



**ADVAIT INFRATECH LIMITED**  
**CIN: U45201GJ2010PLC059878**

Our company was incorporated as Advait Infratech Private limited on March 15, 2010 under Companies Act, 1956. The Name of the company was subsequently changed to "Advait Infratech Limited" pursuant to a special resolution passed by the shareholders of the company at the Extra Ordinary General Meeting held on October 21, 2019. A fresh certificate of incorporation consequent upon change of name was issued on November 29, 2019 by the Registrar of Companies, Ahmedabad. The Corporate Identity Number of our Company is U45201GJ2010PLC059878 For further details pertaining to the change of name of our Company and the change in Registered Office, please refer the chapter "History and Certain Corporate Matters" on page no. 92 of this Draft Prospectus.

**Registered Office:** A-801 To 803 Sankalp Iconic, Opp. Vikram Nagar, Iscon Temple Cross Road, S.G Highway Ahmedabad, Gujarat-380054  
**Tel No.:** +91-79-48956677 ; **Email:** dipesh@advaitinfra.com ; **Website:** www.advaitinfra.com  
**Contact Person:** Mr Dipesh Panchal, Company Secretary and Compliance Officer.  
**Our Promoters:** Mr. Shalin Sheth & Mrs Rejal Sheth

THE ISSUE	
<p><b>PUBLIC ISSUE OF UPTO 13,50,000 EQUITY SHARES OF ₹ 10 EACH ("EQUITY SHARES") OF ADVAIT INFRATECH LIMITED ("AIL" OR THE "COMPANY") FOR CASH AT A PRICE OF ₹ [●] PER SHARE (THE "ISSUE PRICE"), AGGREGATING TO ₹ [●] LAKHS ("THE ISSUE"), OF WHICH UPTO 68,000 EQUITY SHARES OF ₹ 10 EACH WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF UPTO 12,82,000 EQUITY SHARES OF ₹ 10 EACH IS HERINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 26.47% AND 25.14%, RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF THE COMPANY.</b></p>	
THE FACE VALUE OF THE EQUITY SHARE IS ₹ 10 AND THE ISSUE PRICE IS [●] TIME OF THE FACE VALUE	
<p>In terms of Rule 19(2)(b)(i) of the SCRR this Issue is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. This Issue is being made through Fixed Price process in accordance and compliance with Chapter IX and other applicable provisions of SEBI ICDR Regulations wherein a minimum 50% of the Net Issue is allocated for Retail Individual Applicants and the balance shall be offered to individual applicants other than Retail Individual Applicants and other investors including corporate bodies or institutions, QIBs and Non-Institutional Applicants. However, if the aggregate demand from the Retail Individual Applicants is less than 50%, then the balance Equity Shares in that portion will be added to the non-retail portion offered to the remaining investors including QIBs and NIIs and vice-versa subject to valid Applications being received from them at or above the Issue Price. Additionally, if the Retail Individual Applicants category is entitled to more than fifty per cent on proportionate basis, the Retail Individual Applicants shall be allocated that higher percentage. For further details please refer the section titled "Issue Information" beginning on page no. 190 of this Draft Prospectus.</p>	
<p>All potential investors shall participate in the Offer only through an Application Supported by Blocked Amount ("ASBA") process including through UPI mode (as applicable) by providing details of the irrespective bank accounts and / or UPI IDs, in case of RILs, if applicable, which will be blocked by the Self Certified Syndicate Banks ("SCSBs") for the same. For details in this regard, specific attention is invited to "Issue Procedure" on page no. 198 of this Draft Prospectus. A copy will be delivered for registration to the Registrar of Companies as required under Section 26 of the Companies Act, 2013.</p>	
RISK IN RELATION TO THE FIRST ISSUE	
<p>This being the first Public Issue of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹ 10 each and the Issue Price is [●] times the face value. The Issue Price (determined and justified by our Company in consultation with the Lead Manager) as stated under "Basis for Issue Price" beginning on page no. 62 of this Draft Prospectus should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.</p>	
GENERAL RISKS	
<p>Investment in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the 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 the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares 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 Draft Prospectus. Specific attention of the investors is invited to "Risk Factors" beginning on page no. 17 of this Draft Prospectus.</p>	
COMPANY'S ABSOLUTE RESPONSIBILITY	
<p>Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.</p>	
LISTING	
<p>The Equity Shares offered through this Draft Prospectus are proposed to be listed on the SME Platform of BSE Limited ("BSE"). Our Company has received an In Principal Approval letter dated [●] from BSE Limited for using its name in this offer document for listing our shares on the SME Platform of BSE Limited. For the purpose of this Issue, the Designated Stock Exchange will be the BSE Limited ("BSE").</p>	
LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
 <b>ISK ADVISORS</b>	 <b>KFIN TECHNOLOGIES PRIVATE LIMITED</b>
<p><b>ISK ADVISORS PRIVATE LIMITED</b> 501, A. N. Chambers, 130, Turner Road, Bandra West, Mumbai-400 050 <b>Tel No.:</b> +91 – 22 – 26431002 <b>Email:</b> ncimpl@ncimpl.com <b>Website:</b> www.iskadvisors.com <b>Investor Grievance Email:</b> enquiry@ncimpl.com <b>Contact Person:</b> Mr. Ronak I. Kadri <b>SEBI Registration No.</b> INM000012625</p>	<p><b>KFIN TECHNOLOGIES PRIVATE LIMITED</b> Selenium Tower-B, Plot No. 31 &amp; 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad, Telangana – 500 032. <b>Tel No.:</b> +91 – 40 – 6716 2222 <b>Fax:</b> +91 40 2343 1551 <b>Email:</b> ail.ip@kfintech.com; <b>Website:</b> www.kfintech.com <b>Investor Grievance Email:</b> einward.ris@kfintech.com <b>Contact Person:</b> Mr. M. Murali Krishna <b>SEBI Registration No.:</b> INR000000221</p>
ISSUE OPENS ON	ISSUE CLOSES ON
[●]	[●]

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## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

#### General Terms

Term	Description
Advait Infratech Limited / AIL/ The Company / Company / We / Us / Our Company	Unless the context otherwise indicates or implies refers to Advait Infratech Limited, a public limited company incorporated under the provisions of the Companies Act, 2013 with its registered office in Ahmedabad.
Promoter(s) / Core Promoter	Mr. Shalin Sheth, Mrs. Rejal Sheth
Promoter Group	Such persons, entities and companies constituting our promoter group pursuant to Regulation 2(1)(pp) of the SEBI (ICDR) Regulations as disclosed in the Chapter titled “ <i>Our Promoter and Promoter Group</i> ” on page no. 107 of this Draft Prospectus

#### Company related Terms

Term	Description
AoA/ Articles / Articles of Association	Unless the context otherwise requires, refers to the Articles of Association of Advait Infratech Limited
Auditor of the Company	V. Goswami & Co. Chartered Accountants
Audit Committee	The committee of the Board of Directors constituted on December 05, 2019 as our Company’s Audit Committee in accordance with Section 177 of the Companies Act, 2013
Board of Directors / Board	The Board of Directors of Advait Infratech Limited, including all duly constituted Committees thereof.
Chief Financial Officer	Chief financial officer of our Company is Mrs. Rejal Sheth
Company Secretary and Compliance Officer	The Company Secretary and Compliance officer of our Company is Mr. Dipesh Panchal
CSR Committee	The committee of Board of Directors re-constituted as the Company’s Corporate Social Responsibility Committee in accordance with Section 135 of the Companies Act, 2013 vide Board Resolution dated December 05, 2019
Director(s)	Director(s) of Advait Infratech Limited, unless otherwise specified.
Equity Shares	Equity Shares of our Company of Face Value of ₹10 each unless otherwise specified in the context thereof.
Equity Shareholders	Persons holding Equity Share of our Company
Group Company	Companies (other than our Promoters and Subsidiaries) with which there were related party transactions as disclosed in the Restated Financial Statements as covered under the applicable accounting standards, and as disclosed in “ <i>Our Group Company</i> ” beginning on page no.111 of this Draft Prospectus
Independent Director	A non-executive, Independent Director as per the Companies Act, 2013 and the Listing Regulations.
ISIN	INE0ALI01010
Key Management Personnel / KMP	Key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations as disclosed in the chapter titled “ <i>Our Management</i> ” on page no. 96 of this Draft Prospectus
MOA / Memorandum / Memorandum of Association	Memorandum of Association of Advait Infratech Limited
Nomination and Remuneration Committee	The committee of the Board of Directors constituted on December 05, 2019 as our Company’s Nomination and Remuneration Committee in accordance with Section 178 of the Companies Act, 2013
Registered Office	The Registered Office of our company which is A-801 To 803 Sankalp Iconic, Opp. Vikram Nagar, Iscon Temple Cross Road, S.G Highway Ahmedabad, Gujarat-380054.
Registrar of Companies / RoC	Registrar of Companies, ROC Bhavan, Opp. Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad - 380013.
Stakeholders’ Relationship Committee	The committee of the Board of Directors constituted on December 05, 2019 as our Company’s Stakeholders’ Relationship Committee.



Term	Description
Stock Exchange	Unless the context requires otherwise, refers to, the SME Platform of Bombay Stock Exchange of India Limited i.e. SME Platform of BSE Limited.

#### Issue Related Term

Term	Description
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application Form.
Allotment	Unless the context otherwise requires, the allotment of the Equity Shares pursuant to the Issue to the successful applicants, including transfer of the Equity Shares pursuant to the Issue to the successful applicants
Allotment Advice	Note, advice or intimation of Allotment sent to the Applicants who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allottees	The successful applicant to whom the Equity Shares are being / have been allotted.
Applicant	Any prospective investor who makes an application for Equity Shares in terms of this Draft Prospectus
Application Form	The Form in terms of which the applicant shall apply for the Equity Shares of the Company.
Application Supported by Blocked Amount/ ASBA	An application, whether physical or electronic, used by ASBA Applicant to make an Application authorizing an SCSB to block the Application Amount in the specified Bank Account maintained with such SCSB. ASBA is mandatory for all Applicants participating in the Issue.
ASBA Account	A bank account maintained with an SCSB and specified in the ASBA Form submitted by the Applicants for blocking the Application Amount mentioned in the ASBA Form.
ASBA Applicant(s)	Any prospective investor who makes an Application pursuant to the terms of the Prospectus and the Application Form.
ASBA Application / Application	An application form, whether physical or electronic, used by ASBA Bidders which will be considered as the application for Allotment in terms of the Prospectus
Banker(s) to the Company	Such banks which are disclosed as Bankers to our Company in the chapter titled “ <i>General Information</i> ” on page no. 43 of this Draft 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 [•]
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Applicants under the Issue and which is described in the chapter titled “ <i>Issue Procedure</i> ” beginning on page no. 198 of this Draft Prospectus.
Broker Centres	Broker centres notified by the Stock Exchanges where Applicants can submit the ASBA Forms to a Registered Broker. The details of such Broker Centres, along with the names and contact details of the Registered Broker are available on the respective websites of the Stock Exchanges ( <a href="http://www.bseindia.com">www.bseindia.com</a> and <a href="http://www.nseindia.com">www.nseindia.com</a> )
Business Day	Monday to Friday (except public holidays)
CAN / Confirmation of Allocation Note	The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which will be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange.
Client ID	Client identification number maintained with one of the Depositories in relation to Demat account
Collecting Depository Participant(s) or CDP(s)	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular No. GR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Controlling Branches	Such Branches of the SCSBs which co-ordinate Applications by the Applicants with the Registrar to the Issue and the Stock Exchanges and a list of which is available at <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time.
Demographic Details	The demographic details of the Applicants such as their Address, PAN, Occupation and Bank Account details.
Depositories	A depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996 i.e. CDSL and NSDL
Depositories Act	The Depositories Act, 1996, as amended from time to time



Term	Description
Designated Date	The date on which the funds blocked by the SCSBs are transferred from the ASBA Accounts specified by the Applicants to the Public Issue Account.
Designated Intermediaries / Collecting Agent	Syndicate Members, Sub-Syndicate/Agents, SCSBs, Registered Brokers, Brokers, the CDPs and RTAs, who are authorized to collect Application Forms from the Applicants, in relation to the Issue
Designated CDP Locations	Such locations of the CDPs where Applicants can submit the Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the websites of the Stock Exchange
Designated Market Maker	NNM Securities Private 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 RTA Locations	Such locations of the RTAs where Applicants can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the websites of the Stock Exchange
Designated SCSB Branches	Such Branches of the SCSBs which shall collect the Application Forms used by the Applicants applying through the ASBA process and a list of which is available on <a href="http://www.sebi.gov.in/pmd/scsb.pdf">http://www.sebi.gov.in/pmd/scsb.pdf</a>
Designated Stock Exchange	Unless the context requires otherwise, refers to, the SME Platform of BSE Limited.
Draft Prospectus	This Draft Prospectus dated June 04, 2020 issued in accordance with the SEBI ICDR Regulations
Eligible NRI(s)	An NRI(s) from such a jurisdiction outside India where it is not unlawful to make an Issue or invitation under this Issue and in relation to whom the Application Form and the Prospectus will constitute an invitation to purchase the equity shares.
Escrow Agreement	Agreement dated [●] entered into amongst the Company, Lead Managers, the Registrar and the Banker to the Issue to receive monies from the Applicants through the SCSBs Bank Account on the Designated Date in the Public Issue Account.
Foreign Portfolio Investor / FPIs	Foreign Portfolio Investor as defined under the SEBI (Foreign Portfolio Investors) Regulations, 2014.
Issue Proceeds	The proceeds of the Issue as stipulated by the Company. For further information about use of the Issue Proceeds please see the chapter titled “Objects of the Issue” beginning on page no. 58 of this Draft Prospectus
Issue/ Issue Size / Public Issue/ IPO	This Initial Public Issue of upto 13,50,000 Equity Shares of ₹10 each for cash at a price of ₹ [●] per equity share aggregating to ₹ [●] lakhs by our Company.
Issue Closing date	The date on which the Issue closes for subscription being [●]
Issue Opening date	The date on which the Issue opens for subscription being [●]
Issue Price	The price at which the Equity Shares are being issued by our Company in consultation with the Lead Managers under this Draft Prospectus being ₹ [●] per share.
LM’s / Lead Managers	Lead Managers to the Issue, is ISK Advisors Private Limited
Listing Agreement	Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our Company and BSE Limited.
Lot Size	The Market lot and Trading lot for the Equity Share is [●] and in multiples of [●] thereafter; subject to a minimum allotment of 2,000 Equity Shares to the successful applicants.
Market Maker Reservation Portion	The Reserved portion of upto 68,000 Equity shares of ₹ 10 each at an Issue Price of ₹ [●] aggregating to ₹[●]lakhs for Designated Market Maker in the Public Issue of our Company.
Market Making Agreement	The Agreement among the Market Maker, the Lead Managers and our Company dated February 18, 2020
Mutual Fund	A Mutual Fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended.
Net Issue	The Net Issue of upto 12,82,000 Equity Shares of ₹ 10 each at ₹ [●] per Equity Share aggregating to ₹ [●]lakhs by our Company.
Non-Institutional	All Applicants, including Eligible QFIs, sub accounts of FIIs registered with SEBI which are



Term	Description
Applicant	foreign corporates or foreign individuals, that are not QIBs or Retail Individual Applicants and who have applied for Equity Shares for an amount of more than ₹ 2,00,000 (but not including NRIs other than Eligible NRIs)
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, Eligible QFIs, FIIs registered with SEBI and FVCIs registered with SEBI
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, Company, partnership, limited liability Company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Prospectus	The Prospectus, to be filed with the RoC containing, inter alia, the Issue opening and closing dates and other information.
Public Issue Account	Account opened with Bankers to the Issue for the purpose of transfer of monies from the SCSBs from the bank accounts of the ASBA Applicants on the Designated Date.
Qualified Foreign Investors / QFIs	Non-resident investors other than SEBI registered FIIs or sub-accounts or SEBI registered FVCIs who meet 'know your client' requirements prescribed by SEBI
Qualified Institutional Buyers / QIBs	A qualified institutional buyer as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
Refund Bank(s)	The Banker(s) to the Issue with whom the Refund Account(s) will be opened, in this case being [●]
Registrar Agreement	The agreement dated February 18, 2020 among our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue
Registrar and Share Transfer Agents/RTAs	Registrar and Share Transfer Agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Registrar/ Registrar to the Issue	Registrar to the Issue being Kfin Technologies Private Limited
Retail Individual Investors	Individual investors (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than ₹ 2,00,000
Revision Form	Form used by the Applicants to modify the quantity of the Equity Shares or the Applicant Amount in any of their ASBA Form(s) or any previous Revision Form(s)  QIB Bidders and Non-Institutional Bidders are not allowed to withdraw or lower their Applications (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Applicants can revise their Application during the Issue Period and withdraw their Applications until Issue Closing Date.
Self-Certified Syndicate Bank(s) / SCSBs	The banks registered with SEBI, offering services, i. in relation to ASBA where the Application Amount will be blocked by authorising an SCSB, a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a> or such other website as updated from time to time, and ii. in relation to RIBs using the UPI Mechanism, a list of which is available on the website of SEBI at <a href="https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> or such other website as updated from time to time
TRS / Transaction Registration Slip	The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the Applicant, as proof of registration of the Application.
Underwriters	ISK Advisors Private Limited & NNM Securities Private Limited.
Underwriting Agreement	The Agreement among the Underwriters and our Company dated February 18, 2020
Unified Payments Interface (UPI)	UPI is an instant payment system developed by the NPCI. It enables merging several banking features, seamless fund routing & merchant payments into one hood. UPI allows instant transfer of money between any two persons' bank accounts using a payment address which uniquely identifies a person's bank a/c.
UPI ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI).
UPI ID Linked bank	Account of the RIIs, Applying in the Issue using the UPI mechanism, which will be blocked



Term	Description
account	upon acceptance of UPI Mandate request by RIIs to the extent of the appropriate Application Amount and subsequent debit of funds in case of Allotment
UPI Mandate Request	Mandate request means a request initiated on the RII by sponsor bank to authorize blocking of funds equivalent to application amount and subsequent debit of funds in case of allotment
UPI Mechanism	Pursuant to SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, Retail Individual Investors applying in public issue may use either Application Supported by Blocked Amount (ASBA) process or UPI payment mechanism by providing UPI ID in the Application Form which is linked from Bank Account of the investor.
UPI PIN	Password to authenticate UPI transaction
U.S. Securities Act	U.S. Securities Act of 1933, as amended
Working Day	All trading days of the Stock Exchange excluding Sundays and Bank holidays in Mumbai.

