI for this Issue. In this regard, we have appointed Aryaman Financial Services Limited as the Book Running Lead Manager, respectively to manage the Issue and procure subscriptions to the Issue.

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

For further details on the method and procedure for Bidding, please see section entitled “*Issue Procedure*” on page 231 of this Prospectus.

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

Bidders can bid at any price within the price band. For instance, assume a price band of ₹20 to ₹24 per equity share, issue size of 3,000 equity shares and receipt of five bids from bidders, details of which are shown in the table below. A graphical representation of the consolidated demand and price would be made available at the bidding centers during the bidding period. The illustrative book below shows the demand for the equity shares of the issuer company at various prices and is collated from bids received from various investors.

Bid Quantity	Bid Amount(₹)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the issuer is able to issue the desired number of shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The issuer, in consultation with the Book Running Lead Manager will finalize 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.

Steps to be taken by the Bidders for Bidding:

- 1) Check eligibility for making a Bid (see section titled “*Issue Procedure*” on page 231 of this Prospectus);

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

BID / ISSUE PROGRAMME

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

Event	Indicative Date
Bid / Issue Opening Date	February 15, 2016
Bid / Issue Closing Date	February 17, 2016
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about February 23, 2016
Initiation of Allotment / Refunds / Unblocking of Funds	On or about February 24, 2016
Credit of Equity Shares to demat accounts of Allottees	On or about February 25, 2016
Commencement of trading of the Equity Shares on the Stock Exchange	On or about February 26, 2016

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

Bids and revision of Bids, shall be accepted **only between 10.00 a.m. and 5.00 p.m. (IST)** during the Bid/Issue Period as mentioned above at the Bidding centers and designated branches of SCSBs as mentioned in the Bid Cum Application Form. On the Bid/Issue Closing Date, the Bids and any revision in the Bids shall be accepted only between **10.00 a.m. and 3.00 p.m. (IST)** and shall be uploaded until (i) **4.00 p.m. (IST)** in case of Bids by QIB Bidders and Non-Institutional Bidders, and (ii) until **5.00 p.m. (IST)** or such extended time as permitted by the Stock Exchanges, in case of Bids by Retail Individual Bidders after taking into account the total number of applications received up to the closure of timings and reported by the BRLM to the Stock Exchanges. It is clarified that Bids not uploaded on the electronic bidding system would be rejected. Bids will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

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

QIBs and Non-Institutional Investors shall neither withdraw nor revise their Bids so as to lower the size of their Bid at any stage after they have Bid for the Issue. QIBs and Non-Institutional Investors may revise their Bids upwards (in terms of quantity of Equity Shares or the Bid Amount) during the Bid/Issue Period. Such upward revision must be made using the Revision Form.

Our Company, in consultation with the BRLM, reserves the right to revise the Price Band during the Bid/ Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly.

In case of revision of the Price Band, the Bid/Issue Period will be extended for at least three additional working days after revision of Price Band subject to the Bid/ Issue Period not exceeding 10 working days. Any revision in the Price Band and the revised Bid/ Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a press release and also by indicating the changes on the websites of the Book Running Lead Manager and at the terminals of the Syndicate Member.

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

Underwriting

Our Company has entered into an Underwriting Agreement dated January 19, 2016 with the Underwriters for the Equity Shares proposed to be offered through the Issue. It is proposed that pursuant to the terms of the Underwriting Agreement, the BRLM shall be responsible for bringing in the amount devolved in the event that the Syndicate Members do not fulfill their underwriting obligations. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions, as specified therein. The Issue will be 100% underwritten.

The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

Details of the Underwriter	No. of Shares Underwritten	Amount Underwritten (₹in lakhs)	% of the Total Issue Size Underwritten
Aryaman Financial Services Limited	8,72,000	610.40	94.78%
Aryaman Capital Markets Limited	48,000	33.60	5.22%
Total	9,20,000	644.00	100.00%

The abovementioned details would be finalized after the determination of Issue Price.

In the opinion of our Board of Directors (based on a 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 abovementioned Underwriters are registered with SEBI under Section 12 (1) of the SEBI Act or registered as brokers with the Stock Exchange(s).

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitments set forth in the table above. Notwithstanding the above table, the BRLM and the Syndicate Member(s) shall be responsible for ensuring payment with respect to Equity Shares allocated to investors procured by them. In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the underwriting agreement, will also be required to procure/subscribe to Equity Shares to the extent of the defaulted amount. If the Syndicate Member(s) fails to fulfill its underwriting obligations as set out in the Underwriting Agreement, the Book Running Lead Manager shall fulfill the underwriting obligations in accordance with the provisions of the Underwriting Agreement.

The underwriting agreement shall list out the role and obligations of each Underwriter.

Withdrawal of the Issue

Our Company, in consultation with the Book Running Lead Manager, reserves the right not to proceed with the Issue at any time after the Bid Opening Date but before the Board meeting for Allotment, without assigning any reason thereof. In such an event our Company would issue a public notice in the newspapers, in which the pre-issue advertisements were published. The BRLM, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders 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.

If our Company withdraws the Issue after the Bid Closing Date, our Company shall state the reasons thereof in a public notice within two days of the closure of the Issue. The public notice shall be issued in the same newspapers where the pre-issue advertisement had appeared. The Stock Exchange shall also be informed of such withdrawal.

Notwithstanding the foregoing, the Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment, and (ii) the final RoC approval of the Prospectus after it is filed with the Stock Exchange.

If our Company withdraws the Issue and thereafter determines that it will proceed with an IPO, our Company shall be required to file a fresh Draft Red Herring Prospectus.

Details of the Market Making Arrangement for this Issue

Aryaman Capital Markets Ltd., a Market Maker registered with the SME Platform of BSE, will act as the Market Maker to the Issue, and has entered into an agreement dated January 19, 2016 and 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 such period as may be required, by applicable law..

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

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

1. The Market Maker shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. Further, the Market Maker shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.
2. The minimum depth of the quote shall ₹1,00,000. However, the investors with holdings of value less than ₹1,00,000 shall be allowed to offer their holding to the Market Maker in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
3. The Inventory Management and Buying/Selling Quotations and its mechanism shall be as per the relevant circulars issued by SEBI and BSE SME Platform from time to time.
4. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by him.
5. There would not be more than five Market Makers for a scrip at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
6. On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.
7. The Market Maker may also be present in the opening call auction, but there is no obligation on him to do so.
8. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems or any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
9. The Market Maker shall have the right to terminate said arrangement by giving a three months notice or on mutually acceptable terms to the Book Running 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 Book Running 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 Book Running Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an

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

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

10. Risk containment measures and monitoring for Market Maker: BSE SME Exchange will have all margins which are applicable on the BSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.

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

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

12. Price Band and Spreads: SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for issue size up to ₹25000 lakhs, the applicable price bands for the first day shall be:

- a) In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
- b) In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the issue price.
- c) Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading.

The following spread will be applicable on the BSE SME Exchange/ Platform:

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

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

CAPITAL STRUCTURE

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

(₹ in lakhs, except share data)

Sr. No.	Particulars	Aggregate Value at Nominal Value	Aggregate Value at Issue Price
A	Authorised Share Capital		
	50,00,000 Equity Shares of face value of ₹10/- each	500.00	-
B	Issued, Subscribed and Paid-up Share Capital before the Issue		
	25,00,000 Equity Shares of face value of ₹10/- each	250.00	-
C	Present Issue in terms of this Prospectus*		
	Issue of 9,20,000 Equity Shares of ₹10/- each at a price of ₹ 70/- per Equity Share	92.00	644.00
	<i>Which comprises:</i>		
	48,000 Equity Shares of ₹10/- each at a price of ₹ 70/- per Equity Share reserved as Market Maker Portion	4.80	33.60
	Net Issue to Public of 8,72,000 Equity Shares of ₹10/- each at a price of ₹ 70/- per Equity Share to the Public	87.20	610.40
	<i>Of which:</i>		
	4,36,000 Equity Shares of ₹10/- each at a price of ₹ 70/- per Equity Share will be available for allocation for Investors of up to ₹2.00 Lakhs	43.60	305.20
	4,36,000 Equity Shares of ₹10/- each at a price of ₹ 70/- per Equity Share will be available for allocation for Investors of above ₹2.00 Lakhs	43.60	305.20
D	Equity Share Capital after the Issue		
	34,20,000 Equity Shares of face value of ₹10/- each	342.00	
E	Securities Premium Account		
	Before the Issue	50.00	
	After the Issue		602.00

* The present Issue has been authorized pursuant to a resolution of our Board dated May 20, 2015 and by Special Resolution dated June 17, 2015, passed under Section 62(1)(C) of the Companies Act, 2013 at an Extra-Ordinary General Meeting of our shareholders.

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

Classes of Shares

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

Changes in Authorized Share Capital

- The initial authorized share capital of ₹ 1,00,000 divided into 10,000 Equity Shares ₹ 10/- each was increased to ₹50,00,000 divided into 5,00,000 Equity Shares of ₹ 10/- each pursuant to a resolution of our shareholders dated December, 15 2012.
- The authorized share capital of ₹ 50,00,000 divided into 5,00,000 Equity Shares of ₹ 10/- each was increased to ₹1,50,00,000 divided into 15,00,000 Equity Shares of ₹ 10/- each pursuant to a resolution of our shareholders dated September 30 2014.
- The authorized share capital of ₹ 1,50,00,000 divided into 15,00,000 Equity Shares of ₹ 10/- each was increased to ₹5,00,00,000 divided into 50,00,000 Equity Shares of ₹ 10/- each pursuant to a resolution of our shareholders dated April 10 2015.

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:

(₹ in lakhs)

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 31, 2013	4,90,000	10	10	Further Allotment	Cash	5,00,000	50,00,000	Nil
March 20, 2015	75,000	10	20	Further Allotment	Cash	5,75,000	57,50,000	7,50,000
March 23, 2015	2,00,000	10	20	Further Allotment	Cash	7,75,000	77,50,000	27,50,000
March 31, 2015	2,25,000	10	20	Further Allotment	Cash	10,00,000	1,00,00,000	50,00,000
April 10, 2015	15,00,000	10	Nil	Bonus Allotment	Other than Cash	25,00,000	2,50,00,000	50,00,000

b) Save and except as mentioned below, our Company has not issued any Equity Shares for consideration other than cash

Date of Allotment	No. of Equity Shares	Face Value (₹)	Issue Price (₹)	Nature of Allotment	Allotted Person	Benefits Accrued to the Company
April 10, 2015	15,00,000	10	Nil	Bonus Issue in the ratio 3:2	Shareholders as on Record date	Expansion of capital

Notes:

- Bonus Equity shares have been issued to all our Shareholders on Record Date, out of Free Reserve of the Company, by capitalizing ₹ 150.00 Lakhs. The relevant provisions of the Companies Act have been complied with for the bonus issue. No bonus shares have been issued out of Revaluation Reserves.
 - Except for what has been stated above our Company has not issued any Equity Share for consideration other than cash.
- c) No Equity Shares have been allotted pursuant to any scheme approved under Section 391-394 of the Companies Act, 1956.
- d) Company has not revalued its assets since inception and has not issued any Equity Shares by capitalizing any revaluation reserves.
- e) As on the date of this Prospectus, our Company does not have an Employee Stock Option Plan or any Share Based Employee Benefits Scheme.
- f) As on the date of this Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments into the Equity Shares.
- g) Except as set below, our Company has not issued any Equity Shares which could be below the Issue Price during the preceding the one year:

Date of Allotment of Equity Shares	Number of Equity Shares Allotted	Face Value (₹)	Issue Price (₹)	Nature/ Reason of Allotment	Nature of Consideration	Name of the Allottees	Belonging to Promoter Group or not
March 20, 2015	75,000	10	20	Further Allotment	Cash	Farukbhai Patel	Yes
March 23, 2015	2,00,000	10	20	Further Allotment	Cash	Farukbhai Patel	Yes
March 31, 2015	80,000	10	20	Further Allotment	Cash	Farukbhai Patel	Yes
	92,500	10	20		Cash	Ashish A Mithani	Yes
	2,500	10	20		Cash	Jolly Mithani	Yes
	10,000	10	20		Cash	Jagruti Mithani	Yes
	30,000	10	20		Cash	Bhavna Mithani	Yes
	3,000	10	20		Cash	Pankaj Shah	No
	2,400	10	20		Cash	Unmesh Bhatt	No
	4,600	10	20		Cash	Yasmin Mansuri	No
April 10, 2015	15,00,000	10	Nil	Bonus Allotment	Other than Cash	To all the Shareholders of the Company	Yes*

* Since Bonus Issue was allotted to all Shareholders pari passu, the same includes promoter group shareholders also.

h) 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.

i) **History & Share Capital Build-up of our Promoters**

Our Promoters has been allotted Equity Shares and has entered into Purchase/Sale Transactions of the Company's Equity shares from time to time. The following is the Equity share capital build-up of our Promoters:

Date of Allotment / Transfer	Allotment / Acquired / Transferred	Consi-deration	No. of Shares	Face Value (₹)	Issue / Acquisition Price (₹)	Cumu-lative No. of Shares	% of Pre-Issue Paid Up Capital	% of Post-Issue Paid Up Capital
Mr. Farukbhai Patel								
Upon Incorporation	Subscription to MoA	Cash	5,000	10	10	5,000	0.20%	0.15%
January 15, 2010	Transferred	Cash	(4,500)	10	10	500	0.02%	0.01%
March 31, 2013	Allotment	Cash	2,50,000	10	10	2,50,500	10.02 %	7.32%
October 15, 2014	Acquired	Cash	97,750	10	20	3,48,250	13.93%	10.18%
March 20, 2015	Allotment	Cash	75,000	10	20	4,23,250	16.93%	12.38%
March 23, 2015	Allotment	Cash	2,00,000	10	20	6,23,250	24.93%	18.22%
March 31, 2015	Allotment	Cash	80,000	10	20	7,03,250	28.13%	20.56%
March 31, 2015	Transferred	Cash	(38,250)	10	20	6,65,000	26.60%	19.44%
April 10, 2015	Bonus	Other than Cash	9,97,500	10	Nil	16,62,500	66.50%	48.61%
Mr. Ashish A Mithani								
Upon Incorporation	Subscription to MoA	Cash	5,000	10	10	5,000	0.20%	0.15%
March 31, 2013	Allotment	Cash	85,000	10	10	90,000	3.60%	2.63%
March 31, 2015	Allotment	Cash	92,500	10	20	1,82,500	7.30%	5.34%
April 10, 2015	Bonus	Other than Cash	2,73,750	10	Nil	4,56,250	18.25%	13.34%

Notes:

- None of the shares belonging to our Promoters have been pledged till date.
 - The entire Promoters' shares shall be subject to lock-in from the date of allotment of the equity shares issued through this Prospectus for periods as per applicable Regulations of the SEBI (ICDR) Regulations. For details please see Note no. 2 of "Capital Structure" on page 56 of this Prospectus.
 - Our Promoters have confirmed to the Company and the BRLM that the Equity Shares held by our Promoters have been financed from their personal funds and no loans or financial assistance from any bank or financial institution has been availed by them for this purpose.
 - All the shares held by our Promoters were fully paid-up on the respective dates of acquisition of such shares.
- j) Except as disclosed above in this chapter, none of the members of the Promoters, Promoters Group, Directors and their immediate relatives have purchased or sold any Equity shares of our Company within the last six months from the date of this Prospectus.
- k) None of the members of the Promoter Group/Directors and their immediate relatives have financed the purchase by any other person of Equity shares of our Company other than in the normal course of business of the financing entity within the period of six months immediately preceding the date of this Prospectus.

Promoters' Contribution and other Lock-In details:

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

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

Our Promoters have given consent to include 6,90,000 Equity Shares held by them, in aggregate, constitute 20.18% of the fully diluted post-Issue Equity Share capital of our Company as Promoters' Contribution and have agreed not to sell, transfer, charge, pledge or otherwise encumber in any manner the Promoters' Contribution from the date of this Prospectus, until the commencement of the lock-in period specified above, or for such other time as required under SEBI ICDR Regulations. The details of the Promoter's Equity Shares proposed to be locked-in for a period of three years are as follows:

Date of Allotment / Transfer	Allotment / Acquired	Consideration	No. of Shares	Face Value (₹)	Issue / Acquisition Price (₹)	% of Post-Issue Paid Up Capital
Mr. Farukhbhai Patel						
Upon Incorporation	Subscription to MoA	Cash	500	10	10	0.01%
March 31, 2013	Allotment	Cash	2,50,000	10	10	7.31%
April 10, 2015	Bonus	Other than Cash	2,39,500	10	Nil	7.00%
Total (A)			4,90,000			14.33%
Mr. Ashish A Mithani						
Upon Incorporation	Subscription to MoA	Cash	5,000	10	10	0.15%
March 31, 2013	Allotment	Cash	85,000	10	10	2.49%
April 10, 2015	Bonus	Other than Cash	1,10,000	10	Nil	3.22%
Total (B)			2,00,000			5.85%
Total (A + B)			6,90,000			20.18%

We confirm that in compliance with regulation 33 of SEBI ICDR Regulations, the minimum Promoter contribution of 20% as shown above which is subject to lock-in for three years does not consist of:

- Equity Shares acquired during the preceding three years for consideration other than cash and out of revaluation of assets or capitalization of intangible assets or bonus shares out of revaluation reserves or reserves without accrual of cash resources.
- Equity Shares acquired by the Promoters during the preceding one year, at a price lower than the price at which Equity Shares are being offered to public in the Issue.
- Equity Shares held by the Promoters and offered for Promoters' Contribution are not subject to any pledge.
- Equity Shares for which specific written consent has not been obtained from the shareholders for inclusion of their subscription in the minimum Promoters' Contribution subject to lock-in.

- Equity shares issued to our Promoters on conversion of Partnership Firms into Limited Companies.

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

We further confirm that our Promoters' Contribution does not include any contribution from Alternative Investment Funds.

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

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

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

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

Sr. No.	Name of Shareholder	Pre-Issue		Post-Issue	
		No. of Equity Shares	As a % of Issued Equity	No. of Equity Shares	As a % of Issued Equity
A	Promoters				
1	Farukbhai Patel	16,62,500	66.50%	16,62,500	48.61%
2	Ashish A Mithani	4,56,250	18.25%	4,56,250	13.34%
	Total (A)	21,18,750	84.75%	21,18,750	61.95%
B	Promoter Group & Relatives				
1	Jolly Mithani	1,56,250	6.25%	1,56,250	4.57%
2	Bhavna Mithani	75,000	3.00%	75,000	2.19%
3	Jagruti Mithani	25,000	1.00%	25,000	0.73%
	Total (B)	2,56,250	10.25%	2,56,250	7.49%
	Grand Total (A+B)	23,75,000	95.00%	23,75,000	69.44%

3. 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 122 of this Prospectus.
4. An over-subscription to the extent of 80,000 Equity Shares i.e upto 8.70% of the Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 8.70% of the Issue, as a result of which, the post-issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoters and subject to lock-in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in for 3 years.

5. 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.
6. 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.
7. 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 Book Running 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.
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 231 of this Prospectus.
9. **The top ten shareholders of our Company and their Shareholding is as set forth below:**

a) As on the date of this Prospectus:

Sr. No.	Particulars	No. of Shares	% of Shares to Pre – Issue Share Capital
1	Farukbhai Patel	16,62,500	66.50%
2	Ashish A Mithani	4,56,250	18.25%
3	Jolly Mithani	1,56,250	6.25%
4	Bhavna Mithani	75,000	3.00%
5	Jagruti Mithani	25,000	1.00%
6	Pankajkumar Shah	7,500	0.30%
7	Unmesh Bhatt	6,000	0.24%
8	Pradhumansingh Sarvaiya	5,625	0.23%
9	Ruksana Mombasawala	4,375	0.18%
10	Pravin Singh	3,750	0.15%
10	Shaheedul Hasan	3,750	0.15%
10	Shambhoonathsingh Rajput	3,750	0.15%
Total		24,09,750	96.39%

Note: There are 3 shareholders holding 3,750 Equity Shares as on the date of this Prospectus.

b) Ten days prior to date of this Prospectus:

Sr. No.	Particulars	No. of Shares	% of Shares to Pre – Issue Share Capital
1	Farukbhai Patel	16,62,500	66.50%
2	Ashish A Mithani	4,56,250	18.25%
3	Jolly Mithani	1,56,250	6.25%
4	Bhavna Mithani	75,000	3.00%
5	Jagruti Mithani	25,000	1.00%
6	Pankajkumar Shah	7,500	0.30%
7	Unmesh Bhatt	6,000	0.24%
8	Pradhumansingh Sarvaiya	5,625	0.23%
9	Ruksana Mombasawala	4,375	0.18%
10	Pravin Singh	3,750	0.15%
10	Shaheedul Hasan	3,750	0.15%
10	Shambhoonathsingh Rajput	3,750	0.15%
Total		24,09,750	96.39%

Note: There are 3 shareholders holding 3,750 Equity Shares, ten days prior to date of this Prospectus.

c) Two years prior to date of this Prospectus:

Sr. No.	Particulars	No. of Shares	% of Shares then Share Capital
1	Farukbhai Patel	2,50,500	50.10%
2	L.D Sharda	95,000	19.00%
3	Ashish A Mithani	90,000	18.00%
4	Jolly Mithani	60,000	12.00%
5	Ruksana Mombasawala	3,000	0.60%
6	Irfan Mombasawala	1,500	0.30%
Total		5,00,000	100.00%

Note: There are only 6 shareholders two years prior to date of this Prospectus.

10. Neither our Company, our Promoters, Directors nor the Book Running Lead Manager have entered into any buyback, safety net and/or standby arrangements for purchase of Equity Shares of the Company from any person.
11. 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 122 of this Prospectus.
12. A Bidder cannot make a bid 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.
13. Our Promoters, Promoter Group and Group Companies will not participate in the Issue.
14. Our Company, Directors, Promoters or Promoter Group shall not make any payments direct or indirect, discounts, commissions, allowances or otherwise under this Issue except as disclosed in this Prospectus.
15. 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 twenty-four hours of such transaction.
16. The Book Running Lead Manager and its associates do not directly or indirectly hold any shares of the Company.
17. As of the date of this Prospectus, the total number of holders of the Equity Shares is 71.
18. Our Company has not made any public issue or rights issue since its incorporation.

19. Shareholding Pattern of the Company

The table below presents the shareholding pattern of our Company of the 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 Under lying 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	5	23,75,000	-	-	23,75,000	95.00%	23,75,000	-	23,75,000	95.00%	-	95.00%	-	-	-	-	23,75,000
(B)	Public	66	1,25,000	-	-	1,25,000	5.00%	1,25,000	-	1,25,000	5.00%	-	5.00%	-	-	-	-	24,875
(C)	Non Promoter Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares Underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	71	25,00,000	-	-	25,00,000	100.00%	25,00,000	-	25,00,000	100.00%	-	100.00%	-	-	-	-	-

20. None of the Public Shareholders holds more than 1% of the pre-issue paid-up capital in our Company.

SECTION IV – PARTICULARS OF THE ISSUE

OBJECTS OF THE ISSUE

The Objects of the Issue is to raise funds for

- Setting up of 2.10 MW wind power project as part of our Independent Power Producers (“IPP”) initiative, at Matalpar, Bhavnagar, Gujarat.
- General Corporate Purpose.

Further, we expect to receive the benefits of listing on the SME Platform of BSE Ltd.

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.

Issue Proceeds & Net Proceeds

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

(₹ in lakhs)

Sr. No.	Particulars	Amount
(a)	Gross Proceeds from the Issue	644.00
(b)	Less: Issue related Expenses	84.10
	Net Proceeds from the Issue	559.90

Requirement of Funds

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

We intend to utilise the Net Proceeds of the Issue (“Net Proceeds”) of ₹ 559.90 lakhs for financing the objects as set forth below:

(₹ in lakhs)

Sr. No.	Particulars	Amount
1	Setting up of 2.10 MW wind power project as part of our IPP initiative, at Matalpar, Bhavnagar, Gujarat	1,308.10
2	General Corporate Purpose	76.80
	Total	1384.90

Means of Finance

The Means of Finance for funding the above requirements as estimated by our company are as shown below:

(₹ in lakhs)

Sr. No.	Particulars	Amount
1.	Net Proceeds from the Issue*	559.90
2.	Term Loan	825.00
3.	Internal Accruals*	-
	Total	1384.90

We have received a sanction letter dated December 30, 2015 from State Bank of India aggregating to ₹825 lakhs for this project. For details of the said term loan, please refer the chapter “Financial Indebtedness” on page 190 of this Prospectus. Accordingly, we confirm that firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Issue have been made in accordance with Regulation 4(2)(g) of the SEBI ICDR Regulations.

The fund requirement described below is based on the management estimates and is not appraised by any bank or financial institution. Our management, in response to the competitive and dynamic nature of the industry, will have the discretion to revise its business plan and estimates from time to time and consequently our funding requirements and deployment of funds may also change. This may also include rescheduling the proposed utilization of Net Proceeds and increasing or decreasing expenditure for a particular object vis-à-vis the utilization of Net Proceeds, subject to compliance with applicable law. We may have to revise our estimated costs, fund allocation and fund requirements owing to factors such as economic and business conditions, increased competition and other external factors which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular object at the discretion of our management. In addition, the estimated dates of completion of the dates of completion of projects, as described in this section, are based on management's current expectations and are subject to change due to various factors including those described above, some of which may not be in our control. Accordingly, the net proceeds of the Issue would be used to meet all or any of the uses of the funds described herein.

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 debt 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 delay in raising funds through this IPO, our company may deploy funds into this project from our internal accruals, working capital funds or through short term borrowings until the receipt of IPO funds. The IPO funds once received would then be used towards recouping these resources as and when applicable.

According to the audited financial statements of our Company, the internal accruals as on the period ended September 30, 2015 is ₹ 657.70 lacs.

For further details on the risks involved in our proposed fund utilization as well as executing our business strategies, for details please refer to the chapter titled "Risk Factors" beginning on page 11 of this Prospectus.

DETAILS OF THE FUND REQUIREMENTS

1) *Setting up of 2.10 MW wind power project as part of our IPP initiative, at Matalpar, Bhavnagar, Gujarat*

Cost of Project			
Sr. No.	Particulars	(₹ in lakhs)	Remarks
a)	Cost of WTG and related particulars	1,000.70	Details as per Table a below
b)	Balance of Plant and related works	307.40	Details as per Table b below
Total		1,308.10	

a) Details of the WTG and related particulars:

The primary machinery in setting up a wind power project is the Wind Turbine Generator (WTG). The details of the WTG proposed to be acquired and part funded from the IPO Proceeds is as below:

Sr. No.	Specifications	Particulars
1	Supplier	Suzlon Energy Ltd.
2	Make	Suzlon Energy Ltd.
3	Model	S 97 Suzlon 2100 KW
4	Distribution Transformer Component	2300 KVA690 V/33 KV, 3PH
5	Wind Class	IEC IIA
6	Rotor Diameter	95 Meter
7	Type	Tubular Steel Tower
8	Hub Height	90 Meter
9	Supply, Final Testing & Commissioning and Supervision for Erection & Installation	Included
Total Cost (As agreed with Supplier)		₹ 1,000.70 lakhs

The company has executed a Purchase Order in favour of Suzlon Energy Ltd. for the above WTG vide Purchase Orders dated April 02, 2015. A payment of ₹ 201.09 lakhs has already been made to Suzlon Energy Ltd. against the Purchase Orders. The remaining amounts are proposed to be funded from a combination of debt and IPO Proceeds.

b) Details of the Cost of Balance of Plant and related works:

Sr. No.	Description of Activity	Value Per WTG (₹ in lakhs)		
		Goods	Service	Total
1	<u>WTG Land & Permits</u> (i) Sale/Grant of Freehold/Lease/Sub Lease basis; and (ii) Providing Required rights of suitable access of surroundings (iii) All Statutory/Legal taxes, duties, land revenue, rentals charges incurred for wind-farm project till commissioning	0.00	30.00	30.00
2	<u>All Civil Work</u> Works Contract for Civil Foundation Work, Roads & Others works allied to installation of WTG	42.00	33.00	75.00
3a.	<u>All Electrical Works including Supply & Installation</u> (i) WTG DP Yard electricals with metering (ii) Wind farm Transmission lines	32.50	12.50	45.00
3b.	One time charges for usage of power Evacuation Infrastructure without right of ownership, possession & Control	0.00	85.00	85.00
4	Erection & Installation of WTG (without commissioning)	0.00	45.00	45.00
Total Basic value of entire BoP activities		74.50	205.50	280.00
Add: Incidental Expenses		-	-	27.40
Total		74.50	205.50	307.40

Note: The above costs of BOP as estimated are based on management estimates only.

2) General Corporate Purposes

We propose to deploy the balance Net Proceeds of the Issue aggregating ₹ 76.80 lakhs towards general corporate purposes, including but not restricted to strategic initiatives, partnerships, joint ventures and acquisitions, meeting exigencies which our Company may face in the ordinary course of business, to renovate and refurbish certain of our existing Company owned/leased and operated facilities or premises, towards brand promotion activities or any other purposes as may be approved by our Board.

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

Issue Related Expenses

The expenses for this Issue include lead management fees, underwriting and selling commission, registrar's fees, advertisement and marketing expenses, printing and distribution expenses, legal fees, Stock Exchange Fees, bidding software expenses, depository charges and listing fees to the Stock Exchanges.

The details of the estimated Issue expenses are set forth below:

Issue related expenses activity	Amount (₹ in lakhs)	As a % of total estimated Issue expenses	As a % of the Issue Size
Issue Management fees including underwriting and selling commissions, market making fees, brokerages, and payment to other intermediaries such as Legal Advisors, Registrars and other out of pocket expenses	70.00	83.23	10.87
Commission and processing fee for SCSBs, Brokerage and selling commission for Registered Brokers, RTAs and CDPs ^(1, 2)	1.20	1.43	0.19

Issue related expenses activity	Amount (₹ in lakhs)	As a % of total estimated Issue expenses	As a % of the Issue Size
&3)			
Printing & Stationery, Distribution, Postage, etc.	3.00	3.57	0.76
Advertisement & Marketing Expenses	4.90	5.83	0.78
Regulatory & other expenses	5.00	5.95	10.87
Total Estimated Issue related Expenses	84.10	100.00	13.06

Notes:

- 1) The SCSBs would be entitled to processing fees of ₹25/- per Bid cum Application Form, for processing the Bid cum Application Forms procured by the members of the Syndicate, Brokers, Sub-Syndicate/ Agents, or the Registered Brokers and submitted to the SCSBs.
- 2) The SCSBs, the Registered Brokers, the RTAs and the CDPs will be entitled to a commission of ₹50/- per every valid Bid cum Application Form submitted to them and uploaded on the electronic bidding system of the Stock Exchange.
- 3) The payment towards commission and processing fees will be completed within 60 days from the date of listing of our Equity Shares on the Stock Exchange.

Further in addition to the above, for the successful allotment under the Issue, the respective intermediaries through whose terminal the Bid has been uploaded, shall be entitled to brokerage of 0.15% of the amount of shares allotted (inclusive of all applicable taxes), subject to receiving bills from the respective intermediaries to this effect.

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.

Schedule of Implementation

Implementation schedule for Setting up of 2.10 MW wind power project is as under:

Schedule of Activities	Commencement	Completion Date
Acquisition of WTG Land & Permit	Already Commenced	Q4 of FY 2016
Civil Construction	Already Commenced	Q4 of FY 2016
Electrical Work & Utilities	Already Commenced	Q4 of FY 2016
Placement of orders for WTG	Completed	Completed
Arrival of WTG	Completed	Completed
Erection & Installation of WTG	Q3 of FY 2016	Q4 of FY 2016
Generation of Energy	Q4 of FY 2016	Q4 of FY 2016*

* Depending on regulatory permissions, the final commissioning may extend upto Q1 of FY 2017.

Utilization of Net Proceeds and Deployment of Funds

The details of the proposed utilization of the Net Proceeds of the Issue and the deployment of the Net Proceeds of the Issue, as currently estimated by our Company, during FY 2015-16 and the expenditure incurred as of December 31, 2015, is set forth below.

(₹ in lakhs)

Particulars	Amount	Amount Deployed as on December 31, 2015 ⁽¹⁾	
		Owned Funds	Other Sources
Cost of WTG and related particulars	1,000.70	201.09	Nil
Balance of Plant and related works	307.40	190.00	Nil
General Corporate Purposes	76.80	Nil	Nil
Total	1384.90	391.09⁽²⁾	Nil

⁽¹⁾ As certified by Bipinchandra J. Modi & Co., Chartered Accountant, vide their certificate dated January 20, 2016-.

⁽²⁾ The internal accrual as on September 30, 2015 is ₹ 657.70 lakhs. Pending the receipt of IPO Proceeds, certain amounts have been deployed for this project from our internal accruals. Upon receipt of the IPO Proceeds, the above incurred expenses i.e. ₹ 391.09 lakhs and any further expenses incurred till the receipt of IPO funds shall be recouped from the IPO Proceeds.

The Net Proceeds raised from the Issue shall be deployed within FY 2015-16 itself.

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 Listing Regulations, 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 Listing Regulations, 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.

Working Capital Requirement

No Working Capital is being raised through this Issue. We expect to meet our working capital requirements in the future through internal accruals, drawdown from our existing debt facilities or availing new lines of credit.

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 Fresh 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 vernacular language of the jurisdiction where our Registered Office is situated. The Shareholders who do not agree to the above stated proposal, our Promoters 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 second-hand equipment is proposed to be purchased out of the Net Proceeds. The Promoters, Directors, Key Managerial Personnel, Senior Management Personnel and the Group Companies do not have any existing or anticipated interest in the proposed acquisition of the equipments and items or in the entity from whom we have obtained quotations for the same. No part of the Net Proceeds will be paid by our Company as consideration to our Promoters, 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 ISSUE

Terms of the Issue

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

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

Authority for the Issue

The present Issue has been authorized pursuant to a resolution of our Board dated May 20, 2015 and by Special Resolution dated June 17, 2015, passed under Section 62(1)(C) of the Companies Act, 2013 at an Extra-Ordinary General Meeting of our shareholders.

Other Details

Face Value	The Equity Shares having a face value of ₹ 10/- each are being offered in terms of this Prospectus. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.
Issue Price	The Equity Shares pursuant to this Prospectus are being offered at a price of ₹ 70/- each.
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 bidders.
Terms of Payment	Bid should be for a minimum of 2,000 Equity Shares and in multiples of 2,000 Equity Shares thereafter. The entire price of the equity shares of ₹ 70/- per share is payable at the time of Bidding. In case of allotment of lesser number of equity shares than the number applied, the excess amount paid at the time of Bidding shall be refunded / unblocked.
Ranking of the Equity Shares	The Equity Shares shall be subject to the Memorandum and Articles of Association of the Company and shall rank pari-passu in all respects including dividends with the existing Equity Shares of the Company. The allottees will be entitled to dividend, voting rights or any other corporate benefits, if any, declared by us after the date of Allotment.

Minimum Subscription

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. As per section 39 of the Companies Act, 2013, if the “stated minimum amount” has not been subscribed and the sum payable on Bid is not received within a period of 30 days from the date of Issue of Prospectus, the application money has to be returned within such period as may be prescribed.

If the issuer does not receive the subscription of 100% of the Issue through this offer document including devolvement of Underwriters within sixty days from the date of closure of the issue, the Issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after the issuer becomes liable to pay the amount, the issuer shall pay interest prescribed under section 40 of the Companies Act, 2013.

BASIS FOR ISSUE PRICE

The Issue Price is determined by our Company in consultation with the Book Running Lead Manager on the basis of the assessment of market demand for the offered Equity Shares by the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹10 and Issue Price is 7.0 times of the face value. For further details please refer the Chapter titled “Risk Factors” and “Financial Information” and the chapter titled “Business Overview” beginning on pages 11, 141 and 91 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:

- ✓ Unique model and value proposition.
- ✓ Project management expertise and established track record of project execution.
- ✓ Experienced Management team.
- ✓ Existing Land Bank of proven Wind Energy.
- ✓ Existing Order Book.
- ✓ Existing synergies within the KP Group.

For further details regarding some of the qualitative factors, which form the basis for computing the Issue Price, please see “Business Overview – Our Strengths” on page 92 of this Prospectus.

Quantitative Factors

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

1) Earnings per Share (EPS)

Year ended March 31	Basic & Diluted EPS (in ₹) ⁽¹⁾	Weight
2015	23.17	3
2014	2.39	2
2013	23.91	1
Weighted Average	16.37	
For September 30, 2015 (Standalone)	4.99⁽¹⁾	
For September 30, 2015 (Consolidated)	4.99⁽¹⁾	

⁽¹⁾Not Annualised.

Notes:

- a) As there is no dilutive capital in the Company. Basic and Diluted EPS are same.
- b) EPS has been calculated as per the following formula: Net Profit after excluding Extra-ordinary items / Weighted Average No. of outstanding shares.
- c) EPS 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 (P/E) in relation to the Issue price of ₹ 70/- per share of ₹ 10 each

Particulars	P/E Ratios
P/E ratio based on EPS as at March 31, 2015 at the lower end of the price band	2.59
P/E ratio based on EPS as at March 31, 2015 at the upper end of the price band	3.02
P/E ratio based on Weighted Average EPS at the lower end of the price band	3.67
P/E ratio based on Weighted Average EPS at the upper end of the price band	4.28
Industry P/E*	
Highest – Tata Power Co.	19.3

Lowest – SJVN	7.7
Average	11.1

* Source: Capital Market, Jan 04-17, 2016 (Category “Power Generation and Supply”)

3) Return on Net worth (RoNW)

Year ended March 31	RoNW (%)	Weight
2015	59.73%	3
2014	29.99%	2
2013	9.76%	1
Weighted Average	41.49%	
For September 30, 2015 (Stand alone)	20.22%	
For September 30, 2015 (Consolidated)	20.27%	

Note: Return on Net worth is being calculated by using the formula: Profit After Tax / (Equity Share Capital + Reserves and Surplus – Preliminary Expenses not written off).

- 4) Minimum Return on Net Worth (RoNW) after Issue needed to maintain the Pre-Issue Basic & diluted EPS for the FY 2014-15 (based on Restated Standalone Financials) at the Issue Price of ₹ 70/- is 62.81%.

5) Net Asset Value (NAV)

Financial Year	NAV (in ₹)
NAV as at March 31, 2015	49.27
NAV as on September 30, 2015 (Standalone)	24.70
NAV as on September 30, 2015 (Consolidated)	24.63
NAV after Issue (Standalone)	36.89
NAV after Issue (Consolidated)	36.84
Issue Price	70.00

Notes:

- a) Net Asset Value is being calculated by using the formula: Net worth (excluding share application money) / No. of Equity Shares outstanding.
- b) The company has issued 15,00,000 bonus shares by capitalising reserve and hence if adjusted for bonus, the NAV as at March 31, 2015 shall be ₹ 19.71.

6) Comparison with Industry peers

Particulars	FY 2014 – 2015				
	Face Value (₹)	Basis EPS (₹)	RoNW (%)	NAV (₹)	P/E ^(c)
K.P Energy Ltd ^(a)	10.00	23.20	59.73%	49.27	3.02
Peer Group^(b)					
Veer Energy Infrastructure Ltd	1.00	0.26	4.14%	6.27	12.32
Orient Green Power Company Ltd	10.00	(4.20)	(26.89%)	15.62	NA
Indowind Energy Ltd	10.00	0.02	0.13%	19.01	173.88

Notes:

- a) Based on the Restated Financial for the year ended March 31, 2015.
- b) Standalone financial information of the Peer Group Companies are taken from Audited Financial / Annual Report of the respective Companies taken from the BSE websites.
- c) Closing price of the stock as on March 31, 2015 or the preceding day when the stock was traded has been taken for calculation of P/E ratio of Peer Group Companies.

-
- 7) The Company in consultation with the Book Running Lead Manager believes that the issue price of ₹ 70/- 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.
 - 8) The Face Value of the Equity Shares is ₹ 10 per share and the Issue Price is 7.0 times of the face value i.e. ₹ 70/- per share.

STATEMENT OF TAX BENEFITS

To,
The Board of Directors,
K.P. Energy Limited
Surat, Gujarat

Dear Sirs,

Subject: Statement of Possible Tax Benefits

We hereby confirm that the enclosed annexure states the possible tax benefits available to K P Energy Limited ('the Company') and the shareholders of the Company under the Income – tax Act, 1961 ('Act') and the Gift Tax Act, 1958, presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the company may or may not choose to fulfil.

With regard to Proposed Direct Tax Code ('DTC'), the Finance Minister in his speech at the time of presenting Finance Bill, 2015 has said that as most of the provisions of DTC have been incorporated under the existing Income Tax Act and hence there is no merit in the introduction of DTC.

The benefits discussed in the enclosed statement are not exhaustive and the preparation of the contents stated is the responsibility of the Company's management. We are informed that this statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. A shareholder is advised to consult his/ her/ their own tax consultant with respect to the tax implications arising out of their participation in the proposed Issue.

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

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

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

This report is intended solely for your information and for the inclusion in the offer documents in connection with the proposed initial public issue of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For **Bipinchandra J. Modi & Co.**
Chartered Accountants
Firm Registration No. 101521W

Bipinchandra J. Modi
Partner
Membership No. 31687

Place: Surat
Date: January 07, 2016

ANNEXURE TO THE STATEMENT OF TAX BENEFITS

The information provided below sets out the possible tax benefits available to the Company and the Equity Shareholders in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of equity shares, under the current tax laws presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

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

A. SPECIAL TAX BENEFITS TO THE COMPANY

NIL

B. GENERAL TAX BENEFITS

1. Benefits to the Company under the Act

(i) *Business income*

The Company is entitled to claim depreciation on specified tangible and intangible assets owned by it and used for the purpose of its business as per provisions of Section 32 of the Act. Business losses, if any, for an assessment year can be carried forward and set off against business profits for 8 subsequent years. Unabsorbed depreciation, if any, for an assessment year can be carried forward and set off against any source of income in subsequent years as per provisions of Section 32 of the Act.

(ii) *MAT credit*

As per provisions of Section 115JAA of the Act, the Company is eligible to claim credit for Minimum Alternate Tax ('MAT') paid for any assessment year commencing on or after April 1, 2006 against normal income-tax payable in subsequent assessment years. MAT credit shall be allowed to be carried forward for any assessment year to the extent of difference between the tax paid under Section 115JB and the tax payable as per the normal provisions of the Act for that assessment year. Such MAT credit is available for set-off up to 10 years succeeding the assessment year in which the MAT credit arises.

(iii) *Capital gains*

(a) Computation of capital gains

Capital assets are to be categorized into short - term capital assets and long – term capital assets based on the period of holding. All capital assets, being shares held in a company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under section 10(23D) of the Act or a zero coupon bond, held by an assessee for more than twelve months are considered to be long – term capital assets, capital gains arising from the transfer of which are termed as long – term capital gains ('LT CG'). In respect of any other capital assets, the holding period should exceed thirty – six months to be considered as long – term capital assets.

Short Term Capital Gains ('STCG') means capital gains arising from the transfer of capital asset being a share held in a company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under clause (23D) of Section 10 or a zero coupon bonds, held by an assessee for twelve months or less.

In respect of any other capital assets, STCG means capital gains arising from the transfer of an asset, held by an assessee for thirty six months or less.

LT CG arising on transfer of equity shares of a company or units of an equity oriented fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D) is exempt from tax as per

provisions of Section 10(38) of the Act, provided the transaction is chargeable to securities transaction tax (STT) and subject to conditions specified in that section.

Income by way of LTCG exempt under Section 10(38) of the Act is to be taken into account while determining book profits in accordance with provisions of Section 115JB of the Act.

As per provisions of Section 48 of the Act, LTCG arising on transfer of capital assets, other than bonds and debentures (excluding capital indexed bonds issued by the Government) and depreciable assets, is computed by deducting the indexed cost of acquisition and indexed cost of improvement from the full value of consideration.

As per provisions of Section 112 of the Act, LTCG not exempt under Section 10 (38) of the Act are subject to tax at the rate of 20% with indexation benefits. However, if such tax payable on transfer of listed securities or units or zero coupon bonds exceed 10% of the LTCG (without indexation benefit), the excess tax shall be ignored for the purpose of computing the tax payable by the assessee. No deduction under Chapter VIA is allowed from such income.

As per provisions of Section 111A of the Act, STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)), are subject to tax at the rate of 15% provided the transaction is chargeable to STT. No deduction under Chapter VIA is allowed from such income.

STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D), where such transaction is not chargeable to STT is taxable at the rate of 30%.

The tax rates mentioned above stands increased by surcharge, payable at the rate of 5% where the taxable income of a domestic company exceeds ₹ 1,00,00,000 and at the rate of 10% where the taxable income of a domestic company exceeds ₹ 10,00,00,000. Further, education cess and secondary and higher education cess is payable at the rate of 2% and 1% respectively on the tax rate and surcharge thereon.

As per Section 50 of the Act, where a capital asset is forming part of a block of assets in respect of which depreciation has been allowed under the Act, capital gains shall be computed in the following manner:

- Where full value of consideration on account of transfer of any asset forming part of block of asset, as reduced by expenditure incurred wholly or exclusively in connection with transfer, exceeds the written down value of block of assets and actual cost of assets acquired during the year, such excess shall be deemed to be short term capital gains and taxed accordingly.
- Where any block of assets ceases to exist, for the reason that all the assets in that block are transferred, the difference between the consideration arising on result of transfer and the written down value of block of assets and the actual cost of assets acquired during the year, shall be deemed to be short term capital gains/ (losses) and taxed accordingly.

As per provisions of Section 71 read with Section 74 of the Act, short term capital loss arising during a year is allowed to be set-off against short term as well as long term capital gains. Balance loss, if any, shall be carried forward and set-off against any capital gains arising during subsequent 8 assessment years.

As per provisions of Section 71 read with Section 74 of the Act, long term capital loss arising during a year is allowed to be set-off only against long term capital gains. Balance loss, if any, shall be carried forward and set-off against long term capital gains arising during subsequent 8 assessment years.

(b) Exemption of capital gains from income – tax

Under Section 54EC of the Act, capital gain arising from transfer of long term capital assets [other than those exempt u/s 10(38)] shall be exempt from tax, subject to the conditions and to the extent specified therein, if the capital gain are invested within a period of six months from the date of transfer in the bonds redeemable after three years and issued by –

- National Highway Authority of India (NHAI) constituted under Section 3 of National Highway Authority of India Act, 1988; and

- Rural Electrification Corporation Limited (REC), a company formed and registered under the Companies Act, 1956.

Where a part of the capital gains is reinvested, the exemption is available on a proportionate basis. The maximum investment in the specified long term asset cannot exceed ₹ 50,00,000 per assessee during any financial year.

Where the new bonds are transferred or converted into money within three years from the date of their acquisition, the amount so exempted shall be taxable as capital gains in the year of transfer / conversion.

The characterization of the gain /losses, arising from sale / transfer of shares /units as business income or capital gains would depend on the nature of holding and various other factors.

(iv) *Securities Transaction Tax ('STT')*

As per provisions of Section 36(1)(xv) of the Act, STT paid in respect of the taxable securities transactions entered into in the course of the business is allowed as a deduction if the income arising from such taxable securities transactions is included in the income computed under the head 'Profit and gains of business or profession'. Where such deduction is claimed, no further deduction in respect of the said amount is allowed while determining the income chargeable to tax as capital gains.

(v) *Dividends*

As per provisions of Section 10(35) of the Act, income received in respect of units of a mutual fund specified under Section 10(23D) of the Act (other than income arising from transfer of such units) is exempt from tax.

(vi) *Other Provisions*

As per provisions of Section 80G of the Act, the Company is entitled to claim deduction of a specified amount in respect of eligible donations, subject to the fulfilment of the conditions specified in that section.

- (vii) As per provisions of Section 14A of the Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.

- (viii) Preliminary Expenses under Section 35 D of the Act, the Company will be entitled to deduction equal to 1/5th of the Preliminary Expenditure if the expenditures incurred are in the nature specified in the said section.

2. Benefits to the Resident members / shareholders of the Company under the Act

(i) *Dividends exempt under section 10(34) of the Act*

As per provisions of Section 10(34) of the Act, dividend (both interim and final), if any, received by the resident members / shareholders from a Domestic Company is exempt from tax. The Domestic Company will be liable to pay dividend distribution tax at the rate of 15% plus a surcharge of 10% on the dividend distribution tax and education cess and secondary and higher education cess of 2% and 1% respectively on the amount of dividend distribution tax and surcharge thereon on the total amount distributed as dividend.

(ii) *Capital gains*

(a) *Computation of capital gains*

Capital assets are to be categorized into short - term capital assets and long – term capital assets based on the period of holding. All capital assets, being shares held in a company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under section 10(23D) of the Act or a zero coupon bond, held by an assessee for more than twelve months are considered to be long – term capital assets, capital gains arising from the transfer of which are termed as LTCG. In respect of any other capital assets, the holding period should exceed thirty – six months to be considered as long – term capital assets.

STCG means capital gains arising from the transfer of capital asset being a share held in a company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under clause (23D) of Section 10 or a zero coupon bonds, held by an assessee for twelve months or less.

In respect of any other capital assets, STCG means capital gain arising from the transfer of an asset, held by an assessee for thirty six months or less.

LTCG arising on transfer of equity shares of a company or units of an equity oriented fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D) is exempt from tax as per provisions of Section 10(38) of the Act, provided the transaction is chargeable to STT and subject to conditions specified in that section.

As per provisions of Section 48 of the Act, LTCG arising on transfer of capital assets, other than bonds and debentures (excluding capital indexed bonds issued by the Government) and depreciable assets, is computed by deducting the indexed cost of acquisition and indexed cost of improvement from the full value of consideration.

As per provisions of Section 112 of the Act, LTCG not exempt under Section 10(38) of the Act are subject to tax at the rate of 20% with indexation benefits. However, if such tax payable on transfer of listed securities or units or zero coupon bonds exceed 10% of the LTCG (without indexation benefit), the excess tax shall be ignored for the purpose of computing the tax payable by the assessee. No deduction under Chapter VIA is allowed from such income.

As per provisions of Section 111A of the Act, STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)), are subject to tax at the rate of 15% provided the transaction is chargeable to STT. No deduction under Chapter VIA is allowed from such income.

STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D), where such transaction is not chargeable to STT is taxable at the rate of 30% in case of domestic company and at normal slab rates in case of other assesseees.

As per section 115QA any income arising to shareholders on account of buy-back of shares as referred to in Section 115QA of the Act (buy-back of shares by unlisted companies) shall be exempt in the hands of the shareholders.

In the case of domestic companies, the tax rates mentioned above stands increased by surcharge, payable at the rate of 5% where the taxable income of a domestic company exceeds ₹ 1,00,00,000 and at the rate of 10% where the taxable income of a domestic company exceeds ₹ 10,00,00,000. Further, education cess and secondary and higher education cess is payable at the rate of 2% and 1% respectively on the tax rate and surcharge thereon.

Surcharge shall be payable at the rate of 10% where the taxable income of a taxpayer other than a domestic company exceeds ₹ 1,00,00,000. Further, education cess and secondary and higher education cess is payable at the rate of 2% and 1% respectively on the tax rate and surcharge thereon.

As per provisions of Section 71 read with Section 74 of the Act, short term capital loss arising during a year is allowed to be set-off against short term as well as long term capital gains. Balance loss, if any, shall be carried forward and set-off against any capital gains arising during subsequent 8 assessment years.

As per provisions of Section 71 read with Section 74 of the Act, long term capital loss arising during a year is allowed to be set-off only against long term capital gains. Balance loss, if any, shall be carried forward and set-off against long term capital gains arising during subsequent 8 assessment years.

(b) Exemption of capital gains arising from income – tax

As per Section 54EC of the Act, capital gains arising from the transfer of a long term capital asset are exempt from capital gains tax if such capital gains are invested within a period of 6 months after the date of such transfer in specified bonds issued by NHAI and REC and subject to the conditions specified therein:

- Where a part of the capital gains is reinvested, the exemption is available on a proportionate basis. The maximum investment in the specified long term asset cannot exceed ₹ 50,00,000 per assessee during any financial year.
- Where the new bonds are transferred or converted into money within three years from the date of their acquisition, the amount so exempted is taxable as capital gains in the year of transfer / conversion.

In addition to the same, some benefits are also available to a resident shareholder being an individual or Hindu Undivided Family ('HUF').

- As per provisions of Section 54F of the Act, LTCG arising from transfer of shares is exempt from tax if the net consideration from such transfer is utilized within a period of one year before, or two years after the date of transfer, for purchase of a new residential house, or for construction of residential house within three years from the date of transfer and subject to conditions and to the extent specified therein.
- As per provisions of Section 56(2)(vii) of the Act and subject to exception provided in second proviso therein, where an individual or HUF receives shares and securities without consideration or for a consideration which is less than the aggregate fair market value of the shares and securities by an amount exceeding fifty thousand rupees, the excess of fair market value of such shares and securities over the said consideration is chargeable to tax under the head 'income from other sources'. However, the said section is not applicable in case the shares and securities are received under instances specified under the proviso thereon.

(iii) Other Provisions

As per provisions of Section 14A of the Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.

The characterization of the gain / losses, arising from sale / transfer of shares as business income or capital gains would depend on the nature of holding and various other factors.

3. Benefits to the Non-resident shareholders of the Company under the Act

(i) Dividends exempt under section 10(34) of the Act

As per provisions of Section 10(34), dividend (both interim and final), if any, received by non-resident shareholders from the Company is exempt from tax. The Company will be liable to pay dividend distribution tax at the rate of 15% plus a surcharge of 10% on the dividend distribution tax and education cess and secondary and higher education cess of 2% and 1% respectively on the amount of dividend distribution tax and surcharge thereon on the total amount distributed as dividend.

(ii) Capital gains

(a) Computation of capital gains

Capital assets are to be categorized into short - term capital assets and long – term capital assets based on the period of holding. All capital assets, being shares held in a company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under section 10(23D) of the Act or a zero coupon bond, held by an assessee for more than twelve months are considered to be long – term capital assets, capital gains arising from the transfer of which are termed as LTCG. In respect of any other capital assets, the holding period should exceed thirty – six months to be considered as long – term capital assets.

STCG means capital gain arising from the transfer of capital asset being a share held in a company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under clause (23D) of Section 10 or a zero coupon bonds, held by an assessee for twelve months or less.

In respect of any other capital assets, STCG means capital gain arising from the transfer of an asset, held by an assessee for thirty six months or less.

LTCG arising on transfer of equity shares of a company or units of an equity oriented fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D) is exempt from tax as per provisions of Section 10(38) of the Act, provided the transaction is chargeable to STT and subject to conditions specified in that section.

As per provisions of Section 112 of the Act, LTCG arising on transfer of listed securities not exempt under Section 10(38) of the Act are subject to tax at the rate of 20% with indexation benefits. The indexation benefits are however not available in case the shares are acquired in foreign currency. In such a case, the capital gains shall be computed in the manner prescribed under the first proviso to Section 48. As per first proviso to Section

48 of the Act, where the shares have been purchased in foreign currency by a non-resident, the capital gains arising on its transfer need to be computed by converting the cost of acquisition, expenditure incurred in connection with such transfer and full value of the consideration received or accruing as a result of the transfer, into the same foreign currency in which the shares were originally purchased. The resultant gains thereafter need to be reconverted into Indian currency. The conversion needs to be at the prescribed rates prevailing on dates stipulated. If the tax payable on transfer of listed securities exceeds 10% of the LTCG, the excess tax shall be ignored for the purpose of computing tax payable by the assessee.

Further, LTCG arising from transfer of unlisted securities (other than by way of offer for sale under an initial public issue) is chargeable to tax at 10% without indexation and foreign exchange fluctuation benefits. No deduction under Chapter VIA is allowed from such income.

As per provisions of Section 111A of the Act, STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)), are subject to tax at the rate of 15% provided the transaction is chargeable to STT. No deduction under Chapter VIA is allowed from such income.

STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)), where such transaction is not chargeable to STT is taxable at the normal rates of taxation as applicable to the taxpayer.

As per section 115QA any income arising to shareholders on account of buy-back of shares as referred to in Section 115QA of the Act (buy-back of shares by unlisted companies) shall be exempt in the hands of the shareholders.

The tax rates mentioned above stands increased by surcharge. The levy of surcharge is as follows:

- In case of a foreign company whose total income exceeds ₹. 1,00,00,000, the rate of surcharge of 2% will be applicable and in case total income exceeds ₹. 10,00,00,000 surcharge rate of 5% will be applicable.
- In case of other non-residents, whose income exceeds ₹ 1,00,00,000 surcharge of 10% will be applicable.

Further, education cess and secondary and higher education cess is payable at the rate of 2% and 1% respectively by all categories of taxpayers on the tax rate and surcharge thereon.

As per provisions of Section 71 read with Section 74 of the Act, short term capital loss arising during a year is allowed to be set-off against short term as well as long term capital gains. Balance loss, if any, shall be carried forward and set-off against any capital gains arising during subsequent 8 assessment years.

As per provisions of Section 71 read with Section 74 of the Act, long term capital loss arising during a year is allowed to be set-off only against long term capital gains. Balance loss, if any, shall be carried forward and set-off against long term capital gains arising during subsequent 8 assessment years.

(b) Exemption of capital gains arising from income – tax

As per Section 54EC of the Act, capital gains arising from the transfer of a long term capital asset are exempt from capital gains tax if such capital gains are invested within a period of 6 months after the date of such transfer in specified bonds issued by NHAI and REC and subject to the conditions specified therein:

- Where a part of the capital gains is reinvested, the exemption is available on a proportionate basis. The maximum investment in the specified long term asset cannot exceed ₹. 50,00,000 per assessee during any financial year.
- Where the new bonds are transferred or converted into money within three years from the date of their acquisition, the amount so exempted is taxable as capital gains in the year of transfer / conversion.

As per provisions of Section 14A of the Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.

The characterization of the gain / losses, arising from sale / transfer of shares as business income or capital gains would depend on the nature of holding and various other factors.

In addition to the same, some benefits are also available to a non- resident shareholder being an individual or HUF.

- As per provisions of Section 54F of the Act, LTCG arising from transfer of shares is exempt from tax if the net consideration from such transfer is utilized within a period of one year before, or two years after the date of transfer, for purchase of a new residential house, or for construction of residential house within three years from the date of transfer and subject to conditions and to the extent specified therein.
- As per provisions of Section 56(2)(vii) of the Act and subject to exception provided in second proviso therein, where an individual or HUF receives shares and securities without consideration or for a consideration which is less than the aggregate fair market value of the shares and securities by an amount exceeding fifty thousand rupees, the excess of fair market value of such shares and securities over the said consideration is chargeable to tax under the head ‘income from other sources’. However, the said section is not applicable in case the shares and securities are received under instances specified under the proviso thereon.

(iii) *Tax Treaty benefits*

As per provisions of Section 90(2) of the Act, non-resident shareholders can opt to be taxed in India as per the provisions of the Act or the double taxation avoidance agreement entered into by the Government of India with the country of residence of the non-resident shareholder, whichever is more beneficial. It needs to be noted that a non-resident is required to hold a valid tax residency certificate containing the particulars prescribed under Notification No S.O.2188(E) dated 17 September 2012 issued by the Central Board of Direct Taxes in order to claim benefits under the applicable tax treaty.