#### Technical / Industry related Terms

Term	Description
AMP	Automotive Mission Plan
ACSR	Aluminium conductor steel-reinforced cable
AT&C	Aggregate Technical and Commercial
BTG	Boilers turbines and generator
CAGR	Compound Annual Growth Rate
CSO	Central Statistics Office
CV	Commercial Vechile
DDUGJY	Deen Dayal Upadhyay Gram Jyoti Yogana
DISCOMS	State-owned Power Distribution Companies
EBITDA	Earnings Before interest Tax, Depreciation and Amortization
EPC	Engineering Procurement Construction
EU	European Union
F.Y	Financial Year
FDI	Foreign Direct Investment
FIPB	Foreign Investment Promotion Board
FODP	Fiber Optic Distribution Panel
GDP	Gross Domestic Products
GPI	Global Power Industry
GST	Goods and Services Tax
GW	Giga Watts
IDPS	Integrated Power Development Scheme
IMF	International Monetry Fund
IPO	Initial Public offer
KG	Kilo Gram
KM	Kilo Metres
KMP	Key Managerial Personnel
LED	Light Emitting Diode
MoEF	Ministry of Environment, Forest and Climate Change
MW	Mega Watts
No	Number
NPB	National Policy on Biofuels
NSGM	National Smart Grid Mission
OECD	Organisation for Economic Co-operation and Development
OEM	Original Equipment Manufacturer
OFC	Optical Fiber Cable
OPGW	Optical Fiber Ground Wire
OHTL	Overhead Transmission Line
PFC	Power Factor Correction
RBI	Reserve Bank of India
REC	Renewable Energy Certificate
ROC	Registrar of Companies



Term	Description
RPO	Renewable Purchase Obligation
TWh	Terawatt-hour
UDAY	Ujwal Discoms Assurance Yojana
UN	United Nations
USD	United States Dollar
UT	Union Territories

#### Conventional Terms / General Terms / Abbreviations

Term	Description
A/c	Account
AGM	Annual General Meeting
AIF	Alternative Investment Fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
AS / Accounting Standards	Accounting Standards as issued by the Institute of Chartered Accountants of India
ASBA	Applications Supported by Blocked Amount
AY	Assessment Year
BSE	BSE Limited
CAGR	Compound Annual Growth Rate
Category I foreign portfolio investor(s) / Category I FPIs	FPIs who are registered as “Category I foreign portfolio investors” under the SEBI FPI Regulations
Category II foreign portfolio investor(s) / Category II FPIs	FPIs who are registered as “Category II foreign portfolio investors” under the SEBI FPI Regulations
Category III foreign portfolio investor(s) / Category III FPIs	FPIs who are registered as “Category III foreign portfolio investors” under the SEBI FPI Regulations
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CIN	Company Identification Number
CIT	Commissioner of Income Tax
Client ID	Client identification number of the Applicant’s beneficiary account
Companies Act	Unless specified otherwise, this would imply to the provisions of the Companies Act, 2013 (to the extent notified) and /or Provisions of Companies Act, 1956 w.r.t. the sections which have not yet been replaced by the Companies Act, 2013 through any official notification.
Companies Act, 1956	The Companies Act, 1956, as amended from time to time
Companies Act, 2013	The Companies Act, 2013 published on August 29, 2013 and applicable to the extent notified by MCA till date.
CSR	Corporate Social Responsibility
CST	Central Sales Tax
CY	Calendar Year
DIN	Director Identification Number
DP	Depository Participant, as defined under the Depositories Act 1996
DP ID	Depository Participant’s identification
EBITDA	Earnings before Interest, Taxes, Depreciation and Amortization
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
EMDEs	Emerging Markets and Developing Economies
EPS	Earnings Per Share
FCNR Account	Foreign Currency Non Resident Account
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations thereunder
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017



Term	Description
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
FPI's	Foreign Portfolio Investors as defined under the SEBI FPI Regulations
FIPB	Foreign Investment Promotion Board
Fugitive economic offender	"fugitive economic offender" shall mean an individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018 (17 of 2018)
FVCI	Foreign Venture Capital Investors as defined and registered 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
GoI/Government	Government of India
GST	Goods & Services Tax
HNI's	High Networth Individuals
HUF	Hindu Undivided Family
IAS Rules	Indian Accounting Standards, Rules 2015
ICAI	The Institute of Chartered Accountants of India
ICSI	Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
IMF	International Monetary Fund
Indian GAAP	Generally Accepted Accounting Principles in India
Ind AS	Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013, as notified under the Companies (Indian Accounting Standard) Rules, 2015
I.T. Act	Income Tax Act, 1961, as amended from time to time
IPO	Initial Public Offering
ISIN	International Securities Identification Number
KM / Km / km	Kilo Meter
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
MoF	Ministry of Finance, Government of India
MICR	Magnetic Ink Character Recognition
MOU	Memorandum of Understanding
NA / N. A.	Not Applicable
NAV	Net Asset Value
NECS	National Electronic Clearing Service
NEFT	National Electronic Fund Transfer
NOC	No Objection Certificate
NRE Account	Non Resident External Account
NRI's	A person resident outside India, who is a citizen of India or a person of Indian origin, and shall have the meaning ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited
OCB / Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60.00% by NRIs including overseas trusts, in which not less than 60.00% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
p.a.	per annum
P/E Ratio	Price/Earnings Ratio
PAC	Persons Acting in Concert
PAN	Permanent Account Number
PAT	Profit After Tax
PLR	Prime Lending Rate
RBI	Reserve Bank of India



<b>Term</b>	<b>Description</b>
Regulation S	Regulation S under the U.S. Securities Act
RoC	Registrar of Companies
ROE	Return on Equity
RONW	Return on Net Worth
Rupees / Rs. / M	Rupees, the official currency of the Republic of India
RTGS	Real Time Gross Settlement
SCRA	Securities Contract (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI LODR Regulations, 2015 / SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 notified on September 2, 2015
SEBI SAST Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996, as repealed by the SEBI AIF Regulations
Sec.	Section
Securities Act	U.S. Securities Act of 1933, as amended
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
STT	Securities Transaction Tax
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
TIN	Taxpayers Identification Number
TDS	Tax Deducted at Source
UPI	Unified Payments Interface
US/United States	United States of America
USD/ US\$/ \$	United States Dollar, the official currency of the United States of America
VAT	Value Added Tax
VCF / Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
Wilful Defaulter(s)	Wilful defaulter as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations



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

### Certain Conventions

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

### Financial Data

Unless stated otherwise, the financial data in this Draft Prospectus are derived from our audited financial statements as on and for the Fiscal Years ended March 31, 2019, 2018 and 2017 and for the nine months period ended December 31, 2019 prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI Regulations and and Guidance Note on “Reports in Company Prospectus (Revised 2019)” issued by ICAI, as stated in the report of our Statutory Auditor, as set out in the chapter titled “Financial Statements as Restated” beginning on page no. 115 in this Draft Prospectus. Our Fiscal Year commences on April 1 and ends on March 31 of the following year. In this Draft Prospectus, any discrepancy 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. The Company has not attempted to quantify their impact on the financial data included herein and urges you to consult your own advisors regarding such differences and their impact on the Company’s financial data. Accordingly, the degree to which the Indian GAAP financial statements included in this Draft Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices, Indian GAAP, the Companies Act and the SEBI Regulations on the financial disclosures presented in this Draft Prospectus should accordingly be limited. We have not attempted to explain the differences between Indian GAAP, U.S. GAAP and IFRS or quantify their impact on the financial data included herein, and we urge you to consult your own advisors regarding such differences and their impact on our financial data.

Any percentage amounts, as set forth in the section titled “*Risk Factors*”, chapters titled “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page nos. 17, 76 and 159 of this Draft Prospectus, respectively, and elsewhere in this Draft Prospectus, unless otherwise indicated, have been calculated on the basis of our audited financial statements prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI Regulations.

### Currency, Units of Presentation and Exchange Rates

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

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

### Definitions

For definitions, please see the Chapter titled “*Definitions and Abbreviations*” on page no. 1 of this Draft Prospectus. In the Section titled “*Main Provisions of Articles of Association*” beginning on page no. 225 of this Draft Prospectus, defined terms have the meaning given to such terms in the Articles of Association.

### Industry and Market Data

Unless stated otherwise, the industry and market data and forecasts used throughout this Draft Prospectus has been obtained from industry sources as well as Government Publications. Industry sources as well as Government Publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Further, the extent to which the industry and market data presented in this Draft Prospectus is meaningful depends on the reader’s familiarity with and understanding of the methodologies used in



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compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources.



## FORWARD-LOOKING STATEMENTS

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

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

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

- Changes in laws and regulations relating to the sectors/areas in which we operate;
- Increased competition in Power (Transmission and Distribution) Industry.
- Our ability to successfully implement our growth strategy and expansion plans;
- Our ability to meet our further capital expenditure requirements;
- Fluctuations in operating costs;
- Our ability to attract and retain qualified personnel;
- Changes in political and social conditions in India, the monetary and interest rate policies of India and other Countries;
- Conflict of Interest with affiliated companies, the promoter group and other related parties
- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Changes in government policies and regulatory actions that apply to or affect our business.
- Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- The occurrence of natural disasters or calamities;
- Our inability to maintain or enhance our brand recognition;
- Failure to successfully upgrade our products and service portfolio, from time to time;
- Inability to adequately protect our trademarks and
- Changes in consumer demand

For further discussions of factors that could cause our actual results to differ, please see the section titled “*Risk Factors*”, chapters titled “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page nos. 17, 76 and 159 of this Draft Prospectus, respectively.

By their nature, certain risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Forward-looking statements speak only as of this Draft Prospectus. Our Company, our Directors, the Lead Managers, 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



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events, even if the underlying assumptions do not come to fruition. In accordance with the SEBI requirements, our Company and the Lead Managers 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 OFFER DOCUMENT SUMMARY

### A. Summary of Business

Our company is into business of providing products and solutions for power transmission, power substation field and telecommunication infrastructure. We operates with various verticals such as Turnkey Telecommunication Projects, Installation of the Power Transmission, Sub Station and Telecom Products, Liasioning-marketing and providing end to end solutions for the overseas customers operating in the Field Power Transmission and Sub Station, Trading of the similar products, and manufacturing through OEM of the stringing Tools (Capital items for construction of Electrical Transmission Projects).

### Summary of Industry

Power is one of the most critical components of infrastructure, crucial for the economic growth and welfare of nations. The existence and development of adequate infrastructure is essential for sustained growth of the Indian economy. Transmission, an important element in the power delivery value chain, facilitates evacuation of power from generating stations and its delivery to the load centers. For efficient dispersal of power to deficit regions, strengthening the transmission system network and enhancing the Inter-State power transmission system network are required.

### B. Our Promoters:

Our Company is promoted by Mr. Shalin Sheth and Mrs. Rejal Sheth

- C. Public Issue of upto 13,50,000 Equity Shares of ₹ 10 each (“Equity Shares”) of Advait Infratech Limited (“AIL” or the “Company”) for cash at a price of ₹ [●] per share (the “Issue Price”), aggregating to ₹ [●]lakhs (“the Issue”), of which upto 68,000 equity shares of ₹ 10 each for cash at a price of ₹ [●] per share will be reserved for subscription by Market Makers to the Issue (the “Market Maker Reservation Portion”). The Issue less Market Maker Reservation Portion i.e. Issue of upto 12,82,000 equity shares of ₹ 10/- each is hereinafter referred to as the “Net Issue”. The Issue and the Net Issue will constitute 26.47% and 25.14% %, respectively of the Post Issue paid up equity share capital of the Company.

### D. Object of the Issue

The fund requirements for each of the Object of the Issue are stated as below:

(₹ in lakhs)

Sr. No.	Particulars	Amount	% of Net Proceeds
1	Working Capital Requirement	425.00	[●]
2	General Corporate Purpose	[●]	[●]
<b>Total</b>		[●]	[●]

### E. Pre-Issue Shareholding of our Promoter and Promoter Group as a percentage of the paid-up share capital of the Company

Set forth is the Pre Issue shareholding of our Promoter and Promoter Group as a percentage of the paid-up share capital of the Company

Category of Promoter	Pre Issue	
	No. of Shares	As a % of Pre- Issued Equity
<b>1. Promoter</b>		
Mr. Shalin Sheth	28,50,000	76.00%
Mrs. Rejal Sheth	8,62,100	22.99%
<b>Sub-Total (A)</b>	<b>37,12,100</b>	<b>98.99%</b>
<b>2. Promoter Group</b>		
Mr. Rahul Sheth	37,500	1.00%
<b>Sub-Total (B)</b>	<b>37,500</b>	<b>1.00%</b>
<b>Total Promoter &amp; Promoter Group Holding</b>	<b>37,49,600</b>	<b>99.99%</b>



## F. Summary of Restated Consolidated Financial Statement

(₹ in lakhs)

Particulars	For the period ended/ As at December 31, 2019	For the year ended March 31,		
		2019	2018	2017
Share Capital	375.00	375.00	1.00	1.00
Reserves & Surplus	1,642.28	1,511.61	1,634.18	1,004.43
<b>Net Worth</b>	<b>2,017.28</b>	<b>1,886.61</b>	<b>1,635.18</b>	<b>1,005.43</b>
Total Revenue	<b>3,383.92</b>	<b>2,852.38</b>	<b>4,535.45</b>	<b>2,963.51</b>
Profit after Tax	<b>130.67</b>	<b>249.02</b>	<b>624.34</b>	<b>426.53</b>
<b>Earnings Per Share:</b>				
Basic & Diluted (Post Bonus)	3.48	6.64	16.64	11.37
Net Asset Value Per Share (₹) - based on actual no. of equity shares at the end of the year	53.79	50.31	16,351.84	10,054.34
Total Borrowings	976.94	594.8	69.49	56.17

## Summary of Restated Standalone Financial Statement

(₹ in lakhs)

Particulars	For the period ended/ As at December 31, 2019	For the year ended March 31,		
		2019	2018	2017
Share Capital	375.00	375.00	1.00	1.00
Reserves & Surplus	2,005.47	1,583.66	1,634.42	1,004.43
<b>Net Worth</b>	<b>2,380.47</b>	<b>1,954.66</b>	<b>1,635.42</b>	<b>1,005.43</b>
Total Revenue	<b>3,188.28</b>	<b>2,852.16</b>	<b>4,534.71</b>	<b>2,963.51</b>
Profit after Tax	421.81	323.42	629.98	426.53
<b>Earnings Per Share:</b>				
Basic & Diluted (Post Bonus)	11.25	8.62	16.80	11.37
Net Asset Value Per Share (₹) - based on actual no. of equity shares at the end of the year	63.48	52.23	16,354.17	10,054.34
Total Borrowings	341.14	91.9	69.49	56.13

## G. Qualifications by Auditor

There are no material Auditor's Qualifications in any of the Financial Statements of the Company.

## H. Summary of Outstanding Litigation are as follows

Sr. No.	Nature of Case	No. of Outstanding cases	Amount in dispute/demanded to the extent quantifiable (₹ in lakhs) <sup>(1)</sup>
1.	<b>Litigations against our Company</b>		
(a)	Direct Tax Liabilities	5	38.69
2.	<b>Litigations against our Directors</b>		
(a)	Direct Tax Liabilities	2	0.15
3.	<b>Litigations against our Promoters</b>		
(a)	Direct Tax Liabilities	1	0.14

For further details in relation to legal proceedings involving our Company, Subsidiaries, Promoters and Directors, refer chapter titled "Outstanding Litigation and Other Material Developments" on page 174 of this Draft Prospectus.



I. Investors should read chapter titled “*Risk Factors*” beginning on page no. 17 of this Draft Prospectus to get a more informed view before making any investment decisions.

**J. Summary of contingent liabilities**

Summary table of our contingent liabilities as indicated in our Restated Consolidated Financial Statements and also certified by our statutory auditors is as follows:

(₹.in lakhs)

Particulars	For the period ended Dec 31, 2019	As at March 31,		
		2019	2018	2017
Related to Tax Authorities	38.69	4.02		-
Bank guarantee	1,082.74	466.68	251.04	-
<b>Total</b>	<b>1,121.43</b>	<b>470.70</b>	<b>251.04</b>	<b>-</b>

For further information, please refer “*Annexure XXV Restated Consolidated Contingent Liability*” of *Financial Information* on page no.115 of this Draft Prospectus

**K. Summary of related party transactions**

Our Company has entered into certain transactions with our related parties including our Promoters, Promoter Group, Directors and their relatives as mentioned below:

(₹.in lakhs)

Particulars	For the period ended Dec 31, 2019	For the year ended March 31,		
		2019	2018	2017
<b>1) Finance-Advance Taken</b>				
Opening Outstanding	62.68	44.18	42.00	-
Loan given in Current F.Y.	161.70	50.00	2.18	42.00
Repayment of loan in Current F.Y.	49.14	31.50	-	-
Closing balance	175.24	62.68	44.18	42.00
<b>2) Salary</b>	47.25	63.00	63.00	83.90
<b>3) Rent paid</b>	5.32	-	-	3.30

For further information, please refer “*Annexure XXIX Consolidated Restated Statement Of Related Party Transactions*” of *Financial Information* on page no.115 of this Draft Prospectus

L. There are no financing arrangements whereby the Promoter Group, the Directors of our Company who are the Promoters of our Company, the Directors of our Company and their relatives have financed the purchase by any other person of securities of our Company during the period of 6 (six) months immediately preceding the date of this Draft Prospectus.

M. The weighted average price of acquisition of Equity Shares by our Promoters in last one year is:

The Weighted Average cost of Acquisition Equity Shares by our Promoters in last one year will be Nil as the shares were acquired through Bonus Allotment. For further details refer chapter titled “*Capital Structure*” beginning on page no. 50 of this Draft Prospectus .

N. The average cost of acquisition of Equity Shares by our Promoters is:

Promoter	Average cost (₹)
Mr. Shalin Sheth	0.02
Mrs. Rejal Sheth	0.06



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- O.** Our Company does not contemplate any issuance or placement of Equity Shares from the date of this Draft Prospectus till the listing of the Equity Shares.
  - P.** Our Company has not issued Equity Shares for consideration other than cash in last one year.
  - Q.** Our Company has not undertaken a split or consolidation of the Equity Shares in the one year preceding the date of this Draft Prospectus.



## SECTION III: RISK FACTORS

An investment in Equity Shares involves a high degree of financial risk. You should carefully consider all information in this Draft Prospectus, including the risks described below, before making an investment in our Equity Shares. The risk factors set forth below do not purport to be complete or comprehensive in terms of all the risk factors that may arise in connection with our business or any decision to purchase, own or dispose of the Equity Shares. This section addresses general risks associated with the industry in which we operate and specific risks associated with our Company. Any of the following risks, as well as the other risks and uncertainties discussed in this Draft Prospectus, could have a material adverse effect on our business and could cause the trading price of our Equity Shares to decline and you may lose all or part of your investment. In addition, the risks set out in this Draft Prospectus are not exhaustive. Additional risks and uncertainties, whether known or unknown, may in the future have material adverse effect on our business, financial condition and results of operations, or which we currently deem immaterial, may arise or become material in the future. To obtain a complete understanding of our Company, prospective investors should read this section in conjunction with the sections entitled "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on page nos. 76 and 159 of this Draft Prospectus respectively as well as other financial and statistical information contained in this Draft Prospectus. Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other risks mentioned herein.

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

### Materiality

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

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

### INTERNAL RISK FACTORS

1. ***Our Company, Promoters and Directors are parties to certain legal proceedings under direct tax law. Any adverse decision in such proceedings may have a material adverse effect on our business, results of operations and financial condition.***

Our Company Promoters and Directors are parties to certain legal proceedings under direct tax law. These legal proceedings are pending at different levels of under direct tax law. Mentioned below are the details of the proceedings involving our Company, Promoters and Directors as on the date of this Draft Prospectus along with the amount involved, to the extent quantifiable, based on the materiality policy for litigations, as approved by the Company in its Board meeting held on December 05, 2019.

Sr. No.	Nature of Case	No. of Outstanding cases	Amount in dispute/demanded to the extent quantifiable (₹ in lakhs)
1.	<b>Litigations against our Company</b>		
(b)	Direct Tax Liabilities	5	38.69
2.	<b>Litigations against our Directors</b>		
(b)	Direct Tax Liabilities	2	0.15
3.	<b>Litigations against our Promoters</b>		
(b)	Direct Tax Liabilities	1	0.14

There can be no assurance that these litigations will be decided in favour of our Company, its Promoters and its Directors and consequently it may divert the attention of our management and Promoters and waste our corporate



resources and we may incur significant expenses in such proceedings and may have to make provisions in our financial statements, which could increase our expenses and liabilities. If such claims are determined against us, there could be a material adverse effect on our reputation, business, financial condition and results of operations, which could adversely affect the trading price of our Equity Shares. For the details of the cases filed by and against our Company, Promoters and Directors please refer to the chapter titled “*Outstanding Litigations and Material Developments*” beginning on page no. 174 of this Draft Prospectus.

**2. *We require certain approvals and licenses in the ordinary course of business and are required to comply with certain rules and regulations to operate our business, and the failure to obtain, retain and renew such approvals and licenses in timely manner or comply with such rules and regulations or at all may adversely affect our operations.***

We require several statutory and regulatory permits, licenses and approvals to operate our business, some of which our Company has either received, applied for or is in the process of application. Many of these approvals are granted for fixed periods of time and need renewal from time to time. Non-renewal of the said permits and licenses would adversely affect our Company’s operations, thereby having a material adverse effect on our business, results of operations and financial condition. We cannot guarantee that we have taken or applied for all the approvals required and if we have not taken any particular approval at all, the same may lead to penalties, both monetary and operational. Details of the approvals obtained by us or are under process of application or which are pending before the appropriate authorities are more particularly mentioned in the chapter titled “*Government and Other Key Approvals*” beginning on page no. 181 of this Draft Prospectus.

Further, some of our permits, licenses and approvals are subject to several conditions and we cannot provide any assurance that we will be able to continuously meet such conditions or be able to prove compliance with such conditions to the statutory authorities, which may lead to the cancellation, revocation or suspension of relevant permits, licenses or approvals. Any failure by us to apply in time, to renew, maintain or obtain the required permits, licenses or approvals, or the cancellation, suspension or revocation of any of the permits, licenses or approvals may result in the interruption of our operations and may have a material adverse effect on the business. For further details, please see chapters titled “*Key Regulations and Policies*” and “*Government and Other Key Approvals*” at page nos. 88 and 181 respectively of this Draft Prospectus.

**3. *Our business might suffer due to India and China trade tensions thus affecting our profitability.***

Our Company deals with Chinese companies for providing agency, liaising, marketing and branch support services to foreign companies for their Indian project execution. Further we have put up a manufacturing company, TG Advait India Private Limited through a joint venture with Jiangsu Tongguang Optical Fiber Cable Co. Ltd which is a Chinese company. In past, there have been instances of trade tension between India and China. Recently, to protect domestic players from cheap imports, India has imposed anti-dumping duty on 99 Chinese products as on January 28, 2019. Chinese products on which the duty was imposed include chemicals and petrochemicals, fibres and yarn, machinery items. The duty is aimed at ensuring fair trade practices and creating a level-playing field for domestic producers with regard to foreign producers and exporters. Countries carry out anti-dumping probe to determine whether their domestic industries have been hurt because of a surge in cheap imports.

Further, India has from time to time experienced instances of civil unrest and hostilities with China. Hostilities and tensions may occur in the future and on a wider scale and if it happens it will have a wide-ranging impact on India – China trade relations which will affect our business stability and profitability.

**4. *Our business may be hampered by Covid-19 adversely leading to reduction in our profitability.***

WHO (World Health Organization) has declared Covid-19 as a pandemic on March 11, 2020. Further, Government of India has declared a nationwide lockdown on March 24, 2020 and the same has been continued from time to time by the Government. Performance of all business depends upon the global economic conditions either directly or indirectly. Businesses have suffered due to the present situation prevailing in India and outside India due to pandemic disease of Covid-19 which impacted financial markets, financial stability and economic viability leading to decrease in gross domestic product, increases in unemployment and volatility in commodity prices. Any further extension in the lockdown may lead to adverse effects on our business and financial conditions of our Company. We cannot provide assurance of smooth functioning of business after the Lockdown.



**5. *Our revenues and profits are difficult to predict and can vary significantly from period to period, which may impact our ability to pay dividend as well as cause the price of our Equity Shares to fluctuate.***

Compared to a normal mass manufacturing / services / trading company, our business is not of continuous standardized revenue generating business. Our business is carried out on an order to order basis. Our revenue is dependent on factors such as orders in hand, changes in government policies and general market conditions. The combination of these factors may result in significant variations in revenues and profits and as a result period-to-period results may not be comparable and should not be relied upon as indicative of future performance. In past, our company had faced such revenue fluctuation e.g. in fiscal 2018, our revenue from operation was ₹. 4,342.49 lakhs and in fiscal 2019 it was reduced to ₹. 2,807.71 lakhs. Any significant shortfall in revenue from the production may have a material adverse effect on its business, operating results and financial condition.

Hence our result of operation may not be seamless / similar for different quarters or different operating periods. Our inability to complete orders in time or monitor our inventory assets could affect our results of operations and financial conditions.

**6. *Since our business is based on trust and identity and using the same for maintaining, acquiring and servicing our clients, it is very important for us to ensure confidentiality of our intellectual property rights. The trademark being used by us for our business are not registered and our inability to obtain this registration may adversely affect our competitive business position. We may be unable to protect them from being infringed by others, including our current and / or future competitors.***

Our trademarks and patents are our material assets and are crucial to our business operations. As on the date of

this Draft Prospectus, our corporate logo “  ” is not registered. In the absence of such protection, we may not be able to prevent infringement of our trademark and a passing off action may not provide sufficient protection until such time that this registration is granted. We may still continue to use the above mentioned logo but remain vulnerable to infringement and passing-off by third parties and will not be able to enforce any rights against them. We may also need to change our logo which may adversely affect our reputation, existing brand market and business and could require us to incur additional costs. If our unregistered trademark is registered in favour of a third party, we may not be able to claim registered ownership of the trademark and consequently, we may be unable to seek remedies for infringement of this trademark by third parties other than relief against passing off by other entities. Further, we may become subject to claims by third parties if we use the trademark in breach of any intellectual property rights registered by such third parties. Any legal proceedings pursuant to such claims, or settlements there under, may divert management attention and require us to pay financial compensation to such third parties. We have also not obtained any registrations for the designs developed by us in our research and design centre. Our inability to obtain or maintain these registrations may adversely affect our competitive business position.

**7. *Trade Receivables and Inventories form a substantial part of our current assets and net worth. Failure to manage our trade receivables could have an adverse effect on our net sales, profitability, cash flow and liquidity.***

Our business is working capital intensive and hence, Trade Receivables forms substantial part of our current assets and net worth. Our, Trade Receivables as on December 31, 2019, March 31, 2019 and March 31, 2018 were ₹ 1,304.06 lakhs, ₹ 1,024.81 lakhs and ₹ 1,165.20 lakhs respectively. The results of operations of our business are dependent on our ability to effectively manage our inventory (raw material and finished goods) and trade receivables.

We generally procure raw materials on the basis of management estimates based on past requirements and future estimates. To effectively manage our inventory, we must be able to accurately estimate customer demand and supply requirements and purchase new inventory accordingly. However, if our management misjudges expected customer demand, it could cause either a shortage of products or an accumulation of excess inventory. Further, if we fail to sell the finished inventory we manufacture, we may be required to write-down our inventory or pay our suppliers without new purchases, or create additional vendor financing, all of which could have an adverse impact on our income and cash flows.

To effectively manage our trade receivables, we must be able to accurately evaluate the credit worthiness of our customers and ensure that suitable terms and conditions are given to them in order to ensure our continued



relationship with them. However, if our management fails to accurately evaluate the credit worthiness of our customers, it may lead to bad debts, delays in recoveries and / or write-offs which could lead to a liquidity crunch, thereby adversely affecting our business and results of operations. A liquidity crunch may also result in increased working capital borrowings and, consequently, higher finance cost which will adversely impact our profitability.

**8. Our business will suffer if we fail to keep pace with rapid changes in technology and the industries on which we focus.**

The industry we cater is characterized by rapid technological changes, evolving industry standards, changing client preferences that could result in product obsolescence and short product life cycles. The electricity transmission and distribution industry is characterized by rapid technological changes, evolving industry standards, changing customer preferences that could result in short product life cycles. The success of our business depends on our ability to innovate and continuously provide services that address the varied and expanding requirements of our customers. Our future success will depend on our ability to enhance our existing offerings to meet customer needs, in each case, in a timely manner.

We may not be successful in anticipating or responding to our customers' requirements on a timely and cost efficient basis, or at all. We may also be unsuccessful in stimulating customer demand for new and upgraded products and services. Additionally, during the regular course of operating our business, we may adjust our future plans as a result of our research, experience, technology evolution and market demand. We cannot guarantee that any change in technology will become successful or be more successful than our current technology.

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

The following table illustrates the concentration of our revenues among our top ten customers on a standalone basis.

(₹ in lakhs)

Particulars	For the period ended December 31, 2019		FY 2018-19		FY 2017-18		FY 2016-17	
	Revenue	% of Total Revenue	Revenue	% of Total Revenue	Revenue	% of Total Revenue	Revenue	% of Total Revenue
Top 10 Customers	2,449.67	76.83%	2,658.78	93.22%	3,221.41	71.04%	2,057.75	69.44%

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

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

We may have to confront pressures in respect of pricing; product quality etc. from the clients and such pressures may put strain on our profit margins which may consequently affect the financial position of our Company. Competition emerges not only from the organized sector but also from the unorganized sector and from both small and big players. Our Competitiveness is also measured by the technology we adopt as the industry is rapidly growing in India. Our inability to compete with this intense competition; will have material adverse impact on our Company's financial position.



**11. Exchange rate fluctuations may adversely affect the Company's financial performance. Our Company is exposed to foreign exchange rate risks primarily in relation to the export and imports of products.**

Exports constitute about 10.62%, 10.58%, 4.37% and 13.06% of our 'Revenues from Operations' for the period ended December 31, 2019 and Financial year ended March 31, 2019, 2018 and 2017 respectively and imports constitute about 34.73%, 45.47%, 74.42% and 70.73% of our cost of material consumed for the period ended December 31, 2019 and Financial year ended March 31, 2019, 2018 and 2017 respectively. Our Company is exposed to foreign exchange rate risks primarily in relation to the import of traded products. Accordingly, adverse movements in foreign exchange rates may adversely impact our financial performance with respect to procurement costs and payables. Upward fluctuations in the prices may thereby affect our margins and profitability. While our Company has been making efforts to mitigate such risks, which we believe is adequate to protect our Company from such fluctuations, there can be no assurance that the risks arising out of the same can be fully mitigated.

**12. The prices we are able to obtain for our products that we trade depend largely on prevailing market prices.**

The price of the products traded by us has a significant impact on our profits. Some of our core products such as clamps, pulley, winch, Aerial roller, Optical Fiber Ground Wire (OPGW), Other transmission solutions such as insulators, high tension low set conductors, earthing materials etc have been subject to price fluctuations resulting from domestic and foreign trade policies, shifts in supply and demand and other factors beyond our control. As a result, any fluctuation in prices could have a material adverse effect on our Company and our results of operations.

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

As on date, we have not made any alternate arrangements for meeting our working capital requirements for the Objects of the Issue. We meet our working capital requirements through bank borrowing, our owned funds and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our capital requirements, which in turn will negatively affect our financial condition and results of operations. Further we have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this Issue or any shortfall in the Issue Proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details please refer "Objects of the Issue" on page no.58 of this Draft Prospectus.

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

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

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

**15. Improper handling of our products, or spoilage of and damage to our products, could damage our reputation and have an adverse effect on our business, results of operations and financial condition.**



Our traded products are subject to risks during their transport or storage. Any shortcoming in the transport or storage of our products due to negligence, human error or otherwise, may damage our products and result in noncompliance with applicable quality standards. Any allegation that our products do not match requisite quality standards could damage our reputation, adversely affect our sales and result in legal proceedings being initiated against us, irrespective of whether such allegations have any factual basis. We sell our products, directly to customers and if the products sold by those customers are found to be faulty on account of our products, our customers may return our goods, terminate their relationships with us and initiate legal proceedings against us. We cannot assure you that we will not be subject to such product liability claims in the future. Should any of our products be perceived or found to be faulty, we may be subject to regulatory action, product recalls and our reputation, business, results of operations and financial condition may be adversely affected. We may also be exposed to liability from consumers for defects in the quality of our products.

**16. Our Promoters play key role in our functioning and we heavily rely on their knowledge and experience in operating our business and therefore, it is critical for our business that our Promoters remain associated with us.**

Our success also depends upon the continued services of our promoters and our ability to attract, train and retain them. Our promoters Mr. Shalin Sheth and Mrs. Rejal Sheth have been in the business and industry for more than a decade. Our Promoters share various functional responsibilities amongst themselves for effective management and are well supported by qualified and experienced professionals at different levels with appropriate functional responsibilities.

Our Promoters, along with the key managerial personnel, have over the years built relations with clients, government agencies and other persons who are connected with us. The loss of their services could impair our ability to implement our strategy, and our business, financial condition, results of operations and prospects may be materially and adversely affected.

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

**17. We do not own Registered Office and Godown from which we carry out our business activities.**

A part of our Registered Office situated at A-801 to 803 Sankalp iconic, Opposite Vikram Nagar Iscon Temple Cross Road, S.G Highway Ahmedabad, Gujarat 380054.i.e. A-801 & A-802 have been obtained on a lease hold basis from our promoters Mr. Shalin R Sheth and Mrs.Rejal S Sheth and for remaining part i.e. A-803 our promoters have provided a No Objection Certificate dated August 01, 2019. Further, our Warehouse situated at Moraiyarsv no 441 paikhata no.1729 Paiki Khushal Ind Park Shed no. 49 & 54 Ta- Sanand has also been obtained on a lease hold basis from our promoters Mr. Shalin R Sheth and Mrs.Rejal S Sheth. Any discontinuance/expiration of agreement to use the office will lead us to relocate any other premises. Our inability to identify the new premises may adversely affect the operations, finances and profitability of our Company.

**18. Contingent liabilities could adversely affect our financial condition. Crystallization of any of these contingent liabilities may adversely affect our financial condition.**

As of December 31, 2019, our standalone contingent liabilities as indicated in our Restated Standalone Financial Statements were as follows:

(₹In Lakhs)

Particulars	As at December 31, 2019	As at March 31,		
		2019	2018	2017
Contingent Liabilities				
Related to Tax Authorities	38.69	4.02	-	-
Bank guarantee, Letter of Credit, Bills Discounted	1,082.74	466.68	251.04	-
Total	<b>1,121.43</b>	<b>470.70</b>	<b>251.04</b>	-



Any default in payment under such arrangement may have an adverse effect and may result into difficulty in arranging of funds for re-payment and may also adversely affect our operations and financials.

In the event that any of our contingent liabilities materialize, our business, financial condition and results of operations may be adversely affected. Furthermore, there can be no assurance that we will not incur similar or increased levels of contingent liabilities in the current fiscal year or in the future. For further information, please refer “Annexure XXII of Restated Standalone Financial Statements” under the section titled “Financial Statement” on page no. 115 of this Draft Prospectus

**19. *Our Company may have potential Conflicts of interest with our Joint Venture (Group company) as it has been authorized and engaged in similar line of business.***

Our Promoters have interest in joint venture that conduct businesses with operations that are similar to ours. For details please refer to the Chapter titled “Our Management” and “Our Promoters and Promoter Group” on page nos. 96 and 107 respectively of this Draft Prospectus. Further, our Company has not entered into any non compete agreement with our joint venture company and hence there can be no assurance of any conflict of interests which may arise in allocating or addressing business opportunities and strategies amongst our Company and our group company 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. Hence, conflict of interest may occur between our business and the businesses of our group company which could have an adverse effect on our business, financial condition, results of operations and prospects.

**20. *Our insurance coverage may not adequately protect us against all material hazards, which may adversely affect our business, results of operations and financial condition.***

Our business and assets could suffer damage from fire, natural calamities, misappropriation or other causes, resulting in losses, which may not be fully compensated by insurance. There can be no assurance that the terms of our insurance policies will be adequate to cover any damage or loss suffered by our Company or that such coverage will continue to be available on reasonable terms or will be available in sufficient amounts to cover one or more large claims, or that the insurer will not disclaim coverage as to any future claim.

Further, our Company is required to renew these insurance policies from time to time and in the event, we fail to renew the insurance policies within the time period prescribed in the respective insurance policies or not obtain at all, our Company may face significant uninsured losses. If our Company suffers a large uninsured loss or if any insured loss suffered, significantly exceeds our insurance coverage, our business, financial condition and results of operations may be adversely affected.

**21. *The independent directors of our company have not yet completed all the formalities as required by the Companies (Appointment and Qualification of Directors) Amendment Rules, 2020 as on the date of this Draft Prospectus.***

Section 149 of Companies Act has been recently amended which requires independent directors to carry out certain compliances including but not limited to apply online with the Indian Institute of Corporate Affairs and get their name included in the data bank and also to pass an online proficiency self-assessment test etc. However, this being a recent amendment, independent directors of our company have not completed these requirements and the same are being carried out by them. Our company has received a confirmation from such independent directors that they intend to complete the necessary formalities as soon as possible; however if the same are not completed properly our company may have to find alternative independent directors who have complied with such requirements and hence this may affect our operations to that extent

**22. *If we are unable to source business opportunities effectively, we may not achieve our financial objectives.***

Our ability to achieve our financial objectives will depend on our ability to identify, evaluate and accomplish business opportunities. To grow our business, we will need to hire, train, supervise and manage new employees and to implement systems capable of effectively accommodating our growth. However, we cannot assure you that any such employees will contribute to the success of our business or that we will implement such systems effectively. Our failure to source business opportunities effectively could have a material adverse effect on our business, financial condition and results of operations. It is also possible that the strategies used by us in the future may be different from those presently in use. No assurance can be given that our analyses of market and other data or the strategies we use or plans in future to use will be successful under various market conditions.



**23. *We have in the past entered into related party transactions and may continue to do so in the future, which may potentially involve conflicts of interest with the equity shareholders.***

We have entered into related party transactions with our Promoters, Promoter Group and Directors. While we believe that all such transactions have been conducted on the arms length basis, however it is difficult to ascertain whether more favorable terms would have been achieved had such transactions been entered with unrelated parties. Furthermore, it is likely that we may enter into related party transactions in the future. For details, please refer "Annexure XXIX of Restated Consolidated Financial Statements" and "Annexure XXVI of Restated Standalone Financial Statements" under section "Financial Statements" on page no. 115.

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

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

Competition for Key Managerial Personnel in our industry is intense and it is possible that our Company may not be able to retain existing Key Managerial Personnel or may fail to attract/ retain new employees at equivalent positions in the future. As such, loss of Key Managerial Personnel could adversely affect our business, results of operations and financial condition. For further details on the key managerial personnel of our Company, please refer to the chapter titled "Our Management" beginning on page no.96 of this Draft Prospectus.

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

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

**26. *Certain unsecured loans availed by us from our Promoter Directors and relative of Director may be recalled at any time. This may affect our business and financial conditions adversely.***

We have availed unsecured loans from our Promoter Directors, as on December 31, 2019, of ₹ 175.23 lakhs and which may be recalled at any time. Any such recall by the Promoter Directors would have an adverse impact on our cash flows as well as the finance available for the purposes of running our business. Further, such a recall could also result in a breach of the financial covenants undertaken by us while procuring secured loans from banks and financial institutions which require us to maintain these unsecured loans thereby, leading to a termination of one or more of our credit facilities, triggering cross default provisions, penalties and acceleration of amounts due under such facilities which may adversely affect our business, financial condition and results of operations. For further details, see "Financial Indebtedness" on page 172 of this Draft Prospectus.



**27. Our group company which is also our joint venture company has incurred losses in previous years.**

Out of the preceding 3 financial years, our group Company, TG Advait India Private Limited has incurred losses in 2 financial years. Our Company Holds 33.50% of the Share Capital of TG Advait India Private Limited.