(iv) *Taxation of Non-resident Indians*

Special provisions in case of Non-Resident Indian (‘NRI’) in respect of income / LTCG from specified foreign exchange assets under Chapter XII-A of the Act are as follows:

- (a) NRI means a citizen of India or a person of Indian origin who is not a resident. A person is deemed to be of Indian origin if he, or either of his parents or any of his grandparents, were born in undivided India.
- (b) Specified foreign exchange assets include shares of an Indian company which are acquired / purchased / subscribed by NRI in convertible foreign exchange.
- (c) As per provisions of Section 115E of the Act, LTCG arising to a NRI from transfer of specified foreign exchange assets is taxable at the rate of 10%. The surcharge of 10% would be leviable in case income of the NRI exceeds ₹ 1,00,00,000. Further, education cess and secondary and higher education cess is payable at the rate of 2% and 1% respectively on the tax rate and surcharge thereon.
- (d) As per provisions of Section 115E of the Act, income (other than dividend which is exempt under Section 10(34)) from investments and LTCG (other than gain exempt under Section 10(38)) from assets (other than specified foreign exchange assets) arising to a NRI is taxable at the rate of 20%. No deduction is allowed from such income in respect of any expenditure or allowance or deductions under Chapter VI-A of the Act. The surcharge of 10% would be leviable in case income of the NRI exceeds ₹ 1,00,00,000. Further, education cess and secondary and higher education cess is payable at the rate of 2% and 1% respectively on the tax rate and surcharge thereon.
- (e) As per provisions of Section 115F of the Act, LTCG arising to a NRI on transfer of a foreign exchange asset is exempt from tax if the net consideration from such transfer is invested in the specified assets or savings certificates within six months from the date of such transfer, subject to the extent and conditions specified in that section.
- (f) As per provisions of Section 115G of the Act, where the total income of a NRI consists only of income / LTCG from such foreign exchange asset / specified asset and tax thereon has been deducted at source in accordance with the Act, the NRI is not required to file a return of income.
- (g) As per provisions of Section 115H of the Act, where a person who is a NRI in any previous year, becomes assessable as a resident in India in respect of the total income of any subsequent year, he / she may furnish a declaration in writing to the assessing officer, along with his / her return of income under Section 139 of the Act for the assessment year in which he / she is first assessable as a resident, to the effect that the provisions of the

Chapter XII-A shall continue to apply to him / her in relation to investment income derived from the specified assets for that year and subsequent years until such assets are transferred or converted into money.

- (h) As per provisions of Section 115I of the Act, a NRI can opt not to be governed by the provisions of Chapter XII-A for any assessment year by furnishing return of income for that assessment year under Section 139 of the Act, declaring therein that the provisions of the chapter shall not apply for that assessment year. In such a situation, the other provisions of the Act shall be applicable while determining the taxable income and tax liability arising thereon.
- (i) As per Section 115QA any income arising to shareholders on account of buy-back of shares as referred to in of the Act (buy-back of shares by unlisted companies) shall be exempt in the hands of the shareholders.

4. Benefits available to Foreign Institutional Investors ('FIIs') under the Act

(i) Dividends exempt under section 10(34) of the Act

As per provisions of Section 10(34) of the Act, dividend (both interim and final), if any, received by a shareholder from a domestic Company is exempt from tax. The domestic Company will be liable to pay dividend distribution tax at the rate of 15% plus a surcharge of 10% on the dividend distribution tax and education cess and secondary and higher education cess of 2% and 1% respectively on the amount of dividend distribution tax and surcharge thereon on the total amount distributed as dividend.

(ii) Long – term capital gains exempt under section 10(38) of the Act

LTCG arising on sale equity shares of a company subjected to STT is exempt from tax as per provisions of Section 10(38) of the I.T. Act.

As per provisions of Section 14A of the Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.

(iii) Capital gains

As per provisions of Section 115AD of the Act, income (other than income by way of dividends referred to Section 115-O) received in respect of securities (other than units referred to in Section 115AB) is taxable at the rate of 20%. No deduction is allowed from such income in respect of any expenditure or allowance or deductions under Chapter VI-A of the Act.

As per provisions of Section 115AD of the Act, capital gains arising from transfer of securities are taxable as follows:

For corporate FIIs, the tax rates mentioned above stands increased by surcharge at the rate of 2% if the total income exceeds ₹ 1,00,00,000 and 5% in case total income exceeds ₹ 10,00,00,000.

For non-corporate FIIs, the tax rates mentioned above stands increased by surcharge at the rate of 10% if the total income exceeds ₹ 1,00,00,000.

Further, education cess and secondary and higher education cess is payable at the rate of 2% and 1% respectively by all categories of FIIs on the tax rate and surcharge thereon.

The benefit of exemption under Section 54EC of the Act mentioned above in case of the Company is also available to FIIs.

As per Section 115QA any income arising to shareholders on account of buy-back of shares as referred to in Section 115QA of the Act (buy-back of shares by unlisted companies) shall be exempt in the hands of the shareholders.

(iv) Securities Transaction Tax

As per provisions of section 36(1)(xv) of the Act, STT paid in respect of the taxable securities transactions entered into in the course of the business is allowed as a deduction if the income arising from such taxable securities transactions is included in the income computed under the head 'Profit and gains of business or

profession'. Where such deduction is claimed, no further deduction in respect of the said amount is allowed while determining the income chargeable to tax as capital gains.

(v) *Tax Treaty benefits*

As per provisions of Section 90(2) of the Act, FIIs can opt to be taxed in India as per the provisions of the Act or the double taxation avoidance agreement entered into by the Government of India with the country of residence of the FII, whichever is more beneficial. It needs to be noted that a non-resident is required to hold a valid tax residency certificate containing the particulars prescribed under Notification No S.O.2188(E) dated 17 September 2012 issued by the Central Board of Direct Taxes in order to claim benefits under the applicable tax treaty.

The characterization of the gain / losses, arising from sale / transfer of shares as business income or capital gains would depend on the nature of holding and various other factors.

5. Benefits available to Mutual Funds under the Act

(i) *Dividend income*

Dividend income, if any, received by the shareholders from the investment of mutual funds in shares of a domestic Company will be exempt from tax under section 10(34) read with section 115O of the Act.

(ii) As per provisions of Section 10(23D) of the Act, any income of mutual funds registered under the Securities and Exchange Board of India, Act, 1992 or Regulations made there under, mutual funds set up by public sector banks or public financial institutions and mutual funds authorized by the Reserve Bank of India, is exempt from income-tax, subject to the prescribed conditions.

6. Venture Capital Companies/Funds

In terms of Section 10 (23FB) of the Income Tax Act, 1961, all Venture Capital Companies / Funds registered with Securities and Exchange Board of India subject to the conditions specified, are eligible for exemption from income tax on all their income, including income from dividend.

7. Gift Tax Act, 1958

Gift tax is not leviable in respect of any gifts made on or after October 1, 1998.

Notes:

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. In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the relevant DTAA, if any, between India and the Country in which the non-resident has fiscal domicile.
4. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

SECTION 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 global economic activity appears to be stabilizing, but with markedly divergent growth between advanced and emerging economies, and between commodity exporters and importers. Monetary policy stances across countries have been easing and market expectations on the timing of the US monetary policy normalization have been pushed back. In response, there have been large movements in exchange rates and other asset prices. Reflecting risk appetite and search for long-term yields have fallen to record lows amidst heightened volatility in financial markets. Even though financial conditions are easy and are being reflected in financial asset prices, the outlook for global growth remains moderate, held back by still-weak demand.

The table below shows the real GDP growth (Y-o-Y, Per cent) –

Period	Q1-2014	Q2-2014	Q3-2014	Q4-2014	2015P
Advanced Economies					
United States	1.9	2.6	2.7	2.4	3.6
Euro area	1.1	0.8	0.8	0.9	1.2
Japan	2.1	-0.4	-1.4	-0.7	0.6
United Kingdom	2.7	2.9	2.8	3.0	2.7
Canada	2.1	2.6	2.7	2.6	2.3
Emerging Market Economies					
China	7.4	7.5	7.3	7.3	6.8
Russia*	0.6	0.7	0.9	0.4	-3.0
Brazil*	2.7	-1.2	-0.6	-0.2	0.3
Mexico	0.9	2.8	2.2	2.6	3.2
South Africa	2.1	1.3	1.5	1.3	2.1
<i>Memo Items:</i>	2014				2015P
World Output	3.3				3.5
World Trade Volume	3.1				3.8

P: Projection,

*not seasonally adjusted

Sources: OECD, IMF and Bloomberg.

The United States growth has been firming up, aided by improving labour and housing market conditions. The sharp appreciation in the US dollar in recent months could, however, dampen prospects for exports. The Euro area, economic conditions remain weak although some pick-up in Q4 of 2014 and the early months of 2015 is being observed, supported by lower crude prices and the depreciation in the euro as well as increased bank lending. In China, activity has slowed over the second half of 2014 and Q1 of 2015 as investment demand lost pace and the real estate sector weakened on de-leveraging and financial repair among households and corporations. The Russian economy slowed sharply due to falling oil prices and Western sanctions. Contraction continues in Brazil as high inflation squeezes domestic demand. Falling oil and commodity prices also weighed on growth prospects of countries in the Middle East, Eastern Europe and Latin America.

The pace of global trade continues to be weighed down by both cyclical and structural factors, with world trade volume growing by only 3.1 per cent in 2014 - well below the pre-crisis trend. Even though world trade growth is expected to pick up moderately along with improvement in global output in 2015, risks continue to tilt downwards.

Since August 2014, strong supply positions have led to a drastic fall in world energy prices, with Brent and WTI crude oil prices falling below US\$ 50 per barrel in January 2015. Most non-energy prices have also been on a steady decline. Global food prices continue to slide downward, underpinned by strong production expectations, robust inventories, the strong US dollar and limited demand from major importers like China. Looking ahead, commodity prices will likely remain stable as slack in the global economy persists.

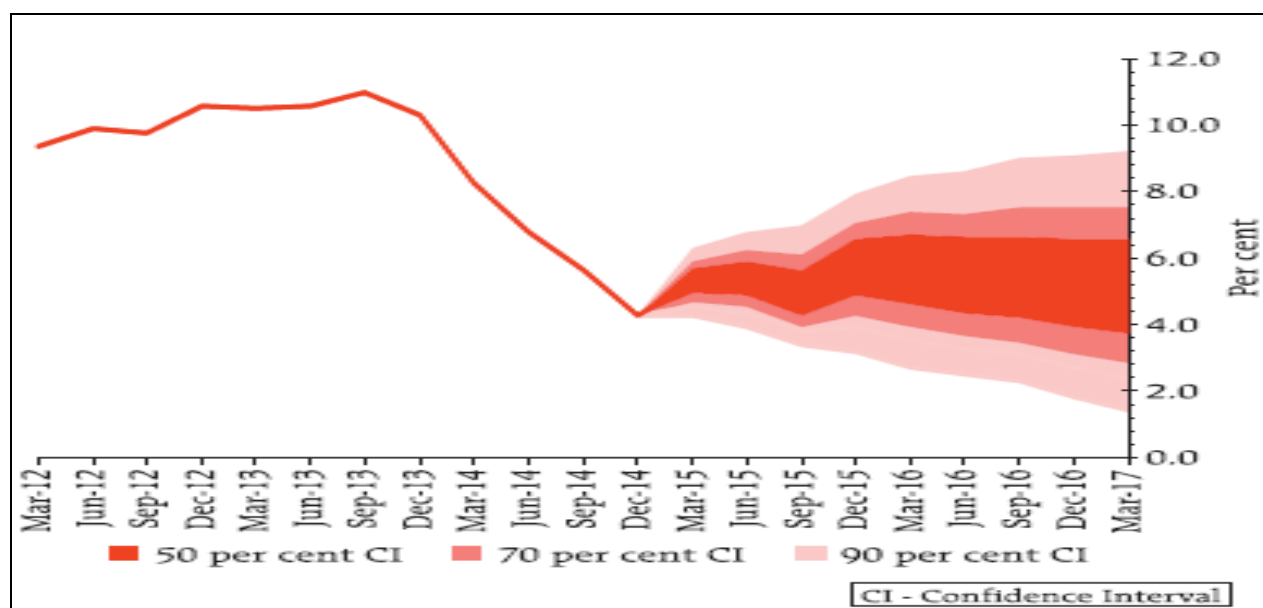
With respect to inflation, the Euro area is struggling to emerge out of a deflationary spiral with CPI inflation of (-) 0.1% in March. In the US and the UK, inflation has been declining since the second half of 2014, with zero inflation in February in both countries. For the UK, low food and fuel prices have been the prime factors for keeping inflation low. In the US, appreciation of the dollar has also had a disinflationary effect. In Japan too, CPI inflation has shrugged off the effects of the hike in the consumption tax in April 2014 and has steadily fallen to 2.2 per cent, primarily driven down by falling commodity prices.

(Source: Monetary Policy Report, issued by RBI on April 01, 2015)

Indian Scenario

Since the first Monetary Policy Report (MPR) of September 2014, tectonic shifts in the global and domestic environment drastically changed the initial conditions that had underpinned staff's outlook at that time. The most significant shock to forecasts has been the collapse of international commodity prices, particularly those of crude. For the Indian economy, this translated into a sizable softening of prices of both raw materials and intermediates. Their pass-through, given the persisting slack in economic activity, weakened pricing power and fed into a faster than anticipated easing of output price pressures.

It is indicated that the CPI inflation will remain below the target of 6 per cent set for January 2016, hovering around 5 per cent in the first half of 2015-16, and a little above 5.5 per cent in the second half, as can be seen in the chart below–



CPI Inflation (year by year projection)

Medium-term projections derived from model estimates assuming an unchanged economic structure, fiscal consolidation in line with the recalibrated path, a normal monsoon and no major exogenous or policy shocks indicate that CPI inflation in 2016-17 could be around 5.0 per cent in Q4 of 2016-17, with risks evenly balanced around it.

Advance estimates of the CSO indicate that the growth of real GDP (market prices) picked up to 7.4 per cent in 2014-15 from 6.9 per cent a year ago. However, the Real Gross Domestic Product (GDP) growth for 2014-15 was projected by the Reserve Bank at 5.5 per cent. The CSO's provisional estimates of GDP (base: 2004-05) tracked staff's projected path well up to Q2 of 2014-15. The new GDP data (rebased to 2011-12) released by the Central Statistics Office (CSO) at the end of January 2015 and on February 9, however, came as a major surprise as it produced significantly higher growth at constant prices.

Driving this quickening of activity, the weighted contribution of private final consumption expenditure is estimated to have risen to 4.1 per cent in 2014-15 from 3.6 per cent in 2013-14. Quarterly data suggest, however, that the growth of private final consumption expenditure slowed down considerably in Q3 of 2014-15; it would need to have grown by around 12 per cent in Q4 to match advance estimates of 7.1 per cent for the full year.

In the money markets, interest rates eased during Q3, barring intermittent spikes around the third week of October due to festival-related pick-up in currency demand, and again in the second half of December on account of advance tax payments and quarter-end balance sheet adjustments.

Pro-active liquidity management under the new operating procedure of monetary policy has played a key role in the seamless transmission of policy impulses through the money markets.

In the foreign exchange market, the predominant driver has been robust capital flows that started from March 2014. The exchange rate of the rupee moved in a narrow range of N61.04 - N62.14 per US\$ but with an upward bias through most of Q3. From December 10, however, the rupee experienced downward pressures, slipping to a recent low of N63.75 on December 30 on a combination of factors – spill over's from the Russian currency crisis.

The forward market also exhibited heightened activity in Q3, with the six-month forward premium declining from 8.16 per cent on October 9 to 7.13 per cent on December 26.

The Union Budget 2015-16 has provided for higher allocations to infrastructure and a substantial increase in the resource transfer to states, keeping in view the two-fold objectives of promoting inclusive growth and strengthening fiscal federalism. This has necessitated a deviation from the fiscal consolidation trajectory in 2015-16 and an extension of the period of convergence to the 3 per cent target for the gross fiscal deficit (GFD) as a proportion to GDP by one year. The budgeted reduction in GFD in 2015-16 reflects the combined impact of a compression in plan revenue expenditure and an increase in non-debt capital receipts.

(Source: Monetary Policy Report, issued by RBI on April 01, 2015)

OVERVIEW OF THE POWER SECTOR

Power or electricity is one of the most critical components of infrastructure affecting economic growth and well-being of nations. The existence and development of adequate infrastructure is essential for sustained growth of the Indian economy.

The Indian power sector is one of the most diversified in the world. Sources for power generation range from conventional ones such as coal, lignite, natural gas, oil, hydro and nuclear power to other viable non-conventional sources such as wind, solar, and agriculture and domestic waste. The demand for electricity in the country has been growing at a rapid rate and is expected to grow further in the years to come. In order to meet the increasing requirement of electricity, massive addition to the installed generating capacity in the country is required.

Market Size

The Indian power sector is undergoing a significant change that is redefining the industry outlook. Sustained economic growth continues to drive power demand in India. The Government of India's focus to attain 'Power For All' has accelerated capacity addition in the country. At the same time, the competitive intensity is increasing on both market side as well as supply side (fuel, logistics, finances and manpower).

The Planning Commission's 12th Plan expects total domestic energy production to reach 669.6 million tonnes of oil equivalent (MTOE) by 2016-17 and 844 MTOE by 2021-22.

By 2030 – 35, energy demand in India is projected to be the highest among all countries according to the 2014 energy outlook report by British oil giant BP.

As of April 2014, total thermal installed capacity stood at 168.4GW (Giga watt), while hydro and renewable energy installed capacity totalled 40.5 GW and 31.7 GW, respectively. At 4.8 GW, nuclear energy capacity remained broadly constant from that in the previous year.

Indian solar installations are forecasted to be approximately 1,000 megawatt (MW) in 2014, according to Mercom Capital Group, a global clean energy communications and consulting firm.

Wind energy market of India is expected to attract about N20,000 cr. (US\$ 3.16 billion) of investments next year, as companies across sectors plan to add 3,000 MW of capacity powered by wind energy.

(Source: Sectoral Report, issued by IBEF, in April, 2015)

Government Initiatives that boost Power sector

The Government of India has identified the power sector as a key sector of focus to promote sustained industrial growth. The “RE-INVEST 2015” which concluded on February 17, 2015, is a significant step in making India self-reliant in energy. The three day RE-INVEST 2015 received 2,800 delegates participating from 42 countries and saw green energy commitments worth 266,000 MW.

Some of the initiatives taken by the Government of India to boost the power sector of India are as follows:

- A Joint Indo-US PACE Setter Fund has been established with a contribution of US\$ 4 million from each side to enhance clean energy cooperation.
- The Government of India has announced a massive renewable power production target of 175,000 MW by 2022, comprising 100,000 MW from solar power, 60,000 MW from wind energy, 10,000 MW from biomass and 5,000 MW from small hydro power projects.
- The Union Cabinet of India has approved 15,000 MW of grid-connected solar power projects of National Thermal Power Corp Ltd (NTPC).
- The Indian Railways has signed a bilateral power procurement agreement with the Damodar Valley Corporation (DVC). The agreement was signed between North Central Railway and DVC. This is the first time the railways will directly buy power from a supplier.
- US federal agencies have committed a total of US\$ 4 billion for projects and equipment sourcing, one of the biggest deals for the growing renewable energy sector in India.
- A memorandum of collaboration (MoC) was signed in New Delhi on January 20, 2015 between the Indian Institutes of Technology (IITs) and Oil & Natural Gas Corporation (ONGC) to work towards a collective research and development (R&D) programme for developing indigenous technologies to enhance exploration and exploitation of hydrocarbons and alternate sources of energy.

(Source: Sectoral Report, issued by IBEF, in April 2015)

Future Outlook

The Indian power sector has an investment potential of Rs 15 trillion (US\$ 237.35 billion) in the next 4-5 years, providing immense opportunities in power generation, distribution, transmission and equipment.

The immediate goal of the government is to produce two trillion units (kilowatt hours) of energy by 2019. This will mean doubling the current production capacity in order to achieve provide 24x7 electricity for residential, industrial, commercial and agriculture use.

Furthermore, the National Solar Mission has been rewritten with a target of 100,000 MW capacities by 2022. The government has also sought to restart stalled hydro power projects and increased the wind energy target from 20 GW to 60 GW by 2022.

(Sectoral Report, issued by IBEF, in April 2015)

OVERVIEW OF THE WIND ENERGY SECTOR

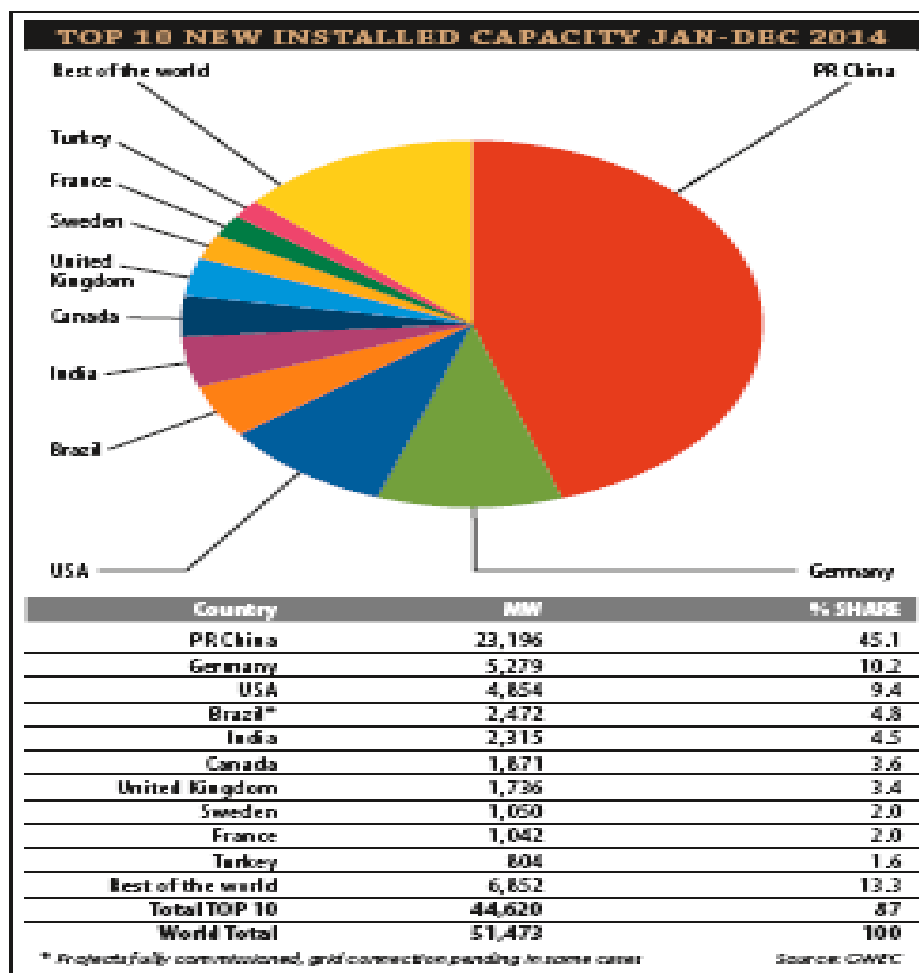
Global Scenario:

The year 2014 was a record year for the wind industry as annual installations crossed the 50GW mark for the first time. More than 51 GW of new wind power capacity was brought on line, a sharp rise in comparison to 2013, when global installations were just over 35.6 GW. The previous record was set in 2012 when over 45 GW of new capacity was installed globally.

In 2014 total investments in the clean energy sector reached a high of USD 310bn (EUR 277bn). The global wind sector saw investments rise 11% to a record USD 99.5bn (EUR 88.9bn) during the year. This was significant growth over 2013 investment of USD 80.3bn (EUR 71.7bn), and USD 80.9bn (EUR 72.3bn) in 2012.

The new global total at the end of 2014 was 369.6 GW, representing cumulative market growth of more than 16%, which is lower than the average growth rate.

Over the last 10 years (2005-2014) of almost 23%. At the end of 2013, the expectations for wind power market growth were uncertain, as continued economic



The above chart shows the market share of the top 10 countries from around the world for the year January- December, 2014.

It is clearly evident from the chart, that China has had the biggest growth in the last year. This growth had made it the world leader. China has had the largest overall market since the year 2009.

For the seventh year in a row, Asia was the world’s largest regional market for wind energy, with capacity additions totalling just over 26 GW. It had a ground breaking year. Majority of the success can be attributed to China.

North America also had an amazing year. They had the maximum number of installations in Canada. About 1,871 MW of new wind capacity came online in Canada in 2014, making it the sixth largest market globally.

During 2014 12,858 MW of wind power was installed across Europe, with the European Union (EU-28) member states accounting for 11,829 MW of the total. The European wind energy industry installed more new capacity than gas and coal combined in 2014. Overall, there is stability in Europe in the short term.

Latin America and the Caribbean had a stellar year. The region saw 3,749 MW of new capacity come online, bringing total installed capacity in the region to 8.5 GW. In totality, Latin America and the Caribbean could be leading the pack in the future.

On the other hand, Africa and the Middle East are still opening up to the prospect and opportunity of wind energy.

AFRICA & MIDDLE EAST		End 2013	New 2014	Total (End 2014)
	Morocco	487	300	787
	South Africa	10	560	570
	Egypt	550	60	610
	Tunisia	245	-	245
	Ethiopia	171	-	171
	Cape Verde	24	-	24
	Other ¹	115	14	129
	Total	1,602	934	2,535
ASIA				
	PR China	91,413	23,196	114,609
	India	20,150	2,315	22,465
	Japan	2,669	130	2,789
	Taiwan	614	18	633
	South Korea	561	47	609
	Thailand	223	-	223
	Pakistan	106	150	256
	Philippines	66	150	216
	Other ²	167	-	167
	Total	115,968	26,007	141,964
EUROPE				
	Germany	34,250	5,279	39,165
	Spain	22,959	28	22,987
	UK	10,711	1,736	12,440
	France	8,243	1,042	9,285
	Italy	8,558	108	8,663
	Sweden	4,382	1,050	5,425
	Portugal*	4,730	184	4,914
	Denmark	4,807	105	4,883
	Poland	3,390	444	3,834
	Turkey	2,958	804	3,763
	Romania	2,600	354	2,954
	Netherlands	2,671	141	2,805
	Ireland	2,049	222	2,272
	Austria	1,684	411	2,095
	Greece	1,866	114	1,980
	Rest of Europe ³	5,715	835	6,543
	Total Europe	121,573	12,858	134,007
	of which EU-28 ⁴	117,384	11,829	128,790
LATIN AMERICA & CARIBBEAN				
	Brazil**	3,466	2,472	5,939
	Chile	331	506	836
	Uruguay	59	405	464
	Argentina	218	53	271
	Costa Rica	148	50	198
	Nicaragua	146	40	186
	Honduras	102	50	152
	Peru	2	146	148
	Caribbean ⁵	250	-	250
	Others ⁶	55	28	83
	Total	4,777	3,749	8,526
NORTH AMERICA				
	USA	61,110	4,854	65,879
	Canada	7,823	1,871	9,694
	Mexico	1,917	634	2,551
	Total	70,850	7,359	78,124
PACIFIC REGION				
	Australia	3,239	567	3,806
	New Zealand	623	-	623
	Pacific Islands	12	-	12
	Total	3,874	567	4,441
	World total	318,644	51,473	369,597

Source: GWEC

The above chart shows the global installed wind power capacity according to various countries for the year 2014.

By the end of last year six countries had more than 10,000 MW of installed capacity including China (114,609 MW), the US (65,879 MW), Germany (39,165 MW), Spain (22,987 MW), India (22,465 MW) and the UK (12,440 MW).

In the year 2014, China crossed the 100,000 MW mark, adding another milestone to its already exceptional history of renewable energy development since 2005. Largely driven by China, Asia overtook Europe as the region with the most deployed wind capacity by the end of 2014. Looking ahead, the picture is complex across various regions. 2015 is likely to be another good year for Asia.

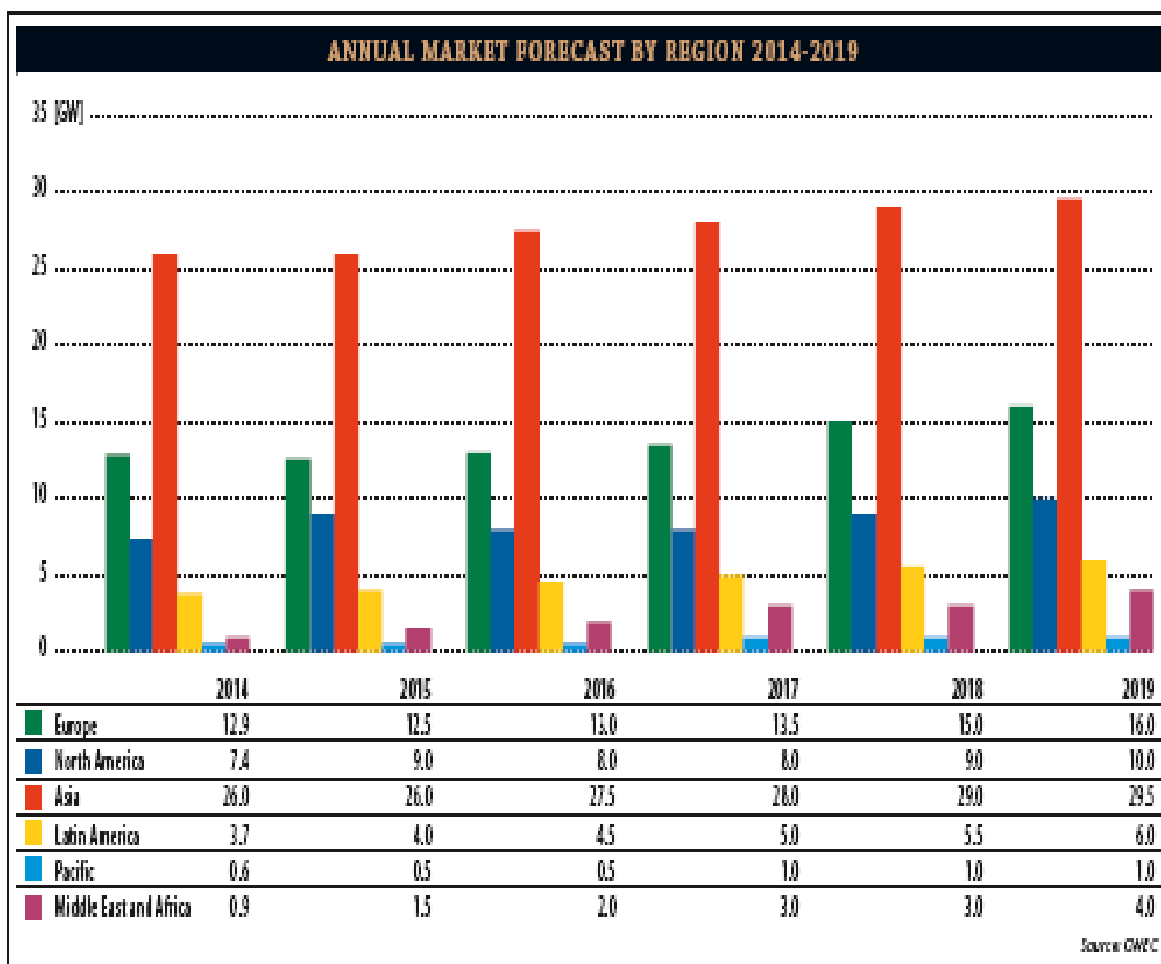
China, the largest overall market for wind since 2009, had another remarkable year, and retained the top spot in 2014. Installations in Asia again led global markets, with Europe reliably in the second spot, and North America a distant third.

Europe's framework legislation and its 2020 targets ensure a degree of stability; the US and Canada are both anticipating strong years; China is expected to continue strong and the emerging markets in Africa and Latin America are expected to continue to grow. It is after 2015 or 2016 that policy uncertainty is likely to cause a downturn in North America, and perhaps elsewhere.

The political and regulatory support for wind across the two large Asian markets is on the rise. The slowdown in Asia in 2012-2013 was a result of a combination of factors, but these conditions were expected to be short-lived. In the next 4-5 years Asian dominance of global wind markets is expected to continue. Brazil, Canada, Mexico and the US are expected to have a strong 2015. More than 934 MW came online in Africa this year. Global installations will be further aided by new projects coming on line in Japan, Australia, Pakistan.

(Source: Global Wind Report, issued by Global Wind Energy Council (GWEC), in 2014)

Future Outlook



The future is expected to be a period of sustained growth. This is clearly depicted by the above graph which shows the annual market forecast for 2014-2019.

➤ Asia:

In China, number similar to that of 2014 can be expected. After that, while the market may contract a bit, it's reasonable to assume that China alone will install on the order of an additional 100 GW by the end of 2019, exceeding the country's 200 GW target for 2020 by a healthy margin, and a year ahead of time.

The Indian wind industry has a *de facto* target of 5 GW per annum for the rest of the decade and into the next. Elsewhere in Asia, we're seeing the basis for strong growth in Pakistan and the Philippines, and Taiwan and Thailand continue to surprise. Japan will start to grow again in 2015

➤ Europe:

Germany's spectacular performance is likely to be matched in 2015. It will remain strong throughout the period due to the development of the offshore segment. The UK's market could stall, but it is hoped that a positive outcome of the next election will see some stability. Sweden and France performed well in 2014, and we would expect that to continue. Turkey and Poland continue to bring strong numbers to the table, and Turkey in particular is to become a major market.

On the whole, we expect Europe to continue its march towards its 2020 targets, installing about 70 GW over the next five years.

➤ **North America:**

With a strong pipeline of projects under construction under the existing incentive arrangements, 2015 and 2016 are likely to be good years. Despite the fact that close to 80% of existing wind power installations are in Republican congressional districts, it remains the case that energy (and climate) are ideologically charged political issues in Washington, and it's difficult to see how the current Administration and Congress can work together to come up with much in the short term to fill the looming policy gap. Canada has a similar lack of policy clarity after 2016. Mexico shall play catch up.

➤ **Latin America:**

On the basis of existing contracts, the Brazilian wind sector is expected to install another 12-13 GW over the next 5 years. Wind will likely surpass gas in terms of installed capacity by the end of 2017. Elsewhere, Chile's wind market finally took off in 2014. Uruguay continues to surprise, and it looks as though the Peruvian market is starting to move also. Panama will soon add to the small but cumulatively significant numbers. There is some potential in Colombia which may start to emerge at the end of the period. Argentina remains the largest untapped resource.

Overall, we expect to see about 25 GW installed in the region over the next five years, largely led by Brazil, but with other markets making significant contributions to the total as time goes by.

➤ **Africa and the Middle East:**

The African market reached nearly 1,000 MW of annual installed capacity for the first time in 2014, and we expect that it will pass the 1 GW with room to spare in 2015, and not look back. Driven initially primarily by South Africa and Egypt, we see Morocco, Ethiopia, Kenya, Tanzania and Ghana as emerging markets to pay attention to. In the Middle East, there are new projects coming soon in Jordan, and if the current negotiations succeed, we could see the emergence of the next big market in Iran towards the end of the decade.

➤ **Pacific:**

Australia is the main market in this region, and was the only contributor to the region's total in 2014. While the current government is trying to kill the renewable industry, we don't think it will succeed. As for the rest of the region, the situation has not improved in New Zealand, and although there are some projects in the pipeline in the Pacific Islands, they will take some time to mature.

(Source: Global Wind Report, issued by Global Wind Energy Council (GWEC), in 2014)

Domestic Scenario

The Indian power sector is one of the most diversified in the world. Sources for power generation range from conventional ones such as coal, lignite, natural gas, oil, hydro and nuclear power to other viable non-conventional sources such as wind, solar, and agriculture and domestic waste. The demand for electricity in the country has been growing at a rapid rate and is expected to grow further in the years to come. In order to meet the increasing requirement of electricity, massive addition to the installed generating capacity in the country is required.

OVERVIEW OF THE DOMESTIC WIND ENERGY SECTOR

India was the fifth largest market globally in 2014, adding 2,315 MW of new wind power capacity to reach a total of 22.5 GW. Among renewable energy sources, wind power accounted for almost two-thirds of the installed capacity. The Indian government expects the share of renewable energy, presently at 6.9% of the total electricity production in the country, to grow to at least 15% in the next five years. Wind energy's share in the total power mix of the country was approximately 3% for the calendar year 2014. India's investments in the renewable sector in the year 2014 reached almost USD 7.9 billion (EUR 6.5bn). The renewable energy sector investments rose by almost 13% in 2014 over the previous year.

The growth of Renewable Energy in India is enormous and Wind Energy proves to be the most effective solution to the problem of depleting fossil fuels, importing of coal, greenhouse gas emission, environmental pollution etc. Wind energy as a renewable, non-polluting and affordable source directly avoids dependency of fuel and transport, can lead to green and clean electricity.

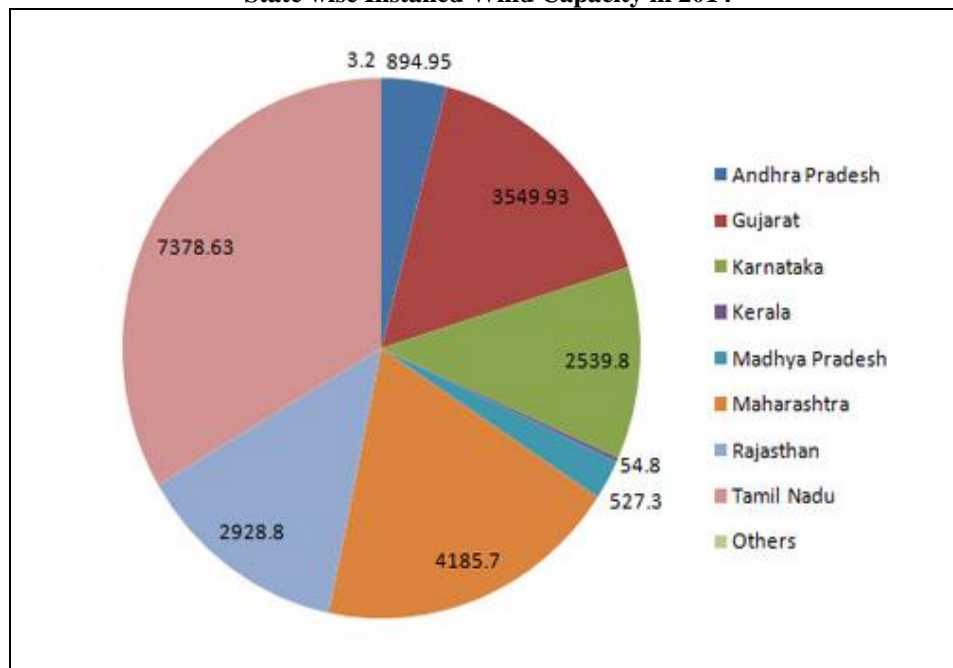
With an installed capacity of 21136.3 MW of wind energy, Renewable Energy Sources (excluding large Hydro) currently accounts for 13.86 % of India's overall installed power capacity of 228721.73 MW. Wind Energy holds the major portion of 66.7 % (of 31707.2 GW total RE capacity) among renewable and continued as the largest supplier of clean energy.

In its 12th Five Year Plan (2012-2017), the Indian Government has set a target of adding 18.5 GW of renewable energy sources to the generation mix out of which 11 GW is the Wind estimation and rest from renewable sources like Solar 4 GW and others 3.5 GW.

(Source: Report of the Working Group on Power for Twelfth Plan 2012-17, Govt. of India, Ministry of Power)

The industry has represented its capability with good policy frame work to achieve a reference target of 15,000 MW, realistic target of 20,000 MW and an aspirational target of 25,000 MW in the plan period of 2012-2017.

State wise Installed Wind Capacity in 2014



(Source: Indian Wind Turbine Manufacturer's Association)

In the year 2014, the leading states in terms of installed capacity were:

- Tamil Nadu (7378.63 MW)
- Maharashtra (4185.7 MW)
- Gujarat (3549.93 MW)
- Rajasthan (2928.8 MW)
- Karnataka (2539.8 MW)

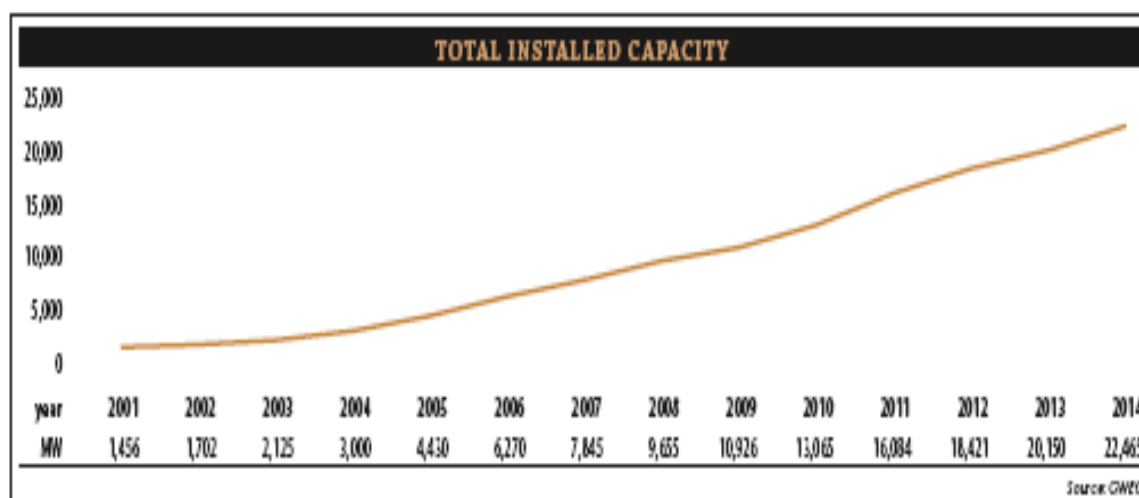
Other emerging states include:

- Andhra Pradesh (894.95 MW)
- Madhya Pradesh (527.3 MW)

The recent announcements by the Indian Ministry of New and Renewable Energy (MNRE) indicate that India plans to achieve 60,000 MW in total wind power installations by 2022. This sets the industry an ambitious annual target of approximately 5,000 MW/year up to 2022.

The long-term outlook for wind power remains positive mainly because of regulatory support, cost competitiveness and the generation-based incentive benefit. Though the National Action Plan for Climate Change from 2008 had specified a minimum Renewables Purchase Obligation (RPO) target of 15% by FY 2020, currently a majority of the states are below the recommended RPO trajectory. During 2014 the sector continued to face challenges, as a majority of the 28 states failed to meet the long-term track for RPO norms.

The graph given below shows the total installed capacity with relation to wind energy from 2001-2014



(Source: Global Wind Report, issued by Global Wind Energy Council (GWEC), in 2014)

Government Initiatives that boost Renewable energy sector:

The new government has shown significant interest in promoting wind energy. Apart from reinstatement of the accelerated depreciation benefit in 2014, various other benefits and incentives were also announced for wind energy this year including:

- Measures to promote renewable energy are included in the Electricity Amendment Bill of 2014. It also includes the provision for a separate National Renewable Energy Policy, measures to support development of a domestic industry, a renewable generation obligation (RGO) on coal and lignite based thermal power projects, specific exemptions to renewable energy from open-access surcharge, and separate penal provisions for non-compliance of RPOs. A National Wind Mission (NWM) comprising targeted developments in onshore and offshore wind power is expected to be announced soon.
- A draft policy on offshore wind is also under consideration.
- A preferential clearance for wind projects is given by the Ministry of Environmental and Forests. This has led to moving them to the 'green projects' category.
- The tax (cess) on coal for the National Clean Energy Fund (NCEF) increased from INR 50 (EUR 0.65) to INR 100 (EUR 1.3) per ton in the budget FY 2014/15. NCEF is used for funding research and innovative projects on clean energy technology.
- Full exemption from special additional duty and excise duty on parts and components used in manufacturing of wind turbines was granted in the budget 2014-15.

(Source: Global Wind Report, issued by Global Wind Energy Council (GWEC), in 2014)

Key Challenges:

There are many challenges that affect the growth of wind energy in India.

A key challenge is the high cost of finance. High interest rates (12-14%) and limited availability of debt financing are challenges for developers as well as OEMs in the country. Most of the state level power sector utilities in India also suffer from poor financial health and are unable to comply with RPOs.

Due to extremely poor financial health, state owned utilities are unwilling to purchase higher cost wind power.

Technical challenges include grid integration issues and the development of wind turbines to cater to the lower wind speed wind regimes in large parts of India. The problems are exacerbated by a weak grid code and noncompliance by producers and grid operators. OEMs and project developers also face supply chain and logistics related challenges.

India's inverted duty structure allows for lower import duties on wind turbine components and higher duties on raw materials, thereby encouraging OEMs to import components instead of manufacturing them locally.

Logistical challenges continue to be experienced during transport of bigger structures including blades, nacelles and towers.

(Source: Global Wind Report, issued by Global Wind Energy Council (GWEC), in 2014)

Future Outlook:

Renewable energy is being recognized as vital to energy security concerns, reducing fossil fuel import dependence and environmental benefits. There are tremendous expectations from renewable energy in the country, including wind.

The implementation of the national Green Energy Grid Corridor plans prepared by the state owned grid operator (PGCIL) was accelerated in 2014. This will ease in evacuation of large amounts of energy from wind farms. However, grid issues remain a major issue and broke state utilities frequently curtail wind power, despite the fact that wind farms are designated as 'must run' power plants. A National Wind Energy Mission is in the works. The mission could provide a coordinated and stable policy framework to achieve highly ambitious targets for wind power. It will cover policy and regulatory aspects including incentives for onshore, offshore and small wind. Issues of repowering, tariff setting, transmission infrastructure and grid integration might also be addressed in the mission document.

(Source: Global Wind Report, issued by Global Wind Energy Council (GWEC), in 2014)

OUR BUSINESS

OVERVIEW

About K.P. Group

KP Group is a well recognized infrastructure focused group operating from the state of Gujarat in India. The Group was founded by Mr. Farukbhai Patel in 1994. It is constituted by several group companies. The Group has completed more than 20 years of its Business. KP Group has core interests in businesses of utility scale Renewable Energy Projects in Wind & Solar Sector. It also is involved in micro-grid solar Projects, Construction Projects, Fabrication and galvanizing, Telecom Infrastructure (Telecom Towers and OFC Network set up). The KP Group has been selected as India's Most Promising Brands – 2015 by World Consulting & Research Corporation.

The group intends to play a significant role in responding to the problem of heavy reliance on fossil fuel based energy in India and providing a sustainable power for all initiatives of Government.

About our company

In line with the group's focus on renewable energy; our company represents the "Wind Energy" business vertical of the group.

K.P. Energy Ltd provides complete solutions from concept till completion of the project life-cycle of a Wind Project. Activities covered are Siting of Wind-farms, Lands & Permits acquisition, EPCC (Engineering, Procurement, Construction & Commissioning) of Wind Project Infrastructure including power transmission and Operations & Maintenance of entire Balance of Plant of a Utility Scale Wind-farm. Business model of company is designed to bring scalability in wind sector by serving OEMs (Original Equipment Manufacturers) of Wind Turbines, IPPs (Independent Power Producers), Captive Users as well as Institutional Investment Programmes.

The Business model of development of Wind Projects by K.P. Energy Ltd is as explained below:



The goal of the company is to bring together all the key stakeholders of a wind power project and ensure efficiencies of time, cost, quality and resources. We have recently fully commissioned 33.60 MW Wind Energy projects from our Farm at Ratdi, Porbander. Further we propose to commission 25.80 MW at Matalpar in FY 2015-16, of which the power evacuation facilities for Matalpar have already been commissioned. Further, Wind Projects at various locations (including those being executed through our subsidiaries) having aggregate proposed capacity of approximately 232 MW are at different stages of implementation where Siting, land acquisition, power evacuation & development tie-up is internally clipped for commissioning by 2017. For further details please refer the Chapter "Wind Farm Projects" on page 98 of this Prospectus.

In addition to the Wind Power Project Development business, we propose to become an Independent Power Producer in Wind Energy and hence we propose to utilise the funds raised through this IPO for Owned generating asset of 2.10 MW scheduled for commissioning in FY 2016. For further details please refer to "Objects of the Issue" on page 61 of this Prospectus.

Our total income has increased at a CAGR of 102.22% from ₹326.89 lakhs in FY 2012 to ₹2703.35 lakhs in FY 2015. Our EBITDA has increased at a CAGR of 117.82% from ₹47.52 lakhs in FY 2012 to ₹ 491.08 lakhs in FY 2015 and our

Profit after tax has increased at a CAGR of 191.97% from ₹11.83 lakhs in FY 2012 to ₹ 294.25 lakhs in FY 2015. Our total income, EBIDTA and profit after tax for the period ended September 30, 2015 was ₹ 1,246.70 lakhs, ₹ 226.14 lakhs and ₹ 124.83 lakhs respectively.

Following are the key achievements of K.P. Energy Ltd till date:

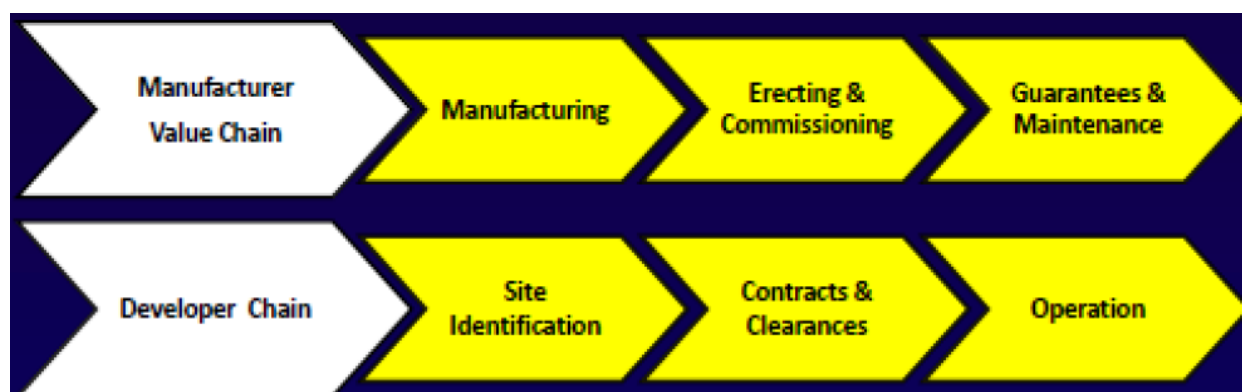
- Joint Development Agreements with Complete solutions from site acquisition & development to turbine erection independently with Suzlon Energy Limited.
- Obtained Coastal Regulation Zone Approval for development of 10.50 MW at Ratdi from Ministry of Environment, Forests & Climate Change, The Government of India.

As on December 31, 2015, we employ 40 people on our payroll.

Our Strengths

Unique model and value proposition

In India currently, the trend within the wind energy sector is that Wind Turbine Manufacturers play a dual role and also act as developers or purely land owning companies act as developers. Hence, their primary focus is on either selling turbines or land or partially developed infrastructure. The same is better explained from the difference in value chains of each player:



As part of our business model, we are providing complete turnkey solutions including on a BOT basis for wind energy clients which includes all of the above processes from Site Identification to Capacity Installation with a focus on client cost reduction and timely as well as high performance delivery of the project and not just the turbine or land. We believe that this model would be able to create a niche for our company in the market and help in creating a more vibrant wind energy sector in India.

We have the early mover advantage of offering a tailor made wind farm development solution, which helped us to create development tie-ups and visible business for all the projects in pipeline till 2017. This has given us enough impetus to grow broader and deeper in wind energy sector and play a significant role in India's Renewable Energy Success Story.

Project management expertise and established track record of project execution

Wind Energy is a niche sector and not many organized engineering companies have specialized focus and expertise in this. Since our incorporation in 2010, we were completely focused to set a new trend in the Wind Energy Sector. Wind-farm sites we selected, acquired and offered to market were focused completely on pure power player's perspective. We have successfully received power evacuation permissions for 167.20 MW of Wind Energy as on November 30, 2015 of which 16 Wind Turbines of 2.10 MW each are already commissioned and evacuating power from our Ratdi facility.

Development of wind project in low lying water prone areas of Ratdi, coastal belts of Porbander was never an easy task. Precise planning and execution methodology adopted by Project Team of K.P. Energy Ltd could make it happen even during monsoon and high winds seasons. Equally difficult was developing transmission infrastructure in hills of Palitana, Bhavnagar and the roads connecting to each and every wind locations on distinct hills. We believe that our established track record has helped us in developing project management skills for executing projects in a time and cost effective manner even in most challenging terrains. Our experience in wind energy sector of bringing together all the key participants has helped develop niche goodwill amongst the wind sector eco-system. We believe that our project execution capabilities have enabled us to establish long term relationships with our suppliers and buyers.

Experienced Management team

We have an experienced management team led by our Promoters, Mr. Farukbhai Patel and Mr. Ashish A Mithani, each of whom has more than 20 years of work experience in diverse sectors including 5 years in the Wind Energy Space. Our senior management team includes experts from electricity board, state administration and project specific organizations including PSUs with decades of experience and exposure to execution challenges. We believe that our management team is well qualified with significant industry experience and has been responsible for the growth in our operations. For further details regarding the educational qualifications and experience of our promoter directors and key management team please see “Our Management” beginning on page 122 of this Prospectus. We believe that the experience and relationships that our management team has, have extended our operating capabilities, improved the quality of our services and facilitated access to our clients. The Organisation Structure has been robust to scale up the activities and achieve the desired results in time and cost-effective manner.

Strong land bank of wind farm locations at Windy Sites

The core competence of K.P. Energy Ltd remains site identification and lands acquisition. We believe that we were able to forecast the changing trends towards wind projects as profitable through “power sale model” instead of “simply tax saving propositions”. The only factor ensuring viability of project in all circumstances was wind potential. Our team had strived for years together to set its feet, and searched best of sites, have got it scientifically analyzed with best available and proven technology prevalent in the world and then initiated acquisition. We have installed masts at identified wind potential sites of required numbers and heights (ranging from 80m to 120m) meeting IEC Standards, equipped with proven instrumentation from world class suppliers to measure & analyze all necessary weather parameters for assessing the project viability. Out of the current seven projects which the company proposes to develop aggregating to 137 sites (1 hectare each) of 2.10 MW each, we have by November 30, 2015 (including those acquired by our subsidiaries) acquired 103 spots / parcels from the Government and have identified 34 hectares of land as viable for wind energy and are in the process of acquiring the same in the state of Gujarat. Further, we have acquired 19 government sites (of 1 hectare each) at these seven locations as additional land sites, which have not been configured as part of our project estimates. This proven land bank, we believe is the most important competitive advantage of our company in this industry.

Existing Development Tie-up and visible order book

Based on the proven track record of our Site Generation Performance and execution expertise, we have been able to complete development tie-up for 160.80 MW of wind projects proposed to be jointly developed with Suzlon Energy Ltd. As part of the Joint development agreement, the scope of work of Suzlon Energy Ltd. consists of providing the WTG related technologies and materials and providing support in marketing the wind farm sites to end users / customers as well as to finalise the pricing and commercial details.

As on November 30, 2015, we have commissioned 33.60 MW for clients / end users and these are now part of our O&M Portfolio. Further our order book (representing of projects where end user / client has been signed up and are being commissioned) aggregates to 29.40 MW, all of which is scheduled for commissioning in FY 2015-16. Further, we have offered 50.40 MW each from the Kuchdi and Mahua – I (Vadli) in a government tender, which if awarded to us, would result in immediate orders for these capacities. In addition to this, because we have a development tie-up with Suzlon, we are confident of our ability to find buyers through our turnkey model or as and when we improve our financial capabilities, to execute additional projects as “IPP”.

Existing synergies within the KP Group

The rich infrastructure and engineering experience of the group helps our company take advantage of various synergies within the group. For e.g. our group companies involved in engineering and construction are used by us as suppliers / vendors and help us create another competitive edge as compared to stand alone Wind Farm Developing groups. Secondly, we believe that relations developed by the group companies with industry players in various sectors helps us with cross-selling our products & services as well.

For risks related to our business, our Company and our industry, see “Risk Factors” on page 11 of this Prospectus

Our Business Strategies

Our objective is to become a significant player within the Wind Energy sector in India. We plan to achieve this by implementing the following strategies:

- ***Focus on the high growth potential in the Wind Energy sector in India***

India was the fifth largest market globally in 2014, adding 2,315 MW of new wind power capacity to reach a total of 22.5 GW. Among renewable energy sources, wind power accounted for almost two-thirds of the installed capacity. The growth of Renewable Energy in India is enormous and Wind Energy proves to be the most effective solution to the problem of depleting fossil fuels, importing of coal, greenhouse gas emission, environmental pollution etc. With an installed capacity of 21136.3 MW of wind energy, Renewable Energy Sources (excluding large Hydro) currently accounts for 13.86 % of India's overall installed power capacity of 228721.73 MW. Wind Energy holds the major portion of 66.7 % (of 31707.2 GW total RE capacity) among renewable and continued as the largest supplier of clean energy. In its 12th Five Year Plan (2012-2017), the Indian Government has set a target of adding 18.5 GW of renewable energy sources to the generation mix out of which 11 GW is the Wind estimation and rest from renewable sources like Solar 4 GW and others 3.5 GW. (Source: Report of the Working Group on Power for Twelfth Plan 2012-17, Govt. of India, Ministry of Power)

As a complete Wind Farm Development Service provider, we currently generate 100% of our revenue from Wind Energy only. We seek to continue to focus on the opportunities available in this sector. We seek to develop our capabilities in this segment by successfully executing wind farm projects in consortium with larger IPPs and OEMs and building a track record to bid for larger contracts, as the lead contractor on such projects and deploy our resources more efficiently and improve operating margins. For certain large value projects, we also plan to form strategic alliances with relevant experienced and qualified stake holders.

- ***Well designed sizing and scale of Project***

“Bigger is better” is not always true in case of Wind Energy Projects which runs with many external risk factors. One of the unique value proposition created by us is in limiting size of an individual project from 30 MW to 50 MW as a separate Site. This provides all the benefits of economies to scale, minimum electrical losses & operation risks coupled with a shorter external transmission lines connecting the closest SEB Substation at 66kv voltage level.

- ***Value for Money***

As a well focused and clear road-map organization, we believe in optimizing the costs of the project right from the stage of conceptualization of sites and our experience in managing land acquisition and local risks provides us an edge to offer very competitive rates for entire balance of plant infrastructure of wind farms. This remains key aspect in attracting established industry players to sign contracts for entire capacities we propose to develop, as it reduces overall cost of project, better performance of generating assets and lesser risks in operations.

- ***Forward integration into becoming an IPP***

We believe that the Wind Farm projects developed by us are high on techno economic feasibility and hence, if the capital base is made available, utilising the same to own the assets developed by us as a part of our proprietary portfolio would help us improve our balance sheet size as well as operating results. In line with this strategy, we intend to utilise the proceeds from this Issue to acquire a Wind Energy Asset of 2.10 MW in our individual capacity to start with. Further, as and when the company has ready availability of finance including internal accruals, we propose to add more valuable wind energy assets and grow our proprietary portfolio.

As on November 30, 2015, we have acquired land spots for Wind Energy Projects aggregating to 220.50 MW and another 34 sites aggregating to 71.40 MW are in various stages of acquisition, of which 63.00 MW have been formally sold / tie-up with end users as part of our Turnkey business. Hence, the remaining spots representing 157.50 MW (already acquired) and 71.40 MW (under acquisition) of proposed Wind Energy are open for development either as IPP or as part of our Turnkey business.

(Note: Some portions of these sites would form part of the joint development agreement with Suzlon, however, in case we decide to commission the same as part of our IPP portfolio, there would be no objection from the joint developer as it does not change their commercials)

- ***Increase our portfolio of offerings and innovations within the wind sector***

We believe that the key to our business is identifying locations / sites where wind energy projects would be highly successful and profitable. We propose to continue to add newer sites and locations in and outside the state of Gujarat. Further, we propose to explore newer methods and processes to scale up the capacities and reducing overall timelines for completing the wind project. We are also developing more secured wind project model to suit the needs of International Funds with assured minimum returns in coming times. We believe that our focus on innovation within the wind sector would help us stay ahead of the learning curve of the industry.

DETAILS OF OUR BUSINESS

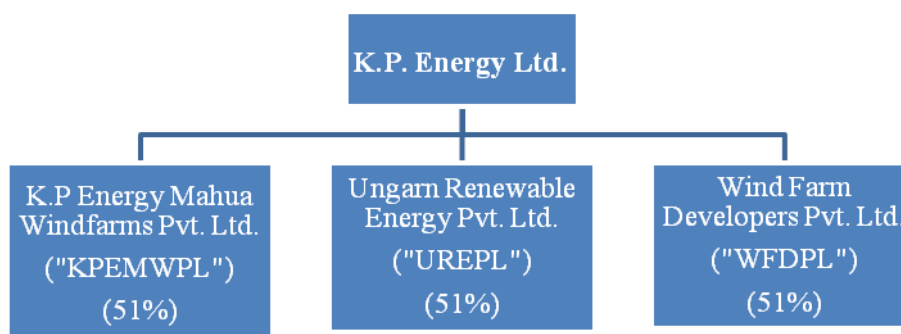
Location

Our Registered Office is situated at A-1/2, Firdous Tower, New Rander Road, Adajan Patia, Surat – 395 009.

For details regarding the location of our wind energy sites please refer to “*Wind Farm Projects*” on page 98 of this Prospectus.

Corporate Structure

Our corporate structure includes our company – standalone as well as three newly acquired subsidiary companies as shown below:

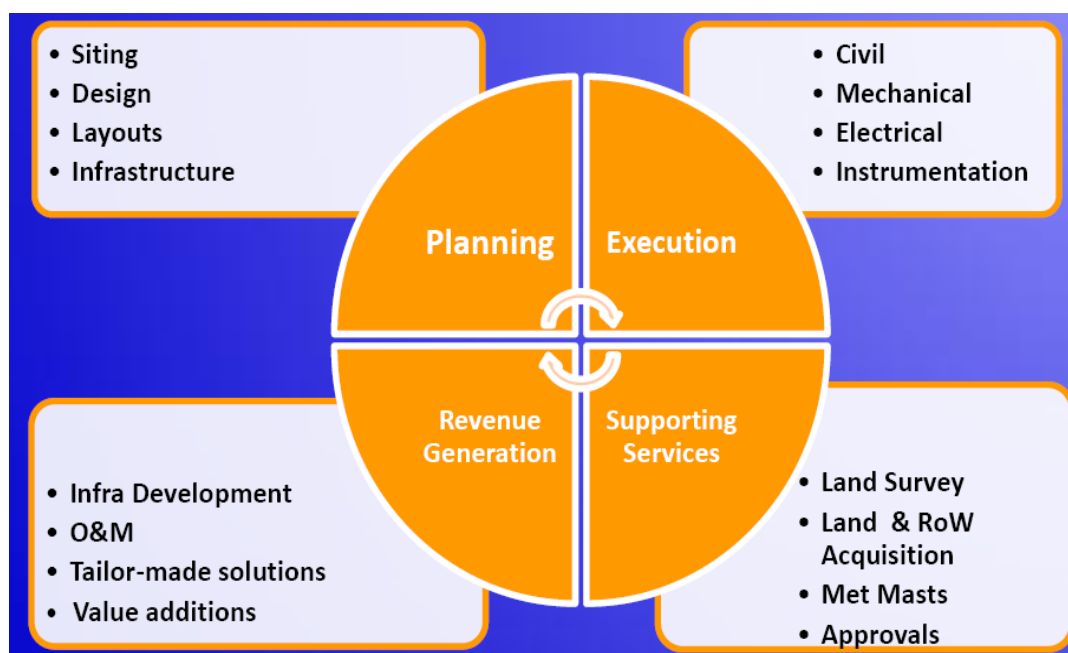


KPEMWPL	Subsidiary through which we propose to execute some of the sites for our Mahua Wind Projects.
UREPL	Subsidiary through which we propose to execute portions of future projects, where currently wind data study is being carried out.
WFDPL	Subsidiary through which we propose to execute portions of future projects, where currently wind data study is being carried out.

For details regarding these subsidiaries as well as their acquisitions by KPEL, please refer to “History & Certain Corporate Matters - Our subsidiaries” on page 117 of this Prospectus.

Business Model and Key Process

The following diagram explains our business model and value proposition:



The Ideal Wind Farm Development process flowchart followed by our company can be classified into 5 primary items, namely, Pre-operative activities & Lands Acquisition; Power Evacuation & Collector Network, Civil works, WTG Receipt Management, Erection & Commissioning and Operations. The detailed activity wise process we target as part of our execution is as detailed below:

Sr. No.	Activity
A	Pre-operative activities & Lands Acquisition [Objective: Techno-Economic Feasibility Preparations]
1	Satellite Data Evaluation of potential sites
2	Physical Evaluation of sites & Selection of suitable site
3	Meso-map & Conceptual EYR with successful WTGs at appropriate heights
4	Grid Availability Check
5	Selection of Mast site (s) arrangement of suitable lands and installation of mast(s)
6	Continuous Study of wind data for at least 1 year
7	Revenue mapping of entire site & collection of all historical documents
8	Application for Lands identified for wind farm with District Collector
9	Obtain NOC from all concerned local authorities viz. R&B, Forests, DILR, Panchayats, DIC, SIA, CRZ, NHAI, AAI, LAQ, Mines, etc. as may be applicable
10	Prognosis of wind generation based on mast data
11	Payment of necessary fees with Government Treasury as per Government Order
12	Obtain Letter of Allotment from District Collector for selected spots
13	DILR survey of spots & spot marking
14	Handover of lands by Govt for wind farm
15	Lease Order/Sanad confirmation
16	Selection of WTG
17	Negotiations & WTGs Supply Plan
18	Finalization of Micrositing Drawing
19	Developer Approval from GEDA
B	Power Evacuation & Collector Network [Objective: Arrest all construction risks]
1	Award order for detailed engineering designs for Wind Farm Sub Station and Feeder Bays at WF SS & GETCO SS
2	Obtain System Study Report from GETCO
3	Obtain In principle Evacuation permission for power evacuation
4	Procure Lands (Pvt./public) for Substation
5	Procure NA permission for Substation Lands
6	Conduct Route Survey from WF SS to GETCO SS
7	Obtaining GETCO Estimate for Line and Feeder Bays
8	Deposit of BG worth N 5L/MW for installed power evacuation
9	Agreement with GETCO
10	Notification of Line Route on Gazette by GETCO
11	Submission of SLD, Layout Drg. Both side feeder bays to GETCO (R&C) for Approval
12	Transformer location soil test
13	Submission of WF SS Design to CEI for Approval
14	Obtain permits and approvals for necessary development
15	Award works for 66 KV Transmission Line connecting GETCO Ss and WF SS
16	Award works for Civil Structure for WF SS and Feeder Bays

17	Award works for Electrical on EPC for WF SS and Feeder Bays at WF SS and at GETCO END
18	Apply for Vendor Approval for 66 KV Line and Feeder Bays
19	Award Work Order for 33 KV Collector Network Line and Unit Sub Stations
20	Award of OFC lines connecting USS with WF SS Control Room
21	Award Work Order for 33 KV Collector Network Line and Unit Sub Station's Pole and structures
22	Approval of Equipment with details from GETCO Corporate prior actual procurement
23	Selection of Transformers and issue of purchase orders for all electrical components
24	Procure RoW for Connecting Roads to each spot & cable network
25	ERDA Routine and ISF TEST on Metering CT and submission of Certificates to GETCO for Approval before commissioning
26	Acceptance Test of EMPTS and other Equipments at Supplier's Works by GETCO Representative
27	Erection 66 KV Tower & of Feeder Bays
28	Stringing of Conductors on 66 KV Line
29	Completion of all Electricals up to Metering end at WF SS & OFC Network
30	Completion of all the civil/electrical/civil works
31	CEI Inspection & Certification of Electrical Works
32	Commissioning of 33 KV Collector Network
33	Charging of Transmission Lines
34	Joint SS ABT Meter Reading Report by DISCOM, CEIG, GEDA, EPC & KP
35	Installation of RTU unit at SS for data communication with SLDC
C	Civil works [Objective: Ready to Erect Site]
1	Soil testing for each spot and design approval for each spot
2	Freeze road work design & layout
3	Prepare Logistics Plan for transport of blades & equipments to site & spots
4	Construction of Camp Office & Storage Yard at Site
5	Award Work Order for WTG Foundation & Roads
6	Appoint PMC for civil works supervision
7	Development of Internal Roads connecting each Spots and existing village road
8	Completion of all WTG Foundation as per design & certification by PMC
9	Completion of crane platform
D	WTG Receipt Management, Erection & Commissioning [Objective: Time & Resource Management]
1	Award of Crane Package for material handling
2	Material Dispatch Plan & Co-ordination
3	Material Storage & Internal Movement Plan & Co-ordination
4	Erection Plan & Crane Movement Plan
5	Erection of Shell Towers, Nascelle, Blades, Panels, etc.
6	Completion of mechanical/electrical works for commissioning
7	Checks & Completion Certificate by Erection Team
8	Commissioning of WTGs with GEDA&CEIG Inspection
9	Synchronization of WTG Power with GETCO Substation
10	Commercial commissioning certificate of the each WTG from GEDA
E	Operations [Objective: control, monitor & maintain all activities within wind farm]
1	Take-over of site from project team under HOTO agreement

2	Verify electrical and communication systems.
3	Restore condition of access roads
4	Plan maintenance of the wind farm.
5	Finalization of Forecasting System (GETCO Requirement)
6	Activation of Production Forecasting Mechanism
7	Electrical & Civil Infrastructure Maintenance Plan & Monitoring
8	Monitor daily operation of the power station.
9	Perform periodic maintenance.

Machinery and Equipments

Being wind farm developers, the major fixed asset owned by us is the sub-station which is being used by us to evacuate power from a particular site. Listed below are some of the important machinery owned by us and used in our business operations:

- ✓ Met Masts
- ✓ Anemometers
- ✓ Aviation Obstruction Lights
- ✓ DG Sets
- ✓ GPS 72H
- ✓ Automatic Levels
- ✓ Mono blocks
- ✓ Switch Yard and Transformers
- ✓ Batching Plant
- ✓ Substation and relevant tools and materials

Products and Services

As Wind Farm Developers we provide a wide portfolio of wind energy products & services to our clients. We develop on a BOT basis a complete Wind Farm right from concept to commissioning. Following are the current Wind Farms our company is developing or considering to develop:

Wind Farm Projects

As on November 30, 2015; our company is involved in developing or proposing to develop the following wind farm projects. Key highlights of the projects are specified below:

Project Name	Capacity Envisaged for Entire Project in MW	No. of Govt. spots acquired	Development Tie-up*	Wind Data	Wind Micro-siting	Wind Farm Pooling Substation Status	Power Evacuation
Porbander - Ratdi	33.60	17 spots acquired of which 5 are in CRZ	Done	Minimum 1 year data acquired from On-site Met Mast	16 locations with 2.1 MW Suzlon make WTGs	Baradia SS (66/33) Commissioned.	Yes
Palitana - Matalpar	33.60	21 spots acquired	Done	Minimum 1 year data acquired from On-site Met Mast	16 locations with 2.1 MW Suzlon make WTGs	Shevdivadar SS (66/33) Commissioned.	Facility fully complete. Evacuation yet to start.

Porbander - Kuchhdi	69.30	33 spots acquired	Done	Minimum 1 year data acquired from On-site Met Mast	31 locations with 2.1 MW Suzlon make WTGs	Degam SS (66/33) Planned. Power Evacuation Permissions in place.	Yet to start
Mahua – I (Vadli)	50.40	22 Allotted -2- Under Acquisition	Done	Minimum 1 year data acquired from On-site Met Mast	24 locations with 2.1 MW Suzlon make WTGs	Vagnagar SS (66/33) Planned. Evacuation Permissions in place	Yet to start
Porbander - Miyani	50.40	8-Acquired 16- Under Acquisition	In process	Minimum 1 year data acquired from On-site Met Mast	In process	To be done at appropriate time	Yet to start
Porbander - Odedar	21.00	21 spots acquired	In process	On-site Met Mast in process of completing minimum 1 year data acquisition	In process	To be done at appropriate time	Yet to start
Mahua – II (Vangar)	33.60	16-Under advanced stage of Acquisition	In process	Data available	In process	To be done at appropriate time	Yet to start

Note: For further details regarding the government and regulatory status of each of the above project, please refer to “Government and other key Approvals” beginning on page 203 of this Prospectus.

Safety, Health and Environment

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

Human Resources

As an engineering company, we rely significantly on our human resources. Our Company currently has 40 employees on its payroll for the operation of its existing facilities.

Category	No. on Employees
Executive Directors	2
Senior Managerial Team / KMP	9
Other Staff	29
Total	40

In addition to the above, we have have permissions to employ upto 35 workers at Porbandar and 20 workers at Bhavnagar on contract labour basis.

For the development of some of our projects, we also engage third party consultant engineers or appoint sub-contracts for portions of the project. Labour appointed by them do not form part of our labour force.

Collaborations

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

Export Possibility and Obligations

Our Company does not have any export obligation.

Capacity and Capacity Utilization

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

Marketing and Marketing Set-up

Our promoter directors – Mr. Farukbhai Patel and Mr. Ashish A Mithani have significant experience in the renewable energy sector and currently spear heading our marketing efforts, who are in turn supported by the marketing and sales team. Further, we have entered into joint development agreements aggregating to 160.80 MW with Suzlon Energy Ltd. and we expect certain business and marketing efforts to be shared with our joint developer for the respective portions of the project.

Competition

The wind energy sector is still largely fragmented in India. We face competition from various regional and national domestic wind farm developers as well as from OEMs, IPPs and others developing wind farms for proprietary purposes. Competitors having superior resources (financial, research, execution and marketing) than us pose competition to us. Our key competitors in our space are Veer Energy and Infrastructure, Kintech Energy Systems, Weizmann Energy and Maruti Wind Power. We also face competition from various small unorganized operators in the wind farm developer segment. However, we expect that our commitment to quality, past record of timely execution and transparency will provide us with an edge over our competitors.

Properties

Owned Properties

Sr. No.	Property Description	Name of Seller	Relation of seller with company	Agreement Details	Utilization
1.	Land bearing survey number 217 – paiki - 20 at Palitana Village – Shevdiwadar admeasuring H.A. sq. mtr. 01-21-41.	Farukbhai Patel	Promoter Director	Dated: December 28, 2011 Consideration: ₹2.79 lakhs	Substation of Matalpar (Palitana) Site*
2.	Land bearing survey number 74/1 at Village Kinkariya admeasuring 9713 sq. mtr.	Nanabhai Golanbhai Vala	No Relation	Dated: November 15, 2011 Consideration: ₹2.00 lakhs	Currently Un-utilized
3.	Land bearing survey number 308 – paiki – 4 at Dist. Porbander, Village – Baradia admeasuring H.A. sq. mtr. 00-81-95.	Nagabhai Devshibhai Keshwala	No Relation	Dated: December 19, 2013 Consideration: ₹33.05 lakhs	Substation of Porbander – Ratdi Site
4.	Land bearing survey number 427 at Porbander Village - Degam admeasuring H.A. sq. mtr. 0-80-94	Divyesh Keshubhai Keshwala	No Relation	Dated: March 16, 2015 Consideration: ₹33.05 Lakhs	Substation of Porbander – Kuchdi Site

* The Company purchased the land for business purposes, i.e. for converting it into a substation and hence the land was accounted as Stock-in-Trade. However, in the FY 2014-15, the same was capitalised as a substation along with the Land.

Rented Properties

Sr. No.	Property Description	Name of Owner	Relation of owner with company	Period	Utilization
1.	GIDC Plot No. 454 B/h. GIDC Police Station, Porbandar – 360576.	Meramanbhai Lakhmanbhai Parmar	No Relation	Term: From March 01, 2015 to Jan 31, 2016	Porbander Local Work
2.	Office situated at A-1/2, Firdous Tower, New Rander Road, Adajan Patia, Surat – 395 009.	Farukbhai Patel	Promoter Director	Term: N.A.*	Registered Office
3.	Office situated at B/h. Ramnagar Primary School, Ta- Jesar D., Bhavnagar – 364510.	Jivuben Rajabhai Dhapa	No Relation	Term: From November 11, 2015 to September 30, 2016	Matalpar & Mahua site

* We do not have any formal understanding with our promoter – Mr. Farukbhai Patel for occupying this office premises.

Project Land Inventory

Apart from the above, as part of our projects, we operate on land parcels allotted by the Government authorities for setting up Wind Farms. The same is governed by Land Allotment letters (followed by Land Handing over Letters and ultimately a 7/12) in our favour, which we intern sub-lease to our clients once the site is passed on as part of our BOT Project life cycle.


As on November 30, 2015, we have 122 land allotment orders in our name for various sites across Gujarat, of which 29 land parcels have been sub-leased to clients / end users. Further, we are in process of acquiring 34 additional revenue land spots for our projects.

Further, as part of our wind mapping and other pre-site development activities, we install Met Masts and other technical items at Government Owned as well as privately owned locations for wind mapping etc. We do so through a combination of formal as well as informal agreements with the respective owners. Since, these masts do not substantially require large land area; we do not normally face any severe obstruction from owners for the same.

Intellectual Property

We do not own the ‘K.P. Group’ trademark and logo which is owned by our group company – M/s. K P Buildcon Pvt. Ltd. (‘KBPL’). We do not have a formal agreement with KBPL, nor have we made nor are we required to make any payments to KBPL for the use of the ‘K.P. Group’ trademark.

The details of the registration of this trademark as explained below:

Sr. No.	Trademark	Trademark registered in the name of	Trademark No.	Date On Certificate	Class
1.		K P BUILDCON Pvt. Ltd.	1783057	February 09 2009	37

Insurance

Our operations are subject to hazards inherent to construction industry, such as accidents at work sites. We are also subject to force majeure events such as fires, earthquakes, floods, acts of terrorism and explosions, including hazards that may cause injury and loss of life, severe damage to and the destruction of property, equipment and environment. Following are the insurance policies obtained by us:

Name of Insurance Company	Type of Policy	Validity Period	Description of Property / Asset covered under the Policy	Total Sum Insured (₹ In lakhs)	Premium (₹ In lakhs)
Magma HDI General Insurance Company Ltd	Standard Fire and Perils	December 26, 2015 to December 25, 2016	Stocks at Site namely <ul style="list-style-type: none"> • Substation-Ratdi(Porbandar) • Substation-Matalpur(Porbandar) • P&M-Ratdi & Matalpur(porbandar) • P&M-Matalpur(Porbandar) • Metmast-Bhavnagar Metmast-Jamnagar 	1131.87	0.49
IFFCO – TOKIO General Insurance Co. Ltd.	Workmen's Compensation Policy	February 11, 2015 to February 10, 2016	05 Skilled Worker 03 Semi Skilled Worker 03 Unskilled Worker	11.17	0.21
Magma HDI General Insurance Company Ltd	Erection All Risk Insurance & Marine Inland Open	December 05, 2015 to December 04, 2016	Materials being erected at Site - Matalpar, Bhavnagar	EAR-20160.00 Marine Open-15000.00	EAR-2.37 Marine Open-1.03

KEY INDUSTRY REGULATIONS AND POLICIES

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

INDUSTRY-SPECIFIC REGULATIONS

Central Electricity Laws/Regulations/Policies

The Electricity Act, 2003 and the Energy Conservation Act, 2001 and rules and regulations made there under primarily govern the legislative framework of the electricity sector in India.

The Electricity Act, 2003 (“Electricity Act”)

The Electricity Act repealed the previous Indian legislation pertaining to electricity in India, namely the Indian Electricity Act, 1910, the Electricity (Supply) Act, 1948 and the Electricity Regulatory Commissions Act, 1998. The object of the Electricity Act is to consolidate the laws relating to *inter-alia* the generation, transmission, distribution, trading and use of electricity. The Electricity Act *inter-alia* provides for constitution of the Central Electricity Authority to exercise such functions and perform such duties as are assigned to it thereunder, including *inter-alia* advising the Central Government on matters relating to national electricity policy, formulating short term and perspective plans for development of the electricity system. It also provides for the constitution of the Central Electricity Regulatory Commission for exercising the powers and discharging the functions assigned to it thereunder, including *inter-alia* regulating tariffs of generating companies, granting of licenses, formulating the Grid Code as well as advising on formulation of the National Electricity Policy and Tariff Policy. It also *inter-alia* provides for constitution of the State Electricity Regulatory Commissions for formulating the State Grid Code, granting licenses to electricity traders/distributors, facilitate intra-state transmission and wheeling of electricity.

The National Electricity Policy, 2005

On February 12, 2005, the Ministry of Power notified the National Electricity Policy. The National Electricity Policy lays down guidelines for accelerated development of the power sector, providing supply of electricity to all areas and protecting interests of consumers and other stakeholders keeping in view availability of energy resources, technology available to exploit these resources, economics of generation using different resources, and energy security issues. The National Electricity Policy aims to address the following issues:

- Rural Electrification;
- Generation;
- Transmission;
- Distribution;
- Recovery of Cost of services and targeted subsidies;
- Technology development and Research and Development;
- Competition aimed at consumer benefits;
- Financing power sector Programmes including private sector participation;
- Energy conservation;
- Environmental issues;
- Training and Human Resource Development;
- Cogeneration and Non-Conventional Energy Sources; and
- Protection of consumer interests and Quality Standards.

The National Electricity Plan, 2012

The National Electricity Plan was prepared by the Central Electricity Authority (“CEA”) and may be used by prospective generating companies, transmission utilities and transmission/distribution licensees as reference document. The National Electricity Plan is a short-term framework of five years with a 15 (fifteen) year perspective to *inter-alia*

identify areas/locations for capacity additions in generation and transmission of electricity keeping in view the economics of generation and transmission, losses in the system, load centre requirements, grid stability, security of supply, quality of power including voltage profile, etc.; integration of such possible locations with transmission system and development of national grid including type of transmission systems and different technologies available for efficient generation, transmission and distribution.

The National Tariff Policy, 2006 (“National Tariff Policy”)

The Electricity Act *inter-alia* empowers the Central Government to formulate the National Tariff Policy and also *inter-alia* requires that the Central Electricity Regulatory Commission and State Electricity Regulatory Commissions are guided by the tariff policy in discharging their functions. Accordingly, the Ministry of Power has formulated the National Tariff Policy which lays down the following objectives:

- Ensuring availability of electricity to consumers at reasonable and competitive rates;
- Ensuring financial viability of the sector and attracting investments;
- Promoting transparency, consistency and predictability in regulatory approaches across jurisdictions and minimizing perception of regulatory risks;
- Promoting competition, efficiency in operations and improvement in quality of supply.

The National Tariff Policy has *inter-alia* laid emphasis on the importance of providing adequate return on investment in the power sector. Accordingly, the Central Electricity Regulatory Commission (“CERC”) in consultation with the Central Electricity Authority would be required to formulate operating norms for generation and transmission and tariff structures on the basis of the aforesaid objectives embodied in the National Tariff Policy. The State Electricity Regulatory Commissions are further required to adopt such norms formulated by the CERC in consultation with the CEA. The National Tariff Policy also mandates that in terms of the Electricity Act, the Appropriate Commission shall specify the minimum percentage for purchase of energy produced from non-conventional energy sources.

Strategic Plan for New and Renewable Energy Sector for the Period 2011-17 (“Strategic Plan”)

The Ministry of New and Renewable Energy (“MNRE”) has prepared this Strategic Plan for the period 2011-17 (covering the last year of the 11th plan and the next 5 years period of the 12th plan) and perspective till 2022, which seeks to articulate the goals of the Ministry, the strategy to be adopted by it during this period to achieve these goals and the corresponding action plan. MNRE’s Strategic Plan *inter-alia* sets out as its key components:

- Vision, Mission and Objectives to be achieved by the end of the year 2022
- Strategy for promoting the sector and achieving desired outcomes
- Implementation plan outlining the timelines, resources required and tools for tracking and measuring success.

The vision of MNRE is to upscale and mainstream the use of new and renewable energy sources in furtherance of the national aim of energy security and energy independence, with attendant positive impact on local, national and global environment. One of the key objectives of the MNRE is promotion of grid-interactive renewable power generation projects.

The Strategic Plan has also *inter-alia* provided a sector specific implementation plan. For the purposes of the Wind Power sector, the implementation plan includes *inter-alia* the following activities, which are on going:

- Wind Resource Assessment: Updating/ expansion of existing data base and off-shore resource assessment.
- Regular interaction with all stakeholders to periodically address policy, regulatory, evacuation transmission matters for wind power.
- Regular interaction with States to periodically address land acquisition, E&F clearance and State policy issues.

In terms of the Strategic Plan, the MNRE is to continue to work closely with Central and State Regulatory Agencies to promote facilitative framework for promotion of renewable energy technologies which includes a wide array of issues.

The 12th Five Year Plan

The Planning Commission has promulgated the 12th Five Year Plan which provides for new approach in framing policies and granting incentives for the wind power industry. The 12th Five Year Plan recognizes setting up of a National Wind Energy Mission as a focus area and aims at increased investment in the development of turbines suitable

to India's wind speed regime, changes in the land tenure that would allow mixed use for both agriculture and wind generation and use of the National Clean Energy Fund for development of the local grids.

Guidelines for Wind Power Projects (“Wind Power Guidelines”)

To ensure quality of wind farm projects and equipment, MNRE introduced the “Guidelines for Wind Power Projects”. The Wind Power Guidelines were issued for the benefit of *inter-alia* the erstwhile State Electricity Boards, State Nodal Agencies, manufacturers, and developers of the wind farms and end-users of energy to ensure proper and orderly growth of the wind power sector. These Wind Power Guidelines have been reviewed and amended from time to time. The Wind Power Guidelines, *inter-alia*, provides for proper planning, selection of quality equipment and implementation, performance and monitoring of wind power projects. The erstwhile State Electricity Boards and State Nodal Agencies are responsible for clearance of wind power projects and issue of No Objection Certificates subject to certain conditions laid down in these Wind Power Guidelines which *inter-alia* includes type approval and quality system certification of wind turbines and other equipment used. The Wind Power Guidelines were amended to *inter-alia* allow manufacturers of wind turbines to provide self-certification of the quality and performance of their equipment. In the event that their machines are found not to perform as per the performance certified by them, such manufacturers would be penalized. This facility of self-certification was amended to *inter-alia* extend it to the machines which are already under testing or certification by the erstwhile Centre for Wind Energy Technology (“C-WET”) and any other machines that may be offered and are taken up for testing and certification for the period stated therein. Under these Wind Power Guidelines, the erstwhile C-WET formulated a Type Approval Provisional Scheme – 2000 (“TAPS-2000”) which covers testing/certification of wind turbines. This TAPS-2000 scheme has further been reviewed and amended from time to time.

The Legal Metrology Act, 2009 (“Legal Metrology Act”)

The Legal Metrology Act replaces the Standards of Weights and Measures Act, 1976 and the Standards of Weights and Measures (Enforcement) Act, 1985. The Legal Metrology Act seeks to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and for matters connected therewith or incidental thereto. The Legal Metrology Act *inter-alia* requires any person who manufactures, repairs or sells, or offers, exposes or possesses for repair or sale, any weight or measure, to obtain a license issued by the Controller of Legal Metrology. It has been clarified that no license to repair is required by a manufacturer for repair of his own weight or measure in a State other than the State of manufacture of the same. The Legal Metrology Act *inter-alia* provides that any person who is required to obtain a license under the Legal Metrology Act or the rules made thereunder, repairs or sells, or offers, exposes or possesses for repair or sale, any weight or measure, without being in possession of a valid license, will be punished in the first instance with fine and for a subsequent offence, with imprisonment and/or fine.

The Micro, Small and Medium Enterprises Development Act, 2006 and Industries (Development And Regulation) Act, 1951 (“MSMED Act”)

The 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.

Authorities and Organizations

Ministry of Power

The Ministry of Power governs the electricity sector in India and is responsible for perspective planning, policy formulation, processing of projects for investment decisions, monitoring of the implementation of power projects, training and manpower development and the administration and enactment of legislation in regard to thermal, hydro power generation, transmission and distribution. The Ministry of Power is also responsible for the administration of the Electricity Act, 2003, the Energy Conservation Act, 2001 and the rules and regulations made there under.

Ministry of New and Renewable Energy

MNRE is the nodal ministry for all matters relating to renewable energy. MNRE was established in 1992 as Ministry of Non-Conventional Energy. In the year 2006, it was renamed as MNRE. The MNRE aims to develop new and renewable energy technologies, processes, materials, components, sub-systems, products and services pertaining to renewable energy in India thereby assisting in meeting the demand for power in India. The MNRE has announced various schemes for generation of power from renewable energy sources. It has further established specialist financial and technical institutions to complement its role in development of the wind energy sector in India. The Wind Power Division of MNRE has been dedicated by MNRE to facilitate wind power projects in India. The MNRE also aims to become a net foreign exchange earner in the renewable energy sector.

National Institute of Wind Energy (“NIWE”)

National Institute of Wind Energy previously known as Centre for Wind Energy Technology (“C-WET”) was established in the year 1998, as an autonomous research and development institution by the MNRE and is dedicated solely to wind energy technology. It is a knowledge-based institution of high quality and dedication, offers services and seeks to find complete solutions for difficulties and improvements in the wind energy sector by carrying out research. For this purpose, the NIWE has a research and development unit, wind resource assessment testing unit and standard certifications unit. It also offers consultancy services to users in the wind energy sector. Renewable energy generated product manufacturers are required to be registered with NIWE as an approved manufacturer of wind turbine generators. Manufacturers of wind turbines are required to obtain type approval/type certification from NIWE.

Indian Renewable Energy Development Agency Limited (“IREDA”)

IREDA is a public limited government company established in 1987 for the purpose of lending financial support to specific projects and schemes for generating electricity through new and renewable sources of energy and towards energy efficiency and conservation projects. The MNRE has issued operational guidelines for implementation of Extension Scheme for Generation Based Incentive for grid Connected Wind Power Projects (“the Extension Scheme”) on September 4, 2013 by the IREDA which aim to facilitate entry of Independent Power Producers and Foreign Direct Investment in the wind power sector. The Extension Scheme *inter-alia* provides that a Generation Based Incentive will be provided to wind electricity producers @ ₹ 0.50 per unit of electricity fed into the grid for a period of not less than 4 (four) years and a maximum period of 10 (ten) years with a cap of ₹ 100,00,000.00 (Rupees One Hundred Lakhs only) per MW and will be available for wind turbines commissioned after April 1, 2012 subject to the other conditions specified there under.

Gujarat Urja Vikas Nigam Ltd. (“GUVNL”)

The Gujarat Electricity Industry (Reorganisation & Regulation) Act, 2003, was passed by the Government of Gujarat to restructure the electricity industry with an aim to improve efficiency in management and delivery of services to consumers. Under the provisions of the Electricity Act, 2003 and the Gujarat Electricity Industry (Reorganisation & Regulation) Act, 2003, the Government of Gujarat framed the Gujarat Electricity Industry Re-organization & Comprehensive Transfer Scheme, 2003, to facilitate transfer of assets/liabilities etc. of the erstwhile Gujarat Electricity Board to the successor entities. Assets of the erstwhile Gujarat Electricity Board were dis-aggregated into six companies – one company each engaged in generation and transmission of electricity and four in distribution of electricity. GUVNL was mainly incorporated to take over the assets, liabilities & personnel of the erstwhile Gujarat Electricity Board and to carry out the residual functions of the erstwhile Gujarat Electricity Board. GUVNL is *inter-alia* engaged in the business of bulk purchase and sale of electricity, supervision, co-ordination and facilitation of the activities of its six subsidiary companies. Gujarat Energy Transmission Corporation Limited (“GETCO”) was set up in May 1999 and was promoted by erstwhile Gujarat Electricity Board as its wholly owned subsidiary. Presently, GETCO is a wholly owned subsidiary of GUVNL and is *inter-alia* engaged in the activity of transmission of electricity.

Gujarat Energy Development Agency (“GEDA”)

The Gujarat Energy Development Agency is one of the premier organizations in India working in the field of renewable energy development and energy conservation. GEDA shoulders the responsibility of a state nodal agency for the Ministry of New and Renewable Energy Sources and the state designated agency for Bureau of Energy Efficiency. GEDA has played a pioneering role in the development of a long-term renewable policy and implementation of sustainable energy programmes across the State of Gujarat. GEDA *inter-alia* aims at making renewable energy and energy efficient technologies economically and commercially viable.

Gujarat Electricity Regulatory Commission (“GERC”)

The Gujarat Electricity Regulatory Commission has the mandate to regulate the Electricity Sector in the State of Gujarat in a transparent, effective and efficient manner so as to safeguard the interests of consumers. GERC has been taking effective steps in promoting renewable sources of energy. The GERC has as its functions various activities, *inter-alia* including to promote generation of electricity from renewable sources of energy by providing suitable measures for connectivity with the grid and sale of electricity to any person, determine the tariff for generation, supply, transmission and wheeling of electricity and issue licenses to persons seeking to act as transmission licensees, distribution licensees and electricity traders with respect to their operations within the State of Gujarat.

State Electricity Laws/Regulations/Policies

In the State of Gujarat, the regulatory authority responsible for the development and promotion of renewable energy is Gujarat Energy and Development Agency (“GEDA”). The Government of Gujarat and GEDA play an active role in development of renewable energy by implementing various guidelines issued by MNRE.

Wind Power Policy, 2013 (“Gujarat Wind Power Policy”)

The Gujarat Wind Power Policy came into effect from July 25, 2013 and shall be operative until March 31, 2016. The Gujarat Wind Power Policy *inter-alia* provides that *inter-alia*, a company shall be eligible for setting up Wind Turbine Generators (“WTGs”) either for captive use and/or for sale of electricity, in terms of the Electricity Act, 2003 as amended from time to time. It has been clarified that the use of electricity for own consumption at his end use location/s by the owner of WTGs shall be considered as captive use. Further, the Gujarat Wind Power Policy stipulates that the WTGs may be set up at sites notified by Gujarat Energy Development Agency and/or any other sites identified as potential site, within the State by the Nodal Agency or Developer/s. The WTGs may be set up on private land, or revenue wasteland allotted by the State Government/GEDA land, if available. The allotment of GEDA land on lease shall be done upon approval of a Coordination Committee as constituted under the Gujarat Wind Power Policy. With respect to sale of electricity the Gujarat Wind Power Policy provides for both, sale to distribution utilities, being GUVNL and/or any distribution licensee as well as to third parties. Moreover, the Gujarat Wind Power Policy *inter-alia* provides that each distribution licensee shall purchase electricity generated from all renewable energy sources including wind, as per orders of the Gujarat Electricity Regulatory Commission (“GERC”). WTGs installed and commissioned during the operative period shall be eligible for the incentive under this policy for a period of twenty five years from the date of commissioning or of the life span of the wind turbine generators, whichever is earlier. Under the Gujarat Wind Power Policy the electricity generated from the wind turbine generators shall be exempted from payment of electricity duty in accordance with Gujarat Electricity Duty Act, 1958 as amended from time to time. Wheeling of wind energy for third party sale and captive use shall be exempted from cross subsidy charge. Further, in terms of the Gujarat Wind Power Policy, the evacuation facility from the windfarm sub-station to the Gujarat Energy Transmission Corporation Limited (“GETCO”) sub-station within the range of 100km shall be erected by the developer at their own cost and beyond this limit, GETCO shall erect the evacuation facilities.

Instructions/Guidelines/Terms and Conditions for setting up of Wind farm under Developer Approach (“Wind farm Guidelines”)

The Wind farm Guidelines stipulate instructions/guidelines/terms and conditions for a developer to make a non-transferable application to GEDA to obtain permission for setting up of a wind farm project in the State of Gujarat from GEDA. The said permission for setting up of a wind farm is to be governed by the provisions of the Wind Power Generation Policy-2007 declared by the Government of Gujarat, its subsequent amendments, GERC orders and the guidelines and terms and conditions mentioned in the Wind farm Guidelines. This permission granted to a developer is valid for a period of twenty four months or upto the period that the Wind Power Policy is in force - whichever is earlier. Thereafter, an extension of the time period for setting up of the wind farm beyond the validity period needs to be requested for. In terms of the Wind farm Guidelines, the developer is *inter-alia* required to obtain an approval from the Gujarat Energy Transmission Corporation Limited for construction of the wind farm substation and the transmission line

between the wind farm and GETCO substation as well as the quantum of power allowed for transmission. Further, the developer is *inter-alia* required to provide a metering arrangement at the Wind Turbine Generators and the sending end of the wind farm. It is also *inter-alia* stipulated that type test approval is to be obtained for all WTGs proposed to be installed from the NIWE formerly known as Centre for Wind Energy Technology or its recognized test centers. The Wind farm Guidelines also *inter-alia* stipulated that such wind farm may be transferred by the developer to its clients on request of the developer and application from the client, subsequent to which permission for transfer of capacity will be received from GEDA. A similar request for commissioning of the WTGs needs to be made by the wind farm owner who is also required to comply with certain other stipulations specified therein, subsequent to which GEDA will issue a commissioning certificate.

Gujarat Electricity Industry (Reorganisation and Regulation) Act, 2003 (“GEI Act”)

The GEI Act seeks to provide for reorganisation and rationalisation of electricity industry in the State of Gujarat and for establishing an Electricity Regulatory Commission in the State for regulating the electricity industry and for matters connected therewith or incidental thereto. The GEI Act *inter-alia* provides for the establishment of the Gujarat Electricity Regulatory Commission (“GERC”). The GERC is to perform functions as stipulated in the GEI Act, *inter-alia* including (a) the regulation of purchase, transmission, distribution, supply and utilisation of electricity, the quality of service and the tariff and charges payable for the transmission, distribution or supply of electricity; (b) the issue of licenses in the manner provided; (c) formulation of standards, codes and practices for operation of the State Grid and the power system; and (d) promotion of efficient utilisation and conservation of electricity, reduction of wastes and losses in the use of electricity.

LABOUR LAWS

Employees Provident Fund and Miscellaneous Provisions Act, 1952 (“EPF Act”)

Under the EPF Act, compulsory provident fund, family pension fund and deposit linked insurance are payable to employees in factories and other establishments. The legislation provides that an establishment employing more than 20 (twenty) persons, either directly or indirectly, in any capacity whatsoever, is either required to constitute its own provident fund or subscribe to the statutory employee’s provident fund. The employer of such establishment is required to make a monthly contribution to the provident fund equivalent to the amount of the employee’s contribution to the provident fund. There is also a requirement to maintain prescribed records and registers and filing of forms with the concerned authorities. The EPF Act also prescribes penalties for avoiding payments required to be made under the abovementioned schemes.

Payment of Gratuity Act, 1972

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

Payment of Gratuity (Gujarat) Rules, 1973

Every employee who has rendered continuous service for not less than 5 (five) years shall be entitled to gratuity on his superannuation or on his retirement or resignation or on his death or disablement application can be mute in Form-I. In case of seasonal establishments, gratuity shall be payable at the rate of 7 (seven) days wages for each season. The maximum gratuity payable under this Act is ₹ 3,50,000/- (Rupees Three Lakhs Fifty Thousand Only).

The Minimum Wages Act, 1948 (“MW Act”)

The MW Act was enacted to establish minimum wages for certain categories of employees. Under this Act, the Central and the State Governments stipulate the scheduled industries and establishments and fix minimum wages.

Gujarat Minimum Wages Rules, 1961 (“GMW Rules”)

The minimum wages are fixed in Gujarat on the advice of the State level minimum wage advisory committee. This advisory committee consists of the members of both employers and employees and also other experts. The GMW Rules *inter-alia* provides that every employer shall pay the minimum wages for the scheduled employment under the

Minimum Wages Act, 1948. There is also a provision to fix hours of work overtime and wages for overtime. The claim for non-payment of minimum wages shall be filed before the concerned area Labour Court. Penalties are provided in the Act for violations of provision of Act read with the Rules.

Payment of Bonus Act, 1965

Pursuant to the Payment of Bonus Act, 1965, as amended, an employee in a factory and every other establishment where 20 (twenty) or more persons are employed on any day during an accounting year, who has worked for at least 30 (thirty) working days in a year, is eligible to be paid a bonus. Contravention of the provisions of the Payment of Bonus Act, 1965 by a company is punishable with imprisonment upto 6 (six) months or a fine up to ₹ 1,000/- (Rupees One Thousand Only) or both.

The Maternity Benefit Act, 1961

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

The Payment of Wages Act, 1936 (“PW Act”)

The PW Act is applicable to the payment of wages to persons in factories and other establishments. The 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 Gujarat Payment of Wages Rules, 1963

The Gujarat Payment of Wages Rules, 1963 provides for instructions and directions of payment and wages to the workmen and employers. The employer is bound to maintain the register with the details of name of the employee, his wages, D.A. etc. If there is any breach of contract, the employer is not supposed to deduct the wages without any proper reason and serving a notice to the concerned employee. Any officer can visit the factory or any industrial unit for inspection as per the Act and ask for the register and other documents which are to be maintained by the employer.

Equal Remuneration Act, 1976

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

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

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 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 behaviour namely, physical contact and advances or a demand or request for sexual favours 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/- (Rupees Fifty Thousand Only).

Industrial Disputes Act, 1947 (“ID Act”) and Industrial Dispute (Central) Rules, 1957

The ID Act and the Rules made thereunder provide for the investigation and settlement of industrial disputes. The ID Act was enacted to make provision for investigation and settlement of industrial disputes and for other purposes specified therein. Workmen under the ID Act have been provided with several benefits and are protected under various labour legislations, whilst those persons who have been classified as managerial employees and earning salary beyond 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. The ID Act includes detailed procedure prescribed for resolution of disputes with labour, removal and certain financial obligations up on retrenchment. The Industrial Dispute (Central) Rules, 1957 specify procedural guidelines for lock-outs, closures, lay-offs and retrenchment.

Industrial Disputes (Gujarat) Rules, 1966

The Rules provide for investigation and settlement of industrial disputes through Conciliation, Board of Conciliation, Labour Courts, Industrial Tribunals, National Industrial Tribunals, Arbitrators, etc. The Rules cover all aspects of strikes & lockouts, unfair labour practices on the part of employers and employees.

Contract Labour (Regulation and Abolition) Act, 1970 (“CLRA”)

CLRA is an Act to regulate the employment of contract labour in certain establishments and to provide for its abolition in certain circumstances. The CLRA applies to every establishment in which 20 (twenty) or more workmen are employed or were employed on any day of the preceding 12 (twelve) months as contract labour. It also applies to every contractor who employs or who employed on any day of the preceding 12 (twelve) months, 20 (twenty) or more workmen provided that the appropriate Government may after giving not less than 2 (two) months' notice, by notification in the Official Gazette, apply the provisions of the CLRA to any establishment or contractor. Further, it contains provisions regarding Central and State Advisory Board under the CLRA, registration of establishments, and prohibition of employment of contract labour in any process, operation or other work in any establishment by the notification from the State Board, licensing of contractors and welfare and health of the contract labour. Contract Labour (Regulation and Abolition) Central Rules, 1971 are formulated to carry out the purpose of the CLRA.

The Contract Labour (Regulation and Abolition)(Gujarat) Rules, 1972 are applicable to our Company.

ENVIRONMENT RELATED LAWS

Environment Protection Act, 1986 and Environment (Protection) Rules, 1986

The Environmental Protection Act, 1986 is an "umbrella" legislation designed to provide a framework for co-ordination of the activities of various Central and State authorities established under various laws. The potential scope of the Act is broad, with "environment" defined to include water, air and land and the interrelationships which exist among water, air and land, and human beings and other living creatures, plants, micro-organisms and property. Further, The Ministry of Environment and Forests looks into Environment Impact Assessment. The Ministry receives proposals for expansion, modernization and setting up of projects and the impact which such projects would have on the environment is assessed by the Ministry before granting clearances for the proposed projects.

Water (Prevention and Control of Pollution) Act, 1974 and Air (Prevention and Control of Pollution) Act, 1981

Water (Prevention and Control of Pollution) Act, 1974 and Air (Prevention and Control of Pollution) Act, 1981 are the other major statutes in India which seek to regulate and protect the environment against pollution and related activities in India. The basic purpose of these statutes is to control, abate and prevent pollution. In order to achieve these objectives, Pollution Control Boards which are vested with diverse powers to deal with water and air pollution, have been set up in each State. In terms of the Water (Prevention and Control of Pollution) Act, 1974, any entity is *inter-alia* prohibited from knowingly causing or permitting the discharge of poisonous, noxious or polluting matter prescribed and also from establishing any industry, operation or process which is likely to discharge sewage trade effluents. In terms of the Air (Prevention and Control of Pollution) Act, 1981, save and except with the consent of a State Pollution Control board, an entity is prohibited, from operating any industrial plant for the purpose of any industry specified thereunder in an air pollution control area. Further, an entity operating any industrial plant in an air pollution control area is prohibited from discharging or causing or permitting to be discharged the emission of any air pollutant in excess of the standards prescribed.

Coastal Regulation Zone Notification, 2011 (“CRZ Notification”)

The Ministry of Environment and Forests notified the CRZ Notification January 06, 2011. In exercise of the powers conferred by sub-section (1) and sub-section (2)(v) of section 3 of the Environment (Protection) Act, 1986, the Central Government, with a view to *inter-alia* ensure livelihood security of local communities, living in the coastal areas, to conserve and protect coastal stretches, to promote development through sustainable manner declared the coastal stretches of the country and the water area upto its territorial water limit, as Coastal Regulation Zones (“CRZs”). Setting

up of new industries and expansion of existing industries is prohibited in the CRZs except facilities for generating power by non-conventional energy sources based on an impact assessment study including social impacts. These activities are however, prohibited in CRZ-I(i). The CRZ Notification further enumerates activities that require the Ministry of Environment and Forests' approval and includes *inter-alia* laying of transmission lines and facilities for generating power by non-conventional energy resources and weather radars. The CRZ Notification also provides development or construction activities in different categories of CRZ are to be regulated by the concerned Coastal Zone Management Authority in accordance with the norms laid down in the CRZ Notification.

TAX RELATED LEGISLATIONS

The Central Sales Tax Act, 1956 (“CST Act”)

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

Value Added Tax (“VAT”)

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.

Gujarat Value Added Tax Act, 2003 is applicable to the establishments of our Company.

Income-tax Act, 1961 (“IT Act”)

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

Service Tax

Chapter V of the Finance Act, 1994 as amended, provides for the levy of a service tax in respect of ‘taxable services’, defined therein. The service provider of taxable services is required to collect service tax from the recipient of such services and pay such tax to the Government. Every person who is liable to pay this service tax must register himself with the appropriate authorities. According to Rule 6 of the Service Tax Rules, every assessee is required to pay service tax in TR 6 challan by the 6th of the month immediately following the month to which it relates. Further, under Rule 7 (1) of Service Tax Rules, the company is required to file a quarterly return in Form ST 3 by the 25th of the month immediately following the half year to which the return relates. Every assessee is required to file the quarterly return electronically.

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 Gujarat Panchayats, Municipalities, Municipal Corporations And State Tax On Professions, Traders, Callings And Employments Act, 1976 (“Professional Tax Act”)

This Professional Tax Act aims to provide for the levy and collection of a tax on professions, trades, callings and employments for the benefit of the State. The tax payable under the Professional Tax Act by any person earning a salary or wage, shall be deducted by his employer from the salary or wage payable to such person, before such salary or wage is paid to him, and such employer shall, irrespective of whether such deduction has been made or not, when the salary or wage is paid to such person, be liable to pay tax on behalf of all such persons. The Professional Tax Act *inter-alia* requires every employer liable to pay tax under the Professional Tax Act to obtain a certificate of registration from the prescribed authority. The Professional Tax Act also *inter-alia* requires every person liable to pay tax under the Professional Tax Act (other than a person earning salary or wages, in respect of whom the tax is payable by the employer), to obtain a certificate of enrolment from the prescribed authority.

For details of our Company’s material registrations under the applicable the tax legislations, kindly refer to the Chapter titled “Government and Other Key Approvals” beginning on page 203 of this Prospectus.

OTHER LAWS

Gujarat Shops and Establishments Act, 1948

Our Company has its registered office at: A-1/2, Firdous Tower, New Rander Road, Adajan Patia, Surat – 395 009. Accordingly, the provisions of the Gujarat Shops and Establishments Act, 1948 are applicable to our Company. These provisions regulate the conditions of work and employment in shops and commercial establishments and generally prescribe obligations in respect of *inter-alia* registration, opening and closing hours, daily and weekly working hours, holidays, leave, health and safety measures, and wages for overtime work.

Transfer of Property Act, 1882 (“TP Act”)

The transfer of property, including immovable property, between living persons, as opposed to the transfer property by operation of law, is governed by the TP Act. The TP 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 TP 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 TP 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.

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 (“Registration Act”)

The Registration Act was passed to consolidate the enactments relating to the registration of documents. The main purpose for which the Registration Act was designed was to ensure information about all deals concerning land so that correct land records could be maintained. The Registration Act is used for proper recording of transactions relating to

other immovable property also. The Registration Act provides for registration of other documents also, which can give these documents more authenticity. Registering authorities have been provided in all the districts for this purpose.

The Indian Stamp Act, 1899 (“Stamp Act”)

Stamp duty in relation to certain specified categories of instruments as specified under Entry 91 of the list, is governed by the provisions of the Stamp Act which is enacted by the Central Government. All others 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 State in India have enacted their own legislation in relation to stamp duty while the other State 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.

Gujarat Stamp Act, 1958 (“Gujarat Stamp Act”)

The Gujarat Stamp Act prescribes the different rates of duties on the instruments falling within the various descriptions set-out in Schedule I of the Gujarat Stamp Act. Such instruments are chargeable with the highest of the duty prescribed. In addition, the Gujarat Stamp Act also prescribes methodology for adjudication, refund of duties, grievance processes and prosecutions. The Collector is normally vested with the power of adjudication. If a document is not stamped or adequately stamped, it is likely to be impounded.

The Indian Contract Act, 1872 (“Contract Act”)

The 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 (“Specific Relief Act”)

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

Competition Act, 2002 (“Competition Act”)

The 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.

The Trademarks Act, 1999 (“Trademarks Act”)

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

The Copyright Act, 1957 (“Copyright Act”)

The Copyright Act grants protection to the authors of literary, artistic, dramatic, musical, photographic, cinematographic or sound recording works from unauthorized uses. Various rights including ownership and economic rights are conferred on the author. These include the right to reproduce the work in any form, issue copies to the public, perform it, and offer for sale and hire. The penalty for general infringement of copyright is imprisonment of maximum 3 (three) years and a fine of up to N 2,00,000/- (Rupees Two Lakhs Only).

REGULATIONS REGARDING FOREIGN INVESTMENT

Foreign Exchange Management Act, 1999 (“the FEMA”)

Foreign investment in companies in the wind energy industry 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 May 12, 2015. The FDI Circular consolidates and subsumes all the press notes, press releases, and clarifications on FDI issued by DIPP till May 11, 2015. All the press notes, press releases, clarifications on FDI issued by DIPP till May 11, 2015 stand rescinded as on May 12, 2015.

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 May 12, 2015 issued by the DIPP does not prescribe any cap on the foreign investments in the sector in which our Company operates. Therefore, foreign investment up to 100% is permitted in our Company under the automatic route. No approvals of the FIPB or the RBI are required for such allotment of equity Shares under this Issue. Our 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 persons 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 K.P. Energy Pvt. Ltd. on January 08, 2010 under the Companies Act, 1956, with the Registrar of Companies, Gujarat, Dadra and Nagar Haveli, bearing Registration Number 059169. The status of our Company was changed to public limited company and the name of our Company was changed to K.P. Energy Limited by a special resolution passed on April 10, 2015. A fresh Certificate of Incorporation consequent to the change of name was granted to our Company on May 11, 2015, by the Registrar of Companies, Ahmedabad, bearing CIN U40100GJ2010PLC059169. Our Company's Registered Office is situated at A-1/2, Firdos Tower, Behind Fazal Shopping Centre, Adajan Patia, Surat - 395009, Gujarat, India.

K.P. Energy Ltd provides complete solutions from concept till completion of the project life-cycle of a Wind Project. Activities covered are Siting of Wind-farms, Lands & Permits acquisition, EPCC (Engineering, Procurement, Construction & Commissioning) of Wind Project Infrastructure including power transmission and Operations & Maintenance of entire Balance of Plant of a Utility Scale Wind-farm. Business model of company is designed to bring scalability in wind sector by serving OEMs (Original Equipment Manufacturers) of Wind Turbines, IPPs (Independent Power Producers, Captive Users as well as Institutional Investment Programs.

In addition to the Wind Power Project Development business, we propose to become an Independent Power Producer in Wind Energy and hence we propose to utilise the funds raised through this IPO for Owned generating asset of 2.10 MW scheduled for commissioning in FY 2016. For further details please refer to "Objects of the Issue" on page 61 of this Prospectus.

For further details regarding our business operations, please see the chapter titled "Business Overview" beginning on page 91 of this Prospectus.

Our Company has seventy one (71) shareholders, as on the date of this Prospectus.

MAJOR EVENTS

In our short operating history, we have achieved substantial growth and passed key milestones. A summary of major events since incorporation of our company is as described below:

FINANCIAL YEAR	EVENT
2010	<ul style="list-style-type: none"> ▪ Incorporation of our company as K.P. Energy Pvt. Ltd.
2012	<ul style="list-style-type: none"> ▪ Allotted on lease 17 spots (1 hectare each) for Ratdi&Baradia Wind Farm Project from Government. ▪ Allotted on lease 18 spots (1 hectare each) for Matalpar Wind Farm Project from Government.⁽¹⁾ ▪ Acquired land bearing survey no. 217-paiki-20 at Palitana, Village: Shevdiwadar for proposed substation to be owned and operated by KPEL w.r.t. the Matalpar Wind Farm Project. ▪ Allotted on lease 21 spots (1 hectare each) for Odedar Wind Farm Project from Government.
2013	<ul style="list-style-type: none"> ▪ Allotted on lease 3 spots (1 hectare each) for Kuchdi Wind Farm Project from Government.⁽²⁾
2014	<ul style="list-style-type: none"> ▪ Executed 30 MW Joint Development agreement with Suzlon Energy Ltd. dated July 29, 2013 for Wind Farm at Ratdi. ▪ Acquired land bearing survey no. 308-paiki-4 at Porbander, Village: Baradia for proposed substation to be owned and operated by KPEL w.r.t. the Ratdi&Baradia Wind Farm Project. ▪ Allotted on lease 9 spots (1 hectare each) for Matalpar Wind Farm Project from Government⁽³⁾
2015	<ul style="list-style-type: none"> • Executed 31.50 MW Joint Development agreement with Suzlon Energy Ltd. dated October 30, 2014 for Wind Farm at Khuchdi • Executed 30 MW Joint Development agreement with Suzlon Energy Ltd. dated January 15, 2015 for Wind Farm at Matalpar. • Acquired land bearing survey no. 427 at Porbander, Village: Degam for proposed substation to be owned and operated by KPEL w.r.t. the Kuchddi Wind Farm Project. • Allotted on lease 21 spots (1 hectare each) for Kuchdi Wind Farm Project from Government.⁽⁴⁾ • Commissioned 27.30 MW Wind Power Projects from the Ratdi&Baradia Wind Farm at Porbander. • K.P. Group was selected as India's Most Promising Brands – 2015 by World Consulting & Research Corporation.
2016	<ul style="list-style-type: none"> • Revised the joint development agreement with Suzlon Energy for the Mahua Site and Kuchddi to 50.40 MW each. • Commissioned the entire 33.6 MW Wind Power Project at Ratdi and Baradia Wind Farm at Porbander. • Conversion of our Company from Private Limited Company to a Public Limited Company on May 11,

	<p>2015.</p> <ul style="list-style-type: none"> • Obtained additional 4.20 MW Power evacuation and substation Permission increasing total from 163.60 to 167.20 MW out of the total of 291.90MW. • In process of commissioning 29.40MW Wind Power Project at Matalpar. • Allotted on lease 8 spots (1 hectare each) for Miyani Wind Farm Project from Government • Allotted on lease 12 spots (1 hectare each) for Kuchdi Wind Farm Project from Government • Allotted on lease 22 spots(1 hectare each) for Mahua (Valdi) Wind Farm Project from Government.
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⁽¹⁾Pursuant to this allotment order, 5 of these spots were offered to the Forest Department and hence are not being considered as part of Sites earmarked for Development.

⁽²⁾Pursuant to this allotment order, only 2 of these spots were earmarked for development due to technical reasons.

⁽³⁾ Pursuant to this allotment order, 1 of these spots were offered to the Forest Department and hence is not being considered as part of Sites earmarked for Development.

⁽⁴⁾Pursuant to this allotment order, only 19 of these spots were earmarked for development due to technical reasons.

MAIN OBJECTS

The main object of our Company is as follows:

“To manufacture, produce, install, commission, operate, prepare, pay, import, buy, sell, supply, distribute or otherwise deal in all energy production and conversion, activities in all its form including of various renewable sources like solar and wind energy, all forms of biomass, geothermal energy, hydel energy, tidal and wave energy also effective and efficient utilisation of conventional energy forms like coal, oil, gas, electricity and all equipments that may be associated with such energy related activities.”

CHANGES IN REGISTERED OFFICE OF OUR COMPANY

There have been no changes in our Registered Office address since incorporation.

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
December 15, 2012	The Authorised Share Capital of our Company was increased from ` 1,00,000 to ` 50,00,000
September 30, 2014	The Authorised Share Capital of our Company was increased from N 50,00,000 to ` 1,50,00,000
April 10, 2015	The Authorised Share Capital of our Company was increased from N 1,50,00,000 to ` 5,00,00,000
May 11, 2015	Our Company was converted into Public Limited Company and renames as K.P. Energy Limited.

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

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

SUBSIDIARY COMPANIES

We have recently acquired controlling interest in 3 of our group companies, thereby making them our subsidiaries.

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

1. K.P ENERGY MAHUA WINDFARMS PVT. LTD. (HEREIN AFTER KNOWN AS “KPEMWPL”)

Corporate Information

KPEMWPL was incorporated under the Companies Act, 1956 as K.P Energy Mahua Windfarms Pvt. Ltd. on July 25, 2012, in the state of Gujarat. The main object of KPEMWPL is to carry on business to promote, own, acquire, erect, construct establish, maintain; improve, manage, operate, alter, generate electrical power by conventional, non-

conventional-methods including wind, tidal waves, solar, hydel and geohydel and to carry on, control, take on hire/lease wind farm, wind power plants, co-generation, wind Energy conservation projects, wind power houses, transmission and distribution systems for generation, distribution, transmission and supply of electrical energy and buy, sell, supply, exchange, market, function as a license and deal in electrical power, energy to the State Electricity Board, State Government, Appropriate Authorities, licences, specific industrial units and other consumers for industrial, commercial, agricultural, household and any other purpose in India and elsewhere in any area to be specified by the State Government, Central Government, Local Authority, State Electricity Boards and any other component authority. Its registered office is situated at A-1/2, Firdos Tower, Behind Fazal Shopping Centre, Adajan Patia, Surat – 395009

Board of Directors

- Farukbhai Patel
- Ashish A Mithani

Capital Structure

Particulars	No. of Equity Shares of ₹ 10/- each
Authorised Share Capital	1,00,000
Issued, Subscribed and Paid-up Capital	10,000

Shareholding Pattern

Name of the shareholders	No. of Shares	Percentage (%)
K.P. Energy Limited ⁽¹⁾	5,100	51.00%
Farukbhai Patel	3,430	34.30%
Ashish A Mithani	1,470	14.70%
Total	10,000	100.00%

⁽¹⁾ Our Company has acquired 51% stake in “KPEMWPL” as on July 01, 2015. As on date of this Prospectus, we are holding 51% stake in KPEMWPL.