(₹ in lakhs)

Name of Company	For the period ended December 31, 2019	For the year ended March 31,		
		2019	2018	2017
TG Advait India Private Limited	(703.94)	(203.97)	(21.70)	-

**28. Our Company if not able to manage our growth or to successfully implement our business plan could have an effect on our business, results of operations and financial condition.**

The success of our business will depend greatly on our ability to effectively implement our business and growth strategy. Our growth strategy involves focusing on Optimal Utilization of Resources and Increasing Operational efficiency. For further details, see the section titled “Our Business – Our Strategies” on page no.76 of this Draft Prospectus. Our success in implementing our growth strategies may be affected by:

- Our ability to identify new markets to expand;
- Our ability to maintain the quality of our products;
- Changes in the Indian regulatory environment in field

If our Company is not able to execute our strategy on time and within our estimated budget, or that our expansion and development plans will increase our profitability. Any of these factors could impact our results of operations. Further, we expect our growth strategy to place significant demands on our management, financial and other resources and require us to continue developing and improving our operational, financial and other internal controls. Our inability to manage our business and implement our growth strategy could have an effect on our business, financial condition and profitability.

**29. Our Promoter and Director have extended personal guarantees in connection with certain of our debt facilities. There can be no assurance that such personal guarantees will be continued to be provided by our Promoters in the future or can be called at any time, affecting the financial.**

Our Promoter and Director have provided personal guarantees for our borrowings to secure our loans. If any of these guarantees are revoked, our lenders may require alternative guarantees or collateral or cancellation of such facilities, entailing repayment of amounts outstanding under such facilities. If we are unable to procure alternative guarantees satisfactory to our lenders, we may need to seek alternative sources of capital, which may not be available to us at commercially reasonable terms or at all, or to agree to more onerous terms under our financing agreements, which may limit our operational flexibility. Accordingly, our business, financial condition, results of operations, cash flows and prospects may be adversely affected by the revocation of all or any of the personal guarantees provided by our Promoters in connection with our Company’s borrowings.

**30. Our Company does not have any similar and comparable listed peer which is involved in same line of business for comparison of performance and therefore, investors must rely on their own assessment of accounting ratios of our Company for the purposes of investment in the Issue.**

As on the date of this Draft Prospectus, there are no comparable listed companies that are similar in size and nature and are involved in the same segment of business, which are listed on the Indian stock exchanges and accordingly, we are not in a position to provide comparative analysis of our performance with any listed company. Therefore, investors must rely on their own assessment of accounting ratios of our Company for the purposes of investment in the Issue.



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

Our Promoter and Promoter Group may beneficially own approximately 73.51% of our post-Issue equity share capital. As a result, the Promoter Group may have the ability to control our business including matters relating to any sale of all or substantially all of our assets, the timing and distribution of dividends and the election or termination of appointment of our officers and directors. This control could delay, defer or prevent a change in control of the Company, impede a merger, consolidation, takeover or other business combination involving the Company, or discourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of the Company even if it is in the Company's best interest. In addition, for so long as the Promoter Group continues to exercise significant control over the Company, they may influence the material policies of the Company in a manner that could conflict with the interests of our other shareholders. The Promoter Group may have interests that are adverse to the interests of our other shareholders and may take positions with which our other shareholders do not agree.

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

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

**33. *If we fail to maintain an effective system of internal controls, we may not be able to successfully manage, or accurately report, our financial risks.***

Effective internal controls are necessary for us to prepare reliable financial reports and effectively avoid fraud. Moreover, any internal controls that we may implement, or our level of compliance with such controls, may deteriorate over time, due to evolving business conditions. There can be no assurance that deficiencies in our internal controls will not arise in the future, or that we will be able to implement, and continue to maintain, adequate measures to rectify or mitigate any such deficiencies in our internal controls. Any inability on our part to adequately detect, rectify or mitigate any such deficiencies in our internal controls may adversely impact our ability to accurately report, or successfully manage, our financial risks, and to avoid fraud.

**34. *We could become liable to customers, suffer adverse publicity and incur substantial costs as a result of defects in our existing or proposed products which in turn could adversely affect the value of our brand, and our sales could diminish if we are associated with negative publicity.***

While we consistently carry out tests to check the quality of our products before delivery and ensure that it meets the quality standards and customer requirements, we cannot assure that all our traded products would be of uniform quality, which in turn could adversely affect the value of our brand and reputation. Further, our business is dependent on the trust our customers have in the quality of our products. Although we attempt to maintain high quality standards, any defect in products could result in cancellation of orders or loss of customers for future orders thereby affecting our business, financial condition and results of operations.

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

Our Company intends to primarily use the Net Proceeds from the Issue towards working capital as described in "Objects of the Issue" on page no. 58 of this Draft Prospectus. In terms of Regulation 16 of the SEBI (ICDR) Regulations, we are not required to appoint a monitoring agency since the Issue size is not in excess of ₹ 100 crores. The management of our Company will have discretion to use the Net Proceeds from the Issue, and



investors will be relying on the judgment of our Company's management regarding the application of the Net Proceeds from the Issue. Our Company may have to revise its management estimates from time to time and consequently its requirements may change. Further, estimates of certain costs are based on quotations received from various vendors from time to time. However we have not entered into any definitive agreements with any of the above vendors and there can be no assurance that the same vendor would be engaged to eventually supply the above mentioned items at the same costs. We may have to revise our expenditure and funding requirements as a result of variations in costs, estimates, quotations or other external factors, which may not be within the control of our management. Additionally, various risks and uncertainties, including those set forth in this section "*Risk Factors*", may limit or delay our Company's efforts to use the Net Proceeds from the Issue to achieve profitable growth in its business.

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

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

**36. *Failure to manage our inventory could have an adverse effect on our net sales, profitability, cash flow and liquidity.***

The results of operations of our business are dependent on our ability to effectively manage our inventory. To effectively manage our inventory, we must be able to accurately estimate customer demand and supply requirement, expected orders accordingly. If our management has misjudged expected demand it could adversely impact the results by causing either a shortage of products or an accumulation of excess inventory.

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

The success of our business will depend greatly on our ability to effectively implement our business and growth strategies. We may not be able to execute our strategies in the future. Further, our growth strategies could place significant demand on our management team and other resources and would require us to continuously develop and improve our operational, financial and other controls, none of which can be assured. Any failure on our part to scale up our infrastructure and management could cause disruptions to our business and could be detrimental to our long term business outlook. Further, we operate in a highly dynamic industry, and on account of changes in market conditions, industry dynamics, technological improvements or changes and any other relevant factors, our growth strategy and plans may undergo changes or modifications, and such changes or modifications may be substantial, and may even include limiting or foregoing growth opportunities if the situation so demands. Our inability to implement our business strategies and sustain our growth may impair our financial growth and thus result in an adverse impact on our Company's share price.

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

The funds that we receive would be utilized for the Objects of the Issue as has been stated in the Chapter "*Objects of the Issue*" on page no.58 of the Draft Prospectus. The proposed schedule of implementation of the objects of the Issue is based on our management's estimates. If the schedule of implementation is delayed for any other reason whatsoever, including any delay in the completion of the Issue, we may have to revise our business, development and working capital plans resulting in unprecedented financial mismatch and this may adversely affect our revenues and results of operations.



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

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

**RISK FACTORS RELATED TO EQUITY SHARES**

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

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

**41. *The Equity Shares issued pursuant to the Issue may not be listed on the Stock Exchange(s) in a timely manner, or at all, and any trading closures at the Stock Exchange(s) may adversely affect the trading price of our Equity Shares.***

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

The regulation and monitoring of Indian securities markets and the activities of investors, brokers and other participants differ, in some cases significantly, from those in developed economies. The Stock Exchanges have in the past experienced problems, including temporary exchange closures, broker defaults, settlements delays and strikes by brokerage firm employees, which, if continuing or recurring, could affect the market price and liquidity of the securities of Indian companies, including the Equity Shares, in both domestic and international markets. A closure of, or trading stoppage on, either of the Stock Exchanges could adversely affect the trading price of the Equity Shares.



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

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

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

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

- Volatility in the Indian and other Global Securities Markets;
- The performance of the Indian and Global Economy;
- Risks relating to our business and industry, including those discussed in this Draft Prospectus;
- Strategic actions by us or our competitors;
- Investor perception of the investment opportunity associated with the Equity Shares and our future performance;
- Adverse media reports about us, our shareholders or Group Companies;
- Future sales of the Equity Shares;
- Variations in our half-yearly 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 Power (Transmission and Distribution) companies generally;
- Performance of our competitors in the Power (Transmission and Distribution) industry and the perception in the market about investments in the Trading sector;
- Significant developments in the regulation of the trading and distribution industry in our key trade 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.

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

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



Shares. As a result, shareholders' ability to sell the Equity Shares, or the price at which they can sell the Equity Shares, may be adversely affected at a particular point in time.

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

Under current Indian tax laws and regulations, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any gain realised on the sale of listed equity shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India, upto an amount of ₹ 1 lakh, if Securities Transaction Tax ("STT") has been paid on the transaction. STT will be levied on and collected by a domestic stock exchange on which the equity shares are sold. Any gain realised on the sale of equity shares held for more than 12 months to an Indian resident, which are sold other than on a recognised stock exchange and on which no STT has been paid, will be subject to long term capital gains tax in India. Further, any gain realised on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares. In addition, changes in the terms of tax treaties or in their interpretation, as a result of renegotiations or otherwise, may affect the tax treatment of capital gains arising from a sale of Equity Shares.

**46. *Our ability to pay dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements, capital expenditures and restrictive covenants in our financing arrangements.***

Our major product offering through trading vertical includes stringing tools -such as clamps, pulley, winch, Aerial roller , Optical Fiber Ground Wire (OPGW), Other transmission solutions such as insulators, high tension low set conductors, earthing materials etc. We also provide site installation of our products. Further, our Company is engaged in installation Of OPGW Cable

Our future ability to pay dividends will depend on the earnings, financial condition and capital requirements of our Company. Dividends distributed by us will attract dividend distribution tax at rates applicable from time to time. We cannot assure you that we will generate sufficient income to cover our operating expenses and pay dividends to our shareholders, or at all.

Our business is working capital intensive and we may plan to invest additional working capital expenditures to effect purchase of inventory or pay creditors. Our ability to pay dividends could also be restricted under certain financing arrangements that we may enter into. 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 for the products proposed to purchased, financial condition and results of operations.

## **EXTERNAL RISK FACTORS**

**47. *Any change in the government policies in India or that of any State in India vis-à-vis expenditure, subsidies and policies etc. in the electricity sector and also in various other rules in India could affect our ability to carry on our trade, thereby affecting our business and profitability.***

Any changes in government policies in India or that of any State in India, relating to electricity industry and also the distribution and trading industry such as reduction of government expenditure, withdrawal or changes in incentives and subsidy systems, or adverse changes in overall prices and / or minimum support prices could have an adverse effect on the ability of various traders and stockists to spend on a large variety of traded products.

Our ability to exploit the prices for different products used in a varied industry segments may be restricted by the various government policies and restrictions and our profits may be affected accordingly. End users of our various products may seek to find ways to reduce or contain related costs. We cannot predict the nature of the measures that may be adopted by governments or private organisations or their impact on our revenues. In the event such measures result in increased costs for our suppliers to undertake the trading activity, their concentration in this area may reduce which could affect our supply chain and our overall revenues may decrease and our cash flows and profits could be adversely affected even in cases where the demand for our products increases.



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

A majority of the provisions and rules under the Companies Act, 2013 have recently been notified and have come into effect from the date of their respective notification, resulting in the corresponding provisions of the Companies Act, 1956 ceasing to have effect. The Companies Act, 2013, and amendments there to, has brought into effect significant changes to the Indian company law framework, such as in the provisions related to issue of capital, disclosures in prospectus, corporate governance norms, audit matters, related party transactions, introduction of a provision allowing the initiation of class action suits in India against companies by shareholders or depositors, a restriction on investment by an Indian company through more than two layers of subsidiary investment companies (subject to certain permitted exceptions), prohibitions on loans to directors and insider trading and restrictions on directors and key managerial personnel from engaging in forward dealing. Further, companies meeting certain financial thresholds are also required to constitute a committee of the board of directors for corporate social responsibility activities and ensure that at least 2% of the average net profits of the company during three immediately preceding financial years are utilized for corporate social responsibility activities. Penalties for instances of non-compliance have been prescribed under the Companies Act, 2013, which may result in inter alia, our Company, Directors and key managerial employees being subject to such penalties and formal actions as prescribed under the Companies Act, 2013, should we not be able to comply with the provisions of the New Companies Act within the prescribed timelines, and this could also affect our reputation.

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

The Companies Act, 2013 introduced certain additional requirements which do not have corresponding equivalents under the Companies Act, 1956. Accordingly, we may face challenges in interpreting and complying with such provisions due to limited jurisprudence on them. In the event, our interpretation of such provisions of the Companies Act, 2013 differs from, or contradicts with, any judicial pronouncements or clarifications issued by the Government in the future, we may face regulatory actions or we may be required to undertake remedial steps. Additionally, some of the provisions of the Companies Act, 2013 overlap with other existing laws and regulations (such as the corporate governance norms and insider trading regulations). We may face difficulties in complying with any such overlapping requirements. Any increase in our compliance requirements or in our compliance costs may have an adverse effect on our business and results of operations.

**49. *Environmental and safety regulations impose additional costs and may affect our Company's results of operations.***

Our Suppliers are subject to various central, state and local environmental and safety laws, concerning issues such as harm caused by air or waste water emission and the investigation and contamination. While we believe that our suppliers are currently in compliance with all material respects with applicable environmental laws and regulations, additional costs and liabilities related to compliance with these laws and regulations are an inherent part of their business. Further, while they currently intend to continue to comply with applicable environmental legislation and regulatory requirements, any changes in the applicable laws and regulations in the future may create substantial environmental compliance or remediation liabilities and costs, including monetary fines, criminal penalties on our Suppliers for violation of applicable laws, or imposition of restrictions on our Suppliers operations (which may include temporary suspension or closure of its operations). This may also increase our Company's cost and affect our revenues in the future.

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

Our business and financial performance could be adversely affected by unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations applicable to us and our business. Please refer to "Key Industry Regulations and Policies" on page no. 88 of this Draft Prospectus for details of the laws currently applicable to us. There can be no assurance that the Government of India may not implement new regulations and policies which will require us to obtain approvals and licenses from the Government of India and other regulatory bodies or impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the applicability, interpretation and implementation of any amendment to, or change to governing laws, regulation or policy in the jurisdictions in which we operate may have a material



adverse effect on our business, financial condition and results of operations. In addition, we may have to incur expenditures to comply with the requirements of any new regulations, which may also materially harm our results of operations. Any unfavourable changes to the laws and regulations applicable to us could also subject us to additional liabilities.

GST has been implemented with effect from July 1, 2017 and has replaced the indirect taxes on goods and services such as central excise duty, service tax, central sales tax, state VAT and surcharge currently being collected by the central and state governments. The GST is expected to increase tax incidence and administrative compliance. Given the limited availability of information in the public domain concerning the GST, we are unable to provide any assurance as to the tax regime following implementation of the GST. The implementation of this new structure may be affected by any disagreement between certain state Governments, which could create uncertainty. Any future amendments may affect our overall tax efficiency, and may result in significant additional taxes becoming payable.

Further, the general anti avoidance rules (“GAAR”) provisions have been made effective from assessment year 2018-19 onwards, i.e.; financial Year 2017-18 onwards and the same may get triggered once transactions are undertaken to avoid tax. The consequences of the GAAR provisions being applied to an arrangement could result in denial of tax benefit amongst other consequences.

In the absence of any precedents on the subject, the application of these provisions is uncertain. The application of various Indian tax laws, rules and regulations to our business, currently or in the future, is subject to interpretation by the applicable taxation authorities. If such tax laws, rules and regulations are amended, new adverse laws, rules or regulations are adopted or current laws are interpreted adversely to our interests, the results could increase our tax payments (prospectively or retrospectively) and/or subject us to penalties. Further, changes in capital gains tax or tax on capital market transactions or sale of shares could affect investor returns. As a result, any such changes or interpretations could have an adverse effect on our business and financial performance.

***51. Political instability or a change in economic liberalization and deregulation policies could seriously harm business and economic conditions in India generally and our business in particular.***

The Government of India has traditionally exercised and continues to exercise influence over many aspects of the economy. Our business and the market price and liquidity of our Equity Shares may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. The rate of economic liberalization could change, and specific laws and policies affecting the information technology sector, foreign investment and other matters affecting investment in our securities could change as well. Any significant change in such liberalization and deregulation policies could adversely affect business and economic conditions in India, generally, and our business, prospects, financial condition and results of operations, in particular.

***52. We cannot guarantee the accuracy or completeness of facts and other statistics with respect to India, the Indian economy and trading industry contained in the Draft Prospectus.***

While facts and other statistics in this Draft Prospectus relating to India, the Indian economy and the Power (Transmission and Distribution) industry, including its trading and distribution, has been based on various publications and reports from agencies that we believe are reliable, we cannot guarantee the quality or reliability of such materials. While we have taken reasonable care in the reproduction of such information, industry facts and other statistics have not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore we make no representation as to their accuracy or completeness. These facts and other statistics include the facts and statistics included in the chapter titled ‘*Industry Overview*’ beginning on page no. 68 of this Draft Prospectus. Due to possibly flawed or ineffective data or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and we have placed our reliance on the such publically available data.

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

Certain events that are beyond our control such as earthquake, fire, floods and similar natural calamities in India or any region of our trade may cause interruption in the business undertaken by us. Our operations and financial



results and the market price and liquidity of our equity shares may be affected by changes in Indian Government policy or taxation or social, ethnic, political, economic or other adverse developments in or affecting India.

**54. *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 in any region of our trade 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, Africa and Middle East are regions that have 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 any such region could have a negative impact on the value of business and eventually 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.

**55. *Significant differences exist between Indian GAAP and other accounting principles, such as US GAAP and IFRS, which may be material to investors' assessments of our Company's financial condition. Our failure to successfully adopt IFRS may have an adverse effect on the price of our Equity Shares. The proposed adoption of IFRS could result in our financial condition and results of operations appearing materially different than under Indian GAAP.***

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

India has decided to adopt the "Convergence of its existing standards with IFRS" and not the "International Financial Reporting Standards" ("IFRS"), which was announced by the MCA, through the press note dated January 22, 2010. These "IFRS based / synchronized Accounting Standards" are referred to in India as IND (AS). Public companies in India, including our Company, may be required to prepare annual and interim financial statements under IND (AS). The MCA, through a press release dated February 25, 2011, announced that it will implement the converged accounting standards in a phased manner after various issues, including tax related issues, are resolved. Further, MCA Notification dated February 16, 2015, has provided an exemption to the Companies proposing to list their shares on the SME Exchange as per Chapter IX of the SEBI ICDR Regulations and hence the adoption of IND (AS) by a SME exchange listed company is voluntary. Accordingly, we have made no attempt to quantify or identify the impact of the differences between Indian GAAP and IFRS or to quantify the impact of the difference between Indian GAAP and IFRS as applied to its financial statements. There can be no assurance that the adoption of IND-AS will not affect our reported results of operations or financial condition. Any failure to successfully adopt IND-AS may have an adverse effect on the trading price of our Equity Shares. Currently, it is not possible to quantify whether our financial results will vary significantly due to the convergence to IND (AS), given that the accounting principles laid down in the IND (AS) are to be applied to transactions and balances carried in books of accounts as on the date of the applicability of the converged standards (i.e., IND (AS)) and for future periods.