Financial Information

(₹ in lakhs)

Particulars	As at March 31		
	2015	2014	2013
Equity Capital	1.00	1.00	1.00
Reserves and Surplus (excluding revaluation reserve)	Nil	Nil	Nil
Pre Operative Expenses (Not written off)	0.50	0.32	0.28
Income including other income	NA	NA	NA
Profit/ (Loss) after tax	NA	NA	NA
Earnings per share (face value of ₹ 10 each) (in ₹)	NA	NA	NA
Net asset value per share	NA	NA	NA

Note:- Since the Company has not started its operations yet and hence all the expenses incurred are Pre Operative expenses and therefore, the Profit and Loss Account has not been prepared

Other Disclosures

The Equity Shares of KPEMWPL are not listed on Stock Exchange

KPEMWPL is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 nor is under winding up. Further, KPEMWPL does not have a negative net-worth in the immediately preceding year.

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

2. WIND FARM DEVELOPERS PVT. LTD. (HEREIN AFTER KNOWN AS “WFDPL”)

Corporate Information

WFDPL was incorporated under the Companies Act, 1956 as Wind Farm Developers Pvt. Ltd. on September 24, 2012, in the state of Gujarat. The main object of WFDPL is to carry on the business to promote, own, acquire, erect, construct, establish, maintain, improve, manage, operate, alter, generate electrical power by conventional, non-conventional methods including wind, tidal waves, solar, hydel and geohydel and to carry on, control, take on hire or lease wind farm, wind power plants, co-generation, wind energy conservation projects, wind power houses, transmission and distribution systems for generation, distribution, transmission and supply of electrical energy and buy, sell, supply, exchange, market, function as a license and deal in electrical power, energy to the State Electricity Board, State Government, Appropriate Authorities, licenses, specific industrial units and other consumers for industrial, commercial, agricultural, household and any other purpose in India and elsewhere in any area to be specified by the State Government, Central Government, Local Authority, State Electricity Boards and any other component authority. Its registered office is situated at A-1/2, Firdos Tower, Behind Fazal Shopping Centre, Adajan Patia, Surat – 395009.

Board of Directors

- Ashish A Mithani
- Farukbhai Patel

Capital Structure

Particulars	No. of Equity Shares of ₹ 10/- each
Authorised Share Capital	1,00,000
Issued, Subscribed and Paid-up Capital	10,000

Shareholding Pattern

Name of the shareholders	No. of Shares	Percentage (%)
K.P. Energy Limited ⁽¹⁾	5,100	51.00%
Farukbhai Patel	3,430	34.30%
Ashish A Mithani	1,470	14.70%
Total	10,000	100.00%

⁽¹⁾ Our Company has acquired 51% stake in “WFDPL” as on July 01, 2015. As on date of this Prospectus, we are holding 51% stake in WFDPL

Financial Information

(₹ in lakhs)

Particulars	As at March 31		
	2015	2014	2013
Equity Capital	1.00	1.00	1.00
Reserves and Surplus (excluding revaluation reserve)	Nil	Nil	Nil
Pre Operative Expenses (Not written off)	0.52	0.32	0.28
Income including other income	NA	NA	NA
Profit/ (Loss) after tax	NA	NA	NA
Earnings per share (face value of `10 each) (in `)	NA	NA	NA
Net asset value per share	NA	NA	NA

Note: Since the Company has not started its operations yet and hence all the expenses incurred are Pre Operative expenses and therefore, the Profit and Loss Account has not been prepared

Other Disclosures

The Equity Shares of WFDPL are not listed on Stock Exchange

WFDPL is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 nor is under winding up. Further, WFDPL does not have a negative net-worth in the immediately preceding year.

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

3. UNGARN RENEWABLE ENERGY PVT. LTD. (HEREIN AFTER KNOWN AS “UREPL”)

Corporate Information

UREPL was incorporated under the Companies Act, 1956 as Ungarn Renewable Energy Pvt. Ltd. on May 16, 2014 in the state of Gujarat. The main object of UREPL is to manufacture, produce, install, commission, operate, prepare, pay, import, buy, sell, supply, distribute or otherwise deal in all energy production and conversion activities in all its form including of various renewable sources like solar and wind energy, all forms of biomass, geothermal energy, hydel energy, tidal and wave energy also effective and efficient utilization of conventional energy forms like coal, oil, gas, electricity and all equipments that may be associated with such energy related activities.

Its registered office is situated at J-1, Nishat Society, B/H Shalimar Society, Adajan Patia, Surat - 395009.

Board of Directors

- Ashish A Mithani
- Farukbhai Patel

Capital Structure

Particulars	No. of Equity Shares of ₹ 10/- each
Authorised Share Capital	1,00,000
Issued, Subscribed and Paid-up Capital	10,000

Shareholding Pattern

Name of the shareholders	No. of Shares	Percentage (%)
K.P. Energy Limited ⁽¹⁾	5,100	51.00%
Farukbhai Patel	3,430	34.30%
Ashish A Mithani	1,470	14.70%
Total	10,000	100.00%

⁽¹⁾ Our Company has acquired 51% stake in “UREPL” as on July 01, 2015. As on date of this Prospectus, we are holding 51% stake in UREPL.

Financial Information

(₹ in lakhs)

Particulars	As at March 31		
	2015	2014	2013
Equity Capital	1.00	--	--
Reserves and Surplus (excluding revaluation reserve)	Nil	--	--
Pre Operative Expenses (Not written off)	0.25	--	--
Income including other income	NA	--	--
Profit/ (Loss) after tax	NA	--	--
Earnings per share (face value of N 10 each) (in N)	NA	--	--
Net asset value per share	NA	--	--

Note: Since the Company has not started its operations yet and hence all the expenses incurred are Pre Operative expenses and therefore, the Profit and Loss Account has not been prepared.

Other Disclosures

The Equity Shares of UREPL are not listed on Stock Exchange.

UREPL is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 nor is under winding up. Further, UREPL does not have a negative net-worth in the immediately preceding year.

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

TECHNOLOGY, MARKET COMPETENCE AND OTHER DETAILS REGARDING OUR COMPANY

For details of our Company's business and services, its growth, standing with reference to the prominent competitors, management, technologies and services, please see the chapters titled "*Business Overview*" and "*Industry Overview*" beginning on pages 91 and 80 of this Prospectus, respectively.

CAPITAL RAISING THROUGH EQUITY AND DEBT

Except as mentioned in the chapter titled "*Capital Structure*" beginning on page 53 of this Prospectus, our Company has not raised any capital by way of equity or convertible debentures. For details of debts facilities availed by our Company as on the date of this Prospectus, please see the chapter titled "*Financial Indebtedness*" beginning on page 190 of this Prospectus.

DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS/ BANKS AND TIME / COST OVERRUN, DEFAULTS AND LOCK OUT /STRIKES ETC.

Other than as disclosed in the chapters titled "*Risk Factors*" and "*Outstanding Litigation and Material Developments*" beginning on pages 11 and 193 of this Prospectus, respectively, there have been no defaults or rescheduling of borrowings with the financial institutions / banks.

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

Except as disclosed in the sub-section titled "Subsidiaries" on page 117 of this Prospectus, we have not acquired any business / undertakings since incorporation.

FINANCIAL PARTNERS

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

STRATEGIC PARTNERS

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

OTHER AGREEMENTS

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

INJUNCTIONS OR RESTRAINING ORDERS

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

OUR MANAGEMENT

BOARD OF DIRECTORS

Our Company has five (5) Directors consisting of two (2) Executive Directors, two (2) Non-Executive Independent Directors and one (1) Non-Executive Chairman. The following table sets forth the details of our Board of Directors as on the date of this Prospectus:

Sr. No	Name, Current Designation, Address, Occupation, Term and DIN	Nationality	Age	Other Directorships
1	<p>Mr. Farukbhai Patel <i>Managing Director</i></p> <p>Address: A-602, Firdos Tower, B/h Fazal Shopping Centre, Adajan Road, Adajan Patia, Surat, Gujarat</p> <p>Date of appointment as Director: January 08, 2010</p> <p>Date of appointment as Managing Director: July 15, 2015</p> <p>Term: Five Years beginning on July 15, 2015 up to July 14, 2020</p> <p>Occupation: Business</p> <p>DIN: 00414045</p>	Indian	43 years	<ul style="list-style-type: none"> • KP Buildcon Pvt. Ltd. • KPI Global Infrastructure Ltd. • KP Sor-Urja Ltd. • KP Energy Mahua Windfarms Pvt. Ltd. • Wind Farm Developers Pvt. Ltd. • Ungarn Renewable Energy Pvt. Ltd. • KP Human Development Foundation • KP Structural & Galvanising Pvt. Ltd.
2	<p>Mr. Ashish A Mithani <i>Whole-Time Director</i></p> <p>Address: Flat No. 302, Mansarovar Heights, Puna Kadodra Road, Surat, Gujarat</p> <p>Date of appointment as Director: January 08, 2010</p> <p>Date of appointment as Whole Time Director: July 15, 2015</p> <p>Term: Five Years beginning on July 15, 2015 up to July 14, 2020</p> <p>Occupation: Business</p> <p>DIN: 00152771</p>	Indian	41 years	<ul style="list-style-type: none"> • K.P Energy Mahua Windfarms Pvt. Ltd. • Wind Farm Developers Pvt. Ltd. • Ungarn Renewable Energy Pvt. Ltd.
3	<p>Mr Raghavendra Rao Bondada <i>Non-Executive Independent Director</i></p> <p>Address: Plot No: 66 & 67, Vorla Shankaramma Colony, Kapra, Hyderabad.</p> <p>Date of appointment as Non Executive Independent Director: August 17, 2015</p> <p>Term: Five Years beginning on August 17, 2015 up to August 17, 2020</p> <p>Occupation: Business</p> <p>DIN: 01883766</p>	Indian	41 years	<ul style="list-style-type: none"> • Bondada Engineering Pvt. Ltd.
4	<p>Mr. Sajesh Kolte <i>Non-Executive Independent Director</i></p> <p>Address: 504, Tejashree CHS, 5th Floor, Plot No. 2, Sector 8, Airoli, Navi</p>	Indian	42 years	Nil

Sr. No	Name, Current Designation, Address, Occupation, Term and DIN	Nationality	Age	Other Directorships
	<p>Mumbai – 400 708</p> <p>Date of appointment as Non Executive Independent Director: September 3, 2015</p> <p>Term: Five Years beginning on September 3, 2015 up to September 3, 2020</p> <p>Occupation: Business</p> <p>DIN: 07277524</p>			
5	<p>Mrs. Bhadrabala Joshi <i>Non-Executive Non-Independent Director & Chairman</i></p> <p>Address: 6, Shreenagar Society, Near Panjara Pole, Ghod Dod road, Surat, Gujarat</p> <p>Date of appointment as Non Executive Non-Independent Director: August 17, 2015</p> <p>Term: Liable to Retire by Notation</p> <p>Occupation: Senior Advocate</p> <p>DIN: 07244587</p>	Indian	57 years	Nil

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

Other Notes:

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

BRIEF BIOGRAPHIES OF OUR DIRECTORS

Farukbhai Patel

Mr. Farukbhai Patel, aged 43 years, is the Managing Director of our Company. He is also the founding promoter of our company. He has a vast business experience of over 20 years. He has been instrumental in ushering in the growth in operations of the company. He began his business career in the year 1994 by starting a venture engaged mainly in logistics and construction of residential buildings. From 2001 onwards, Mr. Farukbhai Patel incorporated various companies in order to diversify and run various businesses like Renewable Energy (Solar and Wind), Dredging, manufacturing and galvanizing of telecom towers, manufacturing of textiles and FMCG. Under the leadership of Mr. Farukbhai Patel, the KP Group has worked for several Corporate Giants such as Vodafone, Tata, Indus, Reliance, Airtel, Lanco, Moserbear, etc. He has also been awarded winner “Highest RFAI” (Ready for active installation) by Indus Tower.

Ashish A Mithani

Mr. Ashish A Mithani, aged 41 years, is the Whole-time Director & Chief Executive Officer (CEO) of our Company. He is also the founding promoter of our company. He holds a BBA degree from Shri N. R. Vekaria Institute of Business Management Studies and has business experience of over 20 years. He began his professional career in the year 1994 as an Executive at Reliance Industries where he dealt with commercial and legal matters. In 1998, Mr. Mithani joined M/s Harsh Distributors, a Company providing logistics supporting services to CEAT Limited. In 2006, he joined VSM Projects Pvt. Ltd., an Auto LPG infrastructure and distribution company, as a Partner Director. In 2010, Mr. Mithani incorporated our Company along with Mr. Farukbhai Patel.

Bhadrabala Joshi

Mrs. Bhadrabala Joshi, aged, 57 years, is a Non-Executive Non-Independent Director & Chairman of our company. She is a B. Pharm (from Gujarat University) and LLB (from South Gujarat University) by qualification. She has over 25 years of professional experience in legal fields. She has worked with the office of Senior Advocate – Shri K.C. Desai at Surat for her training. She is currently a practicing advocate having experience in Title clearance Certificate, Search Reports, Execution of Decree in Effective manners, Any kind of Conveyance, Matters Regarding Revenue, Tenancy, City Survey, Taluka Panchayat, U.L.C. Department, Civil criminal Cases, Matters regarding Board of Nominee etc, Motor Accident case Tribunal matters. Further, she is currently working on panel of approved advocates of large Institutions such as State Bank of India, Bank of India, Dena Bank, ICICI Home Finance Company Limited, Kotak Mahindra Bank Ltd and IDBI Bank Ltd.

Raghavendra Rao Bondada

Mr. Raghavendra Rao Bondada, aged 41 years, is the Non-Executive Independent Director of our Company. He holds a degree in Civil Engineering. He has business and professional experience of over 15 years. He has worked for Aster Group where he began as a “Site Engineer” and has graduated to the post of COO & Executive Director. He has an experience of managing complex projects in varied sectors such as telecom, power, renewable energy, Pre-Engineering Buildings and Industrial Infrastructure including international experience of operating in various South Asian Countries, Gulf Countries and the African Continent. He has also received a personal appreciation letter from CEA (Govt. of India) for completion of 400kv transmission line between Kottagudem and Khammam ahead of schedule. In 2012, he has founded his own business – “BEPL” wherein he undertakes engineering projects of various sectors.

Sajesh Kolte

Mr. Sajesh Kolte, aged, 42 years, is a Non-Executive Independent Director of our Company. He is a Bachelor of Science (B.Sc.) in Physics from Gujarat University and holds a degree in Master of Management Studies in Marketing from University of Mumbai. Further he has completed certification programme of Portfolio and Investment Management from IIM, Bangalore. He has professional experience of over 16 years. He has worked for Ceat Limited, Goodlass Nerolac Paints, Berger Paints and ICICI Bank. He has worked with Kotak Mahindra Bank as Principal Banker and Product Manager from 2004 to December 2013. From January 2014, he has been an entrepreneur and trainer in Private Wealth Management and Financial Planning, developing structured products in financial derivative instruments.

BORROWING POWERS OF OUR BOARD OF DIRECTORS

Our Company at its Extra-Ordinary General Meeting held on April 10, 2015 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 DIRECTORS

▪ Remuneration of Executive Directors

The remuneration paid to Farukbhai Patel and Ashish A Mithani in the Financial Year 2014-15 is `5 lakhs and `9 lakhs respectively. Further pursuant to a Shareholders resolution dated July 15, 2015, Farukbhai Patel was re-appointed as the Managing Director and Ashish A Mithani was re-appointed as the whole-time Director of our Company for a period of 5 years with effect from July 15, 2015 and both are entitled to a remuneration (excluding gratuity and compensated

absences) that shall not exceed the limit of `30 lakhs each per annum, as provided under the provisions of The Companies Act, 2013 unless otherwise approved by the Central Government.

▪ Remuneration of Non-Executive Directors

No remuneration was paid to Non-Executive Directors in the Financial Year 2014-15. The Board of Directors have accorded their approval for payment of sitting fee, in their meeting held on September 03, 2015, whereby the Non-Executive Directors of our Company would be entitled to a sitting fee of N2,500, for attending every meeting of Board or its committee thereof.

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. Farukbhai Patel	16,62,500	66.50%
Mr. Ashish A Mithani	4,56,250	18.25%
Total	21,18,750	84.75%

INTEREST OF THE DIRECTORS

All of our Directors may be deemed to be interested to the extent of fees payable to them for attending meetings of the Board or a committee thereof as well as to the extent of other remuneration and reimbursement of expenses payable to them under our Articles of Association, and to the extent of remuneration paid to them for services rendered as an officer or employee of our Company.

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

Except as stated in this chapter titled “*Our Management*” and the chapter titled “*Related Party Transactions*” beginning on pages 122 and 153 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 100 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 100 of this Prospectus, our Company has not taken any property on lease from our Promoters within two years of the date of this Prospectus.

CHANGES IN THE BOARD OF DIRECTORS IN THE LAST THREE YEARS

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

Sr. No.	Name of Director	Date of Change	Reason for change
1	Farukbhai Patel	July 15, 2015	Change in Designation
2	Ashish A Mithani	July 15, 2015	Change in Designation
3	Raghavendra Rao Bondada	August 17, 2015	Appointment
4	Bhadrabala Joshi	August 17, 2015	Appointment
5	Muhammed Ibarahim Gulamabbas Mujawar	August 19, 2015	Resignation
6	Sajesh Kolte	September 03, 2015	Appointment

CORPORATE GOVERNANCE

The provisions of the Listing Regulations 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 Listing Regulations, 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 Listing Regulations. The Board functions either as a full board or through various committees constituted to oversee specific functions. Our executive management provides our Board detailed reports on its performance periodically.

Currently, our Board has five Directors. In compliance with the requirements of the Companies Act and the Listing Regulations, we have two Executive Directors and three Non-Executive Directors including two Independent Directors on our Board. Our Chairman is Non-Executive Director and we have a 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 reconstituted by our Directors by a board resolution dated September 03, 2015 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. Sajesh Kolte	Non- Executive Independent Director	Chairman
Mr. Raghavendra Rao Bondada	Non-Executive Independent Director	Member
Mr. Farukbhai Patel	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.

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 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.

Quorum and Meetings

The audit committee shall meet at least four times in a year and not more than four months shall elapse between two meetings. The quorum shall be either two members or one third of the members of the audit committee whichever is greater, but there shall be a minimum of two independent members present. The Company Secretary of the Company acts as the Secretary to the Committee.

2. Stakeholder's Relationship Committee

The Shareholder Relationship Committee of our Board were reconstituted by our Directors pursuant to section 178 (5) of the Companies Act, 2013 by a board resolution dated September 03, 2015. The Shareholder Relationship Committee comprises of:

Name of the Member	Nature of Directorship	Designation in Committee
Mr. Raghavendra Rao Bondada	Non- Executive Independent Director	Chairman
Mr. Ashish A Mithani	Whole Time Director	Member
Mr. Sajesh Kolte	Non- Executive Independent Director	Member

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

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

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

3. Nomination and Remuneration Committee

The Nomination and Remuneration Committee of our Board was reconstituted by our Directors pursuant to section 178 of the Companies Act, 2013 by a board resolution dated September 03, 2015. The Nomination and Remuneration Committee currently comprises of:

Name of the Member	Nature of Directorship	Designation in Committee
Mr. Sajesh Kolte	Non- Executive Independent Director	Chairman
Mrs Bhadrabala Joshi	Non- Executive Non-Independent Director & Chairman	Member
Mr. Raghavendra Rao Bondada	Non- Executive Independent Director	Member

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

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

Quorum and Meetings

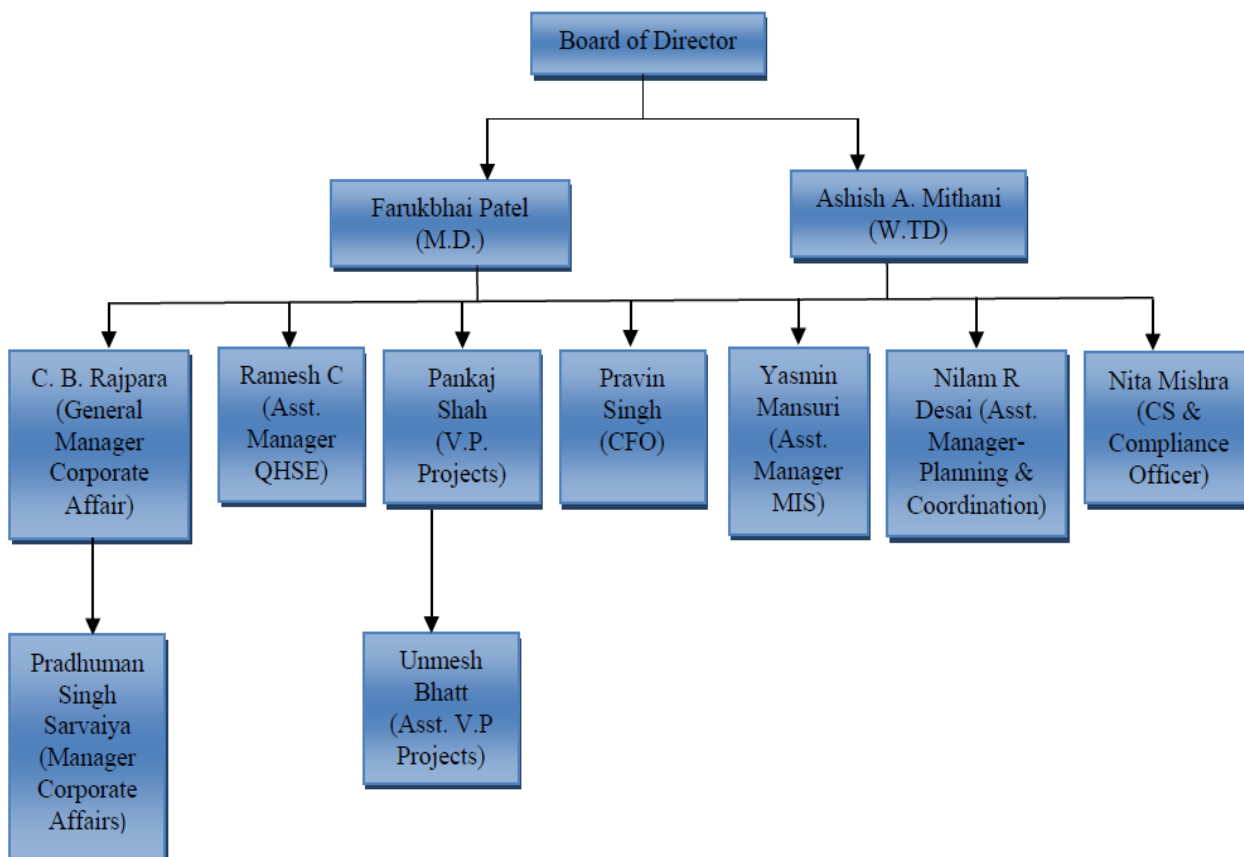
The quorum necessary for a meeting of the Nomination and Remuneration Committee shall be two members or one third of the members, whichever is greater. The Company Secretary of our Company acts as the Secretary to the Committee. The Committee is required to meet at least once a year.

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 Stock Exchanges. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 on listing of Equity Shares on stock exchanges. Further, Board of Directors have approved and adopted the policy on insider trading in view of the proposed public issue.

Ms. Nita Mishra 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

MD	-	Managing Director
WTD	-	Whole-Time Director
QHSE	-	Quality, Health, Safety & Environment
V.P.	-	Vice President
CFO	-	Chief Finance Officer
MIS	-	Management Information System
CS	-	Company Secretary

KEY MANAGERIAL PERSONNEL

The details of our key managerial personnel are as below:

Name of Employee	Designation & Functional Area	Date of Appointment	Current C.T.C p.a. (in lakhs)	Qualification	Name of Previous Employer(s)	Total years of Experience
Pankaj Shah	Asst-V.P Projects	August 8, 2011	6.00	B.E (Electronics)	Gujarat Electricity Board- Paschim Gujarat Vij Co. Ltd.	40 years
Unmesh Bhatt	Asst V.P- Projects	January 07, 2014	6.48	Mechanical Engineer	Navin Engineering Works	20 years
Yashmin Mansuri	Asst Manager MIS	January 09, 2014	2.40	MBA(Finance)	Smt. V D Desai(Wadiwal) School	25 years
Nilam R Desai	Asst Manager Planning & Coordination	July 1, 2011	3.00	Diploma in Civil Engineering	Shilpa Seva Architect, Bathani Architect	22 years
Ramesha C	Asst Manager-QHSE	February 20, 2014	4.80	Diploma in Mechanical Engineering	Suzlon Energy limited	19 years
Nita Mishra	Company Secretary & Compliance Officer	June 01, 2015	1.20	Company Secretary	R. Kejriwal & Associates, Surat	1.5 year
Pravin Singh	Chief Finance Officer	April 08, 2015	3.28	M.Com	K.P Buildcon Pvt. Ltd.	11 years
Pradhuman Singh Sarvaiya	Manger Cooperate Affairs	January 15, 2011	3.24	B.Com, L.L.B	Freelance News reporter	15 years
Chaturbhuj Rajpara	General Manager Cooperate Affairs	December 1, 2014	6.00	P.H.D in Gandhi Vichar	Government of Gujarat	37 years

Notes:- The aforementioned KMP are on the payroll 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 is related to each other. Also, none of them have been selected pursuant to any arrangement / understanding with major shareholders / customers / suppliers.

Shareholding of Key Managerial Personnel

None of the KMP in our Company holds any shares of our Company as on the date of this Prospectus, except as disclosed below:

Name	Designation	No. of shares held
Pankaj Shah	V.P Projects	7,500
Unmesh Anilkumar Bhatt	Asst V.P- Projects	6,000
Yasmin Mansuri	Asst Manager MIS	3,125
Nilam R Desai	Asst Manager Planning & Coordination	3,125
Ramesha C	Asst Manager-QHSE	1,250
Pravin Singh	Chief Finance Officer	3,750
Pradhumansingh Sarvaiya	Manger Cooperate Affairs	5,625
Chaturbhuj Rajpara	General Manager Cooperate Affairs	3,125
Total		33,250

Interest of Key Managerial Personnel

None of our other key managerial personnel have any interest in our Company other than to the extent of their shareholding in our Company, the remuneration or benefits to which they are entitled to as per their terms of appointment, reimbursement of expenses incurred by them during the ordinary course of business.

Our key managerial personnel may also be deemed to be interested to the extent of Equity Shares that may be subscribed for and allotted to them, pursuant to this Issue. Such key managerial personnel 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.

None of our key managerial personnel has been paid any consideration of any nature, other than their remuneration and reimbursement of expenses.

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, except as disclosed in the Chapter titled "Financial Information" beginning on page 141 of this Prospectus.

Employee Share Purchase and Employee Stock Option Scheme

As on the date of this Prospectus, our Company does not have an Employee Stock Option Plan or any Share Based Employee Benefits scheme.

Changes in the Key Managerial Personnel

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
Unmesh Bhatt	Asst V.P- Projects	January 07, 2014
Yashmin Mansuri	Asst Manager MIS	January 09, 2014
Ramesha C	Asst Manager-QHSE	February 20, 2014
Chaturbhuj Rajpara	General Manager Cooperate Affairs	December 1, 2014
Nita Mishra	Company Secretary	June 01, 2015
Pravin Singh	Chief Finance Officer	April 08, 2015

OUR PROMOTER, PROMOTER GROUP AND GROUP COMPANIES

OUR PROMOTERS

Mr. Farukbhai Patel and Mr. Ashish A Mithani are the Promoters of Our Company.

The details of our Promoters are given below:



Mr. Farukbhai Patel

PAN: AEAPP0361H

Passport No.: Z2122545

Driver's License No.: GJ05 20090029045

Voter's ID No.: SGL3026770

Name of Bank & Branch: Bank of Baroda, Ambaji Road Branch, Surat

Bank A/c No.: 06670100022046



Mr. Ashish A Mithani

PAN: ABXPM7671F

Passport No.: H6874701

Driver's License No.: GJ05 20130032947

Voter's ID No.: DPB6993463

Name of Bank & Branch: State Bank Of India, SP. Comm. Branch, Surat

Bank A/c No.: 00000031592815247

For additional details on the age, background, personal address, educational qualifications, experience, positions / posts, other ventures and Directorships held in the past, please see the chapter titled "Our Management" beginning on page 122 of this Prospectus.

For details of the build-up of our Promoters' shareholding in our Company, please see "Capital Structure –Notes to Capital Structure" on page 54 of this Prospectus.

Other Undertakings and Confirmations

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

Our Promoters and the members of our Promoter Group have confirmed that they have not been identified as wilful defaulters by the RBI or any other governmental authority.

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

Interests of Promoters

Our Promoters are interested in the promotion of our Company and are also interested to the extent of their shareholding of Equity Shares from time to time, for which they are entitled to receive the dividend declared, if any, by our Company. Our Promoters may also be deemed to be interested to the extent of remuneration and/or reimbursement of expenses payable to them under the Articles/their terms of appointment. For further details on the interests of our Promoters in our Company, please see the chapters titled "Capital Structure", "Our Promoters, Promoter Group and Group Companies" and "Our Management" beginning on pages 53, 132 and 122 of this Prospectus.

Except as stated otherwise in this Prospectus, we have not entered into any contract, agreements or arrangements in which our Promoters are directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them including the properties purchased by our Company other than in the normal course of business.

Common Pursuits of Promoters and Group Companies

Some of our Group Companies have been authorised by their respective Memorandum of Associations to undertake activities which are similar to ours and are currently engaged in businesses similar to ours. Following are the Group Companies, whose main objects are similar to ours and this may result in potential conflicts of interest with our Company in the future –

- ✓ K.P.I. Global Infrastructure Limited
- ✓ KP Sor-Urja Limited
- ✓ KP Buildcon Pvt. Ltd.

However, our company has entered into a non-compete agreement with our promoters Farukhbhai Patel and Ashish Mithani dated January 05, 2016.

For further details on the related party transactions, to the extent of which our Company is involved, please see “Annexure XVIII – Statement of Related Party Transactions” on page 174 of this Prospectus.

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

Our Promoters have not disassociated themselves from any company in the last three years, except as disclosed below:

Sr. No.	Name of Promoter	Name of Company	Remarks / Reason of disassociation
1	Farukhbhai Patel	KP Silk Fab Pvt. Ltd.	Strike Off
2	Ashish A Mithani	Aeolus Sustainable Bio-Energy Pvt. Ltd.	Sale of shares and Resignation from directorship dated June 3, 2015
3	Farukhbhai Patel	Vaishali Salt and Chemicals Pvt. Ltd.	Sales of shares and Resignation from directorship dated December 07, 2015

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

Except as stated in “Annexure XVIII – Statement of Related Party Transactions” on page 153 of this Prospectus, there has been no payment of benefits to our Promoters during the two years preceding the date of the Prospectus.

Interest of Promoters in the Promotion of our Company

Our Company is currently promoted by the promoters in order to carry on its present business. Our Promoters are interested in our Company to the extent of their shareholding and directorship in our Company and the dividend declared, if any, by our Company.

Interest of Promoters in the Property of our Company

Our Promoters have confirmed that they do not have any interest in any property acquired by our Company within two years preceding the date of this Prospectus or proposed to be acquired by our Company as on the date of this Prospectus. Our promoters are interested in our registered office. For details, please see “Properties” and “Annexure XVIII: Related Party Transactions” on pages 100 and 153 respectively, of this Prospectus.

Further, other than as mentioned in the chapter titled “Business Overview” and “Financial Information” our Promoters do not have any interest in any transactions in the acquisition of land, construction of any building or supply of any machinery.

Interest of Promoters in our Company other than as Promoters

Other than as Promoters, our Promoters are interested in our Company to the extent of their shareholding and directorship in our Company and the dividend declared, if any, by our Company. For details please see chapters titled “Our Management” and “Capital Structure” beginning on pages 122 and 53 respectively of this Prospectus.

Except as mentioned in this section and the chapters titled “Capital Structure”, “Business Overview”, “History and Certain Corporate matters” and “Annexure XVIII – Statement of Related Party Transactions” on pages 53, 91, 116 and 174 of this Prospectus, respectively, our Promoters do not have any interest in our Company other than as promoters.

Related Party Transactions

Except as stated in the “Annexure XVIII – Statement of Related Party Transactions” on page 153 of this Prospectus, our Company has not entered into related party transactions with our Promoters or our Group Companies.

Shareholding of the Promoter Group in our Company

For details of shareholding of members of our Promoter Group as on the date of this Prospectus, please see the chapter titled “*Capital Structure – Notes to Capital Structure*” beginning on page 54 of this Prospectus.

Other Confirmations

Our Company has neither made any payments in cash or otherwise to our Promoters or to firms or companies in which our Promoters are interested as members, directors or promoters nor have our Promoters been offered any inducements to become directors or otherwise to become interested in any firm or company, in connection with the promotion or formation of our Company otherwise than as stated in the “*Annexure XVIII – Statement of Related Party Transactions*” on page 153 of this Prospectus.

Outstanding Litigation

There is no outstanding litigation against our Promoters except as disclosed in the section titled “*Risk Factors*” and chapter titled “*Outstanding Litigation and Material Developments*” beginning on pages 11 and 193 of this Prospectus.

OUR PROMOTER GROUP AND GROUP COMPANIES

A. Natural Persons who are Part of the Promoter Group

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

Name of the Promoter	Name of the Relative	Relationship with the Promoter
Farukbhai Patel	Gulambhai Alibhai Patel	Father
	Rashida Gulam Patel	Mother
	Vahida Patel and Aayesha Patel	Wife(s)
	N/A	Brother
	Bilkish I. Patel, Jaheda N. Patel and Ashiya K. Janab	Sister(s)
	Affan F. Patel, Hassan F. Patel, Umar F. Patel and Mohd. Ali F. Patel	Son(s)
	Zuveriya M. Kadva and Zara F. Patel	Daughter(s)
	Ibrahim Patel and Chitranjan Modi	Wife's Father
	Merun Patel and Sobhna Modi	Wife's Mother
	Harun Patel	Wife's Brother(s)
	Farida Patel, Mosmi Presswala and Vaishali Shah	Wife's Sister(s)
Ashish A Mithani	Ashwin Mithani	Father
	Bhavanaben Mithani	Mother
	Jolly Mithani	Wife
	Niraj A Mithani	Brother(s)
	Tasvi J Shah	Sister(s)
	Joy Ashish A Mithani and Smeet Ashish A Mithani	Son(s)
	N/A	Daughter(s)
	Kantilal Hirachand Vora	Wife's Father
	Manishaben Kantilal Vora	Wife's Mother
	Himanshu Kantilal Vora	Wife's Brother(s)
	Jagrutiben Nirajbhai Mithani	Wife's Sister(s)

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

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

Sr. No.	Name of Promoter Group Entities
1	K P Buildcon Pvt. Ltd.
2	K.P.I. Global Infrastructure Limited
3	KP Sor-Urja Limited
4	KP Human Development Foundation

C. Group Companies / Entities

The Group Companies of our Company are as follows:

Sr. No.	Name of Group Companies / Entities
1	K P Buildcon Pvt. Ltd.
2	K.P.I. Global Infrastructure Limited
3	KP Sor-Urja Limited
4	KP Human Development Foundation

Details of Group Companies / Entities

The details of our Group Companies / Entities are set forth below:

1) K P Buildcon Pvt. Ltd. (herein after known as “KPBPL”)

KPBPL was incorporated under the Companies Act, 1956 as K P Buildcon Pvt. Ltd. on July 10, 2001 in the state of Gujarat. The main object of KPBPL is to carry on the business of and act as promoters, organizers, developers and agents of land, estate, property, industrial estate, housing schemes, shopping & office complexes, townships, warehousing, farms, farm-houses, holiday resorts, hotels, motels and to deal with purchase, sell, exchange, lease and to improve such properties either as owners and or agents. Its registered office is situated at Shop No. 1, Higher Ground Floor, Firdos Tower, Adajan Patia, Surat - 395009.

Board of Directors

- Farukbhai Patel
- Rashida Patel

Interest of our Promoters

Our Promoter, Mr. Farukbhai Patel holds 29.69% of KPBPL.

Financial Information

The brief financial details of KPBPL derived from its audited financial statements, for Fiscals 2015, 2014 and 2013 are set forth below:

Particulars	As at March 31		
	2015	2014	2013
Equity Capital	112.00	112.00	112.00
Reserves and Surplus (excluding revaluation reserve)	854.79	824.22	773.48
Income including other income	5207.63	7229.44	7141.68
Profit/ (Loss) after tax	30.58	50.74	53.87
Earnings per share (face value of ₹ 10 each) (in ₹)	2.73	4.53	4.81
Net asset value per share(in ₹)	86.32	83.60	76.06

(₹ in lakhs)

Other Disclosures:

The Equity Shares of KPBPL are not listed on any Stock Exchange.

KPBPL is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 nor is under winding up. Further, KPBPL does not have a negative net-worth in the immediately preceding year.

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

2) K.P.I. Global Infrastructure Limited (herein after known as “KPIGIL”)

KPIGIL was incorporated under the Companies Act, 1956 as K.P.I. Global Infrastructure Limited on February 01, 2008 in the state of Maharashtra. Its registered office is situated C/o R. Kantilal & Co. 71/73, Old Hanuman Lane, Picat Road, Kalbadevi, Mumbai-400062. The main objects of KPIGIL are –

- To carry on the business of and act as promoters, organizers, consultants and developers in real estate and agents of lands, estate, property industrial estate, housing schemes, shopping / office complexes, township, warehouses, farm-houses, holiday resorts and building for hotels, motels, factories and to deal with purchase, sell, such properties, either as owner and/or agents.
- To carry on the business of construction and to act as builders, contractors of prefabricated concrete buildings and constructional works and contractors, decorators, architects, surveyors, designers, constructional engineers sanitary and water engineers and plumbers and to erect, construct, re-construct, alter, improve, decorate, furnish and maintain houses, buildings or all descriptions, commercial Centers, hotels in connection with any building or building or schemes, roads, large projects, entertainment house, highways, docks, tramways, bridges, canals, wells, sprints, dams, gardens, power plants, culverts, earthwork, channels, bowers, sewers, tanks, drains, wharfs, ports, reservoirs, sewages, embarkment, irrigations, reclamations, improvements, sanitations, clubs, tanks, schools, hospitals, restaurants, bath, places of work, playgrounds, parks, libraries, reading rooms, vehicle stands, shops, carriages dairy farms of any other structural or architectural work of any kind and for such purposes to prepare estimates, designs, plans, specifications, models, that may be require including preparations of layouts, develop, erect, demolish, recreate, prepare, re-model, execute, undertake, establish, acquire, maintain, control, manage, take on lease, purchase or acquire any work in connection with the above and generally to deal with and improve the property of the company by any other property and to undertake or direct the construction, development and the management of the property, buildings, land and estate (of any tenure or kind) any to acquire by purchase, lease, exchange, hire or otherwise lands and property of in the same and to sell or otherwise dispose of the land houses, buildings and other property of the company.
- To carry on, manage, supervise and control the business of transmitting, manufacturing, supplying, generating, trading, distributing and dealing in electricity and all forms of energy and power generated by any source whether nuclear, steam, hydro or tidal, water, wind, solar, hydrocarbon fuel or any other form, kind or description.

Board of Directors

- Farukbhai Patel
- Rashida Patel
- Gulammahmad Patel
- Dhimantraï Joshi

Interest of our Promoters

Our Promoter, Mr. Farukbhai Patel holds 73.63% of KPIGIL.

Financial Information

The brief financial details of KPIGIL derived from its audited financial statements, for Fiscals 2015, 2014 and 2013 are set forth below:

Particulars	As at March 31		
	2015	2014	2013
Equity Capital	300.00	300.00	5.00
Reserves and Surplus (excluding revaluation reserve)	89.41	49.81	-
Income including other income	634.04	894.90	-
Profit/ (Loss) after tax	39.60	49.82	-
Earnings per share (face value of ₹ 10 each) (in ₹)	1.31	1.66	-
Net asset value per share(in ₹)	12.89	11.53	10.00

(₹ In lakhs)

Other Disclosures

The Equity Shares of KPIGIL are not listed on Stock Exchange.

KPIGIL is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 nor is under winding up. Further, KPIGIL does not have a negative net-worth in the immediately preceding year.

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

3) KP Sor-Urja Limited (herein after known as “KPSUL”)

KPSUL was incorporated under the Companies Act, 1956 as K P Personal Care Limited on July 04, 2011, in the state of Gujarat. A fresh Certificate of Incorporation upon change of name to KP Sor-Urja Limited was granted to KPSUL on February 27, 2015. Its registered office is situated at Shop No. HG/2, Firdos Tower, Behind Fazal Shopping Centre, Adajan Patia, Surat – 395009. The main objects of KPSUL are –

- To establish and carry on the business of manufacturers, processors, producers, purchasers, sellers, multi level marketer blenders, makers researchers and dealers in cosmetics, perfumes, scents, sprays, nail polish, fragrances, powders, lavenders, tooth pastes, tooth powder, hair oils, facial kits, mosquito repellent coils, and vaporizers, cream, glycerine, pomades, shampoo, soap, soap powders, detergent and toilet requisites, and all kind FMCG, ayurvedic and herbal products and intermediates and their raw materials.
- To carry on business activities for trading, manufacturing, distribution, generation, transmission, supervisions and control of all types of power either wind farms, solar, etc. and / or to design, plan, manufacture, assemble, supply, erect, commission, test, maintain, trouble shooting, repair, service etc., of electrical and / or electronic goods, items, instruments, parts, spares, D. G. Sets, electrical control, switchgear panels, switches, cables, plugs, powers projects in industrial, commercial, residential, establishments etc., in part individual and / or composite key basis and to provide Consultancy, expert services, advises, designs, drawings in relation to supervision and control of power in India or abroad.

Board of Directors

- Farukbhai Patel
- Shailesh Joshi
- Vinit Joshi

Interest of our Promoters

Our Promoter, Mr. Farukbhai Patel holds 39.96% of KPSUL.

Financial Information

The brief financial details of KPSUL derived from its audited financial statements, for Fiscals 2015, 2014 and 2013 are set forth below:

(₹ In lakhs)

Particulars	As at March 31		
	2015	2014	2013
Equity Capital	5.00	5.00	5.00
Reserves and Surplus (excluding revaluation reserve)	(9.37)	(9.37)	(4.25)
Income including other income	15.30	16.76	73.67
Profit/ (Loss) after tax	(0.01)	(5.12)	(2.91)
Earnings per share (face value of ₹ 1 each) (in ₹)	(0.00)	(1.02)	(0.58)
Net asset value per share(in ₹)	(8.7)	(8.7)	1.5

Other Disclosures

The Equity Shares of KPSUL are not listed on Stock Exchange

KPSUL is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 nor is under winding up. Further, KPSUL does not have a negative net-worth in the immediately preceding year.

There are no defaults in meeting any statutory/bank/institutional dues.

No proceedings have been initiated for economic offences against the Company

4) KP Human Development Foundation (herein after known as “KPHDF”)

KPHDF was incorporated under Section 8 of the Companies Act, 2013, as a Not for Profit, on March 20, 2015 in the state of Gujarat. Its registered office is situated at Shop No. A-1/2, Firdos Tower, Behind Fazal Shopping Centre, Adajan Patia, Surat – 395009. The object pursued by KPHDF on its incorporation is to undertake, organize, conduct, support and work towards educational, cultural, research and development activities and to act as a forum for exchange

of information, ideas, experience for related issues through various mediums and to organize seminars, workshops, camps to motivate and facilitate and to render assistance to needy for food and clothing and to facilitate willing to do similar help by providing a platform to them and to assist to the needy by providing free/ concessional medical aid and to render assistance to economically weak and deserving students in the area of education.

Board of Directors

- Farukbhai Patel
- Dhimantraai Joshi

Interest of our Promoters

Our Promoter, Mr. Farukbhai Patel holds 70.00% of KPHDF.

Other Disclosures

KPHDF was incorporated in March 2015 only hence financial information of the Company is not available. It is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 nor is under winding up. There are no defaults in meeting any statutory/bank/institutional dues. No proceedings have been initiated for economic offences against the Company.

NATURE AND EXTENT OF INTEREST OF GROUP COMPANIES

a) In the promotion of the Company

None of the Group Companies have any interest in the promotion of the Company, except to the extent of their shareholding in the Company, if any. For details regarding the shareholding of our Group Companies in our company, please see the chapter titled “*Capital Structure*” beginning on page 53 of this Prospectus.

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

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

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

Except as stated in the “*Annexure XVIII – Statement of Related Party Transactions*” on page 153 of this Prospectus, none of the Group Companies have any interest in any transactions for acquisition of land, construction of building and supply of machinery by our Company.

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

For details, please see “*Annexure XVIII - Related Party Transactions*” on page 153 of this Prospectus.

Business Interest of Group Companies in the Company

Except as disclosed in “*Annexure XVIII - Related Party Transactions*” and the chapter titled “*Business Overview*” on pages 153 and 91 respectively of this Prospectus, none of the Group Companies have any business interest in our Company.

Further, none of our Group Companies or Entities are currently engaged in a business similar to ours.

Sale / Purchase between Group Companies

For details, please see the chapter titled “*Annexure XVIII - Related Party Transactions*” on page 153 of this 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 OF THE COMPANY

FINANCIAL STATEMENTS

REPORT OF THE AUDITORS ON CONSOLIDATED FINANCIAL STATEMENTS

The Board of Directors,

K.P. Energy Limited

A-1/2, Firdos Tower,

Behind Fazal Shopping Centre,

Adajan Aptia, Surat – 395009

Dear Sirs,

Re: Proposed Public Issue of Equity Shares of K.P. Energy Limited (KEL)

We have examined the Financial Information of **K.P. ENERGY LIMITED** [hereinafter referred to as ‘the Company’] contained in the statements annexed to this report, which have been approved by the Board of Directors, proposed to be included in the Red Herring Prospectus / Prospectus in connection with its proposed Initial Public Offer of Equity Shares at ₹ 10/- each at a premium of ₹60/- each (referred to as the “Issue”) under the Book Building Issue Method.

In terms of the requirement of:

- a. Sub-clauses (i) and (iii) of clause (b) of sub-section (1) of section 26 of the Companies Act, 2013 (the “Act”) read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules (‘the Rules’), 2014;
- b. The Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009, issued by SEBI on August 26, 2009, in pursuance of Section 11 A (1) (a) of Securities and Exchange Board of India Act (SEBI), 1992, ‘SEBI (ICDR) Regulations’;

Financial Information as per audited financial Statements:

- a. We have examined the accompanied ‘Statement of Adjusted Profits and Losses’ (**Annexure – II**) for the Period Ended on 30th September 2015 and the ‘Statement of Adjusted Assets and Liabilities’ (**Annexure – I**) as on those dates, forming Part of the ‘Financial Information’ dealt with by this Report, detailed below. Both read together with the Significant Accounting Policies and Notes to Accounts (**Annexure – IV & V**) thereon, which are the responsibility of the Company’s management. The information have been extracted from the financial statements for the Period Ended on 30th September 2015 audited by us, being the Statutory Auditors of the Company for the respective period, and approved by the Board of Directors and adopted by the Members in those respective period.
- b. Based on the above (a), we report as under:-
 - (i) The statement of Assets and Liabilities, and the Profits and Losses Account of the Company for the Period Ended on 30th September 2015, reflect the assets and liabilities and profits and losses extracted from the Consolidated Balance Sheets and Profit and Loss Accounts for the Period Ended on 30th September 2015 audited by us, being the Statutory auditors of the Company for the respective period, after making such adjustments, regrouping and disclosures as were, in our opinion, appropriate and required to be made in accordance with Clause (b) of paragraph 6.10.2.7 of “the SEBI (ICDR) Regulations.”
 - (ii) In our opinion, read with the respective Significant Accounting Policies and subject to/read together with the notes thereon and after making such adjustments, regroupings and disclosures as were, in our opinion, appropriate and required, the financial information referred to above and the other Financial Information herein below, have been prepared in accordance with Sub-clauses (i) and (iii) of clause (b) of sub-section (1) of section 26 of the Companies Act, 2013 (the “Act”) read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules (‘the Rules’), 2014 and the SEBI (ICDR) Regulations.

Other Financial Information:

We have also examined the following other financial information relating to the Company proposed to be included in the Prospectus, and annexed to this report:

- i) Statement of the Standalone Cash Flow of the Company (Annexure – III)
- ii) Statement of Fixed Assets (Annexure – VI)
- iii) Statement of Investments (Annexure – VII)
- iv) Statement of Trade Receivables and Loans & Advances (Annexure – VIII & IX)
- v) Statement of Other Current Assets (Annexure – X)
- vi) Details of Long Term & Short Term Borrowings of the Company (Annexure – XI & XII)
- vii) Statement of Other Long Term Liabilities (Annexure – XIII)
- viii) Statement of Trade payables (Annexure – XIV)
- ix) Statement of Other Current Liabilities (Annexure – XV)
- x) Statement of Revenue from Operations (Annexure – XVI)
- xi) Statement of Other Income (Annexure – XVII)
- xii) Statement of Related Party Transactions (Annexure – XVIII)
- xiii) Capitalization Statement (Annexure – XIX)
- xiv) Statement of Contingent Liability (Annexure – XX)
- xv) Statement of Dividend Paid (Annexure – XXI)
- xvi) Summary of Accounting Ratios (Annexure – XXII)
- xvii) Statement of Tax Shelter (Annexure – XXIII)

This report should not in any way be construed to be a re-issuance or re-dating of any of the previous audit reports issued by us, nor should it be construed to be a new opinion on any of the financial statements referred to herein.

Our this report, is being provided solely for the use of K. P. Energy Limited, for the purpose of its inclusion in the said Red Herring Prospectus / Prospectus in connection with the proposed Initial Public Offer of the Equity Shares of the Company.

For Bipinchandra J. Modi & Co.,
Chartered Accountants
(Firm Registration No. 101521W)

Bipinchandra J. Modi
Partner
Membership No: 31687

Place: Surat
Date: January 07, 2016

Annexure I

STATEMENT OF CONSOLIDATED ASSETS AND LIABILITIES, AS RESTATED

(₹ in lakhs)

Particulars	As at Sept 30, 2015
I. EQUITY AND LIABILITIES	
(1) Shareholder's Funds	
(a) Share Capital	250.00
(b) Reserves and Surplus	369.43
Total Shareholder's Funds (A)	619.43
(2) Share application money pending allotment (B)	
(3) Minority Interest (C)	1.47
(4) Non-Current Liabilities	
(a) Long-term borrowings	52.40
(b) Deferred tax liabilities (Net)	38.71
(c) Other Long term liabilities	391.58
(d) Long term provisions	-
Total Non-Current Liabilities (D)	482.69
(5) Current Liabilities	
(a) Short-term borrowings	215.50
(b) Trade payables	403.76
(c) Other current liabilities	1,288.51
(d) Short-term provisions	-
Total Current Liabilities (E)	1,907.77
Total (A+B+C+D+E)	3,011.36
II. ASSETS	
(1) Non-current assets	
(a) <i>Fixed assets</i>	
(i) Tangible assets	1,086.13
(ii) Intangible assets	-
(iii) Capital work-in-progress	1,040.16
(iv) Intangible assets under development	-
(b) Non-current investments	0.10
(c) Deferred tax assets (net)	-
(d) Long term loans and advances	-
(e) Other non-current assets	-
Total Non-Current Assets (A)	2,126.38
(2) Current assets	
(a) Current investments	-
(b) Inventories	630.80
(c) Trade receivables	74.66
(d) Cash and cash equivalents	57.58
(e) Short-term loans and advances	118.32
(f) Other current assets	3.61
Total Current Assets (B)	884.98
Total (A+B)	3,011.36

Annexure II

STATEMENT OF CONSOLIDATED PROFIT AND LOSS ACCOUNT, AS RESTATED

(₹ in lakhs)

Particulars	For the period ended Sept 30, 2015
Income	
Revenue from Operations	1,244.50
Other Income	2.20
Total Income	1,246.70
Expenditure	
Purchases	973.70
Change in Inventories	(75.85)
Employee benefit expense	62.34
Financial costs	21.82
Depreciation and amortization expense	17.27
Other expenses	60.37
Total Expenses	1,059.65
Profit before exceptional and extraordinary items and tax	187.05
<i>Add: Exceptional Items</i>	
Profit before extraordinary items and tax	187.05
<i>Less: Extraordinary Items</i>	
Profit before tax	187.05
Tax expense:	
Current tax	46.36
Deferred tax	15.85
	62.22
Profit/(Loss) from the period from continuing operations	124.83
Profit/(Loss) from discontinuing operations	
Tax expense of discounting operations	-
Profit/(Loss) from Discontinuing operations	-
Profit/(Loss) for the period	124.83

Annexure III

CONSOLIDATED CASH FLOW STATEMENT, AS RESTATED

(₹ in lakhs)

Particulars	As at Sept 30, 2015
CASH FLOW FROM OPERATING ACTIVITIES	
Net Profit before tax as Restated	187.05
Adjustment for :	
Depreciation	17.27
Interest Income	(1.14)
Operating Profit before Working Capital Changes	203.18
<i>Adjustment for :-</i>	
(Increase) / Decrease in Inventories	(98.67)
(Increase) / Decrease in Trade Receivables	114.74
Increase/Decrease in Trade Payables	(33.64)
Increase /Decrease in short term provision	-
Increase /Decrease in long term liabilities	(37.00)
Increase /Decrease in Other current liabilities	158.36
Increase /Decrease in short term loans & Advances & other current asset	(13.85)
Increase /Decrease in other Current Assets	(1.68)
Increase /Decrease in other Non Current Assets	-
Cash Generated from Operations	291.44
Direct Taxes Paid	46.36
Net cash from / (used in) operating activities (A)	245.08
CASH FLOW FROM INVESTING ACTIVITIES	
Purchase Of fixed Assets (incl. WIP)	(143.72)
Sale Of Fixed Assets (incl. WIP)	25.41
(Increase) / Decrease in Capital WIP	(191.09)
Other non Current Investments	
Interest Income	1.14
Net cash from/ (used in) Investing activities (B)	(308.26)
CASH FLOW FROM FINANCING ACTIVITIES	
Proceeds from Issue of Share Capital	-
Share Application Money	-
Proceeds from Securities Premium	-
Increase/Decrease in Long Term Borrowing	32.64
Increase/(Decrease) in Short Term borrowing	(2.58)
Net cash from/ (used in) financing activities (C)	30.05
Net (Decrease)/Increase in cash and Cash Equivalents (A+B+C)	(33.13)
Cash and cash equivalents at beginnings of year	90.71
Cash and cash equivalents at end of year	57.58

Annexure IV

SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Preparation of Financial Statements

- a. The Company is a small and Medium Sized Company as defined in the General Instructions in respect of Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended). Accordingly, the company has complied with accounting Standards as applicable to a small and Medium Sized Company.
- b. Financial statements have been prepared under the historical cost convention in accordance with the Generally Accepted Accounting Principles and the provisions of the Companies Act, 2013.
- c. The Financial Statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of financial statements are consistent with those followed in the previous year.
- d. The names of the Companies which are included in consolidation and the Parent Company's holding therein:

Name of the Company	For Period ended on September 30, 2015
KP Energy Mahua Windfarm Pvt. Ltd	51.00%
Windfarm Developers Pvt.Ltd.	51.00%
Ungarn Renewable Energy Pvt.Ltd.	51.00%

- e. The Consolidated Financial statements of the Company and its subsidiary companies have been consolidated on a line-to-line basis by adding together the book value of like items, after fully eliminating intra-group balances and intra-group transactions resulting in unrealised profits / losses.
- f. Minority interest's share of the net profit / (loss) for the period / year of consolidated subsidiaries is identified and adjusted against the profit of the Group.
- g. Minority Interest in the net assets of consolidated subsidiaries consist of:
 - a. The amount of equity attributable to minority at the date on which the investment in a subsidiary is made; and
 - b. The minority share of movements in equity since the date parent subsidiary relationship came into existence.

B. Use of Estimates

The presentation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosure relating to contingent assets and liabilities as at the date of financial statements and reported amounts of incomes and expenses during the period. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in the period in which the results are known / materialized.

C. Fixed Assets, including Intangible Assets and Capital Work in Progress

- a) Fixed assets are carried at cost less accumulated depreciation. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date.
- b) Exchange differences (wherever applicable) arising on restatement / settlement of long-term foreign currency borrowings relating to acquisition of depreciable fixed assets are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets.

- c) Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalized and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure relating to fixed assets is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.
- d) Fixed assets acquired and put to use for project purpose are capitalized and depreciation thereon is included in the project cost till commissioning of the project.
- e) Intangible Assets, if any, are recorded at the consideration paid for the acquisition of such assets and are carried at cost less accumulated amortization and impairment losses, if any.

D. Depreciation and Amortization

Depreciation has been provided on the straight-line method as per the rates prescribed in Schedule XIV to the Companies Act, 1956. Due to change in law, from April, 2014 Depreciation has been provided in the manner as prescribed under the Schedule II to the Companies Act, 2013.

E. Revenue Recognition

- a) *Sale of goods*: There is no Sale of Goods during the period
- b) *Income from services*: Revenues from contracts priced on a time and material basis are recognized when services are rendered and related costs are incurred. Revenues from turnkey contracts, which are generally time bound fixed price contracts, are recognized over the life of the contract using the proportionate completion method, with contract costs determining the degree of completion. Foreseeable losses on such contracts are recognized when probable.
- c) Revenues from maintenance contracts are recognized pro-rata over the period of the contract.

F. Government Grants and Subsidies

Grants and subsidies from government, if any, are recognized when there is reasonable assurance that the Company will comply with the conditions attached to them and that the grant/subsidy will be received.

G. Inventories

- a) Inventories are valued at the lower of cost (on FIFO) and the net realisable value after providing for obsolescence and other losses, where considered necessary.
- b) Cost includes all charges in bringing the goods to the point of sale, including other levies, transit insurance and receiving charges.
- c) Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.

H. Foreign Currency Transactions

Transaction in foreign currencies entered into by the company and its integral foreign operations are accounted at the exchange rate prevailing on the date of the transaction.

I. Cash and cash equivalent

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

J. Investment

Investments are classified into long-term investments and short-term investments. Investments, which are readily realisable and intended to be held for not more than one year from the date on which such investments are made, are

classified as current investments. All other investments are classified as long-term investments. Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments.

K. Impairment of Assets

The carrying amount of assets is reviewed at each Balance Sheet date to determine if there is any indication of impairment thereof based on external/ internal factors. An impairment loss in accordance with Accounting Standard-28 “Impairment of Assets “ is recognized wherever the carrying amount of an assets exceeds its recoverable amount, which represent the greater of the net selling price of assets and their value in use.

L. Retirement and other Employee Benefits

a) Short-term employee benefits are recognized as expenses at the undiscounted amount in the profit and loss account for the year in which the employee has rendered services. The expenses are recognized at the present value.

M. Segment Reporting

The company operates only in one reportable business segment. Hence there are no reportable segments under Accounting Standard -17. No separate geographical disclosures are required.

N. Borrowing cost

Borrowing costs include Bank charges, Bank Guarantee Commission and Loan Processing charges.

O. Taxation

- a) Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.
- b) Deferred tax is recognized on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognized for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognized only if there is virtual certainty that there will be sufficient future taxable income available to realize such assets. Deferred tax assets are recognized for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realized. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisation.
- c) Current and deferred tax relating to items directly recognized in equity is recognized in equity and not in the Statement of Profit and Loss.

P. Provisions, Contingent Liabilities and Contingent Assets:

- a) Provision is recognized when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.
- b) A disclosure on contingent liability is made when there is a possible obligation or present obligation that probably will not require an out flow of resources or where reliable estimate of the amount of the obligation cannot be made. However contingent assets are neither provided for nor disclosed.

Q. Earnings Per Share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year.

R. There are no Auditor’s Qualifications in the Financial Statements of the Company.

Annexure V

NOTES TO ACCOUNTS

1. Managerial Remuneration

(₹ in lakhs)

Particulars	For the period ended Sept 30, 2015
<i>Whole Time Directors Remuneration</i>	
Salaries and Allowances	11.00
Other Fees	-
Sitting Fees	-
<i>Non Whole Time Directors Remuneration</i>	
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	For the period ended Sept 30, 2015
Opening Balance of Deferred Tax	(22.85)
Diff. In Depreciation between accounting books and tax return for the year end	(48.87)
Provision for gratuity disallowable u/s. 43B of the Income Tax Act, 1961	-
Tax Rate	32.44%
Closing Bal. of Deferred Tax (Liability) / Asset	(38.71)

3. Remuneration to Statutory Auditors

(₹ in lakhs)

Particulars	For the period ended Sept 30, 2015
Audit Fees	-
For Taxation Matters	-
Other Matters	-
Total	-

4. The Company has not received any intimation from suppliers regarding their status under micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure, if any, in relation to amount unpaid as at the yearend together with interest payable as required under the said Act have not been furnished.

5. 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.

6. 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.

7. Earnings Per share

Basic & Diluted Earnings per Share is calculated on Weighted Average number of Equity shares during the year.

8. Previous year figures have been re-grouped and reclassified wherever necessary to confirm to the current year classification.

9. Information regarding Foreign Exchange earnings and expenditure:

(₹ in lakhs)

Particulars	For the period ended Sept 30, 2015
Earning in Foreign Exchange	-
Expenditure in Foreign Exchange	-

ADJUSTMENTS MADE IN RESTATED FINANCIAL STATEMENTS / REGROUPING NOTES

Regrouping done in Profit & Loss Account (that do not affect PAT)

2014-15 and September 30, 2015

Other Income amounting to ₹ 10.83 lakhs for the F. Y. 2014-15 and ₹ 2.20 lakhs for the period ended September 30, 2015 has been added back after total expenses in the audited financials. The same has been added to the total income in the restated financials as per the format specified by SEBI (ICDR) Regulations, 2009.

Annexure VI

STATEMENT OF FIXED ASSETS, AS RESTATED

(₹ in lakhs)

Particular	As at Sept 30, 2015
Land & Buildings	117.31
Add : Addition	3.34
Less : Deduction	(25.41)
Less: Accumulated Depreciation	-
Net Block	95.24
Computers	6.62
Add : Addition	1.22
Less : Deduction	
Less: Accumulated Depreciation	(3.75)
Net Block	4.09
Furniture & Fixtures	19.83
Add : Addition	7.38
Less : Deduction	
Less: Accumulated Depreciation	(2.98)
Net Block	24.23
Plant & Machinery	831.48
Add : Addition	131.38
Less : Deduction	
Less: Accumulated Depreciation	(26.33)
Net Block	936.53
Vehicles & Buses	23.07
Add : Addition	0.40
Less : Deduction	
Less: Accumulated Depreciation	(2.09)
Net Block	21.38

Office Equipments	7.18
Add : Addition	-
Less : Deduction	
Less: Accumulated Depreciation	(2.52)
Net Block	4.66
Total	1,086.13

Annexure VII

STATEMENT OF INVESTMENTS, AS RESTATED

(₹ in lakhs)

Particular	As at Sept 30, 2015
NON - CURRENT INVESTMENTS	
Long Term / Non Current Investment	
Equity Instruments	
Quoted Shares (At Cost)	-
Un Quoted Shares (At Cost)	-
Investment in Subsidiary	-
NSC Purchase	0.10
Total	0.10
Quoted Investments	
- Book Value	-
- Market Value	-
CURRENT INVESTMENTS	
Investments	-
Total	-

Annexure VIII

STATEMENT OF TRADE RECEIVABLES, AS RESTATED

(₹ in lakhs)

Particulars	As at Sept 30, 2015
Debtors outstanding exceeding six months:	
Considered Good	
Receivable from Promoter / Promoter Group	-
Others	-
Sub - Total (A)	-
Debtors outstanding not exceeding six months	
Considered Good	
Receivable from Promoter / Promoter Group	
Others	74.67
Sub - Total (B)	74.67
Total (A+B)	74.67

Annexure IX

STATEMENT OF LOANS AND ADVANCES, AS RESTATED

(₹ in lakhs)

Particular	As at Sept 30, 2015
Long Term Loans and Advances	
Capital Advances	-
TOTAL	-
Short Term Loans and Advances	
Security Deposit	5.50

Advances to employees	2.04
Pre Paid Expenses	-
Balance With Revenue Authorities	7.32
Others	103.45
Total	118.31

Annexure X

STATEMENT OF OTHER CURRENT ASSETS, AS RESTATED

(₹ in lakhs)

Particular	As at Sept 30, 2015
Preliminary Expenses not written off	3.61
Total	3.61

Annexure XI

STATEMENT OF LONG TERM BORROWINGS, AS RESTATED

(₹ in lakhs)

Particulars	As at Sept 30, 2015
Term Loans	
- From Banks (Secured)	44.56
- From Banks (Unsecured)	7.84
- From Financial Institutions (Secured)	-
- From Financial Institutions (Unsecured)	-
Total (A)	52.40
Other Loans & Advances	
- From Directors & Related Parties	-
- From Body Corporates	-
- From Others	-
Total (B)	-
Total (A+B)	52.40
Current Maturities of Long Term Debt	9.53

Annexure XII

STATEMENT OF SHORT TERM BORROWINGS, AS RESTATED

(₹ in lakhs)

Particulars	As at Sept 30, 2015
Cash Credit / Working Capital	
- From Banks	213.90
- Others	1.60
Total	215.50

The above amounts in Annexure XI and XII include

(₹ in lakhs)

Secured Borrowings	267.99
Unsecured Borrowings	9.44
Total	277.43

Annexure XIII

STATEMENT OF OTHER LONG TERM LIABILITIES, AS RESTATED

(₹ in lakhs)

Particulars	As at Sept 30, 2015
Advances from Customers	391.58
Total	391.58

Annexure XIV

STATEMENT OF TRADE PAYABLES, AS RESTATED

(₹ in lakhs)

Particulars	As at Sept 30, 2015
Trade Payables	403.76
Total	403.76

Annexure XV

STATEMENT OF OTHER CURRENT LIABILITIES, AS RESTATED

(₹ in lakhs)

Particulars	As at Sept 30, 2015
Advance Received from customer	284.47
Current maturity of long term Debt	9.53
Interest on borrowing	-
Creditors for Capital Goods	944.07
Other Payables	50.42
Total	1,288.49

Annexure XVI

STATEMENT OF REVENUE FROM OPERATIONS, AS RESTATED

(₹ in lakhs)

Particulars	For the period ended Sept 30, 2015
Revenue from Operations	1,244.50
Other Operating Revenue	-
Total Revenue from Operations	1,244.50

Annexure XVII

STATEMENT OF OTHER INCOME, AS RESTATED

(₹ in lakhs)

Particulars	For the period ended Sept 30, 2015
Net Profit Before Tax and Extraordinary Items	187.05
20% of Net Profit Before Tax	37.41
Other Income Details	
Interest Income	1.14
Profit on Sale of Land	0.50
Misc. Income	0.56
Total	2.20

Annexure XVIII

STATEMENT OF RELATED PARTY TRANSACTIONS, AS RESTATED

As per Accounting Standard 18 on related party disclosure issue by the Institute of Chartered Accountants of India, the Company's related parties are disclosed below:

(i) Key Managerial Personnel & Relatives

For the period ended September 30, 2015
Faruk Patel
Ashish Mithani

(ii) Relatives of KMPs

For the period ended September 30, 2015
Jolly Ashish Mithani
Jagruti Niraj Mithani
Bhavnaben Ashwinbhai Mithani

(iii) Associates / Enterprises over which directors and / or their relatives has significant influence

For the period ended September 30, 2015
K. P. Buildcon Pvt. Ltd.
K. P. I Global Infrastructure

(iv) Particulars of Transactions with Related Parties

Key Management Personnel & Relatives

(₹ in lakhs)

Particulars	For the period ended September 30, 2015
1) Finance	
Loan Taken	-
Repayment of Loan taken	-
Investment in Equity	-
Purchase of Shares of Subsidiaries	1.53
2) Expenses	
Rent	-
Remuneration	11.00
Salary	-
3) Purchase of Land⁽¹⁾	-
4) Out standing	
Receivables	-
Payables	-

⁽¹⁾ The Company purchased the land for business purposes, i.e. for converting it into a substation and hence the land was accounted as Stock-in-Trade. However, in the FY 2014-15, the same was capitalised as a substation along with the Land.

Relatives of KMPs

(₹ in lakhs)

Particulars	For the period ended September 30, 2015
1) Finance	
Loan Taken	-
Repayment of Loan taken	-
Investment in Equity	-
2) Expenses	
Rent	-
Remuneration	-
3) Out standing	
Receivables	-
Payables	-

Associate Companies / Entities

(₹ in lakhs)

Particulars	For the period ended September 30, 2015
1) Purchases & Sales	
Goods & Materials with service	48.31
Fixed Asset	-
2) Finance	
Advance Given	-

Repayment of Advance	-
Investment	-
4) Expenses	
Rent	-
3) Out standing	
Receivables	-
Payables	2.10
Investment	-

Annexure XIX

STATEMENT OF CAPITALIZATION

(₹in Lakhs)

Particulars	Pre Issue (as at September 30, 2015)	Post Issue
Debt		
Long Term Debt	52.40	52.40
Short Term Debt	213.90	213.90
Total Debts (A)	266.30	266.30
Equity (Shareholder's funds)		
Equity share capital	250.00	342.00
Reserve and Surplus	368.20	920.20
Total Equity(B)	618.20	1262.20
Long Term Debt / Equity Shareholder's funds	0.08:1	0.04:1
Total Debts / Equity Shareholder's funds	0.43:1	0.21:1

Note:

- The above has been computed on the basis of Restated Financials of the Company.
- The Corresponding Post Issue (IPO) Capitalization data for each of the amounts given in above table is not determinable at this stage pending the Completion of the Book Building Process and hence the same has not been provided in the above Statement.

Annexure XX

STATEMENT OF CONTINGENT LIABILITIES, AS RESTATED

(₹in lakhs)

Particulars	As at September 30, 2015
Contingent Liabilities	-
Total	-

Annexure XXI

STATEMENT OF DIVIDEND DECLARED, AS RESTATED

(₹in lakhs)

Particular	For the period ended September 30, 2015
On Equity Shares	
Fully Paid up Share Capital	250.00
Face Value (₹)	10.00
Paid up Value per Share (₹)	10.00
Rate of Dividend	-
Dividend Amount	-
Corporate dividend tax on above @ 16.995%	-

Annexure XXII

STATEMENT OF ACCOUNTING RATIOS, AS RESTATED

(₹ in Lakhs)

Particular	For the period ended September 30, 2015
Restated PAT as per P & L Account	124.83
Actual Number of Equity Shares outstanding at the end of the year	25,00,000
Equivalent Weighted Average number of Equity Shares at the end of the year	25,00,000
Net Worth	615.82
Earnings Per Share:	
Basic & Diluted [@]	4.99
Return on Net Worth (%)[@]	20.27%
Net Asset Value Per Share (₹.) - based on actual no. of equity shares at the end of the year	24.63
Nominal Value per Equity share (₹)	10.00

[@] Not Annualised

Notes to Accounting Ratios:

- The above statement should be read with the Significant accounting policies and notes to accounts appearing in Annexure IV & V respectively.
- As there is no dilutive capital in the company, Basic and Diluted EPS are same.
- Formulas used for calculating above ratios are as under:
 - Basic EPS is being calculated by using the formula: Net Profit after excluding Extra-ordinary items / Weighted Average No. of outstanding shares.
 - There is no revaluation reserve in last five years of the Company. Net Worth is Equity Share Capital (including Share application money) + Reserves and Surplus – Preliminary expenses not written off.
 - Net Asset Value is being calculated by using the formula: Net worth (excluding share application money) / No. of Equity Shares outstanding
 - Return on Net worth is being calculated by using the formula: Profit After Tax/(Equity Share Capital +Reserves and Surplus – Preliminary Expenses not written off).

Annexure XXIII

STATEMENT OF TAX SHELTER

(₹ in Lakhs)

Particular	For the period ended September 30, 2015
Normal Corporate tax rates (%)	32.45%
Minimum alternative tax rates	20.01%
Profit before tax as per Restated P/L	187.05
Applicable Corporate tax Rate	32.45%
Notional tax as per tax rate on profits (A)	60.70
Tax Adjustment	
Permanent Difference	
Preliminary Expenses	-
Total Permanent Difference (B)	-
Timing Difference	
Depreciation	48.87
Total Timing Difference (C)	48.87
Business Losses not set off in past years (D)	-
Total Adjustment (E) = (C+D)	48.87
Tax Expenses / (Saving) thereon (F) = (E)* Tax rate	15.85
Tax payable as per normal provisions (other than 115JB) of the Act (G)	46.36
MAT tax rate (H)	20.01%
Tax under MAT (I)	37.06
Tax payable for the year maximum of (G) or (I)	46.36

Notes:

1. The aforesaid Statement of tax Shelters has been prepared as per the 'Restated Profit and Loss Account'

CHANGES IN ACCOUNTING POLICIES IN THE LAST THREE YEARS

There has been no change in the Accounting Policies in the last three (3) years.

CHANGE IN ACCOUNTING PERIOD

There has been no change in the accounting period of the Company.

REPORT OF THE AUDITORS ON STANDALONE FINANCIAL STATEMENTS

The Board of Directors,

K.P. Energy Limited

A-1/2, Firdos Tower,
Behind Fazal Shopping Centre,
AdajanAptia, Surat – 395009

Dear Sirs,

Re: Proposed Public Issue of Equity Shares of K.P. Energy Limited (KEL)

We have examined the Financial Information of **K.P. ENERGY LIMITED** [hereinafter referred to as ‘the Company’] contained in the statements annexed to this report, which have been approved by the Board of Directors, proposed to be included in the Red Herring Prospectus / Prospectus in connection with its proposed Initial Public Offer of Equity Shares at ₹ 10/- each at a premium of ₹ 70/- each (referred to as the “Issue”) under the Book Building Issue Method.

In terms of the requirement of:

- a. Sub-clauses (i) and (iii) of clause (b) of sub-section (1) of section 26 of the Companies Act, 2013 (the “Act”) read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules (‘the Rules’), 2014;
- b. The Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009, issued by SEBI on August 26, 2009, in pursuance of Section 11 A (1) (a) of Securities and Exchange Board of India Act (SEBI), 1992, ‘SEBI (ICDR) Regulations’;

Financial Information as per audited financial Statements:

- a. We have examined the accompanied ‘Statement of Adjusted Profits and Losses’ (**Annexure – II**) for the years ended on 31st March 2011, 2012, 2013, 2014, 2015 and Period Ended on 30th September 2015 and the ‘Statement of Adjusted Assets and Liabilities’ (**Annexure – I**) as on those dates, forming Part of the ‘Financial Information’ dealt with by this Report, detailed below. Both read together with the Significant Accounting Policies and Notes to Accounts (**Annexure – IV & V**) thereon, which are the responsibility of the Company’s management. The information have been extracted from the financial statements for the financial year ended 31st March 2011, 2012, 2013, 2014, 2015 and Period Ended on 30th September 2015 audited by us, being the Statutory Auditors of the Company for the respective years, and approved by the Board of Directors and adopted by the Members in those respective financial years.
- b. Based on the above (a), we report as under:-
 - (i) The statement of Assets and Liabilities, and the Profits and Losses Account of the Company as at the end of the financial years ended on 31st March 2011, 2012, 2013, 2014, 2015 and Period Ended on 30th September 2015, reflect the assets and liabilities and profits and losses extracted from the Balance Sheets and Profit and Loss Accounts for the financial years ended 31st March 2011, 2012, 2013, 2014, 2015 and Period Ended on 30th September 2015 audited by us, being the Statutory auditors of the Company for the respective years, after making such adjustments, regrouping and disclosures as were, in our opinion, appropriate and required to be made in accordance with Clause (b) of paragraph 6.10.2.7 of “the SEBI (ICDR) Regulations.”
 - (ii) In our opinion, read with the respective Significant Accounting Policies and subject to/read together with the notes thereon and after making such adjustments, regroupings and disclosures as were, in our opinion, appropriate and required, the financial information referred to above and the other Financial Information herein below, have been prepared in accordance with Sub-clauses (i) and (iii) of clause (b) of sub-section (1) of section 26 of the Companies Act, 2013 (the “Act”) read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules (‘the Rules’), 2014 and the SEBI (ICDR) Regulations.

Other Financial Information:

We have also examined the following other financial information relating to the Company proposed to be included in the Prospectus, and annexed to this report:

- i) Statement of the Standalone Cash Flow of the Company (Annexure – III)
- ii) Statement of Fixed Assets (Annexure – VI)

- iii) Statement of Investments (Annexure – VII)
- iv) Statement of Trade Receivables and Loans & Advances (Annexure – VIII & IX)
- v) Statement of Other Current Assets (Annexure – X)
- vi) Details of Long Term & Short Term Borrowings of the Company (Annexure – XI & XII)
- vii) Statement of Other Long Term Liabilities (Annexure – XIII)
- viii) Statement of Trade payables (Annexure – XIV)
- ix) Statement of Other Current Liabilities (Annexure – XV)
- x) Statement of Revenue from Operations (Annexure – XVI)
- xi) Statement of Other Income (Annexure – XVII)
- xii) Statement of Related Party Transactions (Annexure – XVIII)
- xiii) Capitalization Statement (Annexure – XIX)
- xiv) Statement of Contingent Liability (Annexure – XX)
- xv) Statement of Dividend Paid (Annexure – XXI)
- xvi) Summary of Accounting Ratios (Annexure – XXII)
- xvii) Statement of Tax Shelter (Annexure – XXIII)

This report should not in any way be construed to be a re-issuance or re-dating of any of the previous audit reports issued by us, nor should it be construed to be a new opinion on any of the financial statements referred to herein.

Our this report, is being provided solely for the use of K. P. Energy Limited, for the purpose of its inclusion in the said Red Herring Prospectus / Prospectus in connection with the proposed Initial Public Offer of the Equity Shares of the Company.

For Bipinchandra J. Modi & Co.,
Chartered Accountants
(Firm Registration No. 101521W)

Bipinchandra J. Modi
Partner
Membership No: 31687

Place: Surat
Date: January 07, 2016

Annexure I

STATEMENT OF STANDALONE ASSETS AND LIABILITIES, AS RESTATED

(₹inlakhs)

Particulars	As on Sept 30, 2015	As on March 31,				
		2015	2014	2013	2012	2011
I. EQUITY AND LIABILITIES						
(1) Shareholder's Funds						
(a) Share Capital	250.00	100.00	50.00	50.00	1.00	1.00
(b) Reserves and Surplus	369.43	394.60	50.35	20.49	13.71	1.88
Total Shareholder's Funds (A)	619.43	494.60	100.35	70.49	14.71	2.88
(2) Share application money pending allotment (B)					54.50	22.50
(3) Non-Current Liabilities						
(a) Long-term borrowings	52.40	19.76	-	-	-	-
(b) Deferred tax liabilities (Net)	38.71	22.85	1.04	0.68	1.11	0.25
(c) Other Long term liabilities	391.58	428.59	352.00	190.00	180.00	-
(d) Long term provisions		-				-
Total Non-Current Liabilities (C)	482.69	471.20	353.04	190.68	181.11	0.25
(4) Current Liabilities						
(a) Short-term borrowings	213.90	218.09	141.83	182.39	155.84	-
(b) Trade payables	403.76	437.40	214.59	171.68	20.09	1.69
(c) Other current liabilities	1,288.21	282.55	234.40	270.99	11.64	211.82
(d) Short-term provisions		-	-	-	-	-
Total Current Liabilities (D)	1,905.87	938.04	590.82	625.06	187.57	213.51
Total (A+B+C+D)	3,008.00	1,903.84	1,044.21	886.22	437.89	239.14
II. ASSETS						
(1) Non-current assets						
<i>(a) Fixed assets</i>						
(i) Tangible assets	1,086.13	985.09	87.92	42.24	45.51	26.10
(ii) Intangible assets	-	-	-	-	-	-
(iii) Capital work-in-progress	1,040.16	-	-	-	-	-
(iv) Intangible assets under development						
(b) Non-current investments	1.63	0.10	0.10	0.10	0.10	0.10
(c) Deferred tax assets (net)	-	-	-	-	-	-
(d) Long term loans and advances	-	-	-	-	-	-
(e) Other non-current assets	-	-	-	-	-	-
Total Non-Current Assets (A)	2,127.92	985.19	88.02	42.34	45.61	26.20
(2) Current assets						
(a) Current investments	-	-	-	-	-	-
(b) Inventories	607.98	532.13	779.75	645.83	260.14	131.37
(c) Trade receivables	74.66	189.42	-	11.23	2.94	13.38
(d) Cash and cash equivalents	55.78	90.71	12.75	89.78	35.80	32.65
(e) Short-term loans and advances	139.73	104.47	162.92	96.01	93.39	35.33
(f) Other current assets	1.93	1.93	0.78	1.04	-	0.20
Total Current Assets (B)	880.08	918.66	956.20	843.89	392.28	212.94
Total (A+B)	3,008.00	1,903.84	1,044.22	886.23	437.89	239.14

Annexure II

STATEMENT OF STANDALONE PROFIT AND LOSS ACCOUNT, AS RESTATED

(₹ in lakhs)

Particulars	Period ended Sept 30, 2015	For the year ended March 31,				
		2015	2014	2013	2012	2011
Income						
Revenue from Operations	1,244.50	2,692.52	944.29	104.22	324.36	16.00
Other Income	2.20	10.83	2.77	2.27	2.54	-
Total Income	1,246.70	2,703.35	947.06	106.49	326.89	16.00
Expenditure						
Purchases	973.70	1,795.16	969.90	391.22	336.28	100.67
Change in Inventories	(75.85)	247.62	(133.92)	385.69	128.77	131.37
Employee benefit expense	62.34	106.74	30.17	33.96	56.02	32.62
Financial costs	21.82	37.94	25.38	28.82	28.83	3.73
Depreciation and amortization expense	17.27	16.65	1.52	2.81	1.55	0.10
Other expenses	60.37	62.75	10.69	28.16	15.85	7.17
Total Expenses	1,059.65	2,266.87	903.73	99.29	309.75	12.92
Profit before exceptional and extraordinary items and tax	187.05	436.49	43.33	7.21	17.14	3.08
Add: Exceptional Items	-	-	-	2.28	-	-
Profit before extraordinary items and tax	187.05	436.49	43.33	9.49	17.14	3.08
Less: Extraordinary Items	-	-	-	-	-	-
Profit before tax	187.05	436.49	43.33	9.49	17.14	3.08
Tax expense:						
Current tax	46.36	120.43	13.10	3.14	4.45	0.95
Deferred tax	15.85	21.81	0.37	-0.44	0.86	0.25
Total Tax	62.22	142.24	13.47	2.70	5.31	1.20
Profit/(Loss) from the period from continuing operations	124.83	294.25	29.86	6.78	11.83	1.88
Profit/(Loss) from discontinuing operations						
Tax expense of discounting operations	-	-	-	-	-	-
Profit/(Loss) from Discontinuing operations	-	-	-	-	-	-
Profit/(Loss) for the period	124.83	294.25	29.86	6.78	11.83	1.88

Annexure III

STANDALONE CASH FLOW STATEMENT, AS RESTATED

₹inlakhs)

Particulars	For the year ended March 31,					
	Sep-15	2015	2014	2013	2012	2011
CASH FLOW FROM OPERATING ACTIVITIES						
Net Profit before tax as Restated	187.05	436.49	43.33	9.49	17.14	3.08
Adjustment for :						
Depreciation	17.27	16.65	1.52	2.81	1.55	0.10
Interest Income	(1.14)	(10.83)	(2.77)	(2.27)	(2.54)	0.00
Operating Profit before Working Capital Changes	203.18	442.31	42.08	10.03	16.15	3.18
Adjustment for :-						
(Increase) / Decrease in Inventories	(75.85)	247.62	(133.92)	(385.69)	(128.77)	(131.37)
(Increase) / Decrease in Trade Receivables	114.74	(189.42)	11.23	(8.29)	10.44	(13.38)
Increase/Decrease in Trade Payables	(33.64)	222.81	42.91	151.59	18.40	1.69
Increase / Decrease in short term provision	-	-	-	-	-	(0.01)
Increase / Decrease in long term liabilities	(37.00)	76.59	162.00	10.00	180.00	-
Increase / Decrease in Other current liabilities	156.60	48.15	(36.59)	259.35	(200.18)	208.62
Increase / Decrease in short term loans & Advances & other current asset	(35.26)	58.45	(66.91)	(2.62)	(58.06)	(34.33)
Increase /Decrease in other Current Assets	-	(1.15)	0.26	(1.04)	0.20	(0.20)
Increase /Decrease in other Non Current Assets	-	-	-	-	-	0.25
Cash Generated from Operations	292.78	905.36	21.06	33.33	(161.82)	34.45
Direct Taxes Paid	46.36	120.43	13.10	3.14	4.45	0.95
Net cash from /(used in) operating activities (A)	246.42	784.93	7.96	30.19	(166.27)	33.50
CASH FLOW FROM INVESTING ACTIVITIES						
Purchase Of fixed Assets (incl. WIP)	(143.72)	(913.81)	(47.20)	(33.26)	(20.96)	(26.05)
Sale Of Fixed Assets (incl. WIP)	25.41	-	-	33.72	-	-
(Increase) / Decrease in Capital WIP	(191.09)	-	-	-	-	-
Other non Current Investments	(1.53)	-	-	-	-	(0.10)
Interest Income	1.14	10.83	2.77	2.27	2.54	-
Net cash from/(used in) Investing activities (B)	(309.79)	(902.98)	(44.43)	2.73	(18.42)	(26.15)
CASH FLOW FROM FINANCING ACTIVITIES						
Proceeds from Issue of Share Capital	-	50.00	-	49.00	-	-
Share Application Money	-	-	-	(54.50)	32.00	22.50
Proceeds from Securities Premium	-	50.00	0.00	0.00	0.00	0.00
Increase/Decrease in Long Term Borrowing	32.64	19.76				0.00
Increase/(Decrease) in Short Term borrowing	(4.18)	76.25	(40.56)	26.55	155.84	
Net cash from/(used in) financing activities (C)	28.46	196.01	(40.56)	21.05	187.84	22.50
Net (Decrease)/Increase in cash and Cash Equivalents (A+B+C)	(34.93)	77.96	(77.03)	53.97	3.15	29.85

Cash and cash equivalents at beginnings of year / period	90.71	12.75	89.78	35.81	32.66	2.81
Cash and cash equivalents at end of year / period	55.78	90.71	12.75	89.78	35.81	32.66

Annexure IV

SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Preparation of Financial Statements

- a. The Company is a small and Medium Sized Company as defined in the General Instructions in respect of Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended). Accordingly, the company has complied with accounting Standards as applicable to a small and Medium Sized Company.
- b. Financial statements have been prepared under the historical cost convention in accordance with the Generally Accepted Accounting Principles and the provisions of the Companies Act, 2013.
- c. The Financial Statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of financial statements are consistent with those followed in the previous year.
- d. Presentation and disclosure in financial statements

During the year ended March 31, 2012 the revised Schedule VI notified under the companies act 1956, had become applicable to the company, for preparation and presentation of its financial statements. The adoption of revised schedule VI does not impact recognition and measurement principles followed by the company for preparation of financial statements. However, it has significant impact on presentation and disclosure made in financial statements. The company has also reclassified the previous year figures in accordance with the requirement applicable in current year.

B. Use of Estimates

The presentation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosure relating to contingent assets and liabilities as at the date of financial statements and reported amounts of incomes and expenses during the period. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in the period in which the results are known / materialized.

C. Fixed Assets, including Intangible Assets and Capital Work in Progress

- a) Fixed assets are carried at cost less accumulated depreciation. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date.
- b) Exchange differences (wherever applicable) arising on restatement / settlement of long-term foreign currency borrowings relating to acquisition of depreciable fixed assets are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets.
- c) Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalized and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure relating to fixed assets is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.
- d) Fixed assets acquired and put to use for project purpose are capitalized and depreciation thereon is included in the project cost till commissioning of the project.
- e) Intangible Assets, if any, are recorded at the consideration paid for the acquisition of such assets and are carried at cost less accumulated amortization and impairment losses, if any.

D. Depreciation and Amortization

Depreciation has been provided on the straight-line method as per the rates prescribed in Schedule XIV to the Companies Act, 1956. Due to change in law, from April, 2014 Depreciation has been provided in the manner as prescribed under the Schedule II to the Companies Act, 2013.

E. Revenue Recognition

- a) *Sale of goods*: There is no Sale of Goods during the last 5 years.
- b) *Income from services*: Revenues from contracts priced on a time and material basis are recognized when services are rendered and related costs are incurred. Revenues from turnkey contracts, which are generally time bound fixed price contracts, are recognized over the life of the contract using the proportionate completion method, with contract costs determining the degree of completion. Foreseeable losses on such contracts are recognized when probable.
- c) Revenues from maintenance contracts are recognized pro-rata over the period of the contract.

F. Government Grants and Subsidies

Grants and subsidies from government, if any, are recognized when there is reasonable assurance that the Company will comply with the conditions attached to them and that the grant/subsidy will be received.

G. Inventories

- a) Inventories are valued at the lower of cost (on FIFO) and the net realisable value after providing for obsolescence and other losses, where considered necessary.
- b) Cost includes all charges in bringing the goods to the point of sale, including other levies, transit insurance and receiving charges.
- c) Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.

H. Foreign Currency Transactions

Transaction in foreign currencies entered into by the company and its integral foreign operations are accounted at the exchange rate prevailing on the date of the transaction.

I. Cash and cash equivalent

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

J. Investment

Investments are classified into long-term investments and short-term investments. Investments, which are readily realisable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments.

K. Impairment of Assets

The carrying amount of assets is reviewed at each Balance Sheet date to determine if there is any indication of impairment thereof based on external/ internal factors. An impairment loss in accordance with Accounting Standard-28 "Impairment of Assets" is recognized wherever the carrying amount of an assets exceeds its recoverable amount, which represent the greater of the net selling price of assets and their value in use.

L. Retirement and other Employee Benefits

- a) Short-term employee benefits are recognized as expenses at the undiscounted amount in the profit and loss account for the year in which the employee has rendered services. The expenses are recognized at the present value.

M. Segment Reporting

The company operates only in one reportable business segment i.e. Wind Power. Hence there are no reportable segments under Accounting Standard -17. No separate geographical disclosures are required.

N. Borrowing cost

Borrowing costs include Bank charges, Bank Guarantee Commission and Loan Processing charges.

O. Taxation

- a) Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.
- b) Deferred tax is recognized on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognized for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognized only if there is virtual certainty that there will be sufficient future taxable income available to realize such assets. Deferred tax assets are recognized for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realized. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisation.
- c) Current and deferred tax relating to items directly recognized in equity is recognized in equity and not in the Statement of Profit and Loss.

P. Provisions, Contingent Liabilities and Contingent Assets:

- a) Provision is recognized when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.
- b) A disclosure on contingent liability is made when there is a possible obligation or present obligation that probably will not require an out flow of resources or where reliable estimate of the amount of the obligation cannot be made. However contingent assets are neither provided for nor disclosed.

Q. Earnings Per Share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year.

- R. There are no Auditor's Qualifications in the Financial Statements of the Company.

Annexure V

NOTES TO ACCOUNTS

1. Managerial Remuneration

(₹ in lakhs)

Particulars	For the Year Ended March 31,					
	Sep-15	2015	2014	2013	2012	2011
<i>Whole Time Directors Remuneration</i>						
Salaries and Allowances	11.00	14.00	4.29	4.29	4.27	2.03
Other Fees	-	-	-	-	-	-
Sitting Fees	-	-	-	-	-	-
<i>Non Whole Time Directors Remuneration</i>						
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	For the Year Ended March 31,					
	Sep-15	2015	2014	2013	2012	2011
Opening Balance of Deferred Tax	(22.85)	(1.04)	(0.68)	(1.11)	(0.25)	-
Diff. In Depreciation between accounting books and tax return for the year end	(48.87)	(67.21)	(1.20)	1.41	(2.79)	-0.80
Provision for gratuity disallowable u/s. 43B of the Income Tax Act, 1961	-	-	-	-	-	-
Tax Rate	32.44%	32.44%	30.90%	30.90%	30.90%	30.90%
Closing Bal. of Deferred Tax (Liability) / Asset	(38.71)	(22.85)	(1.04)	(0.68)	(1.11)	(0.25)

3. Remuneration to Statutory Auditors

(₹ in lakhs)

Particulars	Financial Year Ended					
	Sep-15	2015	2014	2013	2012	2011
Audit Fees	-	0.30	0.15	0.15	0.05	0.05
For Taxation Matters	-	0.10	0.05	0.05	-	-
Other Matters	-	-	-	-	-	-
Total	-	0.40	0.20	0.20	0.05	0.05

4. The Company has not received any intimation from suppliers regarding their status under micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure, if any, in relation to amount unpaid as at the yearend together with interest payable as required under the said Act have not been furnished.

5. 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.

6. 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.

7. Earnings Per share

Basic & Diluted Earnings per Share is calculated on Weighted Average number of Equity shares during the year.

8. Previous year figures have been re-grouped and reclassified wherever necessary to confirm to the current year classification.

9. Information regarding Foreign Exchange earnings and expenditure:

(₹ in lakhs)

Particulars	For the year ended March 31,					
	Sep-15	2015	2014	2013	2012	2011
Earning in Foreign Exchange	-	-	-	-	-	-
Expenditure in Foreign Exchange	-	1.09	-	-	-	-

ADJUSTMENTS MADE TO RESTATED FINANCIAL STATEMENTS DUE TO REPRESENTATION UNDER NEW FORMAT OF SCHEDULE VI OF THE COMPANIES ACT, 1956

Reconciliation of Current Assets and Loans & Advances

(₹ in lakhs)

Particulars	For the Year Ended March 31,					
	Sep-15	2015	2014	2013	2012	2011
As per Balance Sheet						
Cash & Bank Balances						32.65
Inventories						131.37
Trade Receivables						13.38
Long Term Loans & Advances						
Short Term Loans and Advances						
Loans & Advances						35.33
Preliminary / Pre-Operative Expenses						0.20
Total						212.93
Restated as follows	NA	N.A	N.A	N.A	N.A	
Cash and Cash Equivalents						32.65
Inventories						131.37
Trade Receivables						13.38
Long Term Loans & Advances						
Short Term Loans and Advances						35.33
Other Current Assets						0.20
Total						212.93
Difference						-

Reconciliation of Current Liabilities & Provisions

(₹ in lakhs)

Particulars	For the Year Ended March 31,					
	Sep-15	2015	2014	2013	2012	2011
As per Balance Sheet						
Sundry Creditors for Expenses						1.69
Provision						7.17
Other Liabilities						204.65
Total						213.51
Restated as follows	NA	N.A	N.A	N.A	N.A	
Trade Payables						1.69
Other Current Liabilities						211.82
Total						213.51
Difference						-

Reconciliation of Income and Expenses

(₹inlakhs)

Particulars	For the Year Ended March 31,					
	Sep-15	2015	2014	2013	2012	2011
As per Profit & Loss A/c						
Cost of Materials						100.67
Payment to employees						30.59
Directors Remuneration						2.03
Finance Expenses						3.73
Depreciation						0.10
Preliminary expenses						0.05
General Administrative Expenses						7.12
Total						144.29
Restated as follows	NA	N.A	N.A	N.A	N.A	
Purchases						100.67
Changes in Inventories						(131.37)
Employee Benefit Expenses						32.62
Depreciation						0.10
Finance Cost						3.73
Other Administrative Expenses						7.17
Total						12.92
Difference ⁽¹⁾						131.37

⁽¹⁾The above difference relates to Changes in Inventory amounting to ₹ 131.37 lakhs which was added to the total income in the audited financials, the same has been deducted from expenses in the restated financials as per new Schedule of Companies Act, 2013.

OTHER ADJUSTMENTS MADE IN RESTATED FINANCIAL STATEMENTS / REGROUPING NOTES

Other Regrouping done in Balance Sheet

Multiple Years

Investments made in National Savings Scheme in the financial year 2010-11 was earlier classified as current investment in the audited financials for the year ended 2010-11, 2011-12, 2012-13 and 2013-14. The same has been now classified as non-current investment in the restated financials for the respective years.

Advances from customers amounting to ₹ 180.00 lakhs, ₹ 190.00 lakhs and ₹ 352.00 lakhs for the year ended 2011-12, 2012-13 and 2013-14 respectively were classified as long-term borrowings in the audited financials, now rectified and shown as non-current liabilities in the restated financials.

Preliminary & pre-operative expenses not written off for the year ended 2011-12, 2012-13 and 2013-14 were classified under short-term loans & advances in the audited financials, now rectified and shown under other current assets in the restated financials.

Other Regrouping done in Profit & Loss Account (that do not affect PAT)

2014-15

Other Income amounting to ₹ 10.83 lakhs has been added back after total expenses in the audited financials. The same has been added to the total income in the restated financials as per the format specified by SEBI (ICDR) Regulations, 2009.

Annexure VI

STATEMENT OF FIXED ASSETS, AS RESTATED

Particular	For the year ended on March 31,					
	Sep-15	2015	2014	2013	2012	2011
Land & Buildings	117.31	61.17	25.41	35.93	21.24	-
Add : Addition	3.34	56.15	35.76	25.41	14.69	21.24
Less : Deduction	(25.41)	-	-	(35.93)	-	-
Less: Accumulated Depreciation				-	(0.76)	-
Net Block	95.24	117.31	61.17	25.41	35.17	21.23
Computers	6.62	3.89	3.28	3.28	1.65	-
Add : Addition	1.22	2.73	0.61	-	1.62	1.65
Less : Deduction		-	-	-	-	-
Less: Accumulated Depreciation	(3.75)	(2.59)	(1.55)	(1.00)	(0.48)	(0.02)
Net Block	4.09	4.03	2.33	2.28	2.80	1.63
Furniture & Fixtures	19.83	8.20	8.14	0.30	0.19	-
Add : Addition	7.38	11.63	0.07	7.83	0.11	0.19
Less : Deduction		-	-	-	-	-
Less: Accumulated Depreciation	(2.98)	(1.87)	(0.95)	(0.44)	(0.02)	-
Net Block	24.23	17.96	7.25	7.70	0.29	0.19
Plant & Machinery	831.48	13.20	2.44	2.44	2.44	-
Add : Addition	131.38	818.27 ⁽¹⁾	10.76	-	-	2.44
Less : Deduction		-	-	-	-	-
Less: Accumulated Depreciation	(26.33)	(13.27)	(0.46)	(0.30)	(0.19)	(0.07)
Net Block	936.53	818.21	12.75	2.14	2.25	2.37
Vehicles & Buses	23.07	1.05	1.05	1.05	-	-
Add : Addition	0.4	22.02	-	-	1.05	-
Less : Deduction		-	-	-	-	-
Less: Accumulated Depreciation	(2.09)	(1.02)	(0.28)	(0.18)	(0.09)	-
Net Block	21.38	22.06	0.76	0.86	0.96	-
Office Equipments	7.18	4.17	4.17	4.16	0.68	0.15
Add : Addition	-	3.01	-	0.01	3.48	0.53
Less : Deduction		-	-	-	-	-
Less: Accumulated Depreciation	(2.52)	(1.63)	(0.52)	(0.32)	(0.13)	(0.01)
Net Block	4.66	5.55	3.66	3.85	4.03	0.67
Total	1,086.13	985.11	87.92	42.23	45.50	26.10

⁽¹⁾ The Company purchased the land for business purposes, i.e. for converting it into a substation and hence the land was accounted as Stock-in-Trade. However, in the FY 2014-15, the same was capitalised as a substation along with the Land.

Annexure VII

STATEMENT OF INVESTMENTS, AS RESTATED

(₹inlakhs)

Particular	For the year ended on March 31,					
	Sep-15	2015	2014	2013	2012	2011
NON - CURRENT INVESTMENTS						
Long Term / Non Current Investment						
Equity Instruments						

Quoted Shares (At Cost)	-	-	-	-	-	-
Un Quoted Shares (At Cost)	-	-	-	-	-	-
Investment in Subsidiary (Equity Shares)	1.53					
NSC Purchase	0.10	0.10	0.10	0.10	0.10	0.10
Total	1.63	0.10	0.10	0.10	0.10	-
Quoted Investments						
- Book Value	-	-	-	-	-	-
- Market Value	-	-	-	-	-	-
CURRENT INVESTMENTS						
Investments	-	-	-	-	-	-
Total	-	-	-	-	-	-

Annexure VIII

STATEMENT OF TRADE RECEIVABLES, AS RESTATED

(₹inlakhs)

Particulars	For the year ended March 31,					
	Sep-15	2015	2014	2013	2012	2011
Debtors outstanding exceeding six months:						
Considered Good						
Receivable from Promoter / Promoter Group	-	-	-	-	-	-
Others	-	-	-	11.23	2.95	13.38
Sub - Total (A)	-	-	-	11.23	2.95	13.38
Debtors outstanding not exceeding six months:						
Considered Good						
Receivable from Promoter / Promoter Group		-	-	-	-	-
Others	74.67	189.42	-	-	-	-
Sub - Total (B)	74.67	189.42	-	-	-	-
Total (A+B)	74.67	189.42	-	11.23	2.95	13.38

Annexure IX

STATEMENT OF LOANS AND ADVANCES, AS RESTATED

(₹inlakhs)

Particular	For the year ended on March 31,					
	Sep-15	2015	2014	2013	2012	2011
Long Term Loans and Advances						
Capital Advances	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-
Short Term Loans and Advances						
Security Deposit	5.5	5.50	-	-	-	-
Advances to employees	2.04	2.00	-	-	-	-
Pre Paid Expenses	-	4.43	-	-	-	-
Balance With Revenue Authorities	7.32	16.60	30.56	13.53	26.22	17.26
Others	124.86	75.93	132.36	82.48	67.17	18.07
TOTAL	139.72	104.47	162.92	96.01	93.39	35.33

Annexure X

STATEMENT OF OTHER CURRENT ASSETS, AS RESTATED

(₹ in lakhs)

Particular	For the year ended on March 31,					
	Sep-15	2015	2014	2013	2012	2011
Preliminary Expenses not written off	1.93	1.93	0.78	1.04	-	0.20
TOTAL	1.93	1.93	0.78	1.04	-	0.20

Annexure XI

STATEMENT OF LONG TERM BORROWINGS, AS RESTATED

(₹inlakhs)

Particulars	For the Year Ended March 31,					
	Sep-15	2015	2014	2013	2012	2011
Term Loans						
- From Banks (Secured)	44.56	9.16	-	-	-	-
- From Banks (Unsecured)	7.84	10.61	-	-	-	-
- From Financial Institutions (Secured)	-	-	-	-	-	-
- From Financial Institutions (Unsecured)	-	-	-	-	-	-
Total (A)	52.40	19.76	-	-	-	-
Other Loans & Advances						
- From Directors & Related Parties	-	-	-	-	-	-
- From Body Corporates	-	-	-	-	-	-
- From Others	-	-	-	-	-	-
Total (B)	-	-	-	-	-	-
Total (A+B)	52.40	19.76	-	-	-	-
Current Maturities of Long Term Debt	9.53	9.53	-	-	-	-

Annexure XII

STATEMENT OF SHORT TERM BORROWINGS, AS RESTATED

(₹ in lakhs)

Particulars	For the Year Ended March 31,					
	Sep-15	2015	2014	2013	2012	2011
Cash Credit / Working Capital						
- From Banks	213.90	218.09	141.83	182.39	155.84	-
Total	213.90	218.09	141.83	182.39	155.84	-

The above amounts in Annexure XI and XII include

(₹inlakhs)

Secured Borrowings	267.99	236.77	141.83	182.39	155.84	-
Unsecured Borrowings	7.84	10.61	-	-	-	-
Total	275.83	247.38	141.83	182.39	155.84	-

Note: For details of the Terms of Sanction, Maturity and other details of Secured Loans please see "Schedule I" forming part of the Standalone Restated Financial Statements.

Annexure XIII

STATEMENT OF OTHER LONG TERM LIABILITIES, AS RESTATED

(₹ in lakhs)

Particular	For the year ended on March 31,					
	Sep-15	2015	2014	2013	2012	2011
Advances from Customers	391.58	428.59	352.00	190.00	180.00	-
Total	391.58	428.59	352.00	190.00	180.00	-

Annexure XIV

STATEMENT OF TRADE PAYABLES, AS RESTATED

(₹ in lakhs)

Particular	For the year ended on March 31,					
	Sep-15	2015	2014	2013	2012	2011
Trade Payables	403.76	437.40	214.59	171.68	20.09	1.69
Total	403.76	437.40	214.59	171.68	20.09	1.69

Annexure XV

STATEMENT OF OTHER CURRENT LIABILITIES, AS RESTATED

(₹ in lakhs)

Particular	For the year ended on March 31,					
	Sep-15	2015	2014	2013	2012	2011
Advance Received from customer	284.47	241.27	191.83	264.18	-	204.65
Current maturity of long term Debt	9.53	9.53	-	-	-	-
Interest on borrowing		0.12	-	-	-	-
Creditors for Capital Goods	944.07					
Other Payables	50.14	31.63	42.57	6.81	11.65	7.17
Total	1288.21	282.55	234.40	270.99	11.64	211.82

Annexure XVI

STATEMENT OF REVENUE FROM OPERATIONS, AS RESTATED

(₹ in lakhs)

Particular	For the year ended on March 31,					
	Sep-15	2015	2014	2013	2012	2011
Revenue from Operations	1244.50	2,692.52	944.29	104.22	300.52	16.00
Other Operating Revenue	-	-	-	-	23.84	-
Total Revenue from Operations	1244.50	2,692.52	944.29	104.22	324.36	16.00

Annexure XVII

STATEMENT OF OTHER INCOME, AS RESTATED

(₹ in lakhs)

Particulars	For the year ended March 31,					
	Sep-15	2015	2014	2013	2012	2011
Net Profit Before Tax and Extraordinary Items	187.05	436.49	43.33	9.49	17.14	3.08
20% of Net Profit Before Tax	37.41	87.30	8.67	1.90	3.43	0.62
Other Income Details						
Interest Income	1.14	10.83	2.77	2.27	2.54	0.00
Profit on Sale of Land	0.50					
Misc. Income	0.56					
Total	2.20	10.83	2.77	2.27	2.54	-

Annexure XVIII

STATEMENT OF RELATED PARTY TRANSACTIONS, AS RESTATED

As per Accounting Standard 18 on related party disclosure issue by the Institute of Chartered Accountants of India, the Company's related parties are disclosed below:

(i) Key Managerial Personnel & Relatives

Sep-15	For the year ended March 31,				
	2015	2014	2013	2012	2011
Faruk Patel	Faruk Patel	Faruk Patel	Faruk Patel	Faruk Patel	Faruk Patel
Ashish Mithani	Ashish Mithani	Ashish Mithani	Ashish Mithani	Ashish Mithani	Ashish Mithani
	MuhammedIbara him Mujawar	MuhammedIbara him Mujawar	-	-	-

(ii) Relatives of KMPs

Sep-15	For the year ended March 31,				
	2015	2014	2013	2012	2011
Jolly Ashish Mithani	Jolly Ashish Mithani	Jolly Ashish Mithani	Jolly Ashish Mithani	-	-
Jagruti Niraj Mithani	Jagruti Niraj Mithani	-	-	-	-
Bhavnaben Ashwinbhai Mithani	Bhavnaben Ashwinbhai Mithani	-	-	-	-

(iii) Associates / Enterprises over which directors and / or their relatives has significant influence

Sep-15	For the year ended March 31,				
	2015	2014	2013	2012	2011
K. P. Buildcon Pvt. Ltd.	K. P. Buildcon Pvt. Ltd.	K. P. Buildcon Pvt. Ltd.	-	-	-
K. P. I Global Infrastructure	K. P. I Global Infrastructure	K. P. I Global Infrastructure	-	-	-

(iv) Subsidiaries

Sep-15	For the year ended March 31,				
	2015	2014	2013	2012	2011
KP Energy Mahua Windfarm Pvt. Ltd.	-	-	-	-	-
Windfarm Developers Pvt. Ltd.	-	-	-	-	-
Ungarn Renewable Energy Pvt. Ltd.	-	-	-	-	-

(v) Particulars of Transactions with Related Parties

Key Management Personnel & Relatives

(₹in lakhs)

Particulars	Sep-15	For the year ended March 31,				
		2015	2014	2013	2012	2011
5) Finance						
Loan Taken		-	-	-	-	-
Repayment of Loan taken		-	-	-	-	-

Investment in Equity	-	89.50	-	33.05	-	1.00
Purchase of Shares of Subsidiaries	1.53	-	-	-	-	-
6) Expenses						
Rent		-	-	-	-	-
Remuneration	11.00	14.00	4.29	4.29	4.27	2.03
Salary		-	-	-	-	-
7) Purchase of Land⁽¹⁾		-	-	-	2.79	-
8) Out standing						
Receivables		-	-	-	-	-
Payables		-	-	-	47.40	2.05

⁽¹⁾ The Company purchased the land for business purposes, i.e. for converting it into a substation and hence the land was accounted as Stock-in-Trade. However, in the FY 2014-15, the same was capitalised as a substation along with the Land.

Relatives of KMPs

(₹ in lakhs)

Particulars	For the year ended March 31,					
	Sep-15	2015	2014	2013	2012	2011
5) Finance						
Loan Taken	-	-	-	-	-	-
Repayment of Loan taken	-	-	-	-	-	-
Investment in Equity	-	8.50	-	6.00	-	-
6) Expenses						
Rent	-	-	-	-	-	-
Remuneration	-	-	-	-	-	-
7) Out standing						
Receivables	-	-	-	-	-	-
Payables	-	-	-	-	-	-

Associate Companies / Entities

(₹ in lakhs)

Particulars	For the year ended March 31,					
	Sep-15	2015	2014	2013	2012	2011
4) Purchase & Sales						
Goods & Materials with service	48.31	226.50	197.00	-	-	-
Fixed Asset	-	6.00	-	-	-	-
5) Finance						
Advance Given	-	-	-	-	-	-
Repayment of Advance	-	-	-	-	-	-
Investment	-	-	-	-	-	-
8) Expenses						
Rent	-	-	-	-	-	-
6) Out standing						
Receivables	-	-	31.50	-	-	-
Payables	2.10	3.59	-	-	-	-
Investment	-	-	-	-	-	-

Subsidiaries

(₹ in lakhs)

Particulars	For the year ended March 31,					
	Sep-15	2015	2014	2013	2012	2011
7) Purchase & Sales						
Goods & Materials with service	-	-	-	-	-	-
Fixed Asset	-	-	-	-	-	-
8) Finance						
Advance Given	21.41	-	-	-	-	-
Repayment of Advance	-	-	-	-	-	-

Investment	-	-	-	-	-	-
9) Expenses						
Rent	-	-	-	-	-	-
9) Out standing						
Receivables	21.41	-	-	-	-	-
Payables	-	-	-	-	-	-
Investment	-	-	-	-	-	-

Annexure XIX

STATEMENT OF CAPITALIZATION

(₹ in Lakhs)

Particular	Pre Issue (as at September 30, 2015)	Post Issue
Debt		
Long Term Debt	52.40	52.40
Short Term Debt	213.90	213.90
Total Debts (A)	266.30	266.30
Equity (Shareholder's funds)		
Equity share capital	250.00	342.00
Reserve and Surplus	368.20	920.20
Total Equity(B)	618.20	1262.20
Long Term Debt / Equity Shareholder's funds	0.08:1	0.04:1
Total Debts / Equity Shareholder's funds	0.43:1	0.21:1

Note:

- The above has been computed on the basis of Restated Financials of the Company.
- The Corresponding Post Issue (IPO) Capitalization data for each of the amounts given in above table is not determinable at this stage pending the Completion of the Book Building Process and hence the same has not been provided in the above Statement.

Annexure XX

STATEMENT OF CONTINGENT LIABILITIES, AS RESTATED

(₹ in lakhs)

Particular	For the year ended on March 31,					
	Sep-15	2015	2014	2013	2012	2011
Contingent Liabilities	-	-	-	-	-	-
Total	-	-	-	-	-	-

Annexure XXI

STATEMENT OF DIVIDEND DECLARED, AS RESTATED

(₹ in lakhs)

Particular	For the year ended on March 31,					
	Sep-15	2015	2014	2013	2012	2011
On Equity Shares						
Fully Paid up Share Capital	250.00	100.00	50.00	50.00	1.00	1.00
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	-	-	-	-	-	-
Dividend Amount	-	-	-	-	-	-
Corporate dividend tax on above @ 16.995%	-	-	-	-	-	-

Annexure XXII

STATEMENT OF ACCOUNTING RATIOS, AS RESTATED

(₹ in Lakhs)

Particular	For the year ended on March 31,					
	Sep-15	2015	2014	2013	2012	2011
Restated PAT as per P & L Account	124.83	294.25	29.86	6.78	11.83	1.88
Actual Number of Equity Shares outstanding at the end of the year	25,00,000	10,00,000	5,00,000	5,00,000	10,000	10,000
Equivalent Weighted Average number of Equity Shares at the end of the year	25,00,000	12,70,034	12,50,000	28,347	25,000	25,000
Net Worth	617.50	492.67	99.57	69.45	14.71	2.68
Earnings Per Share:						
Basic & Diluted [@]	4.99	23.17	2.39	23.92	47.32	7.52
Return on Net Worth (%)[@]	20.22%	59.73%	29.99%	9.76%	80.42%	70.12%
Net Asset Value Per Share (₹) - based on actual no. of equity shares at the end of the year	24.70	49.27	19.91	13.89	147.10	26.81
Nominal Value per Equity share (₹)	10.00	10.00	10.00	10.00	10.00	10.00

[@] Not Annualised

Notes to Accounting Ratios:

- The above statement should be read with the Significant accounting policies and notes to accounts appearing in Annexure IV & V respectively.
- As there is no dilutive capital in the company, Basic and Diluted EPS are same.
- Formulas used for calculating above ratios are as under:
 - Basic EPS is being calculated by using the formula: Net Profit after excluding Extra-ordinary items / Weighted Average No. of outstanding shares.
 - There is no revaluation reserve in last five years of the Company. Net Worth is Equity Share Capital (including Share application money) + Reserves and Surplus – Preliminary expenses not written off.
 - Net Asset Value is being calculated by using the formula: Net worth (excluding share application money) / No. of Equity Shares outstanding
 - Return on Net worth is being calculated by using the formula: Profit After Tax/(Equity Share Capital +Reserves and Surplus – Preliminary Expenses not written off).

Annexure XXIII

STATEMENT OF TAX SHELTER

Particular	For the year ended on March 31,					
	Sep-15	2015	2014	2013	2012	2011
Normal Corporate tax rates (%)	32.45%	32.45%	30.90%	30.90%	30.90%	30.90%
Minimum alternative tax rates	20.01%	20.01%	19.06%	19.06%	19.06%	19.06%
Profit before tax as per Restated P/L	187.05	436.49	43.33	7.21	17.14	3.08
Applicable Corporate tax Rate	32.45%	32.45%	30.90%	30.90%	30.90%	30.90%
Notional tax as per tax rate on profits (A)	60.70	134.87	13.39	2.23	5.30	0.95
Tax Adjustment		-	-	-	-	-
Permanent Difference						
Preliminary Expenses	-	-	-	0.37	0.15	0.00
Total Permanent Difference (B)	-			0.37	0.15	0.00
Timing Difference						
Depreciation	48.87	67.21	1.20	(1.41)	2.79	0.80
Total Timing Difference (C)	48.87	67.21	1.20	(1.41)	2.79	0.80
Business Losses not set off in past years (D)	-	-	-	-	-	-

Total Adjustment (E) = (C+D)	48.87	67.21	1.20	(1.41)	2.79	0.80
Tax Expenses / (Saving) thereon (F) = (E)* Tax rate	15.85	21.81	0.37	(0.44)	0.86	0.25
Tax payable as per normal provisions (other than 115JB) of the Act (G)	46.36	120.07	13.38	3.42	4.43	0.39
MAT tax rate (H)	20.01%	20.01%	19.06%	19.06%	19.06%	19.06%
Tax under MAT (I)	37.06	87.34	8.26	1.81	3.26	0.55
Tax payable for the year maximum of (G) or (I)	46.36	120.07	13.38	3.42	4.43	0.55

Notes:

1. The aforesaid Statement of tax Shelters has been prepared as per the 'Restated Profit and Loss Account'

CHANGES IN ACCOUNTING POLICIES IN THE LAST THREE YEARS

There has been no change in the Accounting Policies in the last three (3) years.

CHANGE IN ACCOUNTING PERIOD

There has been no change in the accounting period of the Company.

SALE OR PURCHASE BETWEEN OUR COMPANY AND GROUP COMPANIES

There have been no transactions of sale or purchase during the FY 2014 – 2015 between our Company and the Group Companies exceeding 10% of our total sale or purchases.

SCHEDULE - I
(Forming part of Standalone Restated Financials)

Set forth below, is a brief summary of our Company's borrowings as on September 30, 2015 together with a brief description of certain significant terms of such financing arrangements.