Moreover, if we volunteer for transition to IND (AS) reporting, the same may be hampered by increasing competition and increased costs for the relatively small number of IND (AS)-experienced accounting personnel available as more Indian companies begin to prepare IND (AS) financial statements. Any of these factors relating to the use of converged Indian Accounting Standards may adversely affect our financial condition.



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

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

**57. 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.



## SECTION IV – INTRODUCTION

### THE ISSUE

#### PRESENT ISSUE IN TERMS OF THIS DRAFT PROSPECTUS

<b>Equity Shares<sup>(1)</sup> :</b> Present Issue of Equity Shares by our Company <sup>(2)</sup>	Upto 13,50,000 Equity Shares of ₹ 10 each for cash at a price of ₹ [●] per share aggregating ₹ [●] lakhs	
<b>Of which:</b>		
<b>Issue Reserved for the Market Maker</b>	Upto 68,000 Equity Shares of ₹10 each for cash at a price of ₹ [●] per share aggregating ₹ [●] lakhs	
<b>Net Issue to the Public</b>	Upto 12,82,000 Equity Shares of ₹ 10 each for cash at a price of ₹ [●] per share aggregating ₹ [●] lakhs	
	<b>Of Which<sup>(3)</sup>:</b>	
	Upto 6,41,000 Equity Shares of ₹ 10 each at a price of ₹ [●] per Equity Share will be available for allocation for Investors of up to ₹ 2.00 lakhs	
	Upto 6,41,000 Equity Shares of ₹ 10 each at a price of ₹ [●] per Equity Share will be available for allocation for Investors of above ₹ 2.00 lakhs	
<b>Equity Shares outstanding prior to the Issue</b>	37,50,000 Equity Shares	
<b>Equity Shares outstanding after the Issue</b>	Upto 51,00,000 Equity Shares	
<b>Objects of the Issue</b>	Please see the chapter titled “ <i>Objects of the Issue</i> ” beginning on page no. 58 of this Draft Prospectus	

<sup>(1)</sup> This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. For further details, please see the section titled “Issue Related Information” beginning on page no. 190 of this Draft Prospectus.

<sup>(2)</sup> The present Issue has been authorized pursuant to a resolution of our Board dated December 05, 2019 and by Special Resolution passed under Section 62(1)(C) of the Companies Act, 2013 at an Extra-Ordinary General Meeting of our shareholders held with a shorter notice on December 10, 2019.

<sup>(3)</sup> The allocation’ is the net issue to the public category shall be made as per the requirements of Regulation 253(2) of SEBI (ICDR) Regulations, as amended from time to time:

a) Minimum fifty percent to retail individual investors; and

b) Remaining to

(i) Individual applicants other than retail individual investors; and

(ii) Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;

The unsubscribed portion in either of the categories specified in clauses (a) or (b) above may be allocated to the applicants in the other category.

If the retail individual investor category is entitled to more than fifty per cent on proportionate basis, accordingly the retail individual investors shall be allocated that higher percentage.

For further details please refer to the chapter titled “Issue Structure” beginning on page no. 195 of this Draft Prospectus.



**SUMMARY OF FINANCIAL INFORMATION**

**RESTATED CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES**

*(₹ in lakhs)*

Particulars	As at Dec 31, 2019	As at March 31,		
		2019	2018	2017
<b>EQUITY AND LIABILITIES</b>				
<b>1.Shareholder's fund</b>				
a) Equity Share Capital	375.00	375.00	1.00	1.00
b)Reserves and surplus	1,642.28	1,511.61	1,634.18	1,004.43
<b>Total Shareholders Fund (1)</b>	<b>2,017.28</b>	<b>1,886.61</b>	<b>1,635.18</b>	<b>1,005.43</b>
<b>2.Non-current liabilities</b>				
a) Long Term Borrowings	714.98	589.64	67.02	44.85
b) Long term provisions	35.76	357.05	352.77	348.93
c) Deferred Tax Liabilities (net)	76.69	30.74	2.16	2.73
<b>Total (2)</b>	<b>827.43</b>	<b>977.42</b>	<b>421.95</b>	<b>396.50</b>
<b>3.Current liabilities</b>				
a) Short term Borrowings	87.64			
b) Trade payables	1,871.22	1,538.15	1185.88	717.96
c) Short-term provisions	1.02	0.89	31.14	113.61
d) Other Current Liabilities	332.75	37.39	45.43	36.16
<b>Total (3)</b>	<b>2,294.64</b>	<b>1576.44</b>	<b>1,262.45</b>	<b>867.74</b>
<b>TOTAL (1+2+3)</b>	<b>5,137.35</b>	<b>4440.47</b>	<b>3,319.59</b>	<b>2,269.68</b>
<b>ASSETS</b>				
<b>1.Non - Current Assets</b>				
a) Property, Plant & Equipment				
i.) Tangible assets	1,725.91	1800.34	384.47	321.22
ii) Intangible assets	9.62	9.62	5.41	-
iii) Capital Work in Progress	-	-	18.55	3.86
b) Non-Current Investment	96.89	79.59	519.33	112.36
c) Non-Current assets	8.81	8.42	0.73	-
<b>Total (1)</b>	<b>1,841.24</b>	<b>1897.97</b>	<b>928.49</b>	<b>437.44</b>
<b>2.Current Assets</b>				
a) Inventories	463.24	140.11	55.32	49.96
b) Trade Receivables	1,323.37	1,094.43	1,165.20	815.46
c) Cash and Cash equivalents	1,131.46	656.63	668.67	635.83
d) Short-term loans and advances	240.03	651.32	501.91	330.98
e) Other Current assets	138.02	-	-	-
<b>Total (2)</b>	<b>3,296.12</b>	<b>2542.50</b>	<b>2,391.11</b>	<b>1,832.24</b>
<b>TOTAL(1+2)</b>	<b>5,137.35</b>	<b>4440.47</b>	<b>3,319.59</b>	<b>2,269.68</b>



**RESTATED CONSOLIDATED STATEMENT OF PROFIT AND LOSS ACCOUNT**

(₹.in lakhs)

Particulars	For the period ended Dec 31, 2019	For the year ended March 31,		
		2019	2018	2017
<b>INCOME:</b>				
Revenue from Operations	3,279.70	2,804.12	4,342.49	2,873.83
Other Income	104.22	48.26	192.96	89.68
<b>Total income</b>	<b>3,383.92</b>	<b>2,852.38</b>	<b>4,535.45</b>	<b>2,963.51</b>
<b>EXPENSES:</b>				
Cost Of Material Consumed/ Traded	2,432.39	1,862.38	2,821.25	1,476.82
Direct Expenses		-	-	-
Changes in Inventories	(323.13)	(84.79)	(5.36)	74.70
Employee Benefit Expenses	166.77	149.16	133.13	114.84
Depreciation & Amortization cost	155.51	37.93	18.70	12.05
Finance Cost	68.19	2.94	28.31	18.17
Other Expenses	571.06	490.35	690.60	616.97
<b>Total expenses</b>	<b>3,070.79</b>	<b>2,457.98</b>	<b>3,686.63</b>	<b>2,313.55</b>
<b>Net Profit / ( Loss ) for the period before extra- ordinary items and tax</b>	<b>313.13</b>	<b>394.41</b>	<b>848.82</b>	<b>649.96</b>
Extraordinary Items	37.43	-	-	-
<b>Net Profit / ( Loss ) for the period before tax</b>	<b>350.57</b>	<b>394.41</b>	<b>848.82</b>	<b>649.96</b>
<b>Less: Tax expense</b>				
Provision for income tax	173.95	116.81	225.05	217.82
Provision for deferred tax asset	45.95	28.58	(0.56)	5.62
<b>Total</b>	<b>219.90</b>	<b>145.39</b>	<b>224.48</b>	<b>223.43</b>
<b>Net Profit / (Loss) after Tax</b>	<b>130.67</b>	<b>249.02</b>	<b>624.34</b>	<b>426.53</b>



## RESTATED CONSOLIDATED CASH FLOW STATEMENT

(₹.in lakhs)

Particulars	For the period ended Dec 31, 2019	For the year ended March 31,		
		2019	2018	2017
<b>Cash Flow From Operating Activities</b>				
<b>Net Profit Before Tax</b>	<b>350.57</b>	<b>394.41</b>	<b>848.82</b>	<b>649.96</b>
Adjustments for :				
Depreciation/Amortisation	155.51	37.93	18.70	12.05
Adjustment pursuant to restatement of Gratuity		-	-	-
Interest Received		-	-	-
Dividend Income		(10.81)	(18.44)	(0.42)
Profit on Sale of Investment		(2.16)	(27.40)	(11.69)
Profit on sale of fixed asset		(3.73)	-	-
Interest Income	(25.43)	(30.31)	(35.05)	(36.33)
Interest Expenses	68.19	2.94	28.31	18.17
Gratuity		-	-	(20.08)
Interest Paid		-	-	-
<b>Operating Profit Before Working Capital Adjustments</b>	<b>548.84</b>	<b>388.26</b>	<b>814.94</b>	<b>611.39</b>
<b>Adjustment for Changes in Working Capital</b>				
Increase / decrease in trade receivables	(351.88)	70.78	(349.75)	(597.79)
Increase / decrease in inventories	(323.13)	(84.79)	(5.36)	74.40
Increase / decrease in short term loans and advances	194.79	(69.38)	(169.74)	50.48
Increase / decrease in other current assets	(72.79)	(63.61)	(1.24)	-
Increase / decrease in other non-current assets	(0.39)	(7.48)	(0.73)	-
Increase / decrease in trade payables	456.00	351.47	467.91	349.65
Increase / decrease in other current liabilities	250.14	(8.18)	9.28	(50.66)
Increase / decrease in short term provisions	0.13	0.12	0.12	106.48
Increase / decrease in long term provisions	(321.29)	4.28	3.84	23.13
<b>Cash Flow Generated from Operations</b>	<b>380.41</b>	<b>581.26</b>	<b>769.26</b>	<b>567.36</b>
Direct Tax Paid	(48.11)	(178.77)	(307.63)	(217.82)
<b>Net Cash flow from Operating activities (A)</b>	<b>322.29</b>	<b>402.48</b>	<b>461.63</b>	<b>349.55</b>
<b>Cash Flow From Investing Activities</b>				
Purchase of Fixed Assets	(81.07)	(1363.79)	(96.63)	(295.61)
Sale of Fixed Assets		8.67	-	-
Non-Current Investments	(17.30)	(27.28)	(760.77)	143.69
Interest Income	25.43	30.31	35.05	36.33
Dividend Income		10.81	18.44	0.42
<b>Net Cash Flow from Investing Activities (B)</b>	<b>(72.94)</b>	<b>(1341.28)</b>	<b>(803.91)</b>	<b>(115.18)</b>
<b>Cash flow from financing activities</b>				
Payment of interest	(68.19)	(2.94)	(28.31)	(18.17)
Payment of Dividend with dividend distribution tax		(0.18)	-	-
Proceed from long term / short term borrowings	283.67	586.98	22.17	41.51
Issue of Share		292.51	381.27	230.96
<b>Net Cash Flow from Financing Activities (C)</b>	<b>215.48</b>	<b>876.37</b>	<b>375.13</b>	<b>254.30</b>
<b>Net Increase/ ( Decrease) in Cash and Cash Equivalents ( A + B + C)</b>	<b>474.84</b>	<b>(62.41)</b>	<b>32.84</b>	<b>488.67</b>
<b>Cash &amp; Cash equivalent at the beginning of the year</b>	<b>656.63</b>	<b>668.67</b>	<b>635.83</b>	<b>147.16</b>
<b>Change Due to Increase in Shareholding</b>		<b>50.37</b>	-	-
<b>Cash &amp; Cash Equivalent at the end of the year</b>	<b>1,131.47</b>	<b>656.63</b>	<b>668.67</b>	<b>635.83</b>
Cash & cash equivalents comprises of :				



Particulars	For the period ended Dec 31, 2019	For the year ended March 31,		
		2019	2018	2017
Cash in hand	6.88	4.90	2.59	0.39
Balance with bank	395.99	242.54	198.37	43.32
Deposits with maturity more than 12 months	728.61	409.19	467.71	592.13
<b>Closing balance of cash &amp; cash equivalents</b>	<b>1,131.47</b>	<b>656.63</b>	<b>668.67</b>	<b>635.83</b>


**RESTATED STANDALONE STATEMENT OF ASSETS AND LIABILITIES**

(₹.in lakhs)

Particulars	As at December 31, 2019	As at March 31,		
		2019	2018	2017
<b>EQUITY AND LIABILITIES</b>				
1.Shareholder's fund				
a) Equity Share Capital	375.00	375.00	1.00	1.00
b) Reserves and surplus	2,005.47	1,583.66	1,634.42	1,004.43
<b>Total Shareholders Fund (1)</b>	<b>2,380.47</b>	<b>1,958.66</b>	<b>1,635.42</b>	<b>1,005.43</b>
2.Non-current liabilities				
a) Long Term Borrowings	212.05	86.74	67.02	44.81
b) Long term provisions	35.76	357.05	352.77	348.93
c) Deferred Tax Liabilities (net)		-	2.14	2.73
<b>Total (2)</b>	<b>247.81</b>	<b>443.79</b>	<b>421.93</b>	<b>396.47</b>
3.Current liabilities				
a) Trade payables	1,351.42	1,234.64	1,182.38	717.87
b) Short-term provisions	1.02	0.89	31.14	113.61
c) Other Current Liabilities	251.25	36.01	44.96	36.16
Total (3)	<b>1,603.68</b>	<b>1,271.55</b>	<b>1,258.48</b>	<b>867.64</b>
<b>TOTAL (1+2+3)</b>	<b>4,231.96</b>	<b>3,674.00</b>	<b>3,315.83</b>	<b>2,269.54</b>
<b>ASSETS</b>				
1.Non - Current Assets				
a) Property, Plant & Equipments				
i.) Tangible assets	154.08	165.56	138.10	115.55
ii) Intangible assets	-	-	-	-
b) Non Current Investment	1,178.24	1,160.94	1,131.50	343.32
c) Deferred tax assets (Net)	20.11	15.95	-	-
<b>Total (1)</b>	<b>1,352.42</b>	<b>1,342.44</b>	<b>1,269.60</b>	<b>458.87</b>
2.Current Assets				
a) Inventories	175.09	69.08	55.32	49.96
b) Trade Receivables	1,304.06	1,024.81	1,165.20	815.45
c) Cash and Cash equivalents	1,071.93	590.22	494.07	614.28
d) Short-term loans and advances	328.46	647.46	331.65	330.98
<b>Total (2)</b>	<b>2,879.54</b>	<b>2,331.56</b>	<b>2,046.23</b>	<b>1,810.67</b>
<b>TOTAL(1+2)</b>	<b>4,231.96</b>	<b>3,674.00</b>	<b>3,315.83</b>	<b>2,269.54</b>



**RESTATED STANDALONE STATEMENT OF PROFIT AND LOSS ACCOUNT**

(₹. In lakhs)

Particulars	For the period ended December 31, 2019	For the year ended March 31,		
		2019	2018	2017
<b>INCOME:</b>				
Revenue from Operations	3,084.09	2,807.71	4,342.49	2,873.83
Other Income	1,04.19	44.45	192.21	89.68
<b>Total income</b>	<b>3,188.28</b>	<b>2,852.16</b>	<b>4,534.71</b>	<b>2,963.51</b>
<b>EXPENSES:</b>				
Cost Of Material Consumed/ Traded	2,054.56	1,794.74	2,821.25	1,476.82
Direct Expenses		-	-	-
Changes in Inventories	(106.01)	(13.76)	(5.36)	74.70
Employee Benefit Expenses	149.43	146.96	131.77	114.84
Depreciation	23.63	25.16	18.54	12.05
Financial Cost	10.74	2.84	28.18	18.17
Other Expenses	501.76	474.08	685.88	616.97
<b>Total expenses</b>	<b>2,634.11</b>	<b>2,430.01</b>	<b>3,680.26</b>	<b>2,313.55</b>
<b>Profit before extraordinary items and tax</b>	<b>554.16</b>	<b>422.15</b>	<b>854.45</b>	<b>649.96</b>
Extraordinary items	37.43			
<b>Net Profit / (Loss) before Tax</b>	<b>591.60</b>	<b>422.15</b>	<b>854.45</b>	<b>649.96</b>
<b>Less: Tax expense</b>				
Provision for income tax	173.95	116.81	225.04	217.81
Provision for deferred tax asset	(4.16)	(18.09)	(0.58)	5.62
Total	169.79	98.72	224.46	223.43
<b>Net Profit / ( Loss ) for the period</b>	<b>421.81</b>	<b>323.42</b>	<b>629.98</b>	<b>426.53</b>



**RESTATED STANDALONE CASH FLOW STATEMENT,**

(₹ in lakhs)

Particulars	For the period ended December 31, 2019	For the year ended March 31,		
		2019	2018	2017
<b>Cash Flow From Operating Activities</b>				
<b>Net Profit Before Tax</b>	<b>591.60</b>	<b>422.15</b>	<b>854.45</b>	<b>649.96</b>
Adjustments for :				
Depreciation/Amortisation	23.63	25.16	18.54	12.05
Adjustment pursuant to restatement of Gratuity		-	-	(20.66)
Interest Received	(25.41)	(26.84)	(34.30)	(36.33)
Dividend Income	(0.23)	(10.81)	(18.44)	(0.42)
Profit on Sale of Investment	-	(2.16)	(27.40)	(11.69)
Profit on sale of fixed asset	-	(3.73)	-	-
Interest Paid	10.74	2.84	28.18	18.17
<b>Operating Profit Before Working Capital Adjustments</b>	<b>600.32</b>	<b>406.60</b>	<b>821.03</b>	<b>611.08</b>
Adjustment for Changes in Working Capital				
Trade Receivables	(279.25)	140.39	(349.75)	(597.77)
Inventories	(106.01)	(13.76)	(5.36)	74.70
Short Term Loans and Advances	320.33	(284.22)	(0.67)	50.48
Trade Payables	116.77	52.26	464.51	349.55
Other Current Liabilities	215.24	(8.95)	8.80	(50.66)
Short term provisions	0.13	0.12	0.11	106.48
Long term provisions	(321.29)	4.28	3.84	23.43
<b>Cash Flow Generated from Operations</b>	<b>546.23</b>	<b>296.73</b>	<b>942.51</b>	<b>567.29</b>
Direct Tax Paid	(175.28)	(178.77)	(307.63)	(217.82)
<b>Net Cash flow from Operating activities (A)</b>	<b>370.95</b>	<b>117.96</b>	<b>634.89</b>	<b>349.47</b>
<b>Cash Flow From Investing Activities</b>				
Purchase of Fixed Assets	(12.15)	(57.55)	(41.09)	(86.09)
Sale of Fixed Assets	-	8.67	-	-
Non-Current Investments	(17.30)	(27.28)	(760.77)	143.69
Interest Received	25.41	26.84	34.30	36.33
Dividend Income	0.23	10.81	18.44	0.42
<b>Net Cash Flow from Investing Activities (B)</b>	<b>(3.80)</b>	<b>(38.51)</b>	<b>(749.12)</b>	<b>94.35</b>
<b>Cash Flow From Financing Activities</b>				
Increase / (Decrease) in Long Term /short term Borrowing	125.30	19.73	22.21	41.47
Interest Paid	(10.74)	(2.84)	(28.18)	(18.17)
Payment of Dividend with Dividend Distribution Tax	-	(0.18)	-	-
<b>Net Cash Flow from Financing Activities (C)</b>	<b>114.57</b>	<b>16.70</b>	<b>(5.97)</b>	<b>23.30</b>
<b>Net Increase/ ( Decrease) in Cash and Cash Equivalents ( A + B + C)</b>	<b>481.71</b>	<b>96.15</b>	<b>(120.21)</b>	<b>467.12</b>
<b>Cash &amp; Cash equivalent at the beginning of the year</b>	<b>590.22</b>	<b>494.07</b>	<b>614.28</b>	<b>147.16</b>
<b>Cash &amp; Cash Equivalent at the end of the year</b>	<b>1,071.93</b>	<b>590.21</b>	<b>494.07</b>	<b>614.28</b>
Cash & cash equivalents comprises of :				
Cash in hand	6.82	4.78	2.55	0.39
Balance with bank	394.78	227.00	26.19	39.97
Deposits with maturity more than 12 months	670.34	358.43	465.33	573.93
Closing balance of cash & cash equivalents	1071.93	590.22	494.07	614.28



## GENERAL INFORMATION

Our Company was incorporated as Advait Infratech Private Limited on March 15, 2010 under Companies Act, 1956 with Registrar of Companies, Ahmedabad. Pursuant to a resolution of the Board of Directors dated October 14, 2019 and Shareholders of the Company dated October 21, 2019, the status of our Company was changed to public limited company and the name was changed to Advait Infratech Limited. A fresh certificate of incorporation consequent upon conversion was granted to our Company on November 29, 2019 by the Registrar of Companies, Ahmedabad.