Nature of Borrowing	Amount (₹ in lakhs)
Secured Borrowings ⁽¹⁾	262.21
Unsecured Borrowings ⁽¹⁾	13.62
Total	275.83

⁽¹⁾ Includes ₹ 9.53 lakhs shown under Current Liabilities as 'Current Maturities of Long Term Debt'

Secured Loans

(₹ in lakhs)

Name of Lender	Type of Loan	Date of Sanction	Amount Sanctioned	Amount Outstanding as on Sept 30, 2015	Interest (in % p.a.)	Repayment Schedule	Security
State Bank of India	Cash Credit	September 22, 2014 & April 29, 2015	250.00	213.93	3.75% + B. R. (10.00%) i.e. 13.75%	Repayable on Demand	<ul style="list-style-type: none"> Hypothecation of all current assets (Stock and Book Debts) and other Current assets of the company Mortgaged of immovable properties of all that piece and parcel of the immovable property as 17 flats (as doc. attached herewith) situated at project known as "K P Avenue" situated at Olpad bearing Panchayat Property Register Nos: 3/66, 3/67 & 3/68, Sheet No. 23, Chalta Nos: 163, 164, 160, 165 and 161 paiki, City survey Nondh Nos. 495, 496, 497, 499 and 500 of ward: Olpad, Taluka: Olpad, Dist: Surat total admeasuring 469.21 sq. mtr. is in the name of M/s K.P.I. Global Infrastructure Limited.
Axis Bank Limited	Construction Equipment Loan	May 30, 2015	21.00	18.97	10.15%	36 Equated monthly instalments of ₹ 0.68 lakhs	Asset bearing model No. NE – 30 manufactured by Nilkanth Engineering Works
		September 01, 2015	19.00	18.55	10.15%	36 Equated monthly instalments of ₹ 0.61 lakhs	Concrete Pump BSA – 1405D manufactured by Putzmeister

Vehicle Loans

(₹ in lakhs)

Name of the Lender	Agreement / Sanction Letter Date	Sanctioned Amount	Outstanding Amount as on Sept 30, 2015	Interest (in % p.a.)	Repayment Schedule	Security Created
State Bank of India	September 22, 2014	7.48	4.78	10.45%	Repayable in monthly instalments of ₹ 0.25 lakhs till the entire loan with interest is fully repaid.	Hypothecation of Car - Mahindra Quanto C-8.
State Bank of India	November 21, 2014	7.00	5.98	10.45%	Repayable in monthly instalments of ₹ 0.16 lakhs till the entire loan with interest is fully repaid.	Hypothecation of Car - Mahindra Bolero ZLX BS-3

Unsecured Borrowings:

(₹ in lakhs)

Name of the Lender	Type of Loan	Agreement / Sanction Date	Sanctioned Amount	Outstanding Amount as on Sept 30, 2015	Rate of Interest (%)	Repayment Schedule
ICICI Bank	Business Loan	September 26, 2014	19.00	13.62	16.99%	Repayable in 36 monthly Instalments of ₹ 0.68 lakhs

According to the various loan agreements, during the currency of the facilities, without prior approval of the Lenders which shall not be unreasonably withheld, the Borrower (K.P. Energy Limited) shall not:

- Change or alter capital structure, unless stipulated by the Bank
 - Affect any scheme of amalgamation or reconstitution.
 - Implement a new scheme of expansion or take up an allied line of business / manufacture.
 - Invest by way of share capital in or lend or advance funds to or place deposits with any other concern (including group companies).
 - Declare dividends without paying the due instalments, interests etc. to the Bank and without regularizing the Bank Accounts.
 - Create any charge, lien or encumbrance over its undertaking or any part thereof in favour of any financial institution, bank, company, firm or persons.
 - Sell, assign, mortgage or otherwise dispose off any of the fixed assets charged to the Bank.
 - Permit any transfer of the controlling interest or make any drastic change in the management set-up.
- Undertake any trading activity other than the sale of products arising out of its own manufacturing operations.

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, changes in Government Regulations, Tax Laws and other Statutes and incidental factors.

Business Overview

K.P. Energy Ltd provides complete solutions from concept till completion of the project life-cycle of a Wind Project. Activities covered are Siting of Wind-farms, Lands & Permits acquisition, EPCC (Engineering, Procurement, Construction & Commissioning) of Wind Project Infrastructure including power transmission and Operations & Maintenance of entire Balance of Plant of a Utility Scale Wind-farm. Business model of company is designed to bring scalability in wind sector by serving OEMs (Original Equipment Manufacturers) of Wind Turbines, IPPs (Independent Power Producers, Captive Users as well as Institutional Investment Programmes.

The Business model of development of Wind Projects by K.P. Energy Ltd is as explained below:



The goal of the company is to bring together all the key stakeholders of a wind power project and ensure efficiencies of time, cost, quality and resources. We have recently fully commissioned 33.60 MW Wind Energy projects from our Farm at Ratdi, Porbander. Further we propose to commission 25.80 MW at Matalpar in FY 2015-16, of which the power evacuation facilities for Matalpar have already been commissioned. Further, Wind Projects at various locations (including those being executed through our subsidiaries) having aggregate proposed capacity of approximately 232 MW are at different stages of implementation where Siting, land acquisition, power evacuation & development tie-up is internally clipped for commissioning by 2017. For further details please refer the Chapter "Wind Farm Projects" on page 98 of this Prospectus.

In addition to the Wind Power Project Development business, we propose to become an Independent Power Producer in Wind Energy and hence we propose to utilise the funds raised through this IPO for Owned generating asset of 2.10 MW scheduled for commissioning in FY 2016. For further details please refer to "Objects of the Issue" on page 61 of this Prospectus.

Our total income has increased at a CAGR of 102.22% from N326.89 lakhs in FY 2012 to N2703.35 lakhs in FY 2015. Our EBITDA has increased at a CAGR of 117.82% from N47.52 lakhs in FY 2012 to N 491.08 lakhs in FY 2015 and our Profit after tax has increased at a CAGR of 191.97% from N11.83 lakhs in FY 2012 to N 294.25 lakhs in FY 2015.

Significant Developments after September 30, 2015 that may affect our Future Results of Operations

The Directors confirm that there have been no events or circumstances since the date of the last financial statements as disclosed in the Prospectus which materially or adversely affect or is likely to affect the profitability of our Company, or the value of our assets, or our ability to pay liabilities within next twelve months. Except as mentioned below:

Factors affecting our Result of Operation

Our result of operations depend on various factors, including the following

- ✓ The condition and performance of market.
- ✓ General economic and demographic conditions
- ✓ Regulations affecting the real estate industry
- ✓ The availability of finance on favourable terms for our business and for our customers and Competition

Results of our Operations

(₹ in Lakhs)

Particulars	30-Sep-15	% of total income	For the year ended March 31,							
			2015	% of Total income	2014	% of Total income	2013	% of Total income	2012	% of Total income
Income										
Revenue from Operations	1,244.50	99.82	2,692.52	99.6	944.29	99.71	104.22	97.87	324.36	99.22
Other Income	2.20	0.18	10.83	0.4	2.77	0.29	2.27	2.13	2.54	0.78
Total Income	1,246.70	100.00	2,703.35	100	947.06	100	106.49	100	326.89	100
Expenditure										
Purchases	973.70	78.10	1,795.16	66.41	969.9	102.41	391.22	367.37	336.28	102.87
Change in Inventories	(75.85)	(6.08)	247.62	9.16	-133.92	-14.14	-385.69	-362.17	-128.77	-39.39
Employee benefit expense	62.34	5.00	106.74	3.95	30.17	3.19	33.96	31.89	56.02	17.14
Financial costs	21.82	1.75	37.94	1.4	25.38	2.68	28.82	27.06	28.83	8.82
Depreciation and amortization expense	17.27	1.38	16.65	0.62	1.52	0.16	2.81	2.63	1.55	0.47
Other expenses	60.37	4.84	62.75	2.32	10.69	1.13	28.16	26.44	15.85	4.85
Total Expenses	1,059.65	84.99	2,266.87	83.85	903.73	95.42	99.29	93.23	309.75	94.76
Profit before exceptional and extraordinary items and tax	187.05	15.00	436.49	16.15	43.33	4.58	7.21	6.77	17.14	5.24
Add: Exceptional Items	-	-	-	-	-	-	2.28	2.14	-	-
Profit before extraordinary items and tax	187.05	15.00	436.49	16.15	43.33	4.58	9.49	8.91	17.14	5.24
Less: Extraordinary Items	-	-	-	-	-	-	-	-	-	-
Profit before tax	187.05	15.00	436.49	16.15	43.33	4.58	9.49	8.91	17.14	5.24

Tax expense:				-		-		-		-
Current tax	46.36	3.72	120.43	4.45	13.1	1.38	3.14	2.95	4.45	1.36
Deferred tax	15.85	1.22	21.81	0.81	0.37	0.04	0.44	0.41	0.86	0.26
	62.22	4.99	142.24	5.26	13.47	1.42	2.7	2.54	5.31	1.62
Profit/(Loss) for the period	124.83	10.01	294.25	10.88	29.86	3.15	6.78	6.37	11.83	3.62

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 which includes Sale of Services like works contract, Sub – station electrical transmission line charges etc., as a percentage of total income was 99.60%, 99.71% and 97.87% in fiscals 2015, 2014 and 2013 respectively.

Other Income

Our other income which includes interest income, as a percentage of total income was 0.40%, 0.29% and 2.13% in fiscals 2015, 2014 and 2013 respectively.

Expenditure

Our total expenditure primarily consists of Purchases, Changes in Inventories, Employee Benefit Expenses, Financial Cost, Depreciation and Amortization Expenses and Other expenses.

Purchases

Costs of Purchases / Material Consumed are primarily in respect of cost of civil and electrical material with sub contract, lease land and allied expenses

Employee Benefit Expenses

Expenses in relation to employees' remuneration and benefits include salary, bonus and allowances, workmen and staff welfare costs, Director's remuneration etc.

Other Expenses

Other expenses primarily include Travelling expense, power & fuel, legal expenses, office expenses, insurances business promotion expenses, etc.

Financial Cost

Financial Cost primarily consists of interest on bank borrowings, interest on delayed service tax, income tax, other borrowing costs, etc.

Depreciation and Amortization Expenses

Depreciation and Amortization Expenses primarily consist of depreciation/amortization on the fixed assets and Intangible Assets of our Company which primarily includes Land & Buildings, Lease hold Land, Infrastructure user rights, Vehicles, Furniture and fixtures, Computers and Office Equipments.

Provision for Tax

Income taxes are accounted for in accordance with Accounting Standard – 22 on “Accounting for Taxes on Income” (“AS-22”), prescribed under the Companies (Accounting Standards) Rules, 2006. Our Company provides for current tax as well as deferred tax, as applicable.

Provision for current taxes is made at the current tax rates after taking into consideration the benefits available to our Company under the provisions of the I. T. Act.

Deferred tax arises from the timing differences between book profits and taxable profits that originate in one period and are capable of reversal in one or more subsequent periods and is measured using the tax rates and laws applicable as of the date of the financial statements. Our Company provides for deferred tax asset / liability on such timing differences subject to prudent considerations in respect of deferred tax assets.

Review for the six (6) months period ended September 30, 2015

Income

Our total income for the six months period ended September 30, 2015 was ₹ 1246.70 lakhs. In the current period, the revenue earned from operations is ₹ 1244.50 lakhs or 99.82% of the total income. Other income for said period was recorded at ₹ 2.20 lakhs or 0.18% of total income.

Purchases

Our purchases for the six months period ended September 30, 2015 were ₹ 973.70 lakhs. As a proportion of our total income they were 78.10%.

Employee Benefit Expenses

Our Employee Benefit Expenses for the six months period ended September 30, 2015 were ₹ 62.34 lakhs. As a proportion of our total income they were 5.00%.

Depreciation and Amortization Expenses

Our Depreciation and Amortization Expenses for the six months period ended September 30, 2015 were ₹ 17.27 lakhs. As a proportion of total income they were 1.38%.

Other Expenses

Our Other Expenses for the six months period ended September 30, 2015 ₹ 60.37 lakhs. As a proportion of our total income they were 4.84%.

Profit before Tax

Profit / (Loss) before Tax for the six months period ended September 30, 2015 was ₹ 187.05 lakhs.

Profit after Tax

Profit / (Loss) after Tax for the six months period ended September 30, 2015 was ₹ 124.83 lakhs.

Fiscal 2015 compared with fiscal 2014

Income

In fiscal 2015, our total income increased by ₹1756.30 Lakhs or 185.45%, from ₹947.06 Lakhs in fiscal 2014 to ₹2,703.35 Lakhs in fiscal 2015. The major factor for such increase was due to increase in income from services like sub-lease of land, sub-station electrical transmission line charges etc. Other income increased by ₹8.07 Lakhs or 291.66%, from ₹2.77 Lakhs in fiscal 2014 to ₹10.83 Lakhs in fiscal 2015. The major factor for such increase was due to receipt of interest on bank deposits.

Purchases

The purchases in fiscal 2015 were ₹1,795.16, an increase of 85.09% as compared to the previous year purchases of ₹969.90 Lakhs in fiscal 2014. The above increase was mainly due to increase in purchased due to higher operational activities.

Employee Benefit Expenses

Our staff cost increased by ₹76.57 Lakhs or 253.82%, from ₹30.17 Lakhs in fiscal 2014 to ₹106.74 Lakhs in fiscal 2015. This increase was mainly due to increase in number of employees and yearly increments.

Other Expenses

Other expenses increased by ₹52.07 Lakhs from ₹10.69 Lakhs in fiscal 2014 to ₹62.75 Lakhs in fiscal 2015. The cause of increase in these expenses was majorly due to higher scale of operation in the financial year 2014-15.

Financial Cost

Financial cost increased by ₹12.57 Lakhs from ₹25.38 Lakhs in fiscal 2014 to ₹37.94 Lakhs in fiscal 2015. The cause of increase in these financial costs was majorly due to interest levied due to delayed payment of service tax and increased borrowing cost.

Depreciation and Amortization Expenses

Depreciation expenses increased by ₹15.13 Lakhs, from ₹1.52 Lakhs in fiscal 2014 to ₹16.65 Lakhs in fiscal 2015. This increase was due to purchase of fixed asset.

Profit before Tax

Due to operational efficiency and increase in total income our PBT increased by ₹393.16 Lakhs from ₹43.33 Lakhs in fiscal 2014 to ₹436.49 Lakhs in fiscal 2015.

Profit after Tax

Our profit after tax increased by ₹264.39 Lakhs from ₹29.86 Lakhs in fiscal 2014 to ₹294.25 Lakhs in fiscal 2015.

Fiscal 2014 compared with fiscal 2013

Income

Our total income increased by ₹840.56 Lakhs or 789.31% from ₹106.49 Lakhs in fiscal 2013 to ₹947.06 Lakhs in fiscal 2014. The Major factor for this increase was increase in EPC contracts during the year. Other income was ₹2.27 for the fiscal year 2013 and ₹2.77 Lakhs in 2014.

Purchases

Purchases in fiscal 2014 were ₹969.90 Lakhs as compared to ₹391.22 Lakhs purchases in fiscal 2013, an increase of ₹578.68 Lakhs was recorded.

Employee Benefit Expenses

Our staff costs decreased by ₹3.80 Lakhs or negative 11.17%, from ₹ 33.96 Lakhs in fiscal 2013 to ₹30.17 Lakhs in fiscal 2014. This decrease was mainly due to minor reduction in the number of employees.

Other Expenses

Other Expenses decreased by ₹17.48 Lakhs in fiscal 2014 from ₹28.16 Lakhs in fiscal 2013 to ₹10.69 Lakhs in fiscal 2014. The cause of decrease in these expenses was majorly due to reduction in site development expenses.

Financial Cost

Financial cost decreased by ₹3.44 Lakhs from ₹28.82 Lakhs in fiscal 2013 to ₹ 25.38 Lakhs in fiscal 2014. The reason of decrease in these financial costs was majorly due to minor decrease in short term borrowings and interest burden thereon.

Depreciation Expenses

Depreciation expenses decreased marginally by ₹1.29 Lakhs, from ₹2.81 Lakhs in fiscal 2013 to ₹1.52 Lakhs in fiscal 2014 on account of sale of fixed assets.

Profit before Tax

PBT increased by 33.84 Lakhs from ₹9.49 Lakhs in fiscal 2013 to ₹43.33 Lakhs in fiscal 2014

Profit after Tax

Our profit after tax increased by ₹23.08 Lakhs from ₹6.78 Lakhs in fiscal 2013 to ₹29.86 Lakhs in fiscal 2014.

Fiscal 2013 compared with fiscal 2012

Income

In fiscal 2013, we recorded a total income of ₹106.49, a decrease of ₹220.40 Lakhs or negative 67.42% as compared to ₹326.89 Lakhs in fiscal 2012. The Major factor for this decrease was decrease in EPC contracts during the year. Other income was ₹2.54 lakhs for the fiscal year 2012 and ₹2.27 Lakhs in 2013.

Purchases

In fiscal 2013, we recorded purchases of ₹391.22 Lakhs, an increase of ₹54.94 Lakhs as compared to ₹336.28 Lakhs in fiscal 2012. The main reason for increase was due to increase in purchases in lieu of future expected EPC contracts.

Employee Benefit Expenses

Our staff costs decreased by ₹22.06 Lakhs, from ₹56.02 Lakhs in fiscal 2012 to ₹33.96 Lakhs in fiscal 2013. This decrease was mainly due to decrease in the number of employees in the financial year 2012-13.

Other Expenses

Other expenses increased by ₹12.31 Lakhs, from ₹15.81 Lakhs in fiscal 2012 to ₹28.16 Lakhs in fiscal 2013. The cause of increase in these expenses was due to increase in site development expenses.

Financial Cost

There was a marginal decrease in financial cost by ₹0.01 Lakhs, from ₹28.83 Lakhs in fiscal 2012 to ₹28.82 Lakhs in fiscal 2013.

Depreciation Expenses

Depreciation expenses were ₹1.55 Lakhs in fiscal 2012 as compared to ₹2.81 Lakhs in fiscal 2013. This increase was due to increase in written down value of Fixed Assets.

Profit before Tax

PBT decreased by ₹7.65 Lakhs as compared from ₹17.14 Lakhs in fiscal 2012 to ₹9.49 Lakhs in fiscal 2013 due to decrease in revenue from operations and simultaneous increase in cost of purchases.

Profit after Tax

Our profit after tax decreased by ₹5.05 Lakhs from ₹11.83 Lakhs in fiscal 2012 to ₹6.78 Lakhs in fiscal 2013.

Cash Flows

(₹ in lakhs)

Particulars	30-Sep-15	Year ended March 31			
		2015	2014	2013	2012
Net Cash from Operating Activities	181.42	785.25	8.22	30.44	(166.08)
Net Cash from Investing Activities	(244.79)	(903.47)	(44.69)	2.47	(18.61)
Net Cash used in Financial Activities	28.46	196.02	(40.56)	21.05	187.84
Net Increase / (Decrease) in Cash and Cash equivalents	(34.93)	90.54	12.74	89.77	35.81

Cash Flows from Operating Activities

Net cash from operating activities in the six month period ended September 30, 2015 was ₹ 181.42 lakhs as compared to the PBT of ₹ 187.05 lakhs for the same period. This difference is primarily on account of changes in trade receivables, Inventories & Other Current Liabilities.

Net cash from operating activities in fiscal 2015 was 785.25 lakhs as compared to the PBT of N436.49 lakhs for the same period. This difference is primarily on account of decrease in inventories, trade payables and increase in trade receivables.

Net cash from operating activities in fiscal 2014 was N8.22 lakhs as compared to the PBT of N43.33 lakhs for the same period. This difference is primarily on account of increase in inventories.

Net cash from operating activities in fiscal 2013 was N30.44 lakhs as compared to the PBT of N9.49 lakhs for the same period. This difference is primarily on account of increase in inventories and decrease in trade payables and other current liabilities.

Net cash from operating activities in fiscal 2012 was negative N166.08 lakhs as compared to the PBT of N17.14 lakhs for the same period. This difference is primarily on account of increase in inventories, other current liabilities, short terms loans and advances.

Cash Flows from Investment Activities

In the six month period ended September 30, 2015, the net cash invested in Investing Activities was negative ₹ 244.79 lakhs. This was mainly on account of purchase of fixed assets.

In fiscal 2015, the net cash invested in Investing Activities was negative ₹903.47 lakhs. This expenditure was on account of purchase of Fixed Assets.

In fiscal 2014, the net cash invested in Investing Activities was negative ₹44.69 lakhs. This expenditure was on account of purchase of Fixed Assets.

In fiscal 2013, the net cash invested in Investing Activities was ₹2.47 lakhs. This was on account of Interest receipts.

In fiscal 2012, the net cash invested in Investing Activities was negative ₹18.61 lakhs. This expenditure was on account of purchase of Fixed Assets.

Cash Flows from Financing Activities

Net cash from financing activities in the six month period ended September 30, 2015 was ₹ 28.46 lakhs. This was on account of increase in borrowings.

Net cash from financing activities in fiscal 2015 was ₹196.02 lakhs. This was on account of proceeds from Share Premium and issue of share capital and increases in short term borrowings.

Net cash from financing activities in fiscal 2014 was negative ₹40.56 lakhs. This was on account of decrease in short term borrowings.

Net cash from financing activities in fiscal 2013 was ₹21.05. This was on account of increase in short term borrowings

Net cash from financing activities in fiscal 2012 was ₹187.84 lakhs .This was on account of increase in short term borrowings and issue proceeds of share capital.

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 141 and 181 respectively of this Prospectus respectively, to our knowledge there are no Significant economic changes that materially affected or are likely to affect income from continuing Operations.

3. Known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations

Other than as described in the chapter titled “*Risk Factors*” and “*Management’s Discussion and Analysis of Financial Conditions and Result of Operations*”, beginning on pages 11 and 181 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 11 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, primarily the commissioning of our first self development wind farm at Ratdi.

6. Total turnover of each major industry segment in which the issuer company operates.

The Company is an EPC based Company and is in the business of Service provider specialising in Infrastructure Development and Management Solutions for Wind Farms in India and all revenue is from one Industry only.

7. Status of any publicly announced new products or business segments

Please refer to the chapter titled “*Business Overview*” beginning on page 91 of this Prospectus.

8. The extent to which the business is seasonal.

Our business is not seasonal in nature.

9. Any significant dependence on a single or few suppliers or customers

We derive a high proportion of our revenues from a small number of customers. Our top five customers contributed over 96.65% of our total income for the financial year ended March 31, 2015. In a given financial year, a single client may contribute significantly to our total income and then may not contribute significantly or at all in subsequent periods. We may not be successful in winning significant business each year from our existing or future clients as the award of project is dependent on various factors. Furthermore, we do not have long term arrangements with our customers to purchase the products and services provided by us in the future, at the current prices or at all. There is no assurance that we will be able to maintain historic levels of business from the existing customers or to retain existing customers, or that we will be able to replace our customer base in a timely manner or at all, in the event our existing customers do not continue to purchase products & services provided by us at the same rate as in

the past or at all. Such loss of customers or customer orders may have an adverse effect on our revenues, cash flows and operations, including an interruption or partial or total work stoppage at our facilities.

10. Competitive Conditions

The wind energy sector is still largely fragmented in India. We face competition from various regional and national domestic wind farm developers as well as from OEMs, IPPs and others developing wind farms for proprietary purposes. Competitors having superior resources (financial, research, execution and marketing) than us pose competition to us. Our key competitors in our space are Veer Energy and Infrastructure, Kintech Energy Systems, Weizmann Energy and Maruti Wind Power. We also face competition from various small unorganized operators in the wind farm developer segment. However, we expect that our commitment to quality, past record of timely execution and transparency will provide us with an edge over our competitors.

FINANCIAL INDEBTEDNESS

Set forth below, is a brief summary of our Company's borrowings as on December 31, 2015 together with a brief description of certain significant terms of such financing arrangements.

Nature of Borrowing	Amount (₹ in lakhs)
Secured Borrowings ⁽¹⁾	303.21
Unsecured Borrowings	12.14
Total	299.35

⁽¹⁾ Includes amount considered under Current Liabilities as 'Current Maturities of Long Term Debt'

SECURED LOANS

Bank Loans

(₹ in lakhs)

Name of Lender	Type of Loan	Date of Sanction	Amount Sanctioned	Outstanding as on Dec 31, 2015	Interest (in % p.a.)	Repayment Schedule	Security
State Bank of India	Cash Credit	December 30, 2015	250.00	242.86	2.75% + Base Rate (9.30%) i.e. 12.05%	Please refer Note 1 below	Please refer Note 2 below
	Term Loan		825.00	N. A. ⁽¹⁾	2.90% + Base Rate (9.30%) i.e. 12.20%		
Axis Bank Limited	Construction Equipment Loan	May 30, 2015	21.00	17.40	10.15%	36 Equated monthly instalments of ₹ 0.68 lakhs	Asset bearing model No. NE – 30 manufactured by Nilkanth Engineering Works
		September 01, 2015	19.00	17.16	10.15%	36 Equated monthly instalments of ₹ 0.61 lakhs	Concrete Pump BSA – 1405D manufactured by Putzmeister
		December 21, 2015	16.00	16.00	10.16%	36 Equated monthly instalments of ₹ 0.52 lakhs	Concrete Pump 1407 HRD manufactured by Putzmeister

⁽¹⁾ The amount for the said loan has not yet been disbursed to us,

Note 1:

Working Capital Loan / Cash Credit

Repayable on Demand

Term Loan

Repayable in 96 months including moratorium period of 6 months i.e. repayment commencing on June 01, 2016 as under:

(₹ in lakhs)

Sr. No.	Period	No. of Months	Instalment Amount per Month	Total Instalment Amount ⁽¹⁾
1.	01.06.2016 to 31.03.2017	10	7.00	70.00
2.	01.04.2017 to 31.03.2018	12	7.00	84.00

3.	01.04.2018 to 31.03.2019	12	8.00	96.00
4.	01.04.2019 to 31.03.2020	12	9.00	108.00
5.	01.04.2020 to 31.03.2021	12	9.00	108.00
6.	01.04.2021 to 31.03.2022	12	10.00	120.00
7.	01.04.2022 to 31.03.2023	12	12.00	144.00
8.	01.04.2023 to 31.10.2024	7	12.00	84.00
9.	01.11.2024 to 30.11.2024	1	11.00	11.00
Total		90		825.00

⁽¹⁾ Interest shall be payable on the outstanding in the loan accounts computed on daily balances basis duly compounded and debited to the accounts at monthly rests on the last working day of every month, in accordance with the accounting practices of the Bank from time to time.

Note 2:

Working Capital, Term Loan and Bank Guarantee (Non- Fund Based)

- Equitable Mortgage of immovable properties of all that piece and parcel of the immovable property as 17 flats (as doc. attached herewith) situated at project known as "K P Avenue" situated at Olpad bearing Panchayat Property Register Nos: 3/66, 3/67 & 3/68, Sheet No. 23, Chalta Nos: 163, 164, 160, 165 and 161 paiki, City survey Nondh Nos. 495, 496, 497, 499 and 500 of ward: Olpad, Taluka: Olpad, Dist: Surat total admeasuring 469.21 sq. mtrs. owned by Promoter Group entity K.P.I. Global Infrastructure Limited.
- EM over all that piece and parcel of the immovable property known as flat no. A / 302 admeasuring area 36.617 sq. mtrs. on 3rd floor of Tower no. 'A' of "K P Avenue" along with undivided proportionate share in the land underneath the said building constructed on the land bearing Sheet No. 23, Chalta Nos: 163, 164, 160, 165 and 161 paiki, City survey Nondh Nos. 495, 496, 497, 499 and 500 of ward: Olpad, Taluka: Olpad, Dist: Surat total admeasuring 469.21 sq. mtrs. owned by our Promoter Group Mrs. Vahida Patel.
- EM over all that piece and parcel of the immovable property known as flat no. B / 201 admeasuring area 36.71 sq. mtrs. on 2nd floor of Tower no. 'B' of "K P Avenue" along with undivided proportionate share in the land underneath the said building constructed on the land bearing Sheet No. 23, Chalta Nos 163, 164, 160, 165 and 161 paiki, City survey Nondh nos. 495, 496, 497, 499 and 500 of ward: Olpad, Taluka: Olpad, Dist: Surat total admeasuring 469.21 sq. mtrs. owned by our Promoter Group Mrs. Vahida Patel.
- EM over all that piece and parcel of the immovable property. known as flat no. B / 202 admeasuring area 36.71 sq. mtrs. on 2nd floor of Tower no. 'B' of "K P Avenue" along with undivided proportionate share in the land underneath the said building constructed on the land bearing Sheet No. 23, Chalta Nos: 163, 164, 160, 165 and 161 paiki, City survey Nondh nos. 495, 496, 497, 499 and 500 of ward Olpad, Taluka: Olpad, Dist: Surat total admeasuring 469.21 sq. mtrs. owned by our Promoter Group Mrs. Vahida Patel.
- EM over all that piece and parcel of the immovable property known as flat no. 8 / 301 admeasuring area 36.617 sq. mtrs. on 3rd floor of Tower no. 'B' of "K P Avenue" along with undivided proportionate share in the land underneath the said building constructed on the land bearing Sheet No. 23, Chalta Nos: 163, 164, 160, 165 and 161 paiki, City survey Nondh nos. 495, 496, 497, 499 and 500 of ward: Olpad, Taluka: Olpad, Dist Surat total admeasuring 469.21 sq. mtrs. owned by our Promoter Group Mrs. Aayesha Patel.
- EM over all that piece and parcel of the immovable property known as flat no. 8 / 502 admeasuring area 37.71 sq. mtrs. on 5th floor of Tower no. 'B' of "K P Avenue" along with undivided proportionate share in the land underneath the said building constructed on the land bearing Sheet No. 23, Chalta Nos: 163, 164, 160, 165 and 161 paiki, City survey Nondh nos. 495, 496, 497, 499 and 500 of ward: Olpad, Taluka: Olpad, Dist Surat total admeasuring 469.21 sq. mtrs. owned by our Promoter Group Mrs. Aayesha Patel.
- Hypothecation of Plant & Machinery of our Company having residual value ₹ 935.00 lakhs.
- Bank's Lien over Fixed Deposit (cash collateral) of ₹ 30.00 lakhs of our Company.
- EM over all the piece and parcel of land bearing survey number 308 paiki 4, situated at village Baradiya near Shri Khodiyar Mata Ji temple taluka Porbandar District Porbandar having total area of 8,195 sq. mtrs. owned by our Company.

10. EM over all piece and parcel of 'NA' land bearing revenue survey number 74 / 1P1 admeasuring 6,750 sq. mtrs. out of total area admeasuring 9,713 sq. mtrs. situated at village Kinkariya near Asarana Char Rasta, Taluka Mahua, Dist. Bhavnagar – 364290 owned by our Company.
11. EM over all piece and parcel of 'NA' land bearing revenue survey number 427 paiki 2, admeasuring 8,094 sq. mtrs. situated at village Degam Mandal, Taluka Porbanar – 361535 owned by our Company.
12. EM over all piece and parcel of land bearing revenue survey number no 217 paiki 20, admeasuring 12,141 sq. mtrs. situated at village Shevadivadar, Taluka Jesar Dist. Bhavnagar owned by our Company.

Vehicle Loans

(₹ in lakhs)

Name of the Lender	Agreement / Sanction Letter Date	Sanctioned Amount	Outstanding Amount as on Dec 31, 2015	Interest (in % p.a.)	Repayment Schedule	Security Created
State Bank of India	September 22, 2014	7.48	4.14	10.45%	Repayable in monthly instalments of ₹ 0.25 lakhs till the entire loan with interest is fully repaid.	Hypothecation of Car - Mahindra Quanto C-8.
State Bank of India	November 21, 2014	7.00	5.65	10.45%	Repayable in monthly instalments of ₹ 0.16 lakhs till the entire loan with interest is fully repaid.	Hypothecation of Car - Mahindra Bolero ZLX BS-3

UNSECURED BORROWINGS

(₹ in lakhs)

Name of the Lender	Type of Loan	Agreement / Sanction Date	Sanctioned Amount	Outstanding Amount as on Dec 31, 2015	Rate of Interest (%)	Repayment Schedule
ICICI Bank	Business Loan	September 26, 2014	19.00	12.14	16.99%	Repayable in 36 monthly Instalments of ₹ 0.68 lakhs

According to the various loan agreements, during the currency of the facilities, without prior approval of the Lenders which shall not be unreasonably withheld, the Borrower (K.P. Energy Limited) shall not:

- Change or alter capital structure, unless stipulated by the Bank
- Affect any scheme of amalgamation or reconstitution.
- Implement a new scheme of expansion or take up an allied line of business / manufacture.
- Invest by way of share capital in or lend or advance funds to or place deposits with any other concern (including group companies).
- Declare dividends without paying the due instalments, interests etc. to the Bank and without regularizing the Bank Accounts.
- Create any charge, lien or encumbrance over its undertaking or any part thereof in favour of any financial institution, bank, company, firm or persons.
- Sell, assign, mortgage or otherwise dispose off any of the fixed assets charged to the Bank.
- Permit any transfer of the controlling interest or make any drastic change in the management set-up.
- Undertake any trading activity other than the sale of products arising out of its own manufacturing operations.

SECTION VII - LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Except as described below, there are no outstanding litigations, suits, civil or criminal prosecutions, proceedings before any judicial, quasi-judicial, arbitral or administrative tribunals, including pending proceedings for violation of statutory regulations or, alleging criminal or economic offences or tax liabilities or any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (i) of Part 1 of Schedule XIII of the Companies Act) against our Company, Subsidiaries, Promoter, Group Companies and Directors as of the date of this Prospectus 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.

Our Board of Directors considers dues owed by our Company to the small scale undertakings and other creditors exceeding N 10,00,000/- as material dues for our Company. This materiality threshold has been approved by our Board of Directors pursuant to the resolution passed on August 19, 2015.

PART 1: CONTINGENT LIABILITIES OF OUR COMPANY

Particulars	Amount (₹ in lakhs)
NIL	NIL
Total	NIL

PART 2: LITIGATION RELATING TO OUR COMPANY

A. FILED AGAINST OUR COMPANY

1. Litigation Involving Criminal Laws

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

NIL

(ii) Indirect Taxes Liabilities

NIL

4. Other Pending Litigations

Interim Application No. 1004 of 2015 filed by our Company before the XXV Addl. Chief Judge Court at Hyderabad against Mytrah Energy (India) Ltd. (“Mytrah”) and Notice addressed on behalf of the Company to Mytrah

Our Company has filed Interim Application No. 1004 of 2015 before the XXV Addl. Chief Judge Court at Hyderabad against Mytrah *inter-alia* praying that the Petition No. Arb. O.P. No. 2260 of 2014 filed by Mytrah against our Company be returned to Mytrah and the ex-parte order passed by the XXV Addl. Chief Judge be recalled on the ground that *inter-alia* the Hon’ble Court at Hyderabad did not have any inherent jurisdiction to hear the matter. Prior to this the XXV Addl. Chief Judge passed an ex-parte order *inter-alia* directing our Company to furnish security. Mytrah had filed Petition No. Arb. O.P. No. 2260 of 2014 against our Company before the Court of the Hon’ble Chief Judge, City Civil Court at Hyderabad under Section 9 of the Arbitration and Conciliation Act, 1996 *inter-alia* praying to the Court for

interim measures in the form of recompense of ₹ 3,47,30,000/- (Rupees Three Crores Forty Seven Lakhs and Thirty Thousand Only). In the aforesaid Petition, Mytrah has also *inter-alia* prayed that in the event our Company fails to reimburse the aforesaid amount, an interim measure in the form of attachment of the property of our Company at A-1, Firdous Towers, Adajan Patia, Rander Road, Surat, Gujarat be granted to it pending arbitration proceedings. Further, the said Petition *inter-alia* mentions that Mytrah is in the process of nominating and constituting an Arbitral Tribunal in respect of the matter.

Our Company has through its Advocate, Mr. Bhadra Dhimant Joshi, issued notice dated January 15, 2016 to Mytrah *inter-alia* (i) stating as per the Term Sheet dated November 16, 2010 and Work Order dated December 30, 2010, the arbitration clause provided for jurisdiction as the Courts in Mumbai, whereas the Petition No. Arb. O.P. No. 2260 of 2014 had been filed by Mytrah before the XXV Addl. Chief Judge Court at Hyderabad and hence, contending that such proceedings would not be maintainable at law and (ii) demanding from Mytrah, payment of the balance due to it, being ₹ 3,49,96,267/- (Rupees Three Crores Forty Nine Lakhs Ninety Six Thousand Two Hundred Sixty Seven Only) plus damages, interest and the legal notice expenses of ₹ 15,000/-, aggregating to ₹ 3,50,11,267/- (Rupees Three Crores Fifty Lakhs Eleven Thousand Two Hundred and Sixty Seven Only), within 15 (fifteen) days from date of receipt of the aforesaid notice. Further, by and under the aforesaid notice our Company *inter-alia* intimated Mytrah of the appointment of Mr. S. Suriyanarayanan as the arbitrator in the matter.

The matter is pending as on date.

Special Civil Application No. 20851 of 2015 filed by Mr. Mansukhbhai Madhubhai Thumar and Ors. (“Petitioners”) before the Hon’ble High Court of Gujarat at Ahmedabad against our Company and Ors. (“Special Civil Application”)

An Affidavit in Reply to the below mentioned Special Civil Application has been filed by our Company *inter-alia* stating that our Company had completed a substantial amount of work, construction and studies on the land allotted to us in respect of setting up the Wind Farm site on Government leased land in village Karmadiya, Taluka Mahua, Dist.: Bhavnagar. It also *inter-alia* states that such activities required large amount of investment which was site and time specific and could not be recovered if the site or location of the project were to be changed and hence, if an interim order is granted, it would severely impact our Company. Further, the Affidavit in Reply *inter-alia* states that the land allotted to our Company was not gauchar land or forest land and that our Company has not carried out any work in the area of the gauchar land. It was also *inter-alia* clarified therein that such land is used only for the purpose of carrying the required materials and equipment for establishing the Windmill at the approved location. The Affidavit in Reply further stated that a Wind Power project being environment friendly causes no pollution to forest land, neither does it affect the wildlife in the vicinity nor does it deplete natural resources. Hence, in the Affidavit in Reply our Company prayed that the Special Civil Application be dismissed and that the Petitioners be directed to cooperate with the concerned authorities for measurement and inspection of the land allotted to our Company.

A Special Civil Application was filed by (i) Mr. Mansukhbhai Thumar, (ii) Mr. Lakhbhai Bariya, (iii) Mr. Saiteshbhai Ladhva, (iv) Mr. Bhaka Govindbhai, (v) Mr. Lajva Ranchhodhbhai and (vi) Mr. Sardulbhai Solanki, the Petitioners before the Hon’ble High Court of Gujarat at Ahmedabad, against (i) the State of Gujarat, (ii) State of Gujarat, (iii) Principal Chief Conservator of Forest, (iv) Collector, Bhavnagar, (v) Deputy Conservator of Forest, (vi) our Company and (vii) Mamlatdar as the Respondents under Articles 14, 19, 21 and 226 of the Constitution of India, the Gujarat Land Revenue Code, 1879 and the rules made thereunder, *inter-alia* challenging the Order dated May 4, 2011 passed by the Collector, Bhavnagar granting/allotting land to our Company land admeasuring 18 hectares. The Petitioners have also *inter-alia* stated therein that the Collector, Bhavnagar had by a communication dated January 12, 2013 directed the District inspector of Land Records to re-measure the land since the same was overlapping with forest land. The Petitioners have also *inter-alia* stated that out of the said land admeasuring 18 hectares, land admeasuring 5 hectares was reserved forest and that the spot allotted to our Company was a few metres away from such reserved land. Therefore, no activities such as those carried on by our Company, being constructing roads from one spot to another, would be permissible within the vicinity of 4 kms. of such reserved land. The Petitioners have also alleged adverse impact to wildlife, damage to gauchar land and nearby reserved forest land. The Petitioners have *vide* the Special Civil Application *inter-alia* prayed that the Hon’ble High Court of Gujarat at Ahmedabad be pleased to issue a writ of mandamus or in the nature of mandamus any other appropriate writ, order or direction to quash and set aside the impugned Order dated May 4, 2011 passed by the Collector, Bhavnagar granting/allotting land to our Company and that the Respondents or their agent/servant/representative or employee be restrained from visiting the land allotted to our Company for the purpose of measurement.

The matter is pending as on date.

B. CASES FILED BY OUR COMPANY

1. Litigation Involving Criminal Laws

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

NIL

(i) Direct Tax Liabilities

NIL

(ii) Indirect Taxes Liabilities

NIL

4. Other Pending Litigations

NIL

C. PAST PENALTIES

Letter dated March 24, 2015 bearing Reference No. F. No.IV/9-HPIU-II/27/2014-15 issued to our Company by the Central Board of Excise & Customs, Surat (“the Central Board”)

The Central Board vide letter dated March 24, 2015 bearing Reference No. F. No.IV/9-HPIU-II/27/2014-15 accepted the request made by our Company not to issue Show Cause Notice. The aforesaid letter of the Central Board was pursuant to letter dated March 14, 2015 sent to it by our Company, *inter-alia* requesting the Central Board to waive the issue of Show Cause Notice under Section 73 of the Finance Act, 1994 as out of an amount of ₹ 22,03,163/- (Rupees Twenty Two Lakhs Three Thousand One Hundred and Sixty Three Only) of service tax liability, a sum of ₹ 14,66,715/- (Rupees Fourteen Lakhs Sixty Six Lakhs Seven Hundred and Fifteen Only) had already been paid by our Company and a balance amount of ₹ 7,36,448/- (Rupees Seven Lakhs Thirty Six Thousand Four Hundred and Forty Eight Only) was pending. In the said letter of our Company dated March 14, 2015, our Company has also *inter-alia* accepted liability to pay the pending amount of service tax alongwith an interest and penalty at 25% p.a. By its letter dated March 17, 2015 the Central Board *inter-alia* acknowledged the amount of interest payable by our Company to be ₹ 7,00,942/- (Rupees Seven Lakhs Nine Hundred and Forty Two Only). The principal amount, interest and penalty have been paid by our Company.

PART 3: LITIGATION RELATING TO OUR DIRECTORS

A. LITIGATION AGAINST OUR DIRECTORS

1. Litigation Involving Criminal Laws

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

NIL

(ii) Indirect Taxes Liabilities

NIL

4. Other Pending Litigations

NIL

B. LITIGATION FILED BY OUR DIRECTORS

1. Litigation Involving Criminal Laws

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

NIL

(ii) Indirect Taxes Liabilities

NIL

4. Other Pending Litigations

NIL

C. PAST PENALTIES

NIL

PART 4: LITIGATION RELATING TO OUR PROMOTERS

A. LITIGATION AGAINST OUR PROMOTERS

1. Litigation Involving Criminal Laws

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

NIL

(ii) Indirect Taxes Liabilities

NIL

4. Other Pending Litigations

NIL

B. LITIGATION FILED BY OUR PROMOTERS

1. Litigation Involving Criminal Laws

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

NIL

(ii) Indirect Taxes Liabilities

NIL

4. Other Pending Litigations

NIL

C. PAST PENALTIES

NIL

PART 5: LITIGATION RELATING TO OUR GROUP COMPANIES

A. LITIGATION AGAINST OUR GROUP COMPANIES

1. Litigation involving Criminal Laws

Memorandum of Agreement Cum Settlement Agreement dated August 23, 2014 between K P Personal Care Ltd. (“KPPCL”) now known as K.P. Sor-Urja Pvt. Ltd. and Ms. Ulka V. Shah (“Ms. Ulka Shah”) (“Memorandum”)

The Memorandum *inter-alia* records that pursuant to terminated agreement dated June 3, 2010 executed between KPPCL and Ms. Ulka Shah, KPPCL was under an obligation to pay a sum of ₹ 22,50,000/- (Rupees Twenty Two Lakhs Fifty Thousand Only) to Ms. Ulka Shah. Further, it *inter-alia* records that though KPPCL issued 11 (eleven) cheques aggregating to ₹ 22,50,000/- (Rupees Twenty Two Lakhs Fifty Thousand Only) in favour of Ms. Ulka Shah as per the payment schedule agreed to by both parties, 9 (nine) such cheques aggregating to ₹ 21,50,000/- (Rupees Twenty One Lakhs Fifty Thousand Only) were dishonoured, pursuant to which Ms. Ulka Shah initiated legal proceedings under the Negotiable Instruments Act, 1881 (“**NI Act**”) before Ahmedabad Courts. Thus, as per the Memorandum, 9 (nine) criminal cases have been filed, details of which have been reproduced below:

Sr. No.	Criminal Case No.	For Cheque No.	Amount (in ₹)	Court
1.	244/2014	155440	1,00,000/-	Metropolitan N.I. Act C No. 28
2.	245/2014	155441	1,00,000/-	Metropolitan N.I. Act C No. 28
3.	332/2014	155442	2,00,000/-	Metropolitan N.I. Act C No. 28
4.	333/2014	155443	2,50,000/-	Metropolitan N.I. Act C No. 28
5.	430/2014	155444	2,50,000/-	Metropolitan N.I. Act C No. 28
6.	247/2014	155445	2,50,000/-	Metropolitan N.I. Act C No. 32
7.	818/2014	155446	3,00,000/-	Metropolitan N.I. Act C No. 32
8.	819/2014	155447	3,50,000/-	Metropolitan N.I. Act C No. 32
9.	1038/2014	155448	3,50,000/-	Metropolitan N.I. Act C No. 36

By and under the Memorandum, KPPCL has *inter-alia* agreed to pay a sum aggregating to ₹ 21,50,000/- (Rupees Twenty One Lakhs Fifty Thousand Only) (“**Settlement Amount**”) in instalments towards full and final settlement. In

this regard, it has been *inter-alia* recorded that a part of the Settlement Amount aggregating to ₹ 2,50,000/- (Rupees Two Lakhs Fifty Thousand Only) is to be paid by way of a pay order which was to be presented to Ms. Ulka Shah on August 28, 2014 before the Hon'ble Court at Ahmedabad, and on receipt of such payment the case corresponding to dishonoured cheque No. 155443 would be withdrawn. Further it is recorded that the balance amount aggregating to ₹ 19,00,000/- (Rupees Nineteen Lakhs Only) is to be paid by way of 15 (fifteen) post dated cheques (“PDCs”) on a monthly basis in the manner stipulated in the Memorandum. The Memorandum *inter-alia* stipulates that Ms. Ulka Shah shall withdraw each pending case filed against KPPCL pertaining to the aforementioned dishonoured cheques on clearance of each corresponding PDC. With respect to the payments to be made by KPPCL as mentioned herein above, as on November 30, 2015, the accounts of KPPCL have been debited to the extent of ₹ 21,50,750/- (Rupees twenty one Lakhs Fifty Thousand Seven Hundred and Fifty Only), towards the following cheque numbers:

Sr. No.	Cheque No.	Amount Paid (in ₹)
1.	048077	2,50,750
2.	048061	1,27,000
3.	048076	1,27,000
4.	048063	1,27,000
5.	048064	1,27,000
6.	048065	1,27,000
7.	048066	1,27,000
8.	048067	1,27,000
9.	048068	1,27,000
10.	048069	1,27,000
11.	048070	1,27,000
12.	048071	1,27,000
13.	048072	1,27,000
14.	048073	1,27,000
15.	048074	1,27,000
16.	048075	1,22,000
Total		21,50,750

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

NIL

(ii) Indirect Taxes Liabilities

Show Cause Notice dated October 20, 2011 bearing Reference No. F. No. V/ST/3-06/2011-12 issued to K. P. Buildcon Pvt. Ltd. (“K. P. Buildcon”) by Office of the Commissioner of Customs, Central Excise & Service Tax, Surat

The Office of the Commissioner of Customs, Central Excise & Service Tax, Surat, issued a Show Cause Notice dated October 20, 2011 bearing Reference No. F. No. V/ST/3-06/2011-12 to K. P. Buildcon *inter-alia* stating that service tax amounting to ₹ 4,31,62,979/- (Rupees Four Crores Thirty One Lakhs Sixty Two Thousand Nine Hundred and Seventy Nine Only) is recoverable from K. P. Buildcon. An approximate amount of ₹ 3,50,00,000/- (Rupees Three Crore Fifty Lakhs Only) has been paid by K. P. Buildcon towards its total service tax liability of ₹ 4,31,62,979/- as mentioned in the aforesaid Show Cause Notice.

Sr. No.	Nature of Matter	No. of Claims	Amount of Each Claim (to the extent quantifiable)
1.	Litigation Involving Direct Tax Liabilities	NIL	NIL
2.	Litigation Involving Indirect Tax Liabilities	1	₹ 4,31,62,979/-

4. Other Pending Litigations

Original Application No. 433 of 2014 dated August 11, 2014 filed by IDBI Bank Ltd. (“IDBI”) against K. P. Personal Care & Others (“K. P. Personal Care”)

IDBI has filed an Original Application No. 433 of 2014 (“**said Application**”) before the Debt Recovery Tribunal – II at Ahmedabad against K. P. Personal Care and Mr. Farukbhai Patel, being its sole proprietor to *inter-alia* recover jointly and severally from them ₹ 59,79,005.42/- (Rupees Fifty Nine Lakhs Seventy Nine Thousand Five and Paisa Forty Two Only) with interest at “as is basis” and 2% penal interest thereon from February 1, 2014 till the date of realization on account of financial assistance extended by IDBI under Loan Account No. 146651100001281. IDBI has issued a letter dated December 29, 2015 bearing Reference No. IDBI/SRT/PSL/SURAT/554/1830 in respect of cash credit facility availed of by K. P. Personal Care vide Loan Account No. 146651100001281 *inter-alia* stating that on account of repayment of the entire outstanding loan there are no dues pending with IDBI as on the date of such letter.

K. P. Personal Care is presently awaiting an order to be passed by the Debt Recovery Tribunal – II at Ahmedabad for withdrawal of the matter.

Summons dated September 6, 2014 in Summary Suit No. 88 of 2014 filed by Mr. Muljibhai Kamtibhai Patel against K. P. Buildcon Pvt. Ltd. (“K. P. Buildcon”)

The Hon’ble Civil Court (S.D), Vadodara has issued Summons to K. P. Buildcon *inter-alia* giving intimation that Mr. Muljibhai K. Patel has instituted a suit, viz. Summary Suit No. 88 of 2014 under Order XXXVII of the Code of Civil Procedure, 1908 *inter-alia* claiming from K. P. Buildcon an amount of ₹ 8,79,209.45/- (Rupees Eight Lakhs Seventy Nine Thousand Two Hundred Nine and Paisa Forty Five Only) and interest and also summoning K. P. Buildcon to cause an appearance to be entered within 10 (ten) days of service of the said summons. The matter is pending as on date.

Reply filed by M.S. Pile Foundation Pvt. Ltd (“M. S. Piles Foundation”) to the Counter Claim filed by K. P. Buildcon Pvt. Ltd (“K. P. Buildcon”) in the matter of Suit No. 120 of 2012 instituted by M S Piles Foundation against K. P. Buildcon

M. S. Piles Foundation has filed a Reply to the Counter Claim *inter-alia* denying the Counter Claim filed by K. P. Buildcon before the Hon’ble 7th Additional Senior Civil Judge, Bharuch, wherein K. P. Buildcon *inter-alia* has made a claim amounting to ₹ 12,30,000/- (Rupees Twelve Lakhs Thirty Thousand Only), being ₹ 10,00,000/- for mental harassment and ₹ 2,30,000/- (Rupees Two Lakhs Thirty Thousand Only) as a part of the refund of advance payment. In terms of the said Counter Claim, on non-payment of the refund of advance payment after November, 2011, an interest at the rate of 24% p.a. is to be levied thereon. The said Counter Claim was pursuant to Suit No. 120 of 2012 instituted by M S Piles Foundation against K. P. Buildcon (“**said Suit**”) before Hon’ble Principle Senior Civil Judge, Bharuch *inter-alia* claiming an amount of ₹ 9,10,111/- (Rupees Nine Lakhs Ten Thousand One Hundred and Eleven Only) for payment of outstanding dues for the services rendered by M. S. Piles Foundation. The matter is pending as on date.

Company Petition No. 435 of 2015 filed by Gemini Equipment and Rentals Pvt. Ltd. (“Gemini Equipment”) before the Hon’ble High Court of Gujarat at Ahmedabad against K P Buildcon Pvt. Ltd. (“K P Buildcon”) (“Company Petition”)

Company Petition has been filed by Gemini Equipment before the Hon’ble High Court of Gujarat at Ahmedabad, against K P Buildcon under Sections 433, 434 and 439 of the Companies Act, 1956 *inter-alia* stating therein that Gemini Equipment had rendered services to K P Buildcon from time to time and that it was agreed between the two parties that the K P Buildcon would make payment against such services rendered by Gemini Equipment after the expiry of 10 (ten) days from the date of rendering such services. However, Gemini Equipment has *inter-alia* claimed therein that K P Buildcon was unsuccessful in paying the amount due to it, being Rs. 4,63,098/- (Rupees Four Lakhs Sixty Three Thousand Ninety Eight Only) (excluding interest) (“**said Amount**”) despite several reminders and letters of demand. Further, the said Company Petition *inter-alia* states that while Gemini Equipment issued a Statutory Notice dated October 30, 2012, under Sections 433 and 434 of the Companies Act, 1956, calling upon K P Buildcon to discharge its liability within a period of 3 (three) weeks, K P Buildcon was unable to do so. Hence, Gemini Equipment has in the Company Petition stated that K P Buildcon was deemed to be commercially insolvent and unable to discharge its debts, being the said Amount along with interest at the rate of 24% till payment is realised.

Gemini Equipment vide the Company Petition inter-alia prayed that K P Buildcon be wound up by an order of the Hon'ble High Court of Gujarat at Ahmedabad and the Official Liquidator be appointed.

The matter is pending as on date.

B. LITIGATION FILED BY OUR GROUP COMPANIES

1. Litigation involving Criminal Laws

Complaint No. 44995 dated November 10, 2014 filed by Solarism - The Power of Natural (A Division of K.P.I. Global Infrastructure Limited) ("Solarism") against TesCo Projects Limited ("TesCo") and Mr.Kartikey Hariyani, Managing Director of TesCo before the Hon'ble Court of Additional Senior Civil Judge, Vadodara

Complaint No. 44995 dated November 10, 2014 has been filed by Solarism against TesCo and Mr. Kartikey Hariyani in the Court of Additional Senior Civil Judge, Vadodara under Section 138 and Section 141 of the Negotiable Instruments Act, 1881 ("**NI Act**") wherein Solarism *inter-alia* prayed for issuance of a warrant against TesCo. In the Complaint it has *inter-alia* been averred that TesCo was unable to execute a work order dated October 15, 2013 executed between Solarism and TesCo and for which work order Solarism had paid an amount aggregating to ₹ 48,00,000/- (Rupees Forty Eight Lakhs Only) as advance to TesCo. It has also *inter-alia* been averred that thereafter, TesCo issued cheque no. 056711 to Solarism on September 22, 2014 for an amount of ₹ 3,11,000/- (Rupees Three Lakhs Eleven Thousand Only), which was not cleared due to insufficiency of funds. Further, it has *inter-alia* been averred that a notice dated October 09, 2014 was sent by Solarism to TesCo and Mr. Kartikey Hariyani, *inter-alia* requesting payment of ₹ 3,11,000/- (Rupees Three Lakhs Eleven Thousand Only) within 15 (fifteen) days on receipt of Notice, failing which legal proceedings would be initiated. The Complaint also *inter-alia* provides that as no payment was received, the said Complaint has been instituted. The matter is pending as on date.

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

NIL

(ii) Indirect Taxes Liabilities

NIL

4. Other Pending Litigations

Arbitration Petition No. 455 of 2014 dated August 30, 2014 filed by K. P. Buildcon Pvt. Ltd ("K. P. Buildcon") against Indus Towers Limited ("Indus Towers").

K. P. Buildcon has filed an Arbitration Petition No. 455 of 2014 dated August 30, 2014 before the Hon'ble High Court of Delhi at New Delhi *inter-alia* for the appointment of an arbitrator. In the Arbitration Petition, it has been averred by K. P. Buildcon that it had entered into an Agreement dated October 6, 2008 with Indus Towers ("**said Agreement**") whereby it was *inter-alia* agreed that Indus Towers was to provide work in 5 (five) Telecom Circles including 25 New Build and 100 upgrade work every month in each circle to K. P. Buildcon as per the terms and conditions of the said Agreement. On account of Indus Towers' failure to give work and for the breach of the said Agreement, K. P. Buildcon issued a Legal Notice ("**said Notice**") dated September 20, 2012 *inter-alia* invoking the arbitration clause of the said Agreement and calling upon the former to pay within 7 (seven) days thereof, ₹ 91,00,00,000/- (Rupees Ninety One Crores Only) together with 24% (twenty four percent) from the date of the agreement till the date of payment and costs. The matter is pending as on date.

C. PAST PENALTIES

NIL

PART 6: LITIGATION RELATING TO OUR SUBSIDIARIES

A. CASES FILED AGAINST OUR SUBSIDIARIES

1. Litigation Involving Criminal Laws

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

NIL

(ii) Indirect Taxes Liabilities

NIL

4. Other Pending Litigations

NIL

B. CASES FILED BY OUR SUBSIDIARIES

1. Litigation Involving Criminal Laws

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

NIL

(ii) Indirect Taxes Liabilities

NIL

4. Other Pending Litigations

NIL

5. PAST PENALTIES

NIL

PART 7: AMOUNTS OWED TO SMALL SCALE UNDERTAKINGS AND OTHER CREDITORS

The Board of Directors of our Company considers dues exceeding ₹ 10,00,000/- to small scale undertakings and other creditors as material dues for our Company.

As on September 30, 2015, there are 6 creditors to each of whom our Company owes amounts exceeding ₹ 10,00,000/-, the aggregate outstanding dues to them being approximately ₹ 367.58 lakhs.

Further, our Company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure, if any, in relation to amount unpaid as at the year end together with interest payable as required under the said Act have not been furnished.

Therefore, as on September 30, 2015, our Company owes amounts aggregating to ₹ 403.76 lakhs approximately towards 102 creditors, which may or may not include small scale undertakings.

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.kpenergy.in.

PART 8: MATERIAL DEVELOPMENTS OCCURRING AFTER LAST BALANCE SHEET DATE

Except as disclosed elsewhere in this Prospectus, there have been no material developments that have occurred after the Last Balance Sheet Date.

GOVERNMENT AND OTHER KEY APPROVALS

Our Company has received the necessary consents, licenses, permissions and approvals from the Government and various governmental agencies required for their present business (as applicable on date of this Prospectus) and except as mentioned below, no further approvals are required for carrying on their present business.

In view of the approvals listed below, our Company can undertake this Issue and our current/proposed business activities and no further major approvals from any governmental or regulatory authority or any other entities are required to be undertaken in respect of the Issue or to continue our business activities. It must be distinctly understood that, in granting these approvals, the Government of India does not take any responsibility for our Company's financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Prospectus.

The main objects clause of the Memorandum of Association and objects incidental to the main objects enable the Company to carry out its activities.

The following statement sets out the details of licenses, permissions and approvals taken by the Company under various Central and State laws for carrying out business.

I. APPROVALS FOR THE ISSUE

Corporate Approvals

1. The Board of Directors have, pursuant to Section 62(1)(c) of the Companies Act 2013, by a resolution passed at its meeting held on May 20, 2015, 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 June 17, 2015, authorized the Issue.
3. The Company has obtained listing approval letter from the SME platform of the BSE dated October 23, 2015 .

II. INCORPORATION AND OTHER DETAILS

1. Certificate of Incorporation dated January 8, 2010 issued by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli in the name of "K.P. Energy Private Limited".
2. Fresh Certificate of Incorporation dated May 11, 2015, issued by the Registrar of Companies, Ahmedabad pursuant to the Companies Act, 2013, for the change of name of our Company from "K.P. Energy Private Limited" to "K.P. Energy Limited".
3. The Corporate Identity Number (CIN) of our Company is U40100GJ2010PLC059169.

III. GENERAL APPROVALS

1. The ISIN Number of our Company is INE127T01013.
2. The Company has entered into a Tripartite Agreement dated July 6, 2015 with, Bigshare Services Private Limited, Registrar and Transfer Agent and the Central Depository Services (India) Limited whereby inter-alia CDSL has agreed to admit securities issued by the Company as being eligible to be held in dematerialised form in the depository, on the terms and in the manner therein contained.
3. The Company has entered into a Tripartite Agreement dated July 23, 2015 with Bigshare Services Private Limited, Registrar and Transfer Agent and the National Securities Depository Limited whereby inter-alia NSDL has admitted the equity shares of the Company as 'eligible security' in the depository system, on the terms and in the manner therein contained
4. Importer- Exporter Code number of the Company is 5209062007.

5. Registration certificate bearing number WZ/AS/Adajan/913736 dated April 28, 2010 issued under the Bombay Shops and Establishments Act, 1948. The same has been renewed from time to time and is valid till December 31, 2018.