The Corporate Identity Number of our Company is U45201GJ2010PLC059878.

For further details, please refer to the chapter titled “*History and Certain Corporate Matters*” beginning on page no. 92 of this Draft Prospectus.

## BRIEF COMPANY AND ISSUE INFORMATION

<b>Registered Office</b>	<b>Address:</b> A-801 To 803 Sankalp Iconic, Opp. Vikram Nagar, Iscon Temple Cross Road, S.G Highway Ahmedabad. 380054. <b>Tel No:</b> +91-79-48956677 <b>Email:</b> dipesh@advaitinfra.com <b>Website:</b> <a href="http://www.advaitinfra.com">www.advaitinfra.com</a>
<b>Date of Incorporation</b>	March 15, 2010
<b>Company Registration No.</b>	059878
<b>Company Identification No.</b>	U45201GJ2010PLC059878
<b>Address of Registrar of Companies</b>	<b>Address:</b> ROC Bhavan, Opp. Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad - 380013 <b>Tel:</b> +91 07927438531 <b>Fax:</b> +91 07927438371
<b>Issue Programme</b>	Issue Opens on: [●] Issue Closes on: [●]
<b>Designated Stock Exchange</b>	BSE Limited SME Platform of BSE Limited (“BSE SME”)
<b>Company Secretary &amp; Compliance Officer</b>	<b>Mr. Dipesh Panchal</b> <b>Address:</b> A-801 To 803 Sankalp Iconic, Opp. Vikram Nagar, Iscon Temple Cross Road, S.G Highway Ahmedabad 380054. <b>Tel No:</b> +91-79-48956677 <b>Email:</b> dipesh@advaitinfra.com <b>Website:</b> <a href="http://www.advaitinfra.com">www.advaitinfra.com</a>

## BOARD OF DIRECTORS OF OUR COMPANY

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

Name	Designation	Address	DIN
Mr Shalin Sheth	Managing Director	A/9/203 LA Habitat Thaltej, Hebatpur Road, Ahmedabad-380060	02911544
Mrs Rejal Sheth	Whole-Time Director & CFO	A/9/203 LA Habitat Thaltej, Hebatpur Road, Ahmedabad-380060	02911576
Mr. Dinesh Patel	Non Executive Independent Director	802, Sector 8, Opp St. Xaviers Church, Gandhinagar-382 008, Gujarat	03443006
Mr Bajrangprasad Maheshwari	Non Executive Independent Director	B-5-204, La-Habitat, Opp. Ayna Complex, Habatpur Road, Thaltej, Ahmedabad – 380 059.	06571660
Mrs. Rashmi Shah	Non Executive Independent Director	B3, Ground Floor, Skylark Apartment, Satellite Road, Ahmedabad, Gujrat – 380015	08555499

For further details pertaining to the educational qualification and experience of our Directors, for details please refer to the chapter titled “*Our Management*” beginning on page no. 96 of this Draft Prospectus.

*Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre or Post-Issue related problems, such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary account and unblocking of funds. All grievances relating to the Application process may be addressed to the Registrar to the*



Issue with a copy to the SCSBs, giving full details such as name, address of Applicant, application number, number of Equity Shares applied for, amount blocked on application and designated branch or the collection centre of the SCSB where the Application Form was submitted by the Applicants.

## DETAILS OF KEY INTERMEDIARIES PERTAINING TO THIS ISSUE AND OUR COMPANY

### LEAD MANAGERS TO THE ISSUE



#### ISK ADVISORS PRIVATE LIMITED

501, A. N. Chambers, 130, Turner Road, Bandra West, Mumbai-400 050

**Tel No.:** +91 – 22 – 26431002

**Email:** ncempl@ncmpl.com

**Website:** www.iskadvisors.com

**Investor Grievance Email:** enquiry@ncmpl.com

**Contact Person:** Mr. Ronak I. Kadri

**SEBI Registration No.** INM000012625

### REGISTRAR TO THE ISSUE



#### KFIN TECHNOLOGIES PRIVATE LIMITED

Selenium, Tower-B, Plot No. 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad,

Telangana – 500 032.

**Tel No.:** +91 – 40 – 6716 2222 **Fax:** +91 40 2343 1551

**Email:** ail.ipo@kfintech.com; **Website:** www.kfintech.com

**Investor Grievance Email:** einward.ris@ kfintech.com

**Contact Person:** Mr. M. Murali Krishna

**SEBI Registration No.:** INR000000221

### LEGAL COUNSEL TO THE ISSUE

#### MR. AYAAN A. PATEL, ADVOCATE

Office: Plot No. 7, Rambaug, Spring Valley - Gate 'A',  
Behind Karnavati Club, S.G. Road, Ahmedabad – 380 058.

**Mobile No.:** +91 – 7359050212

**Email:** adv.ayaanpatel@yahoo.in

**Contact Person:** Mr. Ayaan A. Patel

### STATUTORY AUDITOR OF THE COMPANY

#### V.GOSWAMI & CO.

3, SF, Manek Appartment, Nr. Jain Derasar,  
Above Dena Bank Nehrunagar Circle, Ahmedabad-15.

**Mobile No.** 94287 33430

**Email:** thegoswami@gmail.com

**Contact Person:** Mr. Vipul Goswami

**Peer Review No.:** 008541

**Membership No.:** 119809

**Firm Registration No.:** 128769W

### CHANGES IN THE AUDITORS

There has been no change in the statutory auditors during the three years immediately preceding the date of this Draft Prospectus.

### BANKER(S) TO OUR COMPANY

**YES BANK LIMITED**

202/203, CG Centre, CG Road Ahmedabad-380006

Tel No.: +91-9825365723

Website: [www.yesbank.in](http://www.yesbank.in)Email: [deepak.pugalia@yesbank.in](mailto:deepak.pugalia@yesbank.in)

Contact Person: Mr. Deepak Pugaliya

**BANKER(S) TO THE ISSUE**

[•]

**SELF CERTIFIED SYNDICATE BANKS**

The lists of banks that have been notified by SEBI to act as SCSB for the Applications Supported by Blocked Amount (ASBA) Process are provided on the website of SEBI on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on Designated Branches of SCSBs collecting the Application Forms, please refer to the above mentioned SEBI link.

**BROKERS TO THIS ISSUE**

Applicants can submit Application Forms in the Issue using the stock brokers network of the Stock Exchanges, i.e., through the Registered Brokers at the Broker Centres. The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) and updated from time to time. For details on Registered Brokers, please refer <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>.

**REGISTRAR TO ISSUE AND SHARE TRANSFER AGENTS**

The list of the RTAs eligible to accept Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the website of the SEBI on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, as updated from time to time.

**COLLECTING DEPOSITORY PARTICIPANTS**

The list of the CDPs eligible to accept Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the website of Stock Exchange. 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](http://www.sebi.gov.in)) on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time.

**MONITORING AGENCY**

As per Regulation 262(1) of the SEBI (ICDR) Regulations, 2018 the requirement of Monitoring Agency is not mandatory if the issue size is below ₹10,000 lakhs and hence our Company has not appointed a monitoring agency for this Issue. However, as per Section 177 of the Companies Act, 2013, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

**IPO GRADING**

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

**TRUSTEES**

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

**DETAILS OF THE APPRAISING AUTHORITY**

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



## CREDIT RATING

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

## EXPERT OPINION

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

Our Company has received written consent from the Statutory Auditor namely, V.Goswami & Co., Chartered Accountants, to include their name in respect of the reports on the Restated Financial Statements dated February 22, 2020 and the Statement of Tax Benefits dated February 22, 2020, issued by them and included in this Draft Prospectus, as required under section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Prospectus and as “Expert” as defined under section 2(38) of the Companies Act, 2013 and such consent has not been withdrawn as on the date of this Draft Prospectus.

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

## FILING OF OFFER DOCUMENT

In terms of Regulation 246 (1) of the SEBI (ICDR) Regulations, 2018, and Pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of the prospectus will be filed with the Board through the Lead Manager, immediately upon filing of the offer document with the Registrar of Companies. However, as per Regulation 246 (2) of the SEBI (ICDR) Regulations, 2018, The Board shall not issue any observation on the offer document. In terms of Regulation 246 (5) of the SEBI (ICDR) Regulations, 2018, a copy of this draft prospectus and prospectus shall also be furnished to the Board in a soft copy. A copy of the Prospectus along with the documents required to be filed under Section 26 of the Companies Act, 2013 will be delivered to the Registrar of Company, Ahmedabad, situated at ROC Bhavan, Opp. Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad - 380013.

## ISSUE PROGRAMME

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

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

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

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



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

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

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

## UNDERWRITING

This Issue is 100% Underwritten. The Underwriting agreement is dated February 18, 2020 Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions specified therein. The Underwriters have indicated their intention to underwrite the following number of specified securities being offered through this Issue:

Details of the Underwriters	No. of Shares Underwritten	Amt Underwritten ( ₹in Lakhs)	% of the Total Issue Size Underwritten
<b>ISK ADVISORS PRIVATE LIMITED</b> 501, A. N. Chambers, 130, Turner Road, Bandra West, Mumbai-400 050 <b>Tel No.:</b> +91 – 22 – 26431002 <b>Email:</b> ncempl@ncmpl.com <b>Website:</b> www.iskadvisors.com <b>Investor Grievance Email:</b> enquiry@ncmpl.com <b>Contact Person:</b> Mr. Ronak I. Kadri <b>SEBI Registration No.</b> INM000012625	12,82,000	[•]	94.96%
<b>NNM SECURITIES PRIVATE LIMITED</b> B/6-B/7 2ND FLR Shri Siddhivinayak Plaza B-31 Oshiwara Off Link Road Andheri-West Mumbai 400053 Maharashtra <b>Tel No-</b> + 91 224079011/40790036 <b>Email-</b> nikunj@nnmsecurities.com <b>Website-</b> www.nnmsecurities.com <b>Contact Person-</b> Nikunj Mittal <b>SEBI Registration No-</b> INZ000234235	68000	[•]	5.04%
<b>Total</b>	<b>13,50,000</b>	<b>[•]</b>	<b>100.00%</b>

As per Regulation 260(2) of SEBI (ICDR) Regulations, 2018, the Lead Manager has agreed to underwrite to a minimum extent of 15% of the Issue out of its own account.

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



## WITHDRAWAL OF THE ISSUE

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

### MARKET MAKER

#### **NNM Securities Private Limited**

B/6-B/7 2ND FLR Shri Siddhivinayak Plaza  
B-31 Oshiwara Off Link Road Andheri-West  
Mumbai 400053 Maharashtra  
**Tel No-** + 91 224079011/40790036  
**Email-** nikunj@nnmsecurities.com  
**Website-** www.nnmsecurities.com  
**Contact Person-** Nikunj Mittal  
**SEBI Registration No-** INZ000234235

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

Our Company and the Lead Managers, have entered into an agreement dated February 18, 2020 with NNM Securities Private Limited, a Market Maker registered with SME Platform of BSE in order to fulfil the obligations of Market Making

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

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

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



reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.

8. The price band shall be 20% and the Market Maker Spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.
9. The Market Maker shall have the right to terminate the said arrangement by giving a three months notice or on mutually acceptable terms to the Lead Manager, who shall then be responsible to appoint a replacement Market Maker.

In case of termination of the above mentioned Market Making Agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 261 of the SEBI (ICDR) Regulations, 2018. Further the Company and the Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particular point of time.

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

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

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

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



## CAPITAL STRUCTURE

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

(₹ in lakhs, except share data)

Sr. No.	Particulars	Aggregate Value at Nominal Value	Aggregate Value at Issue Price
<b>A</b>	<b>Authorised Share Capital</b>		
	60,00,000 Equity Shares of face value of ₹ 10 each	600.00	-
<b>B</b>	<b>Issued, Subscribed and Paid-up Share Capital before the Issue</b>		
	37,50,000 Equity Shares of face value of ₹ 10 each	375.00	-
<b>C</b>	<b>Present Issue in terms of this Draft Prospectus<sup>(1)</sup></b>		
	Issue of 13,50,000 Equity Shares of ₹ 10 each at a price of ₹ [●] per equity Share	135.00	[●]
	<b>Which comprises:</b>		
	68000 Equity Shares of ₹ 10 each at a price of ₹ [●] per Equity Share reserved as Market Maker Portion	6.80	[●]
	Net Issue to Public of 12,82,000 Equity Shares of ₹ 10 each at a price of ₹ [●] per Equity Share to the Public	128.20	[●]
	<b>Of which<sup>(2)</sup>:</b>		
	6,41,000 Equity Shares of ₹ 10 each at a price of ₹ [●] per Equity Share will be available for allocation for Investors of up to ₹ 2.00 lakhs	64.10	[●]
	6,41,000 Equity Shares of ₹ 10 each at a price of ₹ [●] per Equity Share will be available for allocation for Investors of above ₹ 2.00 lakhs	64.10	[●]
<b>D</b>	<b>Paid-up Equity Share Capital after the Issue</b>		
	51,00,000 Equity Shares of ₹ 10 each	510.00	
<b>E</b>	<b>Securities Premium Account</b>		
	Before the Issue (as on date of this Draft Prospectus)	-	
	After the Issue	[●]	

<sup>1)</sup> The present Issue has been authorized pursuant to a resolution of our Board dated December 05, 2019 and by Special Resolution passed under Section 62(1)(C) of the Companies Act, 2013 at an Extra-Ordinary General Meeting of our shareholder held with December 10, 2019.

<sup>2)</sup> Allocation to all categories shall be made on a proportionate basis subject to valid Applications received at or above the Issue Price. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.

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

### Changes in Authorized Share Capital

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

The initial authorized Share Capital of ₹ 1,00,000 divided into 10,000 shares was increased to ₹ 6,00,00,000 divided into 60,00,000 Equity Shares of ₹10 each, pursuant to resolution of shareholders passed at the EGM held on February 20, 2019



## Notes To The Capital Structure

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

#### a) Equity Share Capital

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

Date of Allotment of Equity Shares	No. of Equity Shares	Face Value (₹)	Issue Price (₹)	Nature / Reason of Allotment	Nature of Consideration	Cumulative No. of Equity Shares	Cumulative Paid Up Share Capital (₹)	Cumulative Share Premium (₹)
Upon Incorporation <sup>(1)</sup>	10,000	10	10	Subscription to MOA	Cash	10,000	1,00,000	Nil
March 29, 2019 <sup>(2)</sup>	37,40,000	10	N.A	Bonus Issue	Other than Cash	37,50,000	3,75,00,000	Nil

<sup>(1)</sup> Allotment of 10,000 equity shares of face value of ₹10 each to Shalin Sheth (4900 equity shares), & Rejal Sheth (5100 equity shares) as a result of subscription to the MoA.

<sup>(2)</sup> Pursuant to EGM held on March 22, 2019 our Company has issued 37,40,000 Bonus Shares in the ratio of 1:374 to all the existing shareholders of the Company i.e to Shalin Sheth (28,42,400 equity shares), Rejal Sheth (8,60,200 equity shares) & Rahul Sheth (37,400 equity shares).

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

Date Of Allotment	No. Of Equity Shares Allotted	Face Value (₹)	Issue Price(₹)	Nature of Allotment	Allotted Person	Benefits Accrued to the Company
March 29, 2019	37,40,000	10	N.A	Bonus Issue	Mr. Shalin Sheth Mrs. Rejal Sheth Mr. Rahul Sheth	Expansion of capital

c) No shares have been allotted in terms of any scheme approved under sections 391-394 of the Companies Act, 1956 or Sections 230-234 of the Companies Act, 2013.

d) Our Company has not issued any shares pursuant to an Employee Stock Option Scheme.

e) No shares have been issued at a price lower than the Issue Price within the last one year from the date of this Draft Prospectus except as mentioned below: Nil

#### f) Shareholding pattern of our Company

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



Category (I)	Category of Share- holder (II)	No. of Share-holder (III)	No. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares Underlying Depository Receipts (VI)	Total Nos. Shares held (VII) = (IV) + (V) + (VI)	Share holding as a % of total No. of Shares (calculated As per SCRR, 1957)(VIII)As a % of (A+B+C2)	Number of Voting Rights held in each Class of securities (IX)				No of Underlying Outstanding Convertible securities (incl. Warrants) (X)	Share Holding as a % assuming Full convertible securities (as a % of Diluted Share Capital)(XI)=(VII)+(X) As a % of (A+B+C2)	Number of Locked In shares (XII)		No. of shares Pledged Or Otherwise encumbered (XIII)		No. of Equity shares held in De-mat form (XIV)
								No of voting Right			Total As a % of (A+B+C)			No (a)	As a % of total shares held (b)	No (a)	As a % of total shares held (b)	
								Class- Equity	Class	Total								
(A)	Promoter & Promoter Group	3	37,49,600	-	-	37,49,600	99.99%	37,49,600	-	37,49,600	99.99%	-	99.99%	-	-	-	-	37,49,600
(B)	Public	4	400	-	-	400	0.01%	400	-	400	0.01%	-	0.01%	-	-	-	-	400
(C)	Non Promoter Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares Underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total</b>	<b>7</b>	<b>37,50,000</b>	<b>-</b>	<b>-</b>	<b>37,50,000</b>	<b>100.00%</b>	<b>37,50,000</b>	<b>-</b>	<b>37,50,000</b>	<b>100.00%</b>	<b>-</b>	<b>100.00%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>37,50,000</b>



- i. The list of Shareholders holding 1% or more of the paid-up Share Capital of our Company as on the date of this Draft Prospectus are:

Sr. No.	Particulars	No. of Shares	% of Shares to Pre – Issue Share Capital
1	Mr. Shalin Sheth	28,50,000	76.00%
2	Mrs. Rejal Sheth	8,62,100	22.99%
3	Mr. Rahul Sheth	37,500	1.00%
4	Mrs. Hetal Patel	100	0.003%
5	Mr. Shaishav Desai	100	0.003%
6	Mr. Nitin Patel	100	0.003%
7	Mr. Miteshkumar Halani	100	0.003%
<b>Total</b>		<b>37,50,000</b>	<b>100.00%</b>

- ii. The list of Shareholders holding 1% or more of the paid-up Share Capital of our Company ten days prior to date of this Draft Prospectus are:

Sr. No.	Particulars	No. of Shares	% of Shares to Pre – Issue Share Capital
1	Mr. Shalin Sheth	28,50,000	76.00%
2	Mrs. Rejal Sheth	8,62,100	22.99%
3	Mr. Rahul Sheth	37,500	1.00%
<b>Total</b>		<b>37,49,600</b>	<b>99.99%</b>

- iii. The list of Shareholders holding 1% or more of the paid-up Share Capital of our Company one year prior to date of this Draft Prospectus are:

Sr. No.	Particulars	No. of Shares	% of Shares to Pre – Issue Share Capital
1	Mr. Shalin Sheth	28,50,000	76.00%
2	Mrs. Rejal Sheth	8,62,100	22.99%
3	Mr. Rahul Sheth	37,500	1.00%
<b>Total</b>		<b>37,49,600</b>	<b>99.99%</b>

- iv. The top ten Shareholders of our Company two years prior to date of this Draft Prospectus.

Sr. No.	Particulars	No. of Shares	% of Shares of then Paid-up Capital
1	Mr. Shalin Sheth	7600	76%
2	Mrs. Rejal Sheth	2400	24%
<b>Total</b>		<b>10,000</b>	<b>100%</b>

- g) Except as disclosed in the Draft Prospectus, our Company presently does not have any intention or proposal to alter its capital structure for a period of six months commencing from the date of opening of this Issue, by way of split / consolidation of the denomination of Equity Shares or further issue of Equity Shares or securities convertible into Equity Shares, whether on a preferential basis or issue of bonuses or rights or further public issue of specified securities or Qualified Institutional Placement.

**h) Shareholding of our Promoters**

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



Date of Allotment / Transfer	Nature of Transaction	Consideration	No. of Shares	F.V (₹)	Issue / Transfer Price (₹)	Cumulative no. of Shares	% of Pre-Issue Paid Up Capital	% of Post-Issue Paid Up Capital	Lock in Period
<b>Mr. Shalin Sheth</b>									
On Incorporation	Subscription to MOA	Cash	4,900	10	10	4,900	0.13%	0.10%	1 Year
October 19, 2016	Transfer	Cash	2,700	10	10	7,600	0.20%	0.15%	1 Year
March 22, 2019	Bonus Allotment <sup>(2)</sup>	N.A.	28,42,000 <sup>(1)</sup>	10	N.A	28,50,000	76.00%	55.88%	1 year and 3 Years

<sup>(1)</sup> upto 5,12,000 Equity Shares of Mr. Shalin Sheth will be locked-in for a period of three years and remaining for a period of one year.

<sup>(2)</sup> Pursuant to EGM held on March 20, 2019 our Company has issued 37,40,000 Bonus Shares in the ratio of 1:374 to all the existing shareholders of the Company.

Date of Allotment / Transfer	Nature of Transaction	Consideration	No. of Shares	F.V (₹)	Issue / Transfer Price (₹)	Cumulative no. of Shares	% of Pre-Issue Paid Up Capital	% of Post-Issue Paid Up Capital	Lock in Period
<b>Mrs. Rejal Sheth</b>									
On Incorporation	Subscription to MOA	Cash	5,100	10	10	5,100	0.14%	0.10%	1 Year
October 19, 2016	Transfer	Cash	(2700)	10	10	2,400	0.06%	0.05%	1 Year
December 01, 2018	Transfer	-	(100)	10	-	2,300	0.06%	0.05%	1 Year
March 22, 2019	Bonus Allotment <sup>(2)</sup>	N.A.	860,200 <sup>(1)</sup>	10	N.A	862,500	23.00%	16.91%	1 year and 3 Years
June 13, 2019	Transfer <sup>(2)</sup>	Cash	(400)	10	60	862,100	22.99%	16.90%	1 year and 3 Years

<sup>(1)</sup> upto 5,10,000 Equity Shares of Mrs. Rejal Sheth will be locked-in for a period of three years and remaining for a period of one year.

<sup>(2)</sup> Pursuant to EGM held on March 20, 2019 our Company has issued 37,40,000 Bonus Shares in the ratio of 1:374 to all the existing shareholders of the Company.

#### Notes:

- None of the shares belonging to our Promoter have been pledged till date.
- The entire Promoter' shares shall be subject to lock-in from the date of allotment of the equity shares issued through this Draft Prospectus for periods as per applicable Regulations of the SEBI (ICDR) Regulations.
- Our Promoters have confirmed to the Company and the Lead Managers that the Equity Shares held by our Promoter 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 Promoter, were fully paid-up on the respective dates of acquisition of such shares.



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

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

i. Set forth is the shareholding of our Promoter and Promoter Group before and after the proposed Issue:

Category of Promoter	Pre Issue		Post Issue	
	No. of Shares	% of Pre-Issue Paid Up Capital	No. of Shares	% of Post- Issue Paid Up Capital
<b>1. Promoter</b>				
Mr. Shalin Sheth	28,50,000	76.00%	28,50,000	55.88%
Mrs. Rejal Sheth	8,62,100	22.99%	8,62,100	16.90%
<b>Total</b>	<b>37,12,100</b>	<b>98.99%</b>	<b>37,12,100</b>	<b>72.79%</b>
<b>2. Promoter Group (as defined by SEBI (ICDR) Regulations)</b>				
Mr. Rahul Sheth	37,500	1.00%	37,500	0.74%
<b>Total</b>	<b>37,500</b>	<b>1.00%</b>	<b>37,500</b>	<b>0.74%</b>
<b>3. Other Persons, Firms or Companies whose shareholding is aggregated for the purpose of disclosing in the Draft Prospectus under the heading "Shareholding of the Promoter Group".</b>				
	-	-	-	-
<b>Total Promoter &amp; Promoter Group Holding</b>	<b>37,49,600</b>	<b>99.99%</b>	<b>37,49,600</b>	<b>73.51%</b>
<b>Total Paid up Capital</b>	<b>37,50,000</b>	<b>100.00%</b>	<b>37,50,000</b>	<b>73.53%</b>

ii. Except as disclosed below, none of the members of the Promoter, Promoter Group, Directors and their immediate relatives have purchased or sold any Equity shares of our Company within the last six months from the date of the Draft Prospectus.

Date of Transfer	Name of Transferor	Name of Transferee	No. of Shares (F.V. ₹ 10)	Price (₹)	Nature of Transaction	Nature of Consideration
June 13, 2019	Mrs. Rejal Sheth	Mrs. Hetal Patel	100	60.00	Transfer	Cash
		Mr. Shaishav Desai	100		Transfer	Cash
		Mr. Nitin Patel	100		Transfer	Cash
		Mr. MiteshKumar Halani	100		Transfer	Cash

iii. 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 Draft Prospectus.

**k) Promoter' Contribution and other Lock-In details:**

i. **Details of Promoter' Contribution locked-in for 3 years**

Pursuant to the Regulation 236 and 238 of the SEBI (ICDR) Regulations, an aggregate of 20% of the Post-Issue Equity Share Capital held by our Promoter shall be considered as promoter' contribution ("**Promoter' Contribution**") and locked-in for a period of three years from the date of Allotment. The lock-in of the Promoter' Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

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

Name of Promoter	No. of Shares locked in <sup>(1)</sup>	As a % of Post Issue Share Capital
Mr. Shalin Sheth	5,12,000	10.04%
Mrs. Rejal Sheth	5,10,000	10.00%
<b>Total</b>	<b>10,22,000</b>	<b>20.04%</b>



<sup>(1)</sup>For details on the date of Allotment of the above Equity Shares, the nature of Allotment, face value and the price at which they were acquired, please refer Note no. 1(h) under “Notes to Capital Structure”.

We confirm that in compliance with regulation 237 of SEBI ICDR Regulations, the minimum Promoter contribution of 20% as shown above which is subject to lock-in for three years does not consist of:

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

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

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

- a) Pursuant to Regulation 238(b) of the SEBI (ICDR) Regulations, in addition to the Promoter’ Contribution to be locked-in for a period of 3 years, as specified above, the entire Pre-Issue Equity Share capital will be locked in for a period of one (1) year from the date of Allotment in this Issue, other than the Equity Shares allotted and subscribed pursuant to the Offer for Sale.
- b) Pursuant to Regulation 242 of the SEBI Regulations, the Equity Shares held by our Promoter can be pledged only with banks or financial institutions as collateral security for loans granted by such banks or financial institutions for the purpose of financing one or more of the objects of the issue and the pledge of shares is one of the terms of sanction of such loan. However, as on date of this Draft Prospectus, none of the Equity Shares held by our Promoter have been pledged to any person, including banks and financial institutions.
- c) Pursuant to Regulation 243 of the SEBI (ICDR) Regulations, Equity Shares held by our Promoter, which are locked in as per Regulation 238 of the SEBI (ICDR) Regulations, may be transferred to and amongst our Promoter/ Promoter Group or to a new promoter or persons in control of our Company subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011 as applicable.
- d) Pursuant to Regulation 243 of the SEBI (ICDR) Regulations, Equity Shares held by shareholders other than our Promoter, which are locked-in as per Regulation 239 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.
- l) Neither the Company, nor it’s Promoter, Directors or the Lead Managers have entered into any buyback and/or standby arrangements for purchase of Equity Shares of the Company from any person.
- m) None of our Directors or Key Managerial Personnel holds Equity Shares in the Company, except as stated in the chapter titled “*Our Management*” beginning on page no. 96 of this Draft Prospectus.
- n) Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed under “*Basis of Allotment*” in the chapter titled “*Issue Procedure*” beginning on page no. 198 of this Draft Prospectus. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 43 (4) of SEBI (ICDR) Regulations, as amended from time to time.



- o)* An investor cannot make an application for more than the number of Equity Shares offered in this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.
- p)* An over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 10% of the Issue, as a result of which, the post-issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoter and subject to lock- in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.
- q)* Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be effected in accordance with applicable laws, rules, regulations and guidelines
- r)* No payment, direct, indirect in the nature of discount, commission, and allowance, or otherwise shall be made either by us or by our Promoter to the persons who receive allotments, if any, in this Issue.
- s)* As on date of this Draft Prospectus, there are no outstanding financial instruments or any other rights that would entitle the existing Promoter or shareholders or any other person any option to receive Equity Shares after the Issue.
- t)* As on date of this Draft Prospectus, the entire issued share capital of our Company is fully paid-up. The Equity Shares issued through this Public Issue will be fully paid up.
- u)* 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.
- v)* Since the entire application money is being called on application, all successful applications, shall be issued fully paid up shares only. Also, as on the date of this Draft Prospectus the entire pre-issue share capital of the Company has been made fully paid up.
- w)* We have not issued any Equity Shares out of revaluation reserves. We have not issued any Equity Shares for consideration other than cash except as stated in this Draft Prospectus.
- x)* As on date of this Draft Prospectus, there are no outstanding ESOP's, warrants, options or rights to convert debentures, loans or other instruments convertible into the Equity Shares, nor has the company ever allotted any equity shares pursuant to conversion of ESOP's till date.
- y)* Our Company shall ensure that transactions in the Equity Shares by our Promoter and our Promoter Group between the date of this Draft Prospectus and the Issue Closing Date shall be reported to the Stock Exchange within 24 hours of such transaction.
- z)* Our Promoter and Promoter Group will not participate in the Issue.
  - aa)* The Lead Manager and its associates do not directly or indirectly hold any shares of the Company.
  - bb)* Our Company has not revalued its assets and we do not have any revaluation reserves till date.

Our Company has not made any public issue (including any rights issue to the public) since its incorporation



## SECTION V – PARTICULARS OF THE ISSUE

### OBJECTS OF THE ISSUE

#### Issue Proceeds & Net Issue Proceeds

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

*(₹ in lakhs)*

Sr. No.	Particulars	Amount
1	Gross Proceeds of the Issue	[●]
2	Issue related Expenses <sup>(1)</sup>	[●]
	<b>Net Proceeds of the Issue</b>	[●]

<sup>(1)</sup> The Issue related expenses are estimated expenses and subject to change.

#### Net Issue

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

- (a) Working Capital Requirement
- (b) General Corporate Purpose

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

The Main Objects clause as set out in the Memorandum of Association enables our Company to undertake its existing activities and the activities for which funds are being raised by the Company through the Present Issue. Further, we confirm that the activities that we have been conducting until now are in accordance with the objects clause of our Memorandum of Association.

#### Proposed Schedule of Implementation and Deployment of the Net Proceeds

The Net Proceeds of the Issue (“Net Proceeds”) are currently expected to be deployed in accordance with the schedule as stated below:

*(₹ in lakhs)*

Sr. No.	Object	Amount to be funded from Net Proceeds (F. Y. 2021)
●	Working Capital Requirement	425.00
●	General Corporate Purpose	[●]
	<b>Total</b>	[●]

#### Requirement of Funds and Means of Finance

The fund requirements mentioned above are based on the internal management estimates of our Company and have not been verified by the BRLM or appraised by any bank, financial institution or any other external agency. They are based on current circumstances of our business and our Company may have to revise its estimates from time to time on account of various factors beyond its control, such as market conditions, competitive environment, costs of commodities and interest or exchange rate fluctuations. Consequently, the fund requirements of our Company are subject to revisions in the future at the discretion of the management. In the event of any shortfall of funds for the activities proposed to be financed out of the Net Proceeds as stated above, our Company may re-allocate the Net Proceeds to the activities where such shortfall has arisen, subject to compliance with applicable laws. Further, in case of a shortfall in the Net Proceeds or cost overruns, our management may explore a range of options including utilising our internal accruals or seeking debt financing.

The entire fund requirements are to be financed from the Net Issue Proceeds, and there is no requirement to make firm arrangements of finance under Regulation 230(1)(e) of the SEBI Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the Issue.



For further details on the risks involved in our proposed fund utilization as well as executing our business strategies, please refer the “Risk Factors - 35. The deployment of the Net Proceeds from the Issue are based on management estimates and have not been independently appraised by any bank or financial institution and is not subject to any monitoring by any independent agency and our Company’s management will have flexibility in utilizing the Net Proceeds from the Issue. on page no. 17of this Draft Prospectus.

## DETAILS OF THE FUND REQUIREMENT

### 1) Working Capital Requirements

(₹. in lakhs)

Particulars	Holding Days	Fiscal 2019 (Restated)	Holding Days	Fiscal 2020 (Projected)	Holding Days	Fiscal 2021 (Projected)
<b>Current Assets</b>						
Inventories	14	69.08	11	75.72	14	145.37
Debtors	133	1,024.81	117	1,327.04	108	1,782.51
Other Current Assets & Cash and Cash Equivalent		1,237.68		1,713.07		1,995.47
<b>Total Current Assets (A)</b>		<b>2,331.56</b>		<b>3,115.83</b>		<b>3,923.35</b>
<b>Less: Current Liabilities</b>						
Trade Payables	251	1,234.64	184	1,252.24	103	1,046.25
Other Current Liabilities & Provisions		36.91		89.91		134.59
<b>Total Current Liabilities (B)</b>		<b>1,271.56</b>		<b>1,342.15</b>		<b>1,180.84</b>
<b>Working Capital Gap (A-B)</b>		<b>1,060.01</b>		<b>1,773.68</b>		<b>2,742.51</b>
<b>Funded By:</b>						
Internal Accrual		<b>1,060.01</b>		<b>1,773.68</b>		<b>2,317.51</b>
IPO Funding		-		-		<b>425.00</b>

### Justification for holding period levels

Particulars	Details
<b>Current Assets</b>	
Inventories	Inventories days are computed from the historic Restated Standalone Financial Statements and are adjusted for future expected. Inventories days as 14 days of cost of goods consumed/ traded for the Financial Years 2021.
Trade Receivables	Trade Receivables days are computed as a function of revenue from operations from the Restated Standalone Financial Statements and are adjusted for future estimates. Our Company has estimated the holding level for Trade Receivable as 108 days of revenue from operations for the Financial Year 2021, considering normal credit period.
<b>Current Liabilities</b>	
Trade Payables	Trade Payables are computed from the historic Restated Standalone Financial Statements and are adjusted for future expected with substantial decrease in projected trade payables days as 103 days of cost of goods consumed/ traded for the Financial Year 2021. By making early payments to the suppliers (i.e. availing lower credit periods), the company shall be able to get competitive prices for its materials which would result in a reduction in the material cost as a percentage of sales thereby increasing the profitability of the Company. Thus the Company has estimated lower credit period which would in turn help in reducing the cost of sales and improve profitability margins.

### 1) General Corporate Purpose



Our management will have flexibility to deploy ₹ [●], aggregating to [●]% of the Net Proceeds of the Issue towards general corporate purposes, including but not restricted to strategic initiatives, partnerships, joint ventures and acquisitions, meeting exigencies which our Company may face in the ordinary course of business, to renovate and refurbish certain of our existing Company owned/leased and operated facilities or premises, towards brand promotion activities or any other purposes as may be approved by our Board, subject to compliance with the necessary provisions of the Companies Act.

Our management, in accordance with the policies of the Board, will have flexibility in utilizing any amounts for general corporate purposes under the overall guidance and policies of our Board. The quantum of utilization of funds towards any of the purposes will be determined by the Board, based on the amount actually available under this head and the business requirements of our Company, from time to time.

We confirm that any issue related expenses shall not be considered as a part of General Corporate Purpose. Further, we confirm that in terms of Regulation 230 (2) of the SEBI ICDR Regulations, the extent of the Net Proceeds according to this Draft Prospectus, proposed to be used for general corporate purposes, shall not exceed 25% of the amount raised by our Company through the Issue of Equity Shares.

### ISSUE RELATED EXPENSES

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

Sr. No.	Particulars	Amount (₹ in lakhs) <sup>(1)</sup>	% of Total Expenses <sup>(1)</sup>	% of Total Issue size <sup>(1)</sup>
1	Issue Management fees including fees and payment to other intermediaries such as Legal Advisors, Registrars and other out of pocket expenses.	[●]	[●]%	[●]%
2	Brokerage and selling commission <sup>(2)(3)(4)</sup>	[●]	[●]%	[●]%
3	Printing & Stationery, Distribution, Postage, etc.	[●]	[●]%	[●]%
4	Advertisement and Marketing Expenses	[●]	[●]%	[●]%
5	Stock Exchange Fees, Regulatory and other Expenses	[●]	[●]%	[●]%
<b>Total</b>		[●]	[●]%	[●]%

<sup>(1)</sup> Will be incorporated at the time of filing of the Prospectus and on determination of Issue Price and other details.

<sup>(2)</sup> The SCSBs and other intermediaries will be entitled to a commission of ₹ 10/- per every valid Application Form submitted to them and uploaded on the electronic system of the Stock Exchange by them.

<sup>(3)</sup> The SCSBs would be entitled to processing fees of ₹ 10/- per Application Form, for processing the Application Forms procured by other intermediaries and submitted to the SCSBs.

<sup>(4)</sup> Further the SCSBs and other intermediaries will be entitled to selling commission of 0.01% of the Amount Allotted (product of the number of Equity Shares Allotted and the Issue Price) for the forms directly procured by them and uploaded on the electronic system of the Stock Exchange by them.

The Issue expenses are estimated expenses and subject to change. The Issue expenses shall be payable within 30 working days post the date of receipt of the final invoice from the respective Intermediaries by our Company.

### Appraisal and Bridge Loans

Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Draft Prospectus, which are proposed to be repaid from the Net Proceeds of the Issue.

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

As on the date of this Draft Prospectus, no funds have been deployed on these objects. The entire Issue size is proposed to be deployed in the Financial Year 2020 – 21.



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## **Monitoring of Utilization of Funds**

Since the proceeds from the Issue do not exceed ₹ 10,000 lakhs, in terms of Regulation 262 of the SEBI ICDR Regulations, our Company is not required to appoint a monitoring agency for the purposes of this Issue. Our Board and Audit Committee will monitor the utilisation of the proceeds of the Issue. Our Company will disclose the utilization of the Net Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized. Our Company will indicate investments, if any, of unutilised Net Proceeds in the balance sheet of our Company for the relevant fiscals subsequent to receipt of listing and trading approvals from the Stock Exchange.

Pursuant to the SEBI Listing Regulations, our Company shall disclose to the Audit Committee of the Board of Directors the uses and applications of the Net Proceeds. Our Company shall prepare a statement of funds utilised for purposes other than those stated in this Draft Prospectus and place it before the Audit Committee of the Board of Directors, as required under applicable law. Such disclosure shall be made only until such time that all the Net Proceeds have been utilised in full. The statement shall be certified by the statutory auditor of our Company. Furthermore, in accordance with the Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchange on a half yearly basis, a statement indicating (i) deviations, if any, in the utilisation of the proceeds of the Issue from the objects of the Issue as stated above; and (ii) details of category wise variations in the utilisation of the proceeds from the Issue from the objects of the Issue as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results, after placing the same before the Audit Committee of the Board of Directors.

## **Working Capital Requirement**

Our Company currently funds its working capital needs through its internal accruals and they intend to continue to do so in the future. Hence no amount is proposed to be utilised for Working Capital from the Net Proceeds of this Issue.

## **Interim Use of Funds**

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

## **Variation in Objects**

In accordance with Section 27 of the Companies Act, 2013, our Company shall not vary the objects of the Issue without our Company being authorised to do so by the Shareholders by way of a special resolution. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details as required under the Companies Act. The notice in respect of such resolution to Shareholders shall simultaneously be published in the newspapers, one in English and one in Regional language of the jurisdiction where our Registered Office is situated. The Shareholders who do not agree to the above stated proposal, our 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 / Payment to Promoters and Promoter's Group from the IPO Proceeds**

Except as mentioned under the section 'Details of Funds Requirement' in this Chapter above, no part of the Net Proceeds will be paid by our Company as consideration to our Promoter, our board of Directors, our Key Management Personnel or Group Companies except in the normal course of business in compliance with applicable law.



## BASIS FOR ISSUE PRICE

The Issue Price has been determined by our Company in consultation with the Lead Manager on the basis of the key business strengths. The face value of the Equity Shares is ₹ 10 and Issue Price is ₹ [●] per Equity Shares and is [●] time of the face value. Investors should read the following basis with the sections titled “Risk Factors” and “Financial Information” and the chapter titled “Our Business” beginning on page nos. 17, 115 and 76 respectively, of this Draft Prospectus to get a more informed view before making any investment decisions. The trading price of the Equity Shares of Our Company could decline due to these risk factors and you may lose all or part of your investments.

### Qualitative Factors

Some of the qualitative factors and our strengths which form the basis for the Issue Price are:

- Existing Client Base
- Selective bidding with a focus on effective execution record
- Strong Order Book and Financial Position
- Experienced Promoters and a well trained employee base
- Collaborations with Supplier
- Optimal Utilization of Resources

For more details on qualitative factors, refer to chapter “Our Business” on page no. 76 of this Draft Prospectus.

### Quantitative Factors

The information presented in this section is derived from our Restated Financial Statements. For more details on financial information, investors please refer the chapter titled “Financial Statements” beginning on page no. 115 of this Draft Prospectus.

Investors should evaluate our Company taking into consideration its earnings and based on its growth strategy. Some of the quantitative factors which may form the basis for computing the price are as follows:

#### 1) Basic and Diluted Earnings Per Share (“EPS”)

Year ended March 31,	Basic & Diluted	
	EPS (in ₹) <sup>(1)</sup>	Weights
2019	6.64	3
2018	16.64	2
2017	11.37	1
<b>Weighted Average</b>	<b>10.76</b>	
December 31, 2019	<b>3.48*</b>	

<sup>(1)</sup> Based on Consolidated Restated Financials of our Company

Year ended March 31,	Basic & Diluted	
	EPS (in ₹) <sup>(2)</sup>	Weights
2019	8.62	3
2018	16.80	2
2017	11.37	1
<b>Weighted Average</b>	<b>11.81</b>	
December 31, 2019	<b>11.25*</b>	

<sup>(2)</sup> Based on Standalone Restated Financials of our Company

\*For the period of nine months and not annualised.

#### Notes:

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

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



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

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

- c. Basic and Diluted EPS calculations are in accordance with Accounting Standard 20 “Earnings per Share”, notified under section 133 of Companies Act, 2013 read together along with paragraph 7 of Companies (Accounting) Rules, 2014
- d. The above statement should be read in conjunction with Significant Accounting Policies and Notes to Restated Financial Statements as appearing in “Annexure IV & V - Financial Information” beginning on page no. 115 Draft Prospectus.

2) **Price Earnings Ratio (“P/E”) in relation to the Price of ₹ [●] per share of ₹ 10 each**

Particulars	Consolidated Restated Financials	Standalone Restated Financials
P/E ratio based on Basic and Diluted EPS as at March 31, 2019	[●]	[●]
P/E ratio based on Weighted Average EPS	[●]	[●]

Industry P/E <sup>(1)</sup>	
Highest – Adani Transmission Limited	43.6
Lowest – KSK Energy Ventures Limited	0.5
Industry Average	10.4

<sup>(1)</sup> Source: Capital Market, Vol. XXXV/01, Feb 24 – Mar 08, 2020; Segment: Power Generation & Supply

3) **Return on Net worth (RoNW)**

**Consolidated**

Year ended March 31,	RoNW (%)	Weight
2019	13.20	3
2018	38.18	2
2017	42.42	1
<b>Weighted Average</b>	<b>26.40</b>	
December 31, 2019*	<b>6.48</b>	

**Standalone**

Year ended March 31,	RoNW (%)	Weight
2019	16.51	3
2018	38.52	2
2017	42.42	1
<b>Weighted Average</b>	<b>28.17</b>	
December 31, 2019*	<b>17.72</b>	

\*For the period of nine months and not annualised.

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

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

4) **Minimum Return on Net Worth after Issue needed to maintain Pre-Issue EPS for the year ended March 31, 2019**

The minimum return on increased net worth as per consolidated restated financials i.e. after Issue, required to maintain Pre-Issue Basic / Diluted EPS of ₹ 6.64 for the F.Y. 2018-19 is [●]%.

The minimum return on increased net worth as per standalone restated financials i.e. after Issue, required to maintain Pre-Issue Basic / Diluted EPS of ₹ 8.62 for the F.Y. 2018-19 is [●]%.



**Note:**

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

**5) Net Asset Value (NAV) per share**

Financial Year	Consolidated NAV (₹)	Standalone NAV (₹)
NAV as at March 31, 2019	50.21	52.23
NAV as at December 31, 2019	53.79	63.48
NAV after Issue	[●]	[●]
Issue Price (₹)	[●]	

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

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

**6) Comparison with Industry Peers**

We believe that no other listed company which is specifically comparable to us with respect to size and our business model

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



## STATEMENT OF SPECIAL TAX BENEFITS

To  
**The Board of Directors,**  
**Advait Infratech Limited**  
A-801 To 803 Sankalp Iconic,  
Opp. Vikram Nagar,  
Iscon Temple Cross Road,  
S.G Highway Ahmedabad

Dear Sirs,

**Sub: Statement of Possible Special Tax Benefits available to Advait Infratech Limited and its shareholders prepared in accordance with Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“SEBI Regulations”) and the Companies Act, 2013, as amended (the “Act”).**

We hereby report that the accompanying Statement states the possible special tax benefits available to the Company and shareholders of the Company (hereinafter referred to as “**the Statement**”) under the Income Tax Act, 1961 (read with Income Tax Rules, circulars, notifications) as amended time to time, presently in force in India (together referred to as the “**Direct Tax Laws**”) and The Goods and Service Tax Act, 2017 & Customs Act, 1962 (read with rules, circulars, notifications) presently in force in India (together referred to as the “**Indirect Tax Laws**”).

These possible special tax benefits are dependent on the Company and / or the Company’s shareholders fulfilling the conditions prescribed under the relevant Tax Laws, Indirect Tax Laws and other laws. Hence, the ability of the Company or the Company’s shareholders to derive these possible special tax benefits is dependent upon their fulfilling such conditions, which is based on business imperatives the Company may face in the future and accordingly, the Company or the Company’s shareholders may or may not choose to fulfil. Our Company does not have any Material Subsidiary as on date of this Draft Prospectus.

The benefits discussed in the enclosed Statement are not exhaustive and only cover the possible special direct and indirect tax benefits available to the Company and the Company’s shareholders. The Statement is neither designed nor intended to be a substitute for professional tax advice and each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering of equity shares of the Company.

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

- a) the Company or its shareholders will continue to obtain these possible special tax benefits in future; or
- b) the conditions prescribed for availing the possible special tax benefits, where applicable, have been/would be met with; and

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

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

We conducted our examination in accordance with the “Guidance Note on Reports In Company Prospectuses (Revised 2019)” (“**Guidance Note**”) issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

We hereby give consent to include this Statement in the Draft Prospectus and Prospectus in connection with the proposed initial public offering of the Company.



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Yours faithfully,

**For V. Goswami & Co,**  
**Chartered Accountants**  
(Firm Registration No. 128769W)

**Vipul Goswami**  
**Partner**  
Membership No: 119809  
Place: Ahmedabad  
Date:

Encl: a/a



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**Annexure**

**STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND COMPANY'S SHAREHOLDERS**

Outlined below are the possible special tax benefits available to **Advait Infratech Limited** (“the Company”) and to its Shareholders under the direct and indirect Tax Laws in force in India

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

**1. Direct Tax**

There are no special direct tax benefits available the Company.

**2. Indirect Tax**

There are no special indirect tax benefits available the Company.

**B. SPECIAL TAX BENEFITS AVAILABLE TO THE SHAREHOLDERS OF THE COMPANY**

**1. Direct Tax**

There are no special direct tax benefits available the Shareholders of the Company.

**2. Indirect Tax**

There are no special indirect tax benefits available the Shareholders of the Company.



## SECTION VI – 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.*

### GLOBAL ECONOMIC OVERVIEW

The COVID-19 pandemic is inflicting high and rising human costs worldwide. Protecting lives and allowing health care systems to cope have required isolation, lockdowns, and widespread closures to slow the spread of the virus. The health crisis is therefore having a severe impact on economic activity. As a result of the pandemic, the global economy is projected to contract sharply by – 3 percent in 2020, much worse than during the 2008–09 financial crisis. In a baseline scenario, which assumes that the pandemic fades in the second half of 2020 and containment efforts can be gradually unwound, the global economy is projected to grow by 5.8 percent in 2021 as economic activity normalizes, helped by policy support. There is extreme uncertainty around the global growth forecast. The economic fallout depends on factors that interact in ways that are hard to predict, including the pathway of the pandemic, the intensity and efficacy of containment efforts, the extent of supply disruptions, the repercussions of the dramatic tightening in global financial market conditions, shifts in spending patterns, behavioral changes (such as people avoiding shopping malls and public transportation), confidence effects, and volatile commodity prices. Many countries face a multi-layered crisis comprising a health shock, domestic economic disruptions, plummeting external demand, capital flow reversals, and a collapse in commodity prices. Risks of a worse outcome predominate. Effective policies are essential to forestall worse outcomes. Necessary measures to reduce contagion and protect lives will take a short-term toll on economic activity but should also be seen as an important investment in long-term human and economic health.

The immediate priority is to contain the fallout from the COVID19 outbreak, especially by increasing health care expenditures to strengthen the capacity and resources of the health care sector while adopting measures that reduce contagion. Economic policies will also need to cushion the impact of the decline in activity on people, firms, and the financial system; reduce persistent scarring effects from the unavoidable severe slowdown; and ensure that the economic recovery can begin quickly once the pandemic fades. Because the economic fallout reflects particularly acute shocks in specific sectors, policymakers will need to implement substantial targeted fiscal, monetary, and financial market measures to support affected households and businesses. Such actions will help maintain economic relationships throughout the shutdown and are essential to enable activity to gradually normalize once the pandemic abates and containment measures are lifted.

The fiscal response in affected countries has been swift and sizable in many advanced economies (such as Australia, France, Germany, Italy, Japan, Spain, the United Kingdom, and the United States). Many emerging market and developing economies (such as China, Indonesia, and South Africa) have also begun providing or announcing significant fiscal support to heavily impacted sectors and workers. Fiscal measures will need to be scaled up if the stoppages to economic activity are persistent, or the pickup in activity as restrictions are lifted is too weak. Economies facing financing constraints to combat the pandemic and its effects may require external support. Broad-based fiscal stimulus can preempt a steeper decline in confidence, lift aggregate demand, and avert an even deeper downturn. But it would most likely be more effective once the outbreak fades and people are able to move about freely. The significant actions of large central banks in recent weeks include monetary stimulus and liquidity facilities to reduce systemic stress. These actions have supported confidence and contribute to limiting the amplification of the shock, thus ensuring that the economy is better placed to recover.

The synchronized actions can magnify their impact on individual economies and will also help generate the space for emerging market and developing economies to use monetary policy to respond to domestic cyclical conditions. Supervisors should also encourage banks to renegotiate loans to distressed households and firms while maintaining a transparent assessment of credit risk. Strong multilateral cooperation is essential to overcome the effects of the pandemic, including to help financially constrained countries facing twin health and funding shocks, and for channeling aid to countries with weak health care systems. Countries urgently need to work together to slow the spread of the virus and to develop a vaccine and therapies to counter the disease. Until such medical interventions become available, no



country is safe from the pandemic (including a recurrence after the initial wave subsides) as long as transmission occurs elsewhere.

Global Financial Stability Report, financial conditions in advanced as well as emerging market economies are significantly tighter than at the time of the October 2019 World Economic Outlook (WEO) forecast.

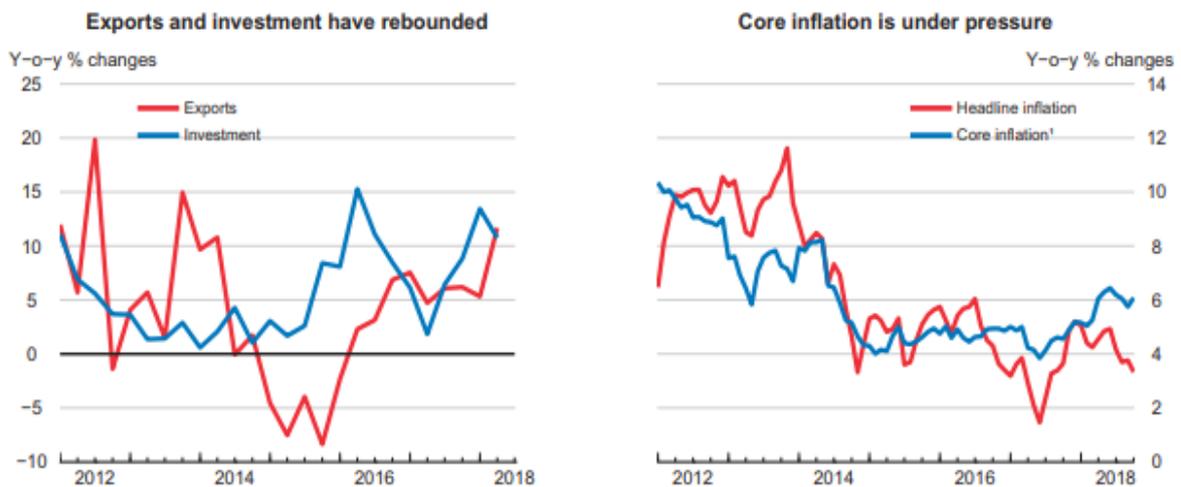
(<https://www.imf.org/en/Publications/WEO/Issues/2020/04/14/weo-april-2020>)

## INDIAN ECONOMY OVERVIEW

Economic growth will slow somewhat but remain robust, at close to 7½ per cent in 2019 and 2020. Higher oil prices and the rupee depreciation are putting pressure on demand, inflation, the current account and public finances. However, business investment and exports will be strong, as past structural reforms – including the new Insolvency and Bankruptcy Code, smoother implementation of the Goods and Services Tax (GST), better roads and electricity and bank recapitalization – are paying off. Monetary policy will need to be tightened as inflation expectations are trending up and there are several upside risks to inflation. Containing the relatively high public debt-to-GDP ratio would require controlling contingent liabilities, such as those stemming from public enterprises and banks. Further subsidy reform would help make social spending more effective. Improving public banks’ governance is also key to avoid a new wave of non-performing loans and to support the investment recovery.

Investment is growing steadily, driven by the gradual increase in capacity utilization, large infrastructure programmes and recent structural reforms which are supporting investors’ confidence, in particular the new Insolvency and Bankruptcy Code and public bank recapitalization. The rebound in exports is supported by a weaker rupee and an easier-to-comply-with Goods and Services Tax. Private consumption remains strong, in particular in rural areas where incomes are benefitting from the good monsoon and steady government spending on rural roads, housing and employment programmes.

Consumer price inflation remains within the target band, partly reflecting one-off factors, such as a good monsoon, lower excise taxes on oil products and the government’s request to public-sector oil marketing companies to lower their margins. However, pressures on inflation are rising from the rupee depreciation and recent increases in wages and housing allowances for public employees. Core inflation and inflation expectations are edging up.



1. Core inflation excludes food, beverages and fuel.  
Source: OECD Economic Outlook 104 database; and Central Statistics Office.



## India: Demand, output and prices

	2015	2016	2017	2018	2019	2020
	Current prices INR trillion	Percentage changes, volume (2012/2013 prices)				
<b>GDP at market prices</b>	137.6	7.1	6.7	7.5	7.3	7.4
Private consumption	80.9	7.3	6.6	7.2	7.4	7.4
Government consumption	14.3	12.2	10.9	7.0	7.3	5.3
Gross fixed capital formation	39.2	10.1	7.6	6.2	6.0	8.6
Final domestic demand	134.4	8.6	7.3	6.9	7.0	7.5
Stockbuilding <sup>1</sup>	6.4	-1.2	0.0	0.1	0.0	0.0
Total domestic demand	140.8	6.9	8.1	8.3	6.9	7.5
Exports of goods and services	27.3	5.0	5.6	8.9	4.5	6.3
Imports of goods and services	30.4	4.0	12.4	12.0	3.4	6.9
Net exports <sup>1</sup>	-3.2	0.1	-1.5	-0.9	0.1	-0.3
<b>Memorandum items</b>						
GDP deflator	-	3.5	3.1	4.9	4.7	4.3
Consumer price index	-	4.5	3.6	4.5	5.0	4.5
Wholesale price index <sup>2</sup>	-	1.7	2.9	4.8	4.6	4.3
General government financial balance <sup>3</sup> (% of GDP)	-	-7.0	-6.6	-6.4	-6.2	-6.0
Current account balance (% of GDP)	-	-0.6	-1.9	-2.1	-2.8	-3.0

Note: Data refer to fiscal years starting in April.

1. Contributions to changes in real GDP, actual amount in the first column.

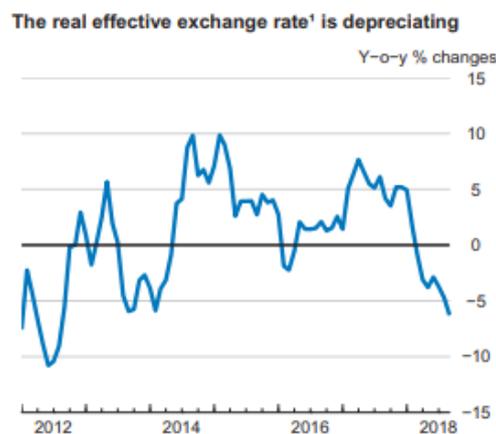