IV. BUSINESS/INDUSTRY RELATED APPROVALS

Sr. No.	Description	Authority	Registration Number	Particulars	Date of Certificate	Date of Expiry
1.	Entrepreneurs' Memorandum for setting up Micro, Small, Medium Enterprise - Acknowledgement EM Part-I	General Manager, District Industries Centre, Porbandar, Government of Gujarat	Entrepreneurs' Memorandum No.: EM12401123000307	Registration as Medium Enterprise Service Unit to set up a service enterprise at Baradiya, Porbandar.	March 14, 2014	2 years from date of issue
2.	Entrepreneurs' Memorandum for setting up Micro, Small, Medium Enterprise - Acknowledgement EM Part-I	General Manager, District Industries Centre, Porbandar, Government of Gujarat	Entrepreneurs' Memorandum No.: EM12401112000410	Registration as Small Enterprise Manufacturing Unit to set up a Manufacturing enterprise at Miyani, Porbandar.	December 20, 2014	2 years from date of issue
3.	Entrepreneurs' Memorandum for setting up Micro, Small, Medium Enterprise - Acknowledgement EM Part-I	General Manager, District Industries Centre, Porbandar, Government of Gujarat	Entrepreneurs' Memorandum No.: EM12401123000329	Registration as Medium Enterprise Service Unit to set up a service enterprise at Degam, Porbandar.	August 12, 2015	2 years from date of issue

V. TAX RELATED APPROVALS/LICENSES/REGISTRATIONS

The Company has obtained the following approvals from various tax authorities as set out below:

Sr. No.	Description	Authority	Registration Number	Date of Expiry
1.	Permanent Account Number (PAN)	The Income Tax Department, Government of India	AADCK8258N	Valid until cancelled
2.	Tax Deduction and Collection Account Number (TAN)	The Income Tax Department, Government of India	SRTK02953G	Valid until cancelled
3.	Certificate of Registration under Section 7(1)/7(2) of the Central Sales Tax Act, 1956	Office of the Assistant Commissioner of Commercial Tax, Unit-1, Surat	24720101465	Valid until cancelled
4.	Certificate of Registration with Central Board of Excise and Customs under Chapter V of the Finance Act, 1994 read with the Service Tax Rules, 1994	Superintendent, STU-IV, Div.-IV, Central Excise & Customs, Surat-I	Service Tax Code – AADCK8258NSD001	Valid until cancelled
5.	Certificate of Registration under Gujarat Value Added Tax Act, 2003	Office of the Assistant Commissioner of Commercial Tax, Unit-1, Surat	24220101465	Valid until cancelled
6.	Certificate of Enrolment under Gujarat State Tax On Professions, Traders, Callings And Employments Act, 1976	Shops and Establishments Inspector, Surat Mahanagar Seva Sadan	PEC03WZ09458	Valid until cancelled
	Certificate of Registration under		PRC03WZ00921	

Sr. No.	Description	Authority	Registration Number	Date of Expiry
	Gujarat State Tax On Professions, Traders, Callings And Employments Act, 1976			

VI. LABOUR RELATED APPROVALS/REGISTRATIONS

The Company has obtained the following approvals from various labour/employment authorities as set out below:

Sr. No.	Description	Authority	Code Number	Date of Issue/Effective Date
1.	Employees' Provident Fund Organisation	Assistant Provident Fund Commissioner, Regional Office, Surat	GJ/SRT/39905	September 19, 2012 Effective Date: March 01, 2011
2.	Certificate of Registration under the Contract Labour (Regulation and Abolition) Act, 1970 and the Contract Labour (Regulation and Abolition)(Gujarat) Rules, 1972	Registration Officer and Assistant Labour Commissioner, Porbandar	1/2014	April 17, 2014
3.	Certificate of Registration under the Contract Labour (Regulation and Abolition) Act, 1970 and the Contract Labour (Regulation and Abolition)(Gujarat) Rules, 1972	Assistant Labour Commissioner, Bhavnagar	BVN/2015/CLRA/10(R)/2015	December 04, 2015

VII. PROJECT RELATED APPROVALS

As a Wind Farm Developer, the Company initially acquires land suitable to wind energy generation (either government land or private land). Subsequently, Government permissions are required to be obtained. The Government permissions are to be taken based on the status of the development of a particular wind farm project.

Hence, from this point of view the status of the projects can be classified as under:

Land Only Stage: This represents a stage where land is in the process of being acquired or is partly or wholly acquired. No further developments w/r/t evacuation has occurred.

Pre-Evacuation stage: This represents a stage where evacuation permissions are being sought, but not obtained.

Pre-Substation Stage: This represents a stage where evacuation approvals are in place and the company is in process of installing and commissioning sub-station for evacuation of power.

Pre-Development Stage: This represents a stage where evacuations as well as substation related entire formalities are in place (including special permissions such as CRZ or AAI as and when applicable) and the company would be in process of obtaining Developer Permissions from GEDA for beginning WTG erection and other related BOP works and further CEIG Approvals for various electrical installations as the project goes forward.

Development Stage: This represents a stage where developer permissions and CEIG permissions are obtained and project erection is underway for commissioning of power.

Partly Commissioned Stage: This represents a stage where power is commissioned from the project (i.e. site has begun generation).

O&M Stage: This represents a stage where all development and commissioning is complete for the entire project.

7.1 Project Site: Ratdi and Baradiya, Porbandar

Status of Project: O&M Stage (33.60 MW commissioned.)

S. No.	Description	Authority	Reference Number	Date of Grant of Permission	Date of Expiry
1.	Permission to enhance evacuation capacity from 25MW to 30MW from the Company's Wind farm at Ratdi, Porbandar to GETCO 66 KV Visavada Substation	Gujarat Energy Transmission Corporation Limited	ACE(R&C)/GETCO/EE-C/1302	July 26, 2012	NA
2.	Evacuation Permission of 30 MW capacity through GETCO 66 KV Visavada Substation <i>Letter dated March 19, 2015 bearing number SE(R&C)/EE-C/NB/328 addressed to the Company by GETCO inter-alia states that 30 MW may be commissioned, subject to certain stipulations therein contained.</i>	Gujarat Energy Transmission Corporation Limited	SE(R&C)/EE-C/225	February 7, 2014	NA
3.	Coastal Zone Regulation Clearance for Windmill Project at Ratdi, Porbandar	Ministry of Environment, Forests & Climate Change, Government of India	F.No.11-47/2014-IA.III	March 30, 2015	March 29, 2020
4.	Consent to Establish (NOC) under Section 25 of the Water (Prevention and Control of Pollution) Act, 1974 pertaining to 12 windmills at Ratdi, Porbandar	Gujarat Pollution Control Board	GPCB/RO-PBR/PBR-723/ID-47318/5103/15	May 02, 2015	April 14, 2020
5.	Consent to Operate under Section 25 of the Water (Prevention and Control of Pollution)	Gujarat Pollution Control Board	GPCB/RO/TECH/ID-47318/PBR-/5243/15 Consent Order No.: WH-18184	Date of Issue: August 24, 2015	August 23, 2020

S. No.	Description	Authority	Reference Number	Date of Grant of Permission	Date of Expiry
	Act, 1974, Section 21 of the Air (Prevention and Control of Pollution) Act, 1981 and Authorization under Rule 3(c) and 5(5) of the Hazardous Waste (Management and Handling) Rules, 1989 pertaining to 12 windmills at Ratadi, Porbandar			Date of Grant: September 15, 2015	
6.	Consent to Establish (NOC) under Section 25 of the Water (Prevention and Control of Pollution) Act, 1974 pertaining to 4 windmills at Baradia, Porbandar	Gujarat Pollution Control Board	GPCB/RO-PBR/PBR-723/ID-47318/5102/15	May 02, 2015	April 14, 2020
7.	Consent to Operate under Section 25 of the Water (Prevention and Control of Pollution) Act, 1974, Section 21 of the Air (Prevention and Control of Pollution) Act, 1981 and Authorization under Rule 3(c) and 5(5) of the Hazardous Waste (Management and Handling) Rules, 1989 pertaining to 4 windmills at Baradia, Porbandar	Gujarat Pollution Control Board	GPCB/RO/TECH/ID-36637/PBR-5244/15 Consent Order No.: WH-18185	Date of Issue: August 26, 2015 Date of Grant: September 15, 2015	August 25, 2020
8.	Consent to Establish (NOC) under Section 25 of the Water (Prevention and Control of Pollution) Act, 1974 pertaining to operation of the Company's 66 KV substation at Baradia, Porbandar	Gujarat Pollution Control Board	GPCB/RO-PBR/PBR-722/ID-37098/5104/15	May 02, 2015	April 14, 2020
9.	Consent to Operate under Section 25 of the Water (Prevention and Control of Pollution) Act, 1974, Section 21 of the Air (Prevention and Control of Pollution)	Gujarat Pollution Control Board	GPCB/RO/TECH/ID-37098/PBR-722/5220/15 Consent Order No.: WH-18229	Date of Issue: August 12, 2015 Date of Grant: September 21, 2015	August 11, 2020

S. No.	Description	Authority	Reference Number	Date of Grant of Permission	Date of Expiry
	Act, 1981 and Authorization under Rule 3(c) and 5(5) of the Hazardous Waste (Management and Handling) Rules, 1989 pertaining to operation of the Company's 66 KV substation at Baradia, Porbandar				
10.	Developer Permission for setting up 23.10 MW Wind farm at Ratdi and Baradiya, Porbandar	Gujarat Energy Development Agency	GEDA/PWF/KPEPL/2014-15/Baradiya/1059	June 18, 2014	May 30, 2015 or validity of the type test approval, whichever is earlier.
11.	Developer Permission for setting up 10.50 MW Wind farm at Ratdi and Baradiya, Porbandar	Gujarat Energy Development Agency	GEDA/PWF/KPEPL/2014-15/Baradiya/6431	February 21, 2015	February 28, 2016 or validity of the type test approval, whichever is earlier.
12.	Permission to energize electrical installations at 66 KV Substation at Baradia, Porbandar pursuant to inspection of the electrical installation of 1x16 MVA 66/33 KV power transformers and 1x100 KVA 33/0.415 KV station transformer and 2x66 KV feederbays and 2x33 KV line feederbays along with associated equipment	Office of the Chief Electrical Inspector, Gadhinagar	CEI/T-1/P-2/EHT/0287/2014/7262	September 12, 2014	NA
13.	Permission to energize electrical installations at 66 KV Substation at Baradiya, Porbandar to 66 KV Substation at Visavada pursuant to inspection of the installation of 66 Kv DC Tower line from the Company's 66 KV substation at Baradiya to GETCO 66 KV Visavada Substation	Office of the Chief Electrical Inspector, Gadhinagar	CEI/T-1/P-2/GETCOLINE/0211/2014/7154	September 12, 2014	NA

S. No.	Description	Authority	Reference Number	Date of Grant of Permission	Date of Expiry
14.	Permission to energize electrical installations at 66 KV Substation at Visavadar, Porbandar pursuant to inspection of the installation of 2x66 KV feederbays along with associated equipments at GETCO 66 KV Visavada Substation for 66 KV Visavada – KP Energy line at Visavada, Porbandar	Office of the Chief Electrical Inspector, Gadhinagar	CEI/T-1/P-2/GETCOSS/0281/2014/7158	September 12, 2014	NA
15.	Permission for charging of 66 KV D/C Line from Visavada Substation of GETCO to 66 KV Company's Wind Farm Substation at Baradiya and commissioning of associated equipment of GETCO.	Gujarat Energy Transmission Corporation Limited	SE(R&C)/EE-C/VB/1256	September 17, 2014	NA

Note: Once the actual power commissioning takes place, the owner of the wind site (in this case customer of our Company) receives transfer permission from GEDA for wheeling of electricity. However, the same is not in the name of our Company.

7.2 Project Site: Miyani, Porbandar

Status of Project: Pre-Evacuation Stage (Certain Land Acquired, remaining under acquisition; Evacuation load flow analysis completed for 50 MW, have applied to GETCO for beginning System Study for Evacuation Permission.)

Sr. No.	Description	Authority	Reference Number	Date of Grant of Permission	Date of Expiry
1.	In-principle approval for conducting system study for connectivity and feasibility for evacuation of 50 MW Wind farm Project at village Miyani, Taluka & Dist. Porbandar	Gujarat Energy Transmission Corporation Limited	SE(R&C)/EE-C/VB/909	June 25, 2015	NA

7.3 Project Site: Kuchhdi, Porbandar

Status of Project: Pre-Substation Stage (Evacuation permissions obtained for 50 MW. Remaining permissions shall be obtained as and when required based on development stage of project.)

Sr. No.	Description	Authority	Reference Number	Date of Grant of Permission	Date of Expiry
1.	In-principle approval for Grid Connectivity for 31.5MW Windfarm Project at Kuchhadi, Porbandar to the GETCO 66 Kv Bakharala substation subject to compliance with certain conditions including the Connectivity and Connection Agreement for the connectivity being established with GETCO grid	Gujarat Energy Transmission Corporation Limited	SE(R&C)/EE-C/VB/1563	December 3, 2014	NA
2.	Evacuation Permission of 31.5 MW + 18.5 MW capacity for the Company's Kuchhdi (Degam) substation to GETCO 66 KV Bakharala Substation, Porbandar	Gujarat Energy Transmission Corporation Limited	SE(R&C)/EE-C/VB/843	June 12, 2015	NA

7.4 Project Site: Odedar, Porbandar

Status of Project: Land Only Stage (Land has been acquired. Evacuation Load Flow Analysis completed, but evacuation permissions would have to be obtained as and when required based on status of development of project.)

7.5 Project Site: Matalpar, Bhavnagar

Status of Project: Development Stage (Evacuation permissions obtained for 30 MW. Substation Charging permissions Obtained. Project is scheduled for commissioning in FY 2015-16 and Developer Permission for 33.60MW has been obtained.)

Sr. No.	Description	Authority	Reference Number	Date of Grant of Permission	Date of Expiry
1.	Permission to enhance evacuation capacity from 25MW to 30MW from the Company's Wind farm at Matalpur to GETCO 66 KV Kadamgiri Substation	Gujarat Energy Transmission Corporation Limited	ACE(R&C)/GETCO/EE-C/1302	July 26, 2012	NA

2.	Permission for charging of 66Kv D/C Tower line with Dog conductor from GETCO 66 KV Kadangiri Substation to 66 KV Shevdivadar Wind farm Substation and commissioning of associated equipment of GETCO	Gujarat Energy Transmission Corporation Limited	ACE(R&C)/EE(C)/1111	June 29, 2012	NA
3.	Permission to energize electrical installation at the 66 KV substation at Shevdivadar pursuant to inspection of 1x16 MVA 66/33 KV Transformers, 2x66 KV feederbays, 1x100 KVA 33/0.415 KV station Transformers along with associated equipments	Office of the Chief Electrical Inspector, Gadhinar	CEI/T1/P2/EHT/0140/12 9309	July 4, 2012	NA
4.	Developer Permission for setting up 31.50 MW Wind farm at Matalpar, Bhavnagar	Gujarat Energy Development Agency	GEDA/PWF/KPEL/2015-16/Matalpar/3082	August 26, 2015	March 31, 2016 or validity of the type test approval, whichever is earlier.
5.	Amendment to Developer Permission for setting up 33.60 MW Wind farm at Matalpar, Bhavnagar	Gujarat Energy Development Agency	GEDA/PWF/KPEL/2015-16/Matalpar/4047	September 30, 2015	March 31, 2016 or validity of the type test approval, whichever is earlier.

7.6 Project Site: Mahua – I (Vadli) , Bhavanagar

Status of Project: Pre- Substation Stage (Certain land acquired, remaining under acquisition. Evacuation permission obtained. Further permissions will be obtained depending upon the development of the project.)

Sr. No.	Description	Authority	Reference Number	Date of Grant of Permission	Date of Expiry
1.	Evacuation Permission of 50 MW capacity from the Company's wind farm at Katpar, Bhavanagar to GETCO 66 KV Vadli Substation	Gujarat Energy Transmission Corporation Limited	SE(R&C)/EE-C/VB/844	June 12, 2015	NA

7.7 Project Site: Mahua – II (Vangar), Bhavanagar

Status of Project: Land Only stage (The Company has identified land spots to be acquired and is in the process of acquiring them.)

VIII. INTELLECTUAL PROPERTY RELATED APPROVALS/REGISTRATIONS

TRADEMARKS

Sr. No.	Particulars of Mark	Word/ Label Mark	Applicant	Trade-mark No.	Date of Application	Date of Registration	Date of Expiry	Class	Status
1.	 <p>Since 1994 www.kpgroup.co</p>	Trade Mark – Device	K. P. Buildcon Pvt. Ltd.	1783057	February 9, 2009	February 10, 2011	February 9, 2019	37	Registered

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

Our Board of Directors have vide resolution dated May 20, 2015 authorized the Issue, subject to the approval by the shareholders of our Company under Section 62 (1) (C) of the Companies Act, 2013.

The shareholders have authorized the Issue, by passing a Special Resolution at the Extra-Ordinary General Meeting held on June 17, 2015 in accordance with the provisions of Section 62 (1) (C) of the Companies Act, 2013.

The Company has obtained approval from BSE vide letter dated October 23, 2015 to use the name of BSE in this Offer Document for listing of equity shares on the SME platform of the BSE. BSE is the designated stock exchange.

Prohibition by SEBI, the RBI or Governmental Authorities

We confirm that there is no prohibition on our Company, its Directors, Promoters and entities forming part of our Promoter Group from accessing the capital market or operating in the capital markets under any order or direction passed by SEBI.

We further confirm that none of our Company, its Promoters, its Group Companies or the relatives of our Promoters was ever identified as wilful defaulters by RBI or other authorities.

Association with Securities Market

We confirm that none of our Directors are associated with the Securities Market in any manner and no action has been initiated against these entities by SEBI at any time except as stated under the chapters titled “*Risk Factors*”, “*Our Promoter, Promoter Group and Group Companies*” and “*Outstanding Litigations and Material Developments*” beginning on pages 11, 132 and 193 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 Book Running Lead Manager to the Issue have underwritten more than 15% of the total Issue Size. For further details pertaining to the said underwriting please see “*General Information- Underwriting*” on page 44 of this Prospectus.
- b) In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the issue is greater than or equal to fifty, otherwise, the entire application money will be refunded within such time which shall be prescribed by the SEBI. If the stated minimum amount has not been subscribed and the sum payable on application is not received within a period of thirty days from the date of issue of the prospectus, or such other period as may be specified by the Securities and Exchange Board, the amount received under sub-section (3) of Section 39 shall be returned within such time and manner as may be prescribed under the Companies Act, 2013.
- c) In accordance with Regulation 106(O) the SEBI (ICDR) Regulation, we have not filed any Offer Document with SEBI nor has SEBI issued any observations on our Offer Document. Also, we shall ensure that our Book Running Lead Manager submit 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, The Book Running Lead Manager will 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 44 of this Prospectus.

We further confirm that we shall be complying with all other requirements as laid down for such issue under Chapter XB of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

- e) Our Company has Net Tangible assets of at least ₹ 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 to be a period of at least 12 months.
- h) The distributable Profit, Net tangible Assets and Net worth of our Company as per the restated financial statements for the year ended as at March 31, 2015, 2014 and 2013 is as set forth below:

(₹ in lakhs)

Particulars	Fiscal 2015	Fiscal 2014	Fiscal 2013
Distributable Profit ⁽¹⁾	293.91	29.85	6.78
Net tangible Assets ⁽²⁾	963.88	452.61	260.13
Net Worth ⁽³⁾	492.67	99.57	69.45

⁽¹⁾ Distributable profits have been computed in terms section 123 of the Companies Act, 2013.

⁽²⁾ Net tangible assets' means the sum of all net assets of our Company excluding intangible assets as defined in Accounting Standard 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) The Pre-Issue capital of our Company is ₹ 250 lakhs. The present Issue is of ₹ 92 lakhs in nominal terms. Thus the Post Issue Capital shall be in excess of ₹ 300 lakhs.
- 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 has already entered into an agreement with both the depositories for ensuring the same..
- n) We have a website: www.kpenergy.in

Disclosure

The Issuer, our Promoters, Promoter Group and the members of our Group Companies have confirmed that they have not been identified as wilful defaulters by the RBI or any other Governmental Authority.

Disclaimer Clause of SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE OFFER DOCUMENT TO SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE BOOK RUNNING LEAD MANAGER, 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 INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE OFFER DOCUMENT, THE BOOK RUNNING LEAD MANAGER ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, ARYAMAN FINANCIAL SERVICES LIMITED WILL FURNISH TO SEBI, A DUE DILIGENCE CERTIFICATE DATED FEBRUARY 19, 2016.

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 BRLM.

WE, THE BOOK RUNNING LEAD MANAGER TO THE ABOVE MENTIONED ISSUE, STATE AND CONFIRM AS FOLLOWS:

1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE PROSPECTUS PERTAINING TO THE SAID ISSUE;
2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:
 - A. THE PROSPECTUS FILED WITH THE BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;
 - B. ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND
 - C. THE DISCLOSURES MADE IN THE PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956, COMPANIES ACT, 2013 (TO THE EXTENT NOTIFIED), THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.
3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.
4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS.
5. WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD /TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF

FILING OF THE PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE PROSPECTUS.

- 6. WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE PROSPECTUS.**
- 7. WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTER'S 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'S CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. – NOT APPLICABLE**
- 8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE “MAIN OBJECTS” LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.**
- 9. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 73 OF THE COMPANIES ACT, 1956 (SUB-SECTION (3) OF SECTION 40 OF COMPANIES ACT, 2013) AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION. - NOTED FOR COMPLIANCE**
- 10. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE – NOT APPLICABLE.**
- 11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.**
- 12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE PROSPECTUS:**
 - A. AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER, AND**
 - B. AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.**
- 13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE.**

14. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS EXPERIENCE, ETC.
15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.
16. WE ENCLOSE STATEMENT ON PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKERS AS PER FORMAT SPECIFIED BY SEBI THROUGH CIRCULAR (PLEASE SEE “ANNEXURE A AND B” FOR FURTHER DETAILS).
17. WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS.

ADDITIONAL CONFIRMATIONS/ CERTIFICATIONS TO BE GIVEN BY MERCHANT BANKERS 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.

THE FILING OF THE PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER SECTION 34 OR SECTION 31 OF THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT

TO TAKE UP, AT ANY POINT OF TIME, WITH THE BRLM ANY IRREGULARITIES OR LAPSES IN THE PROSPECTUS.

All legal requirements pertaining to the issue have been complied with at the time of filing of the Prospectus with the Registrar of Companies, Mumbai, in terms of Section 26, and Section 32 of the Companies Act 2013.

THE PROMOTER(S)/ DIRECTOR(S) OF K.P. ENERGY LIMITED, MR. FARUKBHAI PATEL AND ASHISH A MITHANI CONFIRM THAT NO INFORMATION/MATERIAL LIKELY TO HAVE A BEARING ON THE DECISION OF INVESTORS IN RESPECT OF THE SHARES OFFERED IN TERMS OF THIS OFFER DOCUMENT HAS BEEN SUPPRESSED WITHHELD AND / OR INCORPORATED IN THE MANNER THAT WOULD AMOUNT TO MIS-STATEMENT/ MISREPRESENTATION AND IN THE EVENT OF ITS TRANSPILING AT ANY POINT IN TIME TILL ALLOTMENT/ REFUND, AS THE CASE MAY BE, THAT ANY INFORMATION/MATERIAL HAS BEEN SUPPRESSED/WITHHELD AND/ OR AMOUNTS TO A MIS-STATEMENT/ MISREPRESENTATION, THE PROMOTERS/DIRECTORS UNDERTAKE TO REFUND THE ENTIRE APPLICATION MONIES TO ALL SUBSCRIBERS WITHIN 7 DAYS THEREAFTER WITHOUT PREJUDICE TO THE PROVISIONS OF SECTION 34 OF THE COMPANIES ACT 2013.

Disclaimer from our Company and the Book Running Lead Manager

Our Company, its Directors and the Book Running 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 Book Running Lead Manager accept no responsibility, save to the limited extent as provided in the MoU for Issue Management entered into among the Book Running Lead Manager and our Company dated July 22, 2015, the Underwriting Agreement dated January 19, 2016 entered into among the Underwriters and our Company and the Market Making Agreement dated January 19, 2016, entered into among the Market Maker, Book Running Lead Manager and our Company.

All information shall be made available by us and the Book Running 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 Centers or elsewhere.

Note:

Investors who apply in the Issue will be required to confirm and will be deemed to have represented to our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

Disclaimer in respect of Jurisdiction

This Issue is being made in India to persons resident in India including Indian nationals resident in India (who are not minors, except through their 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 offer to sell or an invitation to subscribe to Equity Shares offered hereby in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession the Red Herring Prospectus / 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 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

As required, a copy of the Draft Red Herring Prospectus had been submitted to the SME Platform of BSE. BSE Limited ("BSE") has given vide its letter dated October 23, 2015, permission to this Company to use its name in this offer document as one of the stock exchanges on which this company's securities are proposed to be listed on the SME Platform. BSE has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. BSE does not in any manner:

- i. warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
- ii. warrant that this Company's securities will be listed or will continue to be listed on BSE; or
- iii. take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company; and it should not for any reason be deemed or construed that this offer document has been cleared or approved by BSE. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever

Disclaimer 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 Bidders may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Filing

This Prospectus is being filed with the BSE Limited at P.J.Towers, Dalal Street, Mumbai – 400 001.

A copy of the Draft Red Herring Prospectus/Red Herring 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 Western Regional Office, Unit No: 002, Ground Floor, Sakar I, Near Gandhigram Railway Station, Opp. Nehru Bridge, Ashram Road, Ahmedabad - 380 009.

A copy of the Prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013 will be delivered to the RoC situated at ROC Bhavan, Opp. Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad – 380013.

Listing

In terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, there is no requirement of obtaining In-Principle approval of the SME Platform of BSE. However, application shall be made to SME Platform of BSE for obtaining permission for listing of the Equity Shares being offered and sold in the Issue on its SME Platform after the allotment in the Issue. BSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue.

If the permission to deal in and for an official quotation of the Equity Shares on the SME Platform is not granted by BSE, our Company shall forthwith repay, without interest, all moneys received from the Bidders in pursuance of the prospectus. The allotment letters shall be issued or application money shall be refunded within six working 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 Bidders forthwith, failing which interest shall be due to be paid to the Bidders at the rate of fifteen per cent per annum for the delayed period as prescribed under Section 40 of the Companies Act, 2013.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of BSE mentioned above are taken within 6 Working Days of the Issue Closing Date.

The Company has obtained approval from BSE vide letter dated October 23, 2015 to use the name of BSE in this Offer document for listing of equity shares on SME Platform of BSE.

Price Information of past issues handled by the Book Running Lead Manager.

S. No	Issue Name	Issue size (₹ Cr.)	Issue Price (₹)	Listing date	Opening price on listing date	+/- % change in Price on closing price, [+/- % change in closing benchmark]- 30 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	Vaksons Automobiles Ltd.	6.24	26	16/10/2015	26.25	4.23%	-5.89%	3.85%	-8.97%	N. A.	N. A.
2	AGI Infra Ltd.	14.99	54	27/03/2015	54.4	4.17%	-0.08%	50.00%	1.59%	115.74%	-5.96%
3	Vishal Fabrics Ltd.	15.63	45	20/08/2014	45.2	12.22%	2.95%	15.56%	7.03%	34.33%	10.72%
4.	Dhanuka Commercial Ltd.	4.44	10	11/06/2014	9.75	-12.50%	-1.76%	-29.00%	7.03%	-9.50%	10.39%
5	Karnimata Cold Storage Ltd.	3.04	20	18/03/2014	29.05	10.75%	3.65%	10.75%	15.38%	10.00%	23.95%
6	Suyog Telematics Ltd.	4.53	25	22/01/2014	25.2	2.00%	-2.98%	1.60%	6.66%	4.00%	20.52%
7	Stellar Capital Services Ltd.	9	20	01/11/2013	20.1	-27.25%	-1.91%	-45.25%	-3.30%	-63.65%	5.76%
8	S R G Securities Finance Ltd.	5.02	20	29/10/2013	23.9	0.00%	-1.88%	4.75%	-1.06%	0.00%	8.40%
9	Kushal Tradelink Ltd.	27.75	35	04/09/2013	35	22.14%	7.26%	-2.14%	12.32%	-0.71%	12.81%
10	India Finsec Ltd.	6	10	11/06/2013	10	0.00%	2.78%	66.50%	0.66%	16.50%	9.68%

Summary Statement of Disclosure

Financial Year	Total no. of IPOs	Total Funds Raised (₹ 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%	Betwe en 25-50 %	Less than 25%	Over 50%	Betwe en 25-50 %	Less than 25%	Over 50%	Betwe en 25-50 %	Less than 25%	Over 50%	Betwe en 25-50 %	Less than 25%
2015-16	1	6.24	-	-	-	-	-	1	-	-	-	-	-	-
2014-15	3	35.06	-	-	1	-	-	2	-	-	1	1	1	-
2013-14	6 ⁽¹⁾	55.34	-	-	5	-	-	1	2	-	2			2

Notes:

- (a) In case the 10th, 20th and 30th calendar day from the date of listing is a holiday, or if the stock was not traded on the said calendar days from the date of listing, the share price is taken of the immediately preceding working day.
(b) BSE SENSEX has been considered as the benchmark index.

Track record of past issues handled by the Book Running Lead Manager

For details regarding the track record of the Book Running 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 Directors, the Company Secretary and Compliance Officer, the Chief Financial Officer the Statutory Auditors, Bankers to the Company; and (b) the Book Running Lead Manager, Market Maker, Banker to the Issue, Syndicate Members, , Registrar to the Issue and the Legal Advisors to the Issue, to act in their respective capacities, have been obtained and is being filed along with a copy of the Prospectus with the RoC, as required under Section 32 of the Companies Act, 2013 and such consents have not been 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, Statutory Auditors B.P. Chandra J. Modi & Co., have provided their written consent to the inclusion of their reports dated January 07, 2016 on Restated Financial Statements and on Statement of Tax Benefits, respectively, which may be available to the Company and its shareholders, included in this Prospectus in the form and context in which they appear therein and such consents and reports have not been withdrawn up to the time of filing of this Prospectus.

Expert Opinion

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

ISSUE RELATED EXPENSES

The expenses for this Issue include lead management fees, underwriting and selling commission, registrar's fees, advertisement and marketing expenses, printing and distribution expenses, legal fees, Stock Exchange Fees, bidding software expenses, depository charges and listing fees to the Stock Exchanges.

The details of the estimated Issue expenses are set forth below:

Issue related expenses activity	Amount (₹in lakhs)	As a % of total estimated Issue expenses	As a % of the Issue Size
Issue Management fees including underwriting and selling commissions, market making fees, brokerages, and payment to other intermediaries such as Legal Advisors, Registrars and other out of pocket expenses	70.00	83.23	10.87
Commission and processing fee for SCSBs, Brokerage and selling commission for Registered Brokers, RTAs and CDPs ^(1, 2 & 3)	1.20	1.43	0.19
Printing & Stationery, Distribution, Postage, etc.	3.00	3.57	0.76
Advertisement & Marketing Expenses	4.90	5.83	0.78
Regulatory & other expenses	5.00	5.95	10.87
Total Estimated Issue related Expenses	84.10	100.00	13.06

Notes:

- 1) The SCSBs would be entitled to a processing fees of ₹25/- per Bid cum Application Form, for processing the Bid cum Application Forms procured by the members of the Syndicate, Brokers, Sub-Syndicate/ Agents, or the Registered Brokers and submitted to the SCSBs.
- 2) The SCSBs, the Registered Brokers, the RTAs and the CDPs will be entitled to a commission of ₹50/- per every valid Bid cum Application Form submitted to them and uploaded on the electronic bidding system of the Stock Exchange.
- 3) The payment towards commission and processing fees will be completed within 60 days from the date of listing of our Equity Shares on the Stock Exchange

Fees, Brokerage and Selling Commission Payable to the Book Running Lead Manager

The total fees payable to the Book Running Lead Manager (including underwriting commission and selling commission) is as stated in the MOUs dated July 22, 2015, the Underwriting Agreement dated January 19, 2016 and the Market Making Agreement dated January 19, 2016 among our Company and the Book Running 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, preparation of refund / unblocking data, printing of bulk mailing register will be as per the MoU between the Company and the Registrar to the Issue dated August 7, 2015.

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 Allotment advice by registered post/speed post (subject to the postal rules).

Capital Issue during the last five years

K.P. Energy Limited and its Promoter Group have not made any capital issue viz. initial public offering, rights issue or composite issue during the last three years.

Previous Public and Rights Issues

We have not made any 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 53 of this Prospectus, we have not issued any Equity Shares for consideration other than for cash.

Commission and Brokerage Paid on Previous Issues of our Equity Shares

Since this is an Initial Public Offer of the Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since inception of the Company.

Companies under the same Management

We do not have any listed Group Companies as on the date of this Prospectus.

Promise v. Performance – Associates

Our Company and its Promoter Group have not made any rights and public issues in the past.

Outstanding Debentures, Bonds, Redeemable Preference Shares and Other Instruments issued by the Company

The Company has no outstanding debentures or bonds. The Company has not issued any redeemable preference shares or other instruments in the past.

Stock Market Data for our Equity Shares

This being an initial public issue of the Company, the Equity Shares of the Company are not listed on any stock exchange.

Mechanism for Redressal of Investor Grievances

The Company has appointed **Bigshare Services Pvt. Ltd.** as the Registrar to the Issue, to handle the investor grievances in co-ordination with the Compliance Officer of the Company.. The Company would monitor the work of the Registrar to ensure that the investor grievances are settled expeditiously and satisfactorily.

All grievances relating to the present Issue may be addressed to the Registrar and Share Transfer Agent to the Offer with a copy to the relevant Designated Intermediary with whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder DP ID, Client ID, PAN, date of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the

Bidder. Further, the investor shall also enclose the Acknowledgement Slip from the Designated Intermediaries in addition to the documents or information mentioned hereinabove

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 03, 2015 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. Raghavendra Rao Bondada	Non- Executive Independent Director & Chairman	Chairman
Mr. Sajesh Kolte	Non- Executive Independent Director	Member
Mr. Ashish A Mithani	Whole Time Director	Member

For further details, please see the chapter titled “*Our Management*” beginning on page 122 of this Prospectus.

The Company has also appointed Mrs Nita Mishra as the Company Secretary and Compliance Officer for this Issue and she may be contacted at the Corporate Office of our Company. The contact details are as follows:

Name: Mrs Nita Mishra
Address: A-1/2, Firdos Tower,
 Behind Fazal Shopping Centre,
 Adajan Patia, Surat – 395009, Gujarat
Tel No.: 0261-2764757
Tele-Fax No.: 0261-2764757
Email: info@kpenergy.in

Investors can contact the Compliance Officer or the Registrar to the Issue or the Book Running 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 unblocking of funds.

Status of Investor Complaints

We confirm that we have not received any investor complaint during the three years preceding the date of this Prospectus and hence there are no pending investor complaints as on the date of this Prospectus.

Disposal of Investor Grievances by Listed Companies under the same Management as the Company

No company under the same management as the Company within the meaning of Section 370(1B) of the Companies Act, 1956 has made any public issue (including any rights issues to the public) during the last three years and hence there are no pending investor grievances.

Change in Auditors

There has been no change in auditors of our company in the last 3 years.

Capitalisation of Reserves or Profits

Except as stated in the chapter titled “*Capital Structure*” beginning on page 53 of this Prospectus, our Company has not capitalised our reserves or profits during the last five years.

Revaluation of Assets

We have not revalued our assets in the last 5 years.

SECTION VIII – ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

The Equity Shares being issued are subject to the provisions of the Companies Act, SEBI (ICDR) Regulations, 2009, our Memorandum and Articles of Association, the terms of this Red Herring Prospectus, the Prospectus, the Bid Cum Application Form, the Revision Form, the Confirmation of Allocation Note and other terms and conditions as may be incorporated in the allotment advices and other documents/certificates that may be executed in respect of this Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable.

Authority for the Issue

This Issue of Equity Shares has been authorized by the Board of Directors of our Company at their meeting held on May 20, 2015 and was approved by the Shareholders of the Company by passing a Special Resolution at the Extra-Ordinary General Meeting held on June 17, 2015 in accordance with the provisions of Section 62 (1) (C) of the Companies Act, 2013.

Ranking of Equity Shares

The Equity Shares being issued shall be subject to the provisions of the Companies Act, our Memorandum and Articles of Association and shall rank pari-passu in all respects including dividend with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment.

For further details, please see the section titled "*Main Provisions of the Articles of Association of our Company*" beginning on page 274 of this Prospectus.

Mode of Payment of Dividend

The declaration and payment of dividend will be as per the provisions of Companies Act and recommended by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act, 2013. For further details, please see the chapter titled "*Dividend Policy*" beginning on page 140 of this Prospectus.

Face Value and Issue Price

The Equity Shares having a face value of ₹10 each are being issued in terms of this Prospectus at the Issue price of ₹ 70/- per Equity Share. 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 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 see the section titled "*Main Provisions of Articles of Association of our company*" beginning on page 274 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 July 23, 2015 between our Company, NSDL and the Registrar and Share Transfer Agent to the Issue.
- 2) Tripartite agreement dated July 06, 2015 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 Bidders.

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 Bidder, along with other joint Bidder, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidder, death of all the Bidders, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall 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 Bidder would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

Withdrawal of the Issue

Our Company, in consultation with the Book Running Lead Manager, reserves the right not to proceed with the Issue at any time after the Bid / Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-issue advertisements were published, within two days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Book Running Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of

the ASBA Bidders within one 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.

If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an issue of the Equity Shares, our Company shall file a fresh Draft Offer Document. Notwithstanding the foregoing, the Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment, and (ii) the final RoC approval of the Prospectus after it is filed with the Stock Exchange.

BID / ISSUE PROGRAMME

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

Event	Indicative Date
Bid / Issue Opening Date	February 15, 2016
Bid / Issue Closing Date	February 17, 2016
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about February 23, 2016
Initiation of Allotment / Refunds / Unblocking of Funds	On or about February 24, 2016
Credit of Equity Shares to demat accounts of Allottees	On or about February 25, 2016
Commencement of trading of the Equity Shares on the Stock Exchange	On or about February 26, 2016

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

Bids and revision of Bids, shall be accepted **only between 10.00 a.m. and 5.00 p.m. (IST)** during the Bid/Issue Period. On the Bid/Issue Closing Date, the Bids and any revision in the Bids shall be accepted only between **10.00 a.m. and 3.00 p.m. (IST)** and shall be uploaded until (i) **4.00 p.m. (IST)** in case of Bids by QIB Bidders and Non-Institutional Bidders, and (ii) until **5.00 p.m. (IST)** or such extended time as permitted by the Stock Exchanges, in case of Bids by Retail Individual Bidders after taking into account the total number of applications received up to the closure of timings and reported by the BRLM to the Stock Exchanges. It is clarified that Bids not uploaded on the electronic bidding system would be rejected. Bids will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

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

QIBs and Non-Institutional Investors shall neither withdraw nor revise their Bids so as to lower the size of their Bid at any stage after they have Bid for the Issue. QIBs and Non-Institutional Investors may revise their Bids upwards (in terms of quantity of Equity Shares or the Bid Amount) during the Bid/Issue Period. Such upward revision must be made using the Revision Form.

Our Company, in consultation with the BRLM, reserves the right to revise the Price Band during the Bid/ Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly.

In case of revision of the Price Band, the Bid/Issue Period will be extended for at least three additional working days after revision of Price Band subject to the Bid/ Issue Period not exceeding 10 working days. Any revision in the Price Band and the revised Bid/ Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a press release and also by indicating the changes on the websites of the Book Running Lead Manager and at the terminals of the Syndicate Member.

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

Minimum Subscription

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. If the issuer does not receive the subscription of 100% of the Issue through this Offer Document including devolvement of Underwriters within sixty days from the date of closure of the issue, the issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after the issuer becomes liable to pay the amount, the issuer shall pay interest prescribed under section 40 of the Companies Act, 2013.

Arrangements for Disposal of Odd Lots

The trading of the Equity Shares will happen in the minimum contract size of 2,000 shares. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME platform of BSE.

Restrictions, if any, on transfer and transmission of shares or debentures and on their consolidation or splitting

For a detailed description in respect of restrictions, if any, on transfer and transmission of shares and on their consolidation / splitting, please see the section titled “*Main Provisions of the Articles of Association of our Company*” beginning on page 274 of this Prospectus.

New Financial Instruments

The Issuer Company is not issuing any new financial instruments through this Issue

Option to receive Equity Shares in Dematerialized Form

As per Section 29(1) of the Companies Act, 2013, allotment of Equity Shares will be made only in dematerialized form.

Further, as per the SEBI Regulations, the trading of the Equity Shares shall only be in dematerialised form on the Stock Exchanges. The Equity Shares on Allotment will be traded only on the dematerialized segment of the SME Platform of BSE.

Migration to Main Board

In accordance with the BSE Circular dated November 26, 2012, our Company will have to be mandatorily listed and traded on the SME Platform of the BSE for a minimum period of two years from the date of listing and only after that it can migrate to the Main Board of the BSE as per the guidelines specified by SEBI and as per the procedures laid down under Chapter XB of the SEBI (ICDR) Regulations.

As per the provisions of the Chapter XB of the SEBI (ICDR) Regulation, 2009, our Company may migrate to the main board of BSE from the SME Exchange on a later date subject to the following:

- If the Paid up Capital of the company is likely to increase above ₹25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), we shall have to apply to BSE for listing our shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.
- If the Paid up Capital of the company is more than ₹10 crores but below ₹25 crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

Market Making

The shares issued through this Issue are proposed to be listed on the SME Platform of BSE (SME Exchange), wherein the Book Running 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 Book Running Lead Manager and the Market Maker, please see the chapter titled "*General Information - Details of the Market Making Arrangement for this Issue*" beginning on page 51 of this Prospectus.

Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Mumbai, Maharashtra. The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws in the United States, and may not be offered or sold within the United States, except pursuant to an exemption from or in a transaction not subject to, registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered or sold outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur. The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

ISSUE STRUCTURE

This Issue is being made in terms of Regulation 106 (M)(1) of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, an issuer whose post issue face value capital does not exceed more than ten 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). For further details regarding the salient features and terms of such this Issue, please see the chapters titled "*Terms of the Issue*" and "*Issue Procedure*" beginning on pages 224 and 231 respectively of this Prospectus.

Issue Structure

Public issue of 9,20,000 Equity Shares of ₹10 each (the "Equity Shares") for cash at a price of ₹ 70/- per Equity Share aggregating to ₹ 644.00 lakhs ("the Issue") by K.P. Energy Limited ("KPEL" or the "Company" or the "Issuer").

The issue comprises a Net Issue to Public of 8,72,000 Equity Shares of ₹10 each ("the Net issue"), and a reservation of 48,000 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 26.90% and 25.50%, respectively of the post issue paid up equity share capital of the company. The issue is being made through the Book Building Process:

Particulars of the Issue	Net Issue to Public ⁽¹⁾	Market Maker Reservation Portion
Number of Equity Shares available for allocation	8,72,000 Equity Shares	48,000 Equity Shares
Percentage of Issue Size available for allocation	94.78% of the Issue Size	5.22% 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 262 of this Prospectus	Firm Allotment
Minimum Bid Size	For QIB and NII: Such number of Equity Shares in multiples of 2,000 Equity Shares such that the Bid Value exceeds N2.00 Lakhs. For Retail Individuals: 2,000 Equity Shares	48,000 Equity Shares
Maximum Bid Size	For QIB and NII: Such number of Equity Shares in multiples of 2,000 Equity Shares such that the Bid Size does not exceeds 8,72,000 Equity Shares. For Retail Individuals: 2,000 Equity Shares	48,000 Equity Shares
Bid Lot	2,000 Equity Shares and in multiples of 2,000 Equity Shares thereafter	
Terms of Payment	Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder that is specified in the Bid cum Application Form at the time of submission of the Bid cum Application Form.	
Mode of Allotment	Dematerialized Form	
Trading Lot	2,000 Equity Shares	2,000 Equity Shares. However the Market Maker may buy odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2009.

- 1) 50 % of the Equity Share offered are reserved for allocation to Bidders below or equal to ₹2.00 lakhs and the balance for higher amount Bids.
- 2) In case of joint Bids, the Bid-cum-Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such First Bidder would be required in the Bid-cum-Application Form and such First Bidder would be deemed to have signed on behalf of the joint holders.

- 3) *Bidders will be required to confirm and will be deemed to have represented to our Company, the BRLMs 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.*
- 5) *Allocation to all categories shall be made on a proportionate basis subject to valid Bids received at or above the Issue Price. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Book Running 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.*

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:

Price Band (in Rs)	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 Book Running 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. At the Initial Public Offering stage if the price band decided, falls within two different price bands than the minimum application lot size shall be decided based on the price band in which the higher price falls into. For example: if the proposed price band is at 24-28 than the Lot size shall be 4000 shares.

ISSUE PROCEDURE

All Bidders should review the General Information Document for Investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI (“General Information Document”), 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 BRLM, Syndicate Members and would also be made available on the websites of the Stock Exchanges and the BRLM before opening of Issue. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

Our Company and the Book Running 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 the Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in the Prospectus.

Please note that all the Bidders can participate in the Issue only through the ASBA process. All Bidders shall ensure that the ASBA Account has sufficient credit balance such that the full bid Amount can be blocked by the SCSB at the time of submitting the Application. Bidders 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 Bidders are required to make payment of the full Bid Amount along with the Bid Cum Application Form. In case of ASBA Bidders, an amount equivalent to the full Bid Amount will be blocked by the SCSBs.

ASBA Bidders are required to submit ASBA Bids to the Selected Branches / Offices of the RTAs, DPs, Designated Bank Branches of SCSBs or to the Syndicate Members. The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <http://www.sebi.gov.in>. For details on designated branches of SCSB collecting the 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

BOOK BUILDING 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 Book Building Process wherein 50% of the Net Issue to Public is being offered to the Retail Individual Bidders and the balance shall be offered to QIBs and Non-Institutional Bidders. However, if the aggregate demand from the Retail Individual Bidders 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 bids being received from them at or above the Issue Price.

Subject to the valid Bids being received at or above the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for the Retail Portion where Allotment to each Retail Individual Bidders shall not be less than the minimum Bid lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under subscription, if any, in any category, would be allowed to be met with spillover from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM and the Stock Exchange.

Investors should note that according to section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Bidders will only be in the dematerialised form. The Bid Cum Application Forms which do not have the details of the Bidder’s depository account including DP ID, PAN and Beneficiary Account Number shall be treated as incomplete and rejected. In case DP ID, Client ID and PAN mentioned in the Bid Cum Application Form and entered into the electronic system of the stock exchanges, do not match with the DP ID, Client ID and

PAN available in the depository database, the bid is liable to be rejected. Bidders will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialised segment of the Stock Exchanges.

BID CUM APPLICATION FORM

Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of the BSE (www.bseindia.com), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Bid/Issue Opening Date.

All Bidders shall mandatorily participate in the Issue only through the ASBA process. ASBA Bidders must provide bank account details and authorisation to block funds in the relevant space provided in the Bid cum Application Form and the Bid cum Application Forms that do not contain such details are liable to be rejected.

ASBA Bidders shall ensure that the Bids are made on Bid cum Application Forms bearing the stamp of the Designated Intermediary, submitted at the Collection Centres only (except in case of electronic Bid cum Application Forms) and the Bid cum Application Forms not bearing such specified stamp are liable to be rejected.

The prescribed colour of the Bid Cum Application Form for various categories is as follows:

Category	Colour
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

Designated Intermediaries shall submit Bid cum Application Forms to SCSBs only.

Who Can Bid?

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 Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form as follows: —Name of Sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. 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. Bidders are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law.

Applications not to be made by

1. Minors (except through their Guardians)
2. Partnership firms or their nominations
3. Overseas Corporate Bodies

Maximum and Minimum Application Size

a) For Retail Individual Bidders:

The Bid 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 Bid Amount payable by the Bidder does not exceed ₹ 2,00,000. In case of revision of Bid, the Retail Individual Bidders have to ensure that the Bid Amount does not exceed ₹ 2,00,000.

b) For Other Bidders (Non-Institutional Bidders and QIBs):

The Application must be for a minimum of such number of Equity Shares such that the Bid Amount exceeds ₹ 2,00,000 and in multiples of 2,000 Equity Shares thereafter. A Bid cannot be submitted for more than the Issue Size. However, the maximum Bid by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. **A QIB and a Non-Institutional Bidder cannot withdraw or lower the size of their Bid at any stage and are required to pay the entire Bid Amount upon submission of the Bid.**

The identity of QIBs applying in the Net Issue shall not be made public during the Issue Period. In case of revision in Bid, the Non-Institutional Bidders, who are individuals, have to ensure that the Bid Amount is greater than ₹2,00,000 for being considered for allocation in the Non-Institutional Portion.

Information for the Bidders

- a) Our Company has filed the Red Herring Prospectus with the RoC at least three working days before the Bid / Issue Opening Date.
- b) Our Company has, after registering the Red Herring Prospectus with the RoC, made a pre-Issue advertisement, in the form prescribed under the ICDR Regulations, in English and Hindi national newspapers and one regional newspaper with wide circulation. In the pre-Issue advertisement, our Company and the Book Running Lead Manager has advertised the Issue Opening Date, the Issue Closing Date. This advertisement, subject to the provisions of the Companies Act, shall be in the format prescribed in Part A of Schedule XIII of the ICDR Regulations.
- c) The Issue Price Band as decided by our Company, in consultation with the Book Running Lead Manager is ₹ 70/- per Equity Share. Our Company have also announce the Price Band at least five Working Days before the Issue Opening Date in English and Hindi national newspapers and one regional newspaper with wide circulation

This announcement contains relevant financial ratios computed for both upper and lower end of the Price Band. Further, this announcement shall be disclosed on the websites of the Stock Exchanges where the Equity Shares are

proposed to be listed and shall also be pre-filled in the application forms available on the websites of the stock exchanges.

- d) The Issue Period was of three Working Days. There is no revision in the Price Band.
- e) Copies of the Bid cum Application Form and the abridged prospectus was available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form was also available for download on the websites of the BSE (www.bseindia.com), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Bid/Issue Opening Date.

The Bidders should note that in case the PAN, the DP ID and Client ID mentioned in the Bid cum Application Form and entered into the electronic bidding system of the Stock Exchanges by the Syndicate Member does not match with the PAN, DP ID and Client ID available in the database of Depositories, the Bid cum Application Form is liable to be rejected.

Availability of Red Herring Prospectus and Bid cum Application Forms:

Copies of the Bid cum Application Form and the abridged prospectus was made available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form was also be available for download on the websites of the BRLM, SCSBs, the BSE (www.bseindia.com), the terminals of the Registered Brokers, the RTAs and the CDPs at least one day prior to the Bid/Issue Opening Date.

Participation by associates and affiliates of the Book Running Lead Manager and the Syndicate Member

The BRLM and the Syndicate Member 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 BRLM and Syndicate Member may subscribe to Equity Shares in the Issue in non Retail Portion, where the allocation is on a proportionate basis.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company reserve the right to reject the Bid without assigning any reason thereof.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid 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.

Bids by Eligible NRIs

NRIs may obtain copies of Bid cum Application Form from the offices of the the BRLMs and the Designated Intermediaries. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") ASBA Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non-Resident Ordinary ("NRO") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form.

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour).

Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour).

Bids by FPI and FIIs

On January 7, 2014, SEBI notified the SEBI FPI Regulations pursuant to which the existing classes of portfolio investors namely "foreign institutional investors" and "qualified foreign investors" will be subsumed under a new

category namely “foreign portfolio investors’ or “FPIs”. RBI on March 13, 2014 amended the FEMA Regulations and laid down conditions and requirements with respect to investment by FPIs in Indian companies.

In terms of the SEBI FPI Regulations, 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 Bids made by FPIs, a certified copy of the certificate of registration issued by the designated depository participant under the FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. An FII or subaccount may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Issue, until the expiry of its registration as a FII or sub-account, or until it obtains a certificate of registration as FPI, whichever is earlier. Further, in case of Bids made by SEBI-registered FIIs or sub-accounts, which are not registered as FPIs, a certified copy of the certificate of registration as an FII issued by SEBI is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason.

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10.00% of our post-Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10.00% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectorial cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included. The existing individual and aggregate investment limits an FII or sub account in our Company is 10.00% and 24% of the total paid-up Equity Share capital of our Company, respectively.

As per the circular issued by SEBI on November 24, 2014, these investment restrictions shall also apply to subscribers of offshore derivative instruments (“ODIs”). Two or more subscribers of ODIs having a common beneficial owner shall be considered together as a single subscriber of the ODI. In the event an investor has investments as a FPI and as a subscriber of ODIs, these investment restrictions shall apply on the aggregate of the FPI and ODI investments held in the underlying company. FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with =know your client’ norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

FPIs who wish to participate in the Issue are advised to use the Bid-cum-Application Form for Non-Residents (blue in color). FPIs are required to Bid through the ASBA process to participate in the Issue.

Bids by SEBI registered VCFs, AIFs and FVCIs

The SEBI FVCI Regulations and the SEBI AIF Regulations inter-alia prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIFs.

The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

Our Company or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

Bids by Limited Liability Partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company reserve the right to reject any Bid without assigning any reason thereof.

Bids by Insurance Companies

In case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid 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: the least of 10.00% of the respective fund in case of a life insurer or 10.00% of investment assets in case of a general insurer or reinsurer (25.00% in case of ULIPs); and
- 3) the industry sector in which the investee company operates: 10.00% of the insurer's total investment exposure to the industry sector (25.00% in case of ULIPs).

Bids by Provident Funds / Pension Funds

In case of Bids 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 Bid cum Application Form. Failing this, our Company reserve the right to reject any Bid, without assigning any reason thereof.

Bids by Banking Companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company reserve the right to reject any Bid without assigning any reason.

The investment limit for banking companies as per the Banking Regulation Act, 1949, as amended, is 30.00% of the paid up share capital of the investee company or 30.00% of the banks' own paid up share capital and reserves, whichever is less (except in certain specified exceptions, such as setting up or investing in a subsidiary, which requires RBI approval). Further, the RBI Master Circular of July 1, 2015 sets forth prudential norms required to be followed for classification, valuation and operation of investment portfolio of banking companies.

Bids by SCSBs

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with a minimum corpus of ₹ 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 Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reasons thereof. In addition to the above, certain additional documents are required to be submitted by the following entities:

- a) With respect to Bids by FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form.
- b) With respect to Bids by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged along with the Bid cum Application Form.
- c) With respect to Bids made by provident funds with a minimum corpus of ₹ 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 Bid cum Application Form.
- d) With respect to Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form.
- e) Our Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application form, subject to such terms and conditions that our Company and the BRLM may deem fit.

The above information is given for the benefit of the Bidders. Our Company, the Book Running Lead Manager and the Syndicate Members are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Prospectus. Bidders are advised to make their independent investigations and Bidders are advised to ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Red Herring Prospectus.

General Instructions

Do's:

- 1) Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
- 2) Ensure that you have Bid within the Price Band;
- 3) Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
- 4) Ensure that the details about the PAN, DP ID and Client ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;
- 5) Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre;
- 6) If the first applicant is not the account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
- 7) Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
- 8) Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
- 9) Ensure that you request for and receive a stamped acknowledgement of the Bid cum Application Form for all your Bid options;
- 10) Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process to the respective member of the Syndicate (in

the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centres), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);

- 11) Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
- 12) Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
- 13) Ensure that the Demographic Details are updated, true and correct in all respects;
- 14) Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
- 15) Ensure that the category and the investor status is indicated;
- 16) Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;
- 17) Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
- 18) Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. Where the Bid cum Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form;
- 19) Ensure that the Bid cum Application Forms are delivered by the Bidders within the time prescribed as per the Bid cum Application Form and the Red Herring Prospectus;
- 20) Ensure that you have mentioned the correct ASBA Account number in the Bid cum Application Form;
- 21) Ensure that you have correctly signed the authorisation/undertaking box in the Bid cum 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 Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;
- 22) Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Bid cum Application Form; and
- 23) The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Don'ts:

- 1) Do not Bid for lower than the minimum Bid size;
- 2) Do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;
- 3) Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
- 4) Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
- 5) Do not submit the Bid cum Application Forms to any non-SCSB bank or our Company;
- 6) Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
- 7) Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
- 8) Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
- 9) Do not Bid for a Bid Amount exceeding ₹200,000 (for Bids by Retail Individual Bidders);
- 10) Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Issue size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;
- 11) Do not submit the General Index Register number instead of the PAN;
- 12) Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are blocked in the relevant ASBA Account;
- 13) Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;
- 14) Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
- 15) Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
- 16) Do not submit more than five Bid cum Application Forms per ASBA Account;

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Bids at Different Price Levels and Revision of Bids

- a) Our Company, in consultation with the BRLM, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid/ Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the floor price disclosed. If the revised price band decided, falls within two different price bands than the minimum application lot size shall be decided based on the price band in which the higher price falls into.
- b) Our Company, in consultation with the BRLM, will finalize the Issue Price within the Price Band, without the prior approval of, or intimation, to the Bidders.
- c) The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. Retail Individual Bidders may Bid at the Cut-off Price. However, bidding at Cut-off Price is prohibited for QIB and Non-Institutional Bidders and such Bids from QIB and Non-Institutional Bidders shall be rejected.
- d) Retail Individual Bidders, who Bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders shall submit the Bid cum Application Form along with a cheque/demand draft for the Bid Amount based on the Cap Price with the Syndicate. In case of ASBA Bidders (excluding Non-Institutional Bidders and QIB Bidders) bidding at Cut-off Price, the ASBA Bidders shall instruct the SCSBs to block an amount based on the Cap Price.

Payment instructions

All Bidders (other than Anchor Investors) are required to use the ASBA facility to make payment. Anchor Investors making payment through cheques are requested to use CTS cheques and that Anchor Investor Application Forms accompanied by non-CTS cheques are liable to be rejected.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act, our Company has, after registering the Red Herring Prospectus with the RoC, published 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 stated the Bid Opening Date and the Bid Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, was 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 BRLM and the Syndicate Members have entered into an Underwriting Agreement on January 19, 2016
- b) For terms of the Underwriting Agreement please see chapter titled “*General Information*” beginning on page 44 of this Prospectus.
- c) We have filed a copy of the Red Herring Prospectus with the RoC and will Prospectus with the RoC in terms of Section 32 of the Companies Act.

Advertisement regarding Issue Price and Prospectus

Our Company will issue a statutory advertisement after the filing of the Prospectus with the RoC. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the final derived Issue Price. Any material updates between the date of the Red Herring Prospectus and the date of Prospectus will be included in such statutory advertisement.

Communications

All future communications in connection with Bids made in this Issue should be addressed to the Registrar quoting the full name of the sole or First Bidder, Bid cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid cum Application Form, name and address of the member of the Syndicate or the SCSB / Designated Intermediary, where the Bid was submitted and bank account number in which the amount equivalent to the Bid Amount was blocked.

Bidders can contact the Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of Allotment, credit of allotted shares in the respective beneficiary accounts, unblocking of funds, etc. In case of ASBA Bids submitted to the Designated Branches of the SCSBs, the Bidders can contact the Designated Branches of the SCSBs.

Impersonation

Attention of the Bidders 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 Bid/Issue Opening Date but before allotment, then the reason thereof shall be given as a public notice to be issued by our Company within two days of the Bid/Issue Closing Date. The public notice shall be issued in the same newspapers where the Pre-Issue advertisements were published. The stock exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;
- 2) If our Company withdraw the Issue after the Bid/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 Bid/Issue Closing Date;
- 5) The funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar and Share Transfer Agent to the Issue by our Company;
- 6) Allotment will be made or the application money will be refunded within six Working Days from the Bid/Issue Closing Date or such lesser time as specified by SEBI;
- 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 this Offer Document are listed or until the Bid monies are refunded on account of non-listing, under-subscription etc;
- 9) Adequate arrangements shall be made to collect all Bid cum Application Forms and
- 10) That we shall not have recourse to the Issue proceeds until the approval for trading of the Equity Shares from the Stock Exchange where listing is sought has been received.

Utilization of Issue Proceeds

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 Offer unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/or for subscribing to securities in an Issue and the relevant information about the Issuer undertaking the Issue are set out in the Red Herring Prospectus (“RHP”) / Prospectus filed by the Issuer with the Registrar of Companies (“RoC”). Bidders/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 Issue. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the RHP/Prospectus, the disclosures in the RHP/Prospectus shall prevail. The RHP/Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the BRLM(s) to the Issue and on the website of Securities and Exchange Board of India (“SEBI”) at www.sebi.gov.in.

For the definitions of capitalized terms and abbreviations used herein Bidders/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 Draft Prospectus (in case of a fixed price Issue) and determine the price at a later date before registering the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The Issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-issue advertisement was given at least five Working Days before the Bid/Offer Opening Date, in case of an IPO and at least one Working Day before the Bid/Issue Opening Date, in case of an FPO.

The Floor Price or the 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 Offer 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/Offer Period. Details of Bid/Offer Period are also available on the website of the Stock Exchange(s).

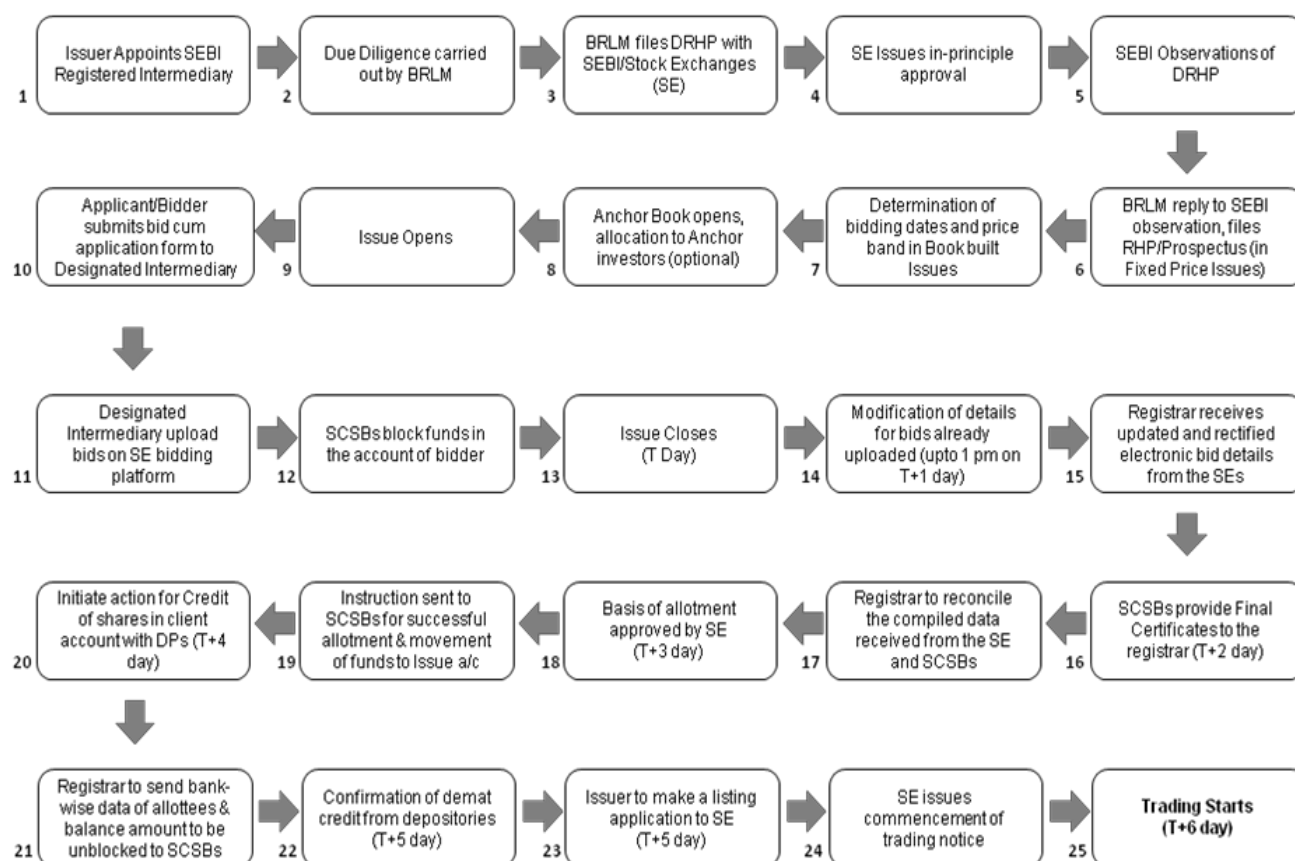
In case of a Book Built Issue, the Issuer may close the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date if disclosures to that effect are made in the RHP. In case of revision of the Floor Price or Price Band in Book Built Issues the Bid/Issue Period may be extended by at least three Working Days, subject to the total Bid/Offer 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 Offer 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 Offer 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 Offer 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 (“**NII**s”) 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 NIIIs 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 Offer, 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 Offer.

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/Offer 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
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

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 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:

TEAR HERE

COMMON BID CUM APPLICATION FORM	XYZ LIMITED - INITIAL PUBLIC ISSUE - R Address : Contact Details: CIN No	FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS
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LOGO	TO, THE BOARD OF DIRECTORS XYZ LIMITED	BOOK BUILT ISSUE ISIN :	Bid cum Application Form No. _____
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SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/DP/RTA STAMP & CODE	1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER Mr. / Ms. _____ Address _____ Email _____ Tel. No (with STD code) / Mobile _____
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	ESCROW BANK/SCSB BRANCH STAMP & CODE	
BANK BRANCH SERIAL NO.	SCSB SERIAL NO.	

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL For NSDL, enter 8 digit DP ID followed by 8 digit Client ID / For CDSL, enter 16 digit Client ID	6. INVESTOR STATUS <input type="checkbox"/> Individual(s) - IND <input type="checkbox"/> Hindu Undivided Family* - HUF <input type="checkbox"/> Bodies Corporate - CO <input type="checkbox"/> Banks & Financial Institutions - FI <input type="checkbox"/> Mutual Funds - MF <input type="checkbox"/> Non-Resident Indians - NRI (Non-Repatriation basis) <input type="checkbox"/> National Investment Fund - NIF <input type="checkbox"/> Insurance Funds - IF <input type="checkbox"/> Insurance Companies - IC <input type="checkbox"/> Venture Capital Funds - VCF <input type="checkbox"/> Alternative Investment Funds - AIF <input type="checkbox"/> Others (Please specify) - OTH
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4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")					5. CATEGORY	
Bid Options	No. of Equity Shares Bid (In Figures) (Bids 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)	<input type="checkbox"/> Retail Individual Bidder <input type="checkbox"/> Non-Institutional Bidder <input type="checkbox"/> QIB
Option 1	8 7 6 5 4 3 2 1	3 2 1	3 2 1	3 2 1	<input type="checkbox"/>	
(OR) Option 2					<input type="checkbox"/>	
(OR) Option 3					<input type="checkbox"/>	

7. PAYMENT DETAILS	PAYMENT OPTION : FULL PAYMENT <input type="checkbox"/> PART PAYMENT <input type="checkbox"/>
Amount paid (₹ in figures) _____ (₹ in words) _____	

ASBA Bank A/c No. _____	Bank Name & Branch _____
-------------------------	--------------------------

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	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)
Date : _____		

PLEASE FILL IN BLOCK LETTERS

TEAR HERE

LOGO	XYZ LIMITED INITIAL PUBLIC ISSUE - R	Acknowledgement Slip for Broker/SCSB/DP/RTA	Bid cum Application Form No. _____
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DPID / CLID	PAN of Sole / First Bidder	_____
-------------	----------------------------	-------

Amount paid (₹ in figures) _____	Bank & Branch _____	Stamp & Signature of SCSB Branch
ASBA Bank A/c No. _____		_____
Received from Mr./Ms. _____		
Telephone / Mobile _____	Email _____	

TEAR HERE

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 _____ Acknowledgement Slip for Bidder	Name of Sole / First Bidder _____ Bid cum Application Form No. _____
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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 Offer only for correspondence(s) related to an Offer 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 Offer, 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 Offer.
- 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/Offer Opening Date in case of an IPO, and at least one Working Day before Bid/Offer 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 Offer Price as determined at the end of the Book Building Process. Bidding at the Cut-off Price is prohibited for QIBs and NIIs and such Bids from QIBs and NIIs may be rejected.
- d) **Minimum Application Value and Bid Lot:** The Issuer in consultation with the BRLMs may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ` 10,000 to ` 15,000. The minimum Bid Lot is accordingly determined by an Issuer on basis of such minimum application value.
- e) **Allotment:** The Allotment of specified securities to each RII shall not be less than the minimum Bid Lot, subject to availability of shares in the RII category, and the remaining available shares, if any, shall be Allotted on a proportionate basis. For details of the Bid Lot, Bidders may refer to the 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 ₹200,000.
- b) In case the Bid Amount exceeds ₹200,000 due to revision of the Bid or any other reason, the Bid may be considered for allocation under the Non-Institutional Category (with it not being eligible for Discount), then such Bid may be rejected if it is at the Cut-off Price.
- c) For NRIs, a Bid Amount of up to ₹200,000 may be considered under the Retail Category for the purposes of allocation and a Bid Amount exceeding ₹200,000 may be considered under the Non-Institutional Category for the purposes of allocation.

- d) Bids by QIBs and NIIs must be for such minimum number of shares such that the Bid Amount exceeds ₹200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the Bid cum Application Form and the RHP/Prospectus, or as advertised by the Issuer, as the case may be. Non-Institutional Investors and QIBs are not allowed to Bid at Cutoff Price.
- e) RII may revise or withdraw their bids until Bid/Offer 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 ₹200,000 or less due to a revision of the Price Band, Bids by the Non-Institutional Investors who are eligible for allocation in the Retail Category would be considered for allocation under the Retail Category.
- g) For Anchor Investors, if applicable, the Bid Amount shall be least ₹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/Offer Period and are required to pay the Bid Amount at the time of submission of the Bid. In case the Anchor Investor Offer Price is lower than the Offer Price, the balance amount shall be payable as per the pay-in-date mentioned in the revised CAN. In case the Offer Price is lower than the Anchor Investor Offer Price, the amount in excess of the Offer Price paid by the Anchor Investors shall not be refunded to them.
- h) A Bid cannot be submitted for more than the Offer 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 Offer Price, the number of Equity Shares Bid for by a Bidder at or above the Offer 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 Offer 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 Offer 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 Offer 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 onethird of the Anchor Investor Portion reserved for domestic Mutual Funds subject to valid Bids being received at or above the Offer 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 Offer, 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 Offer depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Offer 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 Offer 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 Offer 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 Offer, 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 Offer 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 Offer, or until withdrawal or rejection of the Bid, as the case may be.
- n) SCSBs bidding in the Offer 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 Offer 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 Offer, 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 Offer may give instructions to the SCSB to unblock the Bid Amount in the relevant ASBA Account within six Working Days of the Bid/Offer 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 Offer, 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 Offer 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 Offer.
 - 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 Offer.
- 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/Offer 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/Offer 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/Offer 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 NRIs APPLYING ON A NON-REPATRIATION BASIS				
LOGO	TO, THE BOARD OF DIRECTORS XYZ LIMITED	<table border="1" style="width:100%;"> <tr> <td style="width:50%; text-align:center;">BOOK BUILT ISSUE</td> <td style="width:50%; text-align:right;">Bid cum Application Form No. _____</td> </tr> <tr> <td style="text-align:center;">ISIN :</td> <td></td> </tr> </table>	BOOK BUILT ISSUE	Bid cum Application Form No. _____	ISIN :	
BOOK BUILT ISSUE	Bid cum Application Form No. _____					
ISIN :						

SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/DP/RTA STAMP & CODE	1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER Mr. / Ms. _____ Address _____ Email _____ Tel. No (with STD code) / Mobile _____
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	ESCROW BANK/SCSB BRANCH STAMP & CODE	2. PAN OF SOLE / FIRST BIDDER _____
BANK BRANCH SERIAL NO.	SCSB SERIAL NO.	3. BIDDER'S DEPOSITORY ACCOUNT DETAILS <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

PLEASE CHANGE MY BID															
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	3	2	1	3	2	1	"Cut-off" (Please ✓/tick)
Option 1															<input type="checkbox"/>
(OR) Option 2															<input type="checkbox"/>
(OR) Option 3															<input type="checkbox"/>

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	3	2	1	3	2	1	"Cut-off" (Please ✓/tick)
Option 1															<input type="checkbox"/>
(OR) Option 2															<input type="checkbox"/>
(OR) Option 3															<input type="checkbox"/>

6. PAYMENT DETAILS												PAYMENT OPTION : FULL PAYMENT <input type="checkbox"/> PART PAYMENT <input type="checkbox"/>	
Additional Amount Paid (₹ in figures) _____ (₹ in words) _____													
ASBA Bank A/c No. _____													
Bank Name & Branch _____													
I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID 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 THIS BID REVISION FORM GIVEN OVERLEAF.													
7A. SIGNATURE OF SOLE / FIRST BIDDER				7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)				BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)					
Date : _____				I/We authorize the SCSB to do all acts as are necessary to make the Application in the Issue									
				1) _____									
				2) _____									
				3) _____									

LOGO	XYZ LIMITED BID REVISION FORM - INITIAL PUBLIC ISSUE - R	Acknowledgement Slip for Broker/SCSB/DP/RTA	Bid cum Application Form No. _____
DPID / CLID _____		PAN of Sole / First Bidder _____	
Additional Amount Paid (₹) _____		Bank & Branch _____	
ASBA Bank A/c No. _____		Stamp & Signature of SCSB Branch _____	
Received from Mr./Ms. _____			
Telephone / Mobile _____		Email _____	

XYZ LIMITED - BID REVISION FORM - INITIAL PUBLIC ISSUE - R		Option 1	Option 2	Option 3	Stamp & Signature of Broker / SCSB / DP / RTA	Name of Sole / First Bidder _____
	No. of Equity Shares					Acknowledgement Slip for Bidder
	Bid Price					
	Additional Amount Paid (₹)					
ASBA Bank A/c No. _____						
Bank & Branch _____						Bid cum Application Form No. _____

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 Offer 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 Offer 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 Offer instructions to block the revised amount based on cap of the revised Price Band (adjusted for the Discount (if applicable) in the ASBA Account, to the same Designated Intermediary through whom such 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 Offer 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 in consultation with the Lead Manager to the Offer (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 Offer 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 Offer 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 Offer 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 Offer 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 Offer, 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 Offer depending upon compliance with the eligibility conditions. Details pertaining to allocation

are disclosed on reverse side of the Revision Form. For Offer 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 Offer, or until withdrawal or rejection of the Application, as the case may be.
- l) SCSBs applying in the Offer 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 Offer 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 Offer, 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 Offer may give instructions to the SCSB to unblock the Application Amount in the relevant ASBA Account within six Working Days of the Offer 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 Offer, applicants may refer to the Prospectus.
- c) The Applicants entitled to the applicable Discount in the Offer 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

- a) Bidders/Applicants should submit the Revision Form to the same Designated Intermediary through which such Bidder/Applicant had placed the original Bid.
- b) 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.
- c) Upon determination of the Offer 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 Offer, refers to the process of collection of Bids within the Price Band or above the Floor Price and determining the Offer Price based on the Bids received as detailed in Schedule XI of SEBI ICDR Regulations, 2009. The Offer Price is finalised after the Bid/Offer Closing Date. Valid Bids received at or above the Offer Price are considered for allocation in the Offer, subject to applicable regulations and other terms and conditions.

5.1 SUBMISSION OF BIDS

- a) During the Bid/Offer 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.
- b) 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).
- c) 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

- a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the issue.
- b) On the Bid/Offer Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges.
- c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 1:00 pm on the day following the Bid/Offer Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer 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/Offer 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/Offer Period.

5.4 WITHDRAWAL OF BIDS

- a) RIIs can withdraw their Bids until Bid/Offer Closing Date. In case a RII wishes to withdraw the Bid during the Bid/Offer 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 Offer 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 placed 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/Offer Opening Date advertisement and as per the instructions in the RHP 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 not uploaded on the terminals of the Stock Exchanges; and
- x) Bids/Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form.

5.6 BASIS OF ALLOCATION

- a) The SEBI ICDR Regulations, 2009 specify the allocation or Allotment that may be made to various categories of Bidders/Applicants in an Offer depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Offer 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.
- b) 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.

- c) In case of under subscription in the Offer, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Offer. For allocation in the event of an under-subscription applicable to the Issuer, Bidders/Applicants may refer to the RHP.
- d) Illustration of the Book Building and Price Discovery Process Bidders should note that this example is solely for illustrative purposes and is not specific to the Offer; 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, Offer 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 Offer the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹22.00 in the above example. The Issuer, in consultation with the BRLMs, may finalise the Offer Price at or below such Cut-Off Price, i.e., at or below ₹22.00. All Bids at or above this Offer 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 or advertise the Floor Price at least one Working Day prior to the Bid/Offer 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 Offer. As the Offer 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/Offer Opening Date.

In a fixed price Offer, allocation in the net offer 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 Offer (excluding any Offer for Sale of specified securities). However, in case the Offer is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

7.1 ALLOTMENT TO RIIs

Bids received from the RIIs at or above the Offer 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 Offer 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 Offer 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 Offer 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 Offer 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 Offer 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 Offer Price. If the aggregate demand in this category is less than or equal to the Non-Institutional Category at or above the Offer 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 Offer 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 Offer 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 Offer 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 Offer 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 Offer 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 Offer 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 Offer Price is higher than the Anchor Investor Offer 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 Offer Price and the Anchor Investor Offer 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 Offer Price is lower than the Anchor Investor Offer 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 Offer 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 Offer. 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. 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 Offer.

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 Offer.
- 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/Offer 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/Offer Closing Date. The Registrar to the Offer 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/Offer 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 Offer (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/Offer Closing Date and repay, without interest, all

moneys received from Anchor Investors. In case the Offer is in the nature of Offer for Sale only, then minimum subscription may not be applicable. In case of under-subscription in the Offer, 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 Offer under Regulation 26(2) of SEBI (ICDR) Regulations, 2009 but fails to Allot at least 75% of the Net Offer 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/Offer Closing Date, the Registrar to the Offer 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/Offer Closing Date, the Registrar to the Offer may dispatch the refund orders for all amounts payable to unsuccessful Anchor Investors.
- c) In case of Anchor Investors, the Registrar to the Offer 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 Offer, the Banker to the Issuer 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/Offer Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 6 working days from the Bid/Offer 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 Investor Portion in accordance with the requirements specified in SEBI ICDR Regulations, 2009 and the Red Herring 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 thereto. 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 upon submission of the Bid (except for Anchor Investors), less discounts (if applicable). In case of issues undertaken through the fixed price process, all references to the Bid Amount should be construed to mean the Application Amount
Bid/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 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 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 ICDR Regulations, 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 SEBI
Cut-off Price	Offer Price, finalised by the Issuer in consultation with the Book Running Lead Manager(s), which can be any price within the Price Band. Only RIIs, Retail Individual Shareholders and employees are entitled to Bid at the Cut-off Price. No other category of 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.
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.
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 promoters and immediate relatives of the promoters. 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 submitting a Bid
Escrow Agreement	Agreement to be entered into among the Issuer, 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 Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
Offer	Public issue of Equity Shares of the Issuer including the Offer for Sale if applicable
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 Shareholder
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 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 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 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 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 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.
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RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are FIPB and the RBI.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“DIPP”), issued Circular 1 of 2015 (“Circular 1 of 2015”), which with effect from May 12, 2015, 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 May 11, 2015. The Government proposes to update the consolidated circular on FDI Policy once every year and therefore, Circular 1 of 2015 will be valid until the DIPP issues an updated circular.

The transfer of shares between an Indian resident and 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 foreign direct investment (“FDI”) Policy and transfer does not attract the provisions of the Takeovers Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

There is no reservation for non-residents, NRIs, Eligible FPIs, foreign venture capital funds, multilateral and bilateral development financial institutions and any other foreign investor. All non-residents, NRIs, Eligible FPIs and foreign venture capital funds, multilateral and bilateral development financial institutions and any other foreign investor applicants will be treated on the same basis with other categories for the purpose of allocation.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer.

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 Bidders. Our Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them

SECTION IX – MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. Pursuant to Table F in Schedule I of the Companies Act, 2013, the main provisions of the Articles of Association of our Company are detailed below:

These Articles of Association were adopted in substitution for and to the entire exclusion of the earlier Articles of Association at the Extra-ordinary General Meeting of the Company held on 10th April, 2014.

SHARE CAPITAL AND VARIATION OF RIGHTS

1. Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.
2. (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided:—
 - (a) One certificate for all his shares without payment of any charges; or
 - (b) Several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.
 (ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.
 (iii) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
3. (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.
 (ii) The 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.
4. Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
5. (i) The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate percent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.
 (ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.

- (iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.
6. (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 106 & 107 of Companies Act, 1956, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.
- (ii) To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.
7. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.
8. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

LIEN

9. (i) The company shall have a first and paramount lien—
- (a) On every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
- (b) On all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:

Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

- (ii) The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.
10. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:
- Provided that no sale shall be made—
- (a) Unless a sum in respect of which the lien exists is presently payable; or
- (b) Until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.
11. (i) To give effect to any such sale, the Board may 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.
12. (i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.
- (ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

CALLS ON SHARES

13. (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or 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) Company may delegate power to make calls on shares subject to approval of the shareholders in a general meeting of the company.

14. 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

15. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

16. (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent per annum or at such lower rate, if any, as the Board may determine.

(ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.

17. (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

(ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

18. The Board—

(i) May, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and

(ii) Upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve percent 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

19. (i) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.

(ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

20. The Board may, subject to the right of appeal conferred by section 58 decline to register—

(i) The transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
(ii) Any transfer of shares on which the company has a lien.

21. The Board may decline to recognise any instrument of transfer unless—

(i) The instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;

- (ii) The instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
- (iii) The instrument of transfer is in respect of only one class of shares.

22. On giving not less than seven days previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

23. 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 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.

TRANSMISSION OF SHARES

24. (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.

25. (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.

26. (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.

27. 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

28. If a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.
29. The notice aforesaid shall—
- (i) Name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
 - (ii) State that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.
30. 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.
31. (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.
32. (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.
33. (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.
34. The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

ALTERATION OF CAPITAL

35. 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.
36. Subject to the provisions of section 61, the company may, by ordinary resolution,—
- (a) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
 - (b) Convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
 - (c) Sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;

(d) Cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

37. Where shares are converted into stock,—

(i) The holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

(ii) The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

(iii) Such of the 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.

38. 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

39. (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);

(D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;

(E) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

40. (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 in fractions; 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

41. (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 re-materialise 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 108, of the Companies Act, 1956 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

42. 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

43. 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

44. All general meetings other than annual general meeting shall be called extraordinary general meeting.
45. (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

46. (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.
47. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.
48. 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.
49. 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 number of the directors and the names of the first directors shall be determined in writing by the subscribers of the memorandum or a majority of them.
62. (i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.
- (ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them—
- (a) In attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or
- (b) In connection with the business of the company.
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) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.
69. (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
- (ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.
70. 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.
71. (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 member to be Chairperson of the meeting.

72. (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.
(ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
73. (i) A committee may elect a Chairperson of its meetings.
(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.
74. (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.
75. 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.
76. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER

77. Subject to the provisions of the Act,—
(i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;
(ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.
78. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

THE SEAL

79. (i) The Board shall provide for the safe custody of the seal.
(ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

DIVIDENDS AND RESERVE

80. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
81. Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.

82. (i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.
- (ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
83. (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.
- (ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.
- (iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.
84. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.
85. (i) Any dividend, interest or other monies payable in cash in respect of shares 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.
86. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.
87. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.
88. No dividend shall bear interest against the company.
89. No unclaimed Dividend shall be forfeited, and unclaimed Dividends shall be dealt with in accordance with the applicable provisions of the Act

ACCOUNTS

90. (i) The Board shall from time to time determine whether and to what extent and at what times and places and .
- (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

91. 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 in kind, the whole or, any part of the assets of the Company, whether they consist of property of the same kind or not.
92. 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 of different classes of members.

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93. 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 as the liquidator shall think fit but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

INDEMNITY

94. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

SECTION X - OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of the Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which have been attached to the copy of the Prospectus and have been delivered to the RoC for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company between 11.00 a.m. to 4.00 p.m. on all Working Days (Monday to Friday) from the date of filing this Red Herring Prospectus until the Bid / Issue Closing Date:

A. Material Contracts

- 1) Memorandum of Understanding dated July 22, 2015 between our Company and the Book Running Lead Manager.
- 2) Memorandum of Understanding dated August 07, 2015 between our Company and the Registrar to the Issue.
- 3) Escrow Agreement dated January 19, 2016 between our Company, the Book Running Lead Manager, Banker to the Issue and the Registrar to the Issue.
- 4) Market Making Agreement dated January 19, 2016 between our Company, the Book Running Lead Manager and the Market Maker.
- 5) Syndicate Agreement dated January 19, 2016 between our Company and the Book Running Lead Manager and the Syndicate Members.
- 6) Underwriting Agreement dated January 19, 2016 between our Company and the Book Running Lead Manager, Syndicate Members and the Market Maker.
- 7) Tripartite agreement between the NSDL, our Company and the Registrar dated July 23, 2015
- 8) Tripartite agreement between the CDSL, our Company and the Registrar dated July 06, 2015.

B. Material Documents

- 1) Certified true copies of the Memorandum and Articles of Association of our Company, as amended from time to time.
- 2) Copy of Certification of Incorporation of K.P. Energy Limited.
- 3) Resolution of the Board of Directors meeting dated May 20, 2015, authorizing the Issue.
- 4) Shareholders' resolution passed at the Extra-ordinary General Meeting of the Company held on June 17, 2015 authorizing the Issue.
- 5) Auditor's report for Restated Financials dated January 07, 2016 included in this Prospectus.
- 6) The Statement of Tax Benefits dated January 07, 2016 from our Statutory Auditors.
- 7) Consents of our Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditors, Book Running Lead Manager, Market Maker, Banker to the Issue, Syndicate Members, Banker to the Company, Registrar to the Issue and the Legal Advisors to the Issue, to act in their respective capacities.
- 8) Due Diligence Certificate(s) dated February 19, 2016 to SEBI by the Book Running Lead Manager.
- 9) Approval from BSE vide letter dated October 23, 2015 to use the name of BSE in this Offer Document for listing of Equity Shares on the SME Platform of the BSE.
- 10) CRISIL report for IPO Grading dated December 24, 2015 included as Annexure A in this Prospectus.

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, with the approval of the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We hereby declare that all relevant provisions of the Companies Act, 1956, the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 1956, the Companies Act, 2013, the Securities Contract (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulations issued thereunder, as the case may be. We further certify that all statements in this Prospectus are true and correct.

Signed by the Directors of our Company

Mr. Farukbhai Patel
(Managing Director)

Mr. Ashish A Mithani
(Whole-Time Director)

Mrs. Bhadrabala Joshi
(Chairperson and Non-Executive Director and Chairman)

Mr. Sajesh Kolte
(Non-Executive Independent Director)

Mr. Raghavendra Rao Bondada
(Non-Executive Independent Director)

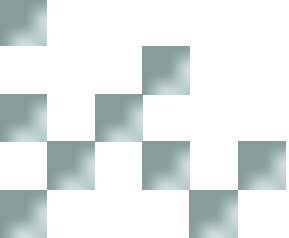
Signed by the Chief Financial Officer of our Company

Mr. Pravin Singh
(Chief Financial Officer)

Signed by the Company Secretary and Compliance Officer of our Company

Ms. Nita Mishra
(Company Secretary and Compliance Officer)

Date: February 19, 2016
Place: Surat



December 2015

CRISIL SME Fundamental Grading



K.P. Energy Ltd

CRISIL SME Fundamental Grade 3/5
(Good fundamentals)



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CRISIL SME fundamental grading scale

The CRISIL SME fundamental grade reflects the fundamentals of the company as compared to other SMEs in India.

CRISIL SME Fundamental Grade	Assessment
SME 5/5	Excellent fundamentals
SME 4/5	Superior fundamentals
SME 3/5	Good fundamentals
SME 2/5	Moderate fundamentals
SME 1/5	Poor fundamentals

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Last updated: August, 2014

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Grading summary

CRISIL has assigned a CRISIL SME fundamental grade of 'SME 3/5' (pronounced 'SME three on five') to KP Energy Ltd. (KPEL). This SME fundamental grade indicates that fundamentals of the company are good, compared with other SMEs in India.

Key strengths

- Despite a short operating history, KPEL has developed expertise in services covering all balance of plant (BoP) aspects of wind power projects and has so far executed wind power projects with a generation capacity of 33.6 MW. Its services include selecting wind sites, acquiring land from government authorities on lease basis (typically for a 20 year period), procuring relevant permits from local authorities to commence power generation and evacuation, construction of project related infrastructure, and operation and maintenance (O&M) services for infrastructure developed for windfarms. It further plans to enter the power generation segment by setting up a 2.1 MW plant in Matalpur, Gujarat.
- Wind energy sector in India is likely to witness healthy growth rate, aided by several initiatives of and benefits provided by both Central and state governments. Some of the benefits include tax breaks, duty exemptions, speedy clearances, favourable tariffs, etc. Additionally, Gujarat (base for the company's operations) has the highest untapped wind power potential in India, at 31GW and is likely to witness healthy growth.
- The company has a sizeable inventory of wind sites – it has acquired 123 wind sites (a typical site is 1 hectare in size) across seven locations in Gujarat, with wind generation potential aggregating to 258.3 MW (of which 33.6 MW is already commissioned). It has also acquired various permissions towards setting up wind projects for these sites. Additionally, 34 wind sites are currently under various stages of acquisition. This is a key positive as it is likely to help the company attract customers looking for sites that are ready for development.
- Over a short span of time, the company has developed a healthy relationship with Suzlon Energy Ltd. (a leading wind turbine generator manufacturer in India) which has helped it garner orders from various clients – mainly small independent power producers (IPPs) and firms looking to benefit from accelerated depreciation facilities.
- The company currently has an order book of ₹360 mn (as of November 2015), for commissioning 27.3 MW of wind power projects and related infrastructure. Additionally, it has bid for government tenders, aggregating 100.8 MW across sites already acquired. This provides revenue visibility for the next few years.

Key challenges

- Presently, the company generates all of its revenue from Gujarat. Considering the current scale of operations, we believe this is a prudent strategy. However, it exposes it to concentration risks. Gujarat currently offers lower tariffs, compared with other states, which may lead to a slowdown in investments as customers prefer destinations offering higher tariffs. Further, any adverse changes in government policies towards wind power projects and land acquisition, and local issues may significantly delay projects.
- KPEL faces competition from several EPC (engineering, procurement and construction) players such as Veer Energy and Infrastructure, Intech Energy Systems, Weizmann Energy, Maruti Wind power and EPC arms of WTG (wind turbine generator) manufacturers such as Inox Wind, Gamesha and Suzlon.
- While the company has been successful in Gujarat, by establishing relationships with various stakeholders and developing understanding of wind sites, scaling up its operations by expanding to other states through replication of this business model may prove to be a challenge in the long run. However, given its existing land bank, and the wind power generation potential in Gujarat, it is unlikely to be a growth obstacle in the next two-three years.
- The company plans to deploy majority of the IPO proceeds towards wind generating assets of 2.1 MW. The wind power generation business is different from the current service-led model, and entails several operational risks

(such as seasonal wind volatility). Also it is capital-intensive in nature. Given KPEL's short operating history and small balance sheet size, we believe scaling up the wind generation business may prove challenging.

Key financials

- Revenue grew to ₹269 mn in FY15 from ₹2 mn in FY11, as the company scaled up operations. Revenue rose sharply in FY15 as the company commissioned its Ratadi wind farm, with ~58% of revenue coming from EPC contracts, while 14.1% was from sub-lease of land and 28.4% was a one-time fee for commissioning electric transmission lines.
- EBITDA margin has been volatile over last five years as the company was on an expansion mode and nature of EPC contracts undertaken was different each year. In FY15 - when the company commissioned its first wind farm project - EBITDA margin stood at 17.8%, with EBITDA at ₹48 mn, compared with ₹7 mn in FY14
- In line with a sharp rise in EBITDA, PAT jumped to ₹29 mn in FY15, compared with ₹3 mn in FY14.

Company background

Incorporated in 2010 and headquartered in Surat, KPEL provides services to the wind energy sector. Its activities include identifying wind sites, acquiring land and permits, EPC services for setting up wind project infrastructure - including power transmission and O&M services for entire BoP of the wind-farm - during the life of the project.

It is promoted by Farukbhai Patel and Ashish A Mithani. It has team of 37 individuals, overseeing functions such as project management, planning, human resource and administration, quality control and compliance. It has wind sites across seven locations in Gujarat viz. Ratdi, Matalpar, Kuchhdi, Mahuva, Miyani, Odedar and Vangar, which together represent a wind power potential of 258.3 MW.

Table 1: Summary of service offered

Business segment	Services provided	Financial performance
		Share in overall revenue (FY15)
Site acquisition and approval services	The company acquires government and private land suitable for wind power generation typically on lease and then transfers the lease to the customer	14.1%
EPCC	Construction of civil structures and access routes at the wind sites, power transmission infrastructure	57.5%
Maintenance services	Provides O&M services for balance of plant systems (excluding wind turbine)	-
Power evacuation services	The company sets up a pooling sub-station - connected to various wind sites, and also offers evacuation infrastructure connecting local grid	28.4%

Source: Company, CRISIL Research

IPO Details

The proposed IPO is in the form of a fresh issue of 0.92 mn shares, with a face value of ₹10. The company plans to spend a large amount towards part-funding its capital requirements to set up a 2.1 MW wind power project at Matalpur, Gujarat

Table 2: Pre-IPO shareholding pattern

Name	No. of shares	Percentage (%)
Promoter shareholding (A)	2,118,750	84.75%
Promoter relatives (B)	256,250	10.25%
Promoter and promoter group (A+B)	2,375,000	95.00%
Individual shareholders (C)	125,000	5.00%
Total (A+B+C)	2,500,00	100.00%

Source: DRHP

Table 3: Issue details

Type of issue	Fresh issue (book building)
Issue size	Unavailable at the time of grading
Face value	₹10
Price band	Unavailable at the time of grading
Lead managers	Aryaman Financial Services Ltd
Legal advisors to the issue	M/s Kanga & Company
Registrar to the issue	Bigshare Services Pvt Ltd

Source: DRHP

Table 4: Objects of the issue

Sl no.	Particulars	Amount to be deployed in FY16 (₹ mn)	Total amount
1	Setting up of 2.10 MW wind power project as part of its IPP initiative, at Matalpar, Bhavnagar, Gujarat	NA	NA
2	General corporate purpose	NA	NA
	Total	NA	NA

Source: DRHP

Grading Rationale

Business prospects

- The Indian wind energy sector is poised for rapid growth in the coming years, buoyed by several initiatives taken by both the Central and state governments. As part of its push to renewable energy, the central government has set a target of 60 GW of wind power installations by 2022, more than doubling the capacity currently installed. It has also announced several benefits for wind power producers, including excise duty exemptions, benefit of accelerated depreciation, obligation to purchase renewable energy for state electricity boards (SEBs) and thermal power projects, preferential clearances for wind power projects, among others. KPEL, with a gamut of services including the entire BoP aspects of a typical wind power project, is well-positioned to tap this opportunity.
- The company operations are concentrated in the state of Gujarat, which has the highest untapped wind power potential in India, at 31GW. Given the potential, the state is likely to see healthy growth in wind power projects, even though viability depends on several other factors such as tariff, land acquisition policies, support in power evacuation, among others. The company has acquired 123 wind sites (a typical site is 1 hectare in size) across seven locations in Gujarat, with wind generation potential aggregating to 258.3 MW and also has the relevant permits to develop these sites. This is a key positive for the company as it would help attract customers scouting for viable wind sites with permits in place.
- It has developed strong relations with Suzlon Energy Ltd – India’s leading wind power equipment manufacturer, for joint development of wind power sites. KPEL typically handles all the BoP aspects, while Suzlon provides marketing support, WTG and other wind mill related technical services.
- KPEL, which has implemented 33.6 MW (April 2014 - August 2015) of wind power projects for various customers, has a healthy project pipeline. It is 1) implementing wind power projects totaling 27.3 MW of generation capacity, representing an order book of ₹360 mn and 2) has additionally bid for EPC contracts worth 100.8 MW for projects at wind sites under the company’s possession.
- Additionally, it plans to establish a wholly-owned wind site with power generation capacity of 2.1 MW. In our opinion, the wind power generation business entails several operational risks such as seasonality in wind speeds and is capital intensive in nature. Given its short operating history and small balance sheet size, scaling up this segment may prove challenging for KPEL.
- Wind power projects’ internal rate of return (IRR) is highly sensitive to the tariff rate offered by state transmission companies. Gujarat currently offers tariffs of ₹4.15/unit, which is lower than other states such as AP, Karnataka, and MP. Additionally, the state has already met its renewable energy purchase obligation (RPO) target, as a result of which any sharp hike in tariffs is unlikely in the near future. Subsequently, wind power installations in Gujarat may slowdown compared to other states in the near term, as experienced during FY15 (capacity additions across states mentioned in Annexure VII). This could impact KPEL’s revenue.
- The wind power EPC industry is characterized by moderate entry barriers, high bargaining power of suppliers and buyers and high competitive intensity.
- Although the industry has a low initial capital requirement, players need technical expertise to successfully identify potential wind power generating sites and ability to manage local issues, which creates moderate entry barriers.
- Further, the industry is fragmented and the company faces competition from several established players. Its competitors include Veer Energy and Infrastructure, Kintech Energy Systems, Weizmann Energy, Maruti Wind power and EPC arms of several WTG manufacturers. It also further faces competition from several smaller players, who provide O&M services to wind power projects.
- Major WTG manufacturers hold bargaining power, owing to their relatively larger size, compared to small EPC players such as KPEL. Also, its customers, which include IPPs, are larger in size and therefore, have a higher bargaining power.

Management and corporate governance

- Farukbhai Patel, and Ashish A Mithani, promoters of the company, have more than 20 years of experience in the fields of telecom infrastructure, logistics and renewable energy. They are supported by experienced professionals, forming the second line of management being in-charge of various functions such as project management, planning, HR and administration, quality control and compliance.
- The company's board consists of professional from diverse backgrounds, including legal, engineering and finance. Its board members include Mr Patel (Managing Director), Mr Mithani (Executive director and CEO) and three independent directors.
- The company has entered into related party transactions in the past, in the form of purchases for its EPC business, with its group company KP Buildcon Pvt Ltd amounting to ₹22.6 mn in FY15 and ₹65.2 mn in FY14. In future, if these transactions are priced above market rates, it can impact the company's profitability.
- The company's office premises in Surat is owned by Mr. Patel. It has not paid any rent for the same over past three years. In future if the company pays rent and/or the rent paid is above prevalent market rates, it can impact company's profitability to that extent.

Financial Performance

- KPEL's revenue grew to ₹296 mn in FY15 from ₹2 mn in FY11, as the company ramped up its operations. Growth can be bifurcated under two phases –
 - FY11-15 - revenue grew from ₹2mn in FY11 to ₹94 mn in FY14. EPC contracts executed were mainly related to site works, laying access routes, setting up transmission network.
 - FY15 – jump in revenue, as KPEL commissioned the infrastructure at Ratdi (25.2 MW) wind farm project.
- Its major service revenue heads include,
 - EPC contracts for setting up roads, structures and power evacuation infrastructure supporting wind farm projects (57.5% share in FY15 revenues)
 - Site leasing revenue (14.1%)
 - O&M services for BoP infrastructure (0%)
 - Power evacuation infrastructure, including sub-station and transmission network connecting local grid (28.4%).
- The company's EBITDA margin has been volatile over last five years. Between FY11 and FY15, margin varied between 7.1%- 43.2%, due to the varying nature of EPC contracts undertaken. EBITDA margin in FY15 stood at 17.8% when a major part of the EPC revenue was recognized with the commissioning of Ratdi wind farm project.
- Adjusted net profit grew in line with growth in EBITDA. For FY15, adjusted net profit stood at ₹29 mn compared with ₹3 mn in FY14 and ₹0.2 mn in FY11.
- With capital infusion and higher PAT in FY15, KPEL's leverage moderated to 0.5x compared to 2.3x in FY11.

Financial summary of K.P.Energy Ltd (KPEL)

Income statement

(₹ mn)	FY11	FY12	FY13	FY14	FY15
Operating income	2	32	10	94	269
EBITDA	1	4	4	7	48
EBITDA margin	43.2%	13.9%	35.1%	7.1%	17.8%
Depreciation	0	0	0	0	2
EBIT	1	4	3	7	46
Interest	0	3	3	3	4
Operating PBT	0	1	0	4	43
Other income	-	0	0	0	1
Exceptional inc/(exp)	-	-	0	-	-
PBT	0	2	1	4	44
Tax provision	0	1	0	1	14
Minority interest	-	-	-	-	-
PAT (Reported)	0	1	1	3	29
Less: Exceptionals	-	-	0	-	-
Adjusted PAT	0	1	0	3	29

Ratios

	FY11	FY12	FY13	FY14	FY15
Growth					
Operating income (%)	-	1,927.3	(67.9)	806.1	185.1
EBITDA (%)	-	550.9	(18.7)	84.4	612.0
Adj PAT (%)	-	529.3	(61.9)	561.9	885.8
Adj EPS (%)	-	529.3	(99.2)	561.9	392.9
Profitability					
EBITDA margin (%)	43.2	13.9	35.1	7.1	17.8
Adj PAT Margin (%)	11.8	3.6	4.3	3.2	10.9
RoE (%)	14.9	25.1	6.5	35.3	99.4
RoCE (%)	54.1	34.7	14.2	26.7	94.5
RoIC (%)	(148.2)	47.6	20.3	29.7	78.2

Valuations

Price-earnings (x)	-	-	-	-	-
Price-book (x)	-	-	-	-	-
EV/EBITDA (x)	-	-	-	-	-
EV/Sales (x)	-	-	-	-	-
Dividend payout ratio (%)	-	-	-	-	-
Dividend yield (%)	-	-	-	-	-

B/S ratios

Inventory days	NM	360	5,969	329	90
Creditors days	NM	277	3,414	333	188
Debtor days	NM	4	39	-	26
Working capital days	NM	176	422	55	(42)
Gross asset turnover (x)	1.2	8.8	2.3	13.9	4.9
Net asset turnover (x)	1.2	9.1	2.4	14.5	5.0
Sales/operating assets (x)	1.2	9.1	2.4	14.5	5.0
Current ratio (x)	1.0	1.9	1.3	1.2	0.8
Debt-equity (x)	-	2.3	2.6	1.4	0.5
Net debt/equity (x)	(1.3)	1.7	1.3	1.3	0.3
Interest coverage	1.8	1.5	1.2	2.6	12.2

Balance Sheet

(₹ mn)	FY11	FY12	FY13	FY14	FY15
Liabilities					
Equity share capital	0	0	5	5	10
Reserves	2	7	2	5	39
Minorities	-	-	-	-	-
Net worth	3	7	7	10	49
Convertible debt	-	-	-	-	-
Other debt	-	16	18	14	25
Total debt	-	16	18	14	25
Deferred tax liability (net)	0	0	0	0	2
Total liabilities	3	23	25	24	76
Assets					
Net fixed assets	3	5	4	9	99
Capital WIP	-	-	-	-	-
Total fixed assets	3	5	4	9	99
Investments	0	0	0	0	0
Current assets					
Inventory	13	26	65	78	53
Sundry debtors	1	0	1	-	19
Loans and advances	4	9	10	16	10
Cash & bank balance	3	4	9	1	9
Marketable securities	-	-	-	-	-
Total current assets	21	39	84	96	92
Total current liabilities	21	21	63	80	114
Net current assets	(0)	18	21	15	(22)
Intangibles/Misc. expenditure	-	-	-	-	-
Total assets	3	23	25	24	76

Cash flow

(₹ mn)	FY11	FY12	FY13	FY14	FY15
Pre-tax profit	0	2	1	4	44
Total tax paid	(0)	(0)	(0)	(1)	(12)
Depreciation	0	0	0	0	2
Working capital changes	3	(18)	2	(2)	45
Net cash from operations	4	(16)	3	1	79
Cash from investments					
Capital expenditure	(3)	(2)	0	(5)	(91)
Investments and others	(0)	-	-	-	-
Net cash from investments	(3)	(2)	0	(5)	(91)
Cash from financing					
Equity raised/(repaid)	0	-	5	-	5
Debt raised/(repaid)	-	16	3	(4)	11
Dividend (incl. tax)	-	-	-	-	-
Others (incl extraordinary)	2	3	(5)	0	5
Net cash from financing	2	19	2	(4)	20
Change in cash position	3	0	5	(8)	8
Closing cash	3	4	9	1	9

Per share

	FY11	FY12	FY13	FY14	FY15
Adj EPS (₹)	18.8	118.3	0.9	6.0	29.4
CEPS	19.8	133.8	1.5	6.3	31.1
Book value	251.8	692.1	13.9	19.9	49.3
Dividend (₹)	-	-	-	-	-
Actual o/s shares (mn)	0	0	1	1	1

Source: DRHP, CRISIL Research

Annexure I: Peer comparison – Indian wind EPC players

	Revenue (₹ mn)			EBITDA Margin (%)			PAT (₹ mn)			RoE (%)			RoCE (%)		
	FY13	FY14	FY15	FY13	FY14	FY15	FY13	FY14	FY15	FY13	FY14	FY15	FY13	FY14	FY15
Orient Green Power company	4,413	4,183	4,926	46.7	49.8	47.8	-880	-1,895	-2,330	-7.1	-16.3	-24.4	3.3	2.0	1.9
Veer Energy and Infrastructure	812	655	477	10.5	6.5	7.7	59	24	18	15.2	5.8	4.2	17.9	6.5	5.1
Indowind Energy	219	220	190	57.5	57.1	47.1	31	1	2	1.5	0.1	0.1	1.1	0.9	0.6

Source: Companies, CRISIL Research

Annexure II: Peer comparison – Global wind EPC and WTG players

Name	Currency	Revenue (in Mn)			EBITDA Margin			PAT Margin		
		FY12	FY13	FY14	FY12	FY13	FY14	FY12	FY13	FY14
Vestas Wind Systems A/S	Euro	7,216	6,084	6,910	4%	8%	14%	-13%	-1%	6%
Gamesa Corp Tecnologica Sa	Euro	2,665	2,336	2,846	-1%	12%	13%	-25%	2%	3%
Nordex Se	Euro	1,075	1,429	1,735	1%	6%	7%	-9%	1%	2%
Guodian Technology & Envir-H	CNY	21,777	25,420	25,606	11%	11%	11%	3%	2%	-2%
Xinjiang Goldwind Sci&Tec-H	CNY	11,225	12,196	17,573	3%	6%	14%	1%	4%	10%
China Ming Yang Wind Pow-Ads	CNY	2,893	2,845	5,872	-7%	-12%	6%	-10%	-18%	6%
Xiangtan Electric Manufact-A	CNY	5,397	6,599	7,707	5%	8%	8%	-4%	1%	1%
Sinovel Wind Group Co Ltd-A	CNY	4,059	3,604	3,617	-13%	-50%	-19%	-14%	-104%	2%

N A – Not available, CNY – Chinese Yuan

Source: Industry, Crisil Research

Annexure III: Profile of the board of directors

Name	Age	Designation	Date of joining	Qualification	Role and experience
Mrs Bhadrabala Joshi	57	Non- Executive Chairman	August 17, 2015	B.Pharm, LLB	She has more than 25 years of experience in the legal field. She is a practicing advocate specializing in civil and corporate law, and has worked with large organizations such as SBI, ICICI Home Finance company, Kotak Mahindra Bank, IDBI Bank.
Mr Farukbhai Patel	43	Managing Director	January 08, 2010	Degree in Textile engineering	He has more than 20 years of experience as an entrepreneur. He is the founder of K.P. Group which operates in logistics, renewable energy (wind and solar), construction, telecom infrastructure and real estate sectors
Mr Ashish A Mithani	41	Executive director and CEO	January 08, 2010	BBA	He has more than 20 years of professional experience in logistics and infrastructure sectors. He was previously associated with Reliance Industries Ltd, Harsh Distributors and VSM Projects Ltd.
Mr Raghavendra Rao Bondada	41	Independent director	August 17, 2015	Degree in Civil engineering	He has over 15 years of project management experience in the infrastructure sector. He had earlier worked as COO & Executive Director at Aster Group and is currently the Managing Director of BEPL an infrastructure consultancy firm.
Mr Sajesh Kolte	42	Independent Director	March 30, 2015	MMS, University of Mumbai	He has over 16 years of experience as a finance professional and is currently employed with Kotak Mahindra Bank. He had earlier worked with Ceat limited, Goodlass Nerolac paints, Berger paints and ICICI bank.

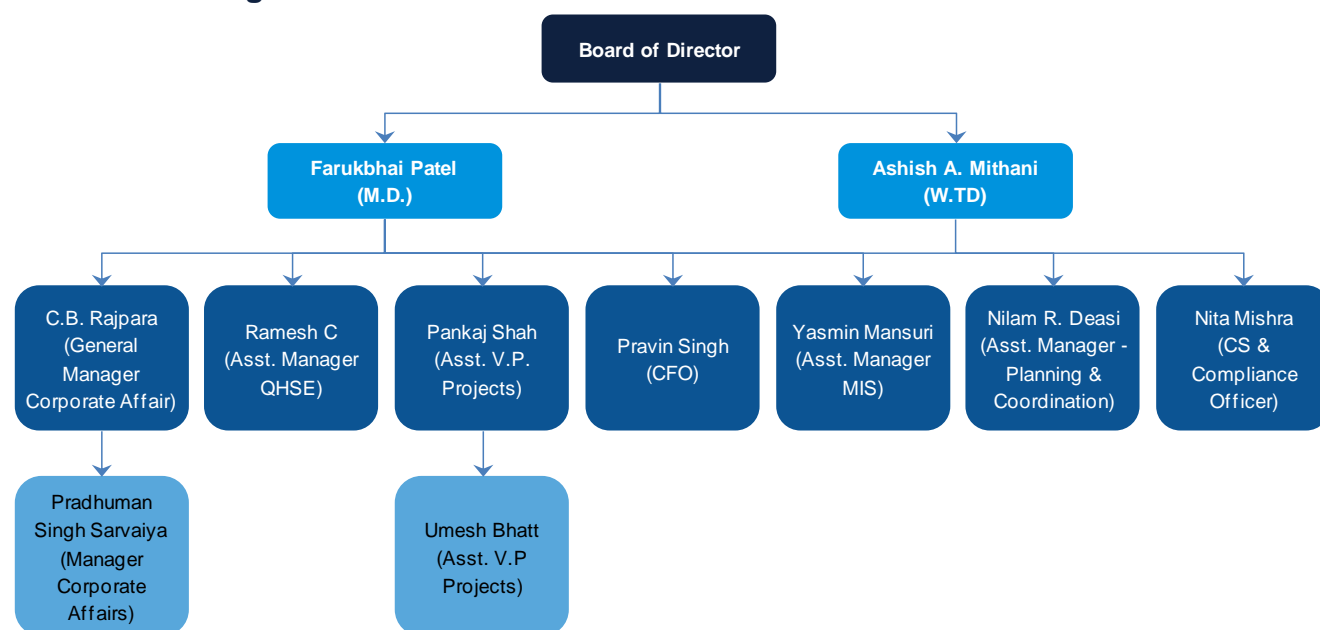
Source: DRHP, CRISIL Research

Annexure IV: Profile of key management personnel

Name	Designation	Date of joining	Qualification	Experience (years)
Pankaj Shah	V.P Projects	Aug 8, 2011	B.E (Electronics)	40
Umesh Bhatt	Asst V.P Projects	Jan 07, 2014	Mechanical Engineer	20
Yashmin Mansuri	Asst Manager MIS	Jan 09, 2014	MBA(Finance)	25
Nilam R Desai	Asst Manager Planning & Coordination	Jul 01, 2011	Diploma in Civil Engineering	22
Ramesha C	Asst Manager- QHSE	Feb 20, 2014	Diploma in Mechanical Engineering	19
Nita Mishra	Asst Manager- QHSE	Jun 01, 2015	Company Secretary	15
Pravin Singh	Chief Finance Officer	April 08, 2015	M.Com	11
Pradhuman Singh Sarvaiya	Manger Corporate Affairs	Jan 15, 2011	B.Com, L.L.B	15
Chatrabhuj Rajpara	General Manager Corporate Affairs	Dec 01, 2014	P.H.D in Gandhi Vichar	37

Source: DRHP, CRISIL Research

Annexure V: Organisation Chart



Source: DRHP, CRISIL Research

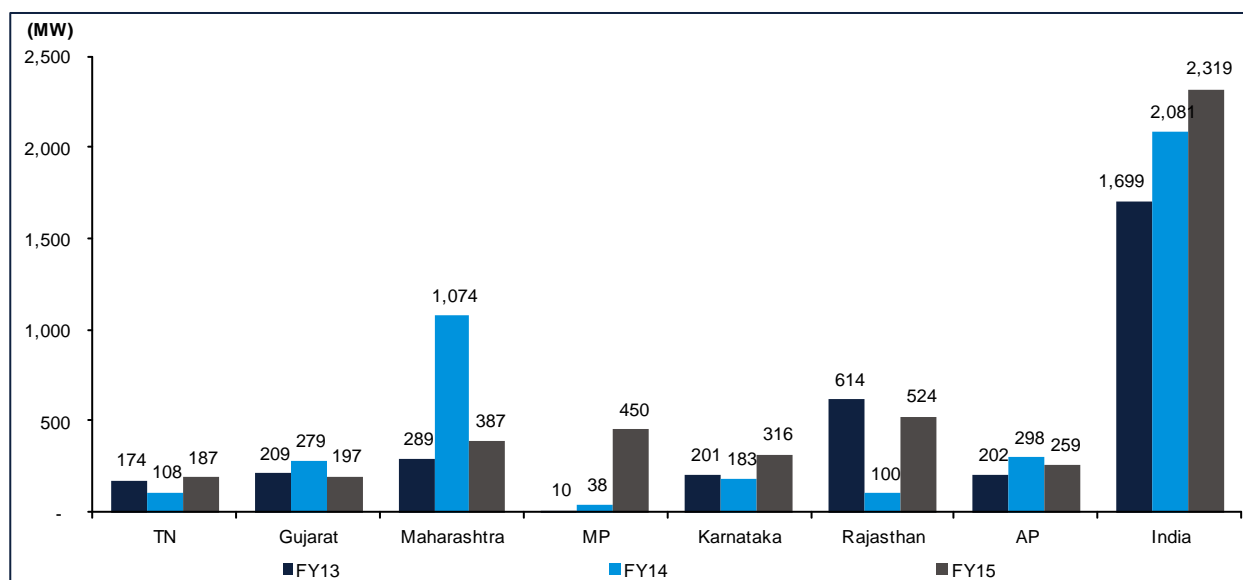
Annexure VI: Shareholding structure

Shareholding pattern	Nos of equity shares	% shareholding
Promoter		
Farukbhai Patel	16,62,500	66.50%
Ashish A Mithani	4,56,250	18.25%
Promoter family		
Jolly Mithani	1,56,250	6.25%
Bhavna Mithani	75,000	3.00%
Jagruti Mithani	25,000	1.00%
Promoters and promoter group (A)	23,75,000	95.00%
Company Personnel		
Pankajkumar Shah	7,500	0.30%

Shareholding pattern	Nos of equity shares	% shareholding
Unmesh Bhatt	6,000	0.24%
Pradhumsingh Sarvaiya	5,625	0.23%
Ruksana Mombasawala	4,375	0.18%
Pravin Singh	3,750	0.15%
Yasmin Mansuri	3,125	0.13%
Nilam R Desai	3,125	0.13%
Chatrabhuj Rajpara	3,125	0.13%
Ramesha C	1,250	0.05%
Company Personnel (B)	37,875	1.52%
Other individuals (C)	87,125	3.49%
Total (A+B+C)	2,500,000	100.00%

Source: DRHP, CRISIL Research

Annexure VII: Capacity additions across major states



Source: CRISIL Research

Annexure VIII: Government initiatives to promote wind energy sector

Incentives provided by the Central government:

- In the Union Budget 2014-15, the accelerated depreciation was reinstated, with effect from August 2014. With accelerated depreciation, the project developer can claim 80% depreciation on wind assets in the first year of installation. The accelerated depreciation benefit is valid till the end of the 12th Five Year Plan (2012-2017).
- In the Union budget 2013-14, generation-based incentive (GBI) was reinstated for wind energy projects and ₹8,000 mn was allocated for this purpose. GBI is available at ₹0.50 per unit for a maximum period of 10 years, subject to a cap of ₹10 mn per MW. This scheme is also applicable till the end of the 12th Five Year Plan (2012-2017).
- Ten-year income tax holiday under 80 IA of Income Tax Act.
- Concessional customs import duty on specified parts and components.
- Excise duty relief.

Incentives and tariffs provided by the state governments:

State	Wheeling	Banking	Preferential Tariff	Tariff period	Open access transaction
Andhra Pradesh	No charge for captive use / sale within the state	2% of energy per year	₹ 4.70/unit	10 years	Allowed
Karnataka	5% of energy	2% per month for 12 Months	₹ 4.50/unit	10 years	Allowed
West Bengal	2/3 of transmission charges, 1/3 of wheeling charges or 7.5% of energy whichever is higher	6 months	To be decided on case to case basis with a cap of ₹ 5.71/unit	10 years	Allowed
Madhya Pradesh	2% of energy; 4% subsidy on wheeling charges within the state	Allowed 100% MPSEB/distribution co. to charge 2% of Banked power as banking charges	₹ 5.92/unit	25 years	Allowed
Maharashtra	Wheeling and transmission losses as per MERC	Allowed as per MERC notification	Wind zone 1 - ₹5.70/unit Wind zone 2 - ₹5.01/unit Wind zone 3 - ₹4.18/unit Wind zone 4 - ₹3.92/unit	13 years	Allowed for any consumer in the state
Rajasthan	10% of energy	6 months	<i>With accelerated depreciation (AD) benefits:</i> ₹ 5.14/unit for Jaisalmer, Jodhpur and Barmer, ₹ 5.39/unit for other districts <i>Without AD benefits:</i> ₹ 5.74/unit for Jaisalmer, Jodhpur and Barmer, ₹ 6.02/unit for other districts	25 years	Allowed
Tamil Nadu	5% of energy	5% (allowed for 1 financial year)	Average tariff of ₹ 3.51/unit	20 years	Allowed
Gujarat	as applicable	not allowed for TPS, for captives (not opting for REC) allowed for 1 month	₹4.15/unit	25 years	Allowed
Kerala	5% of energy	9 months	Wind zone 1 - ₹6.58/unit Wind zone 2 - ₹5.98/unit Wind zone 3 - ₹5.27/unit	10 years	Allowed

Source: CRISIL Research

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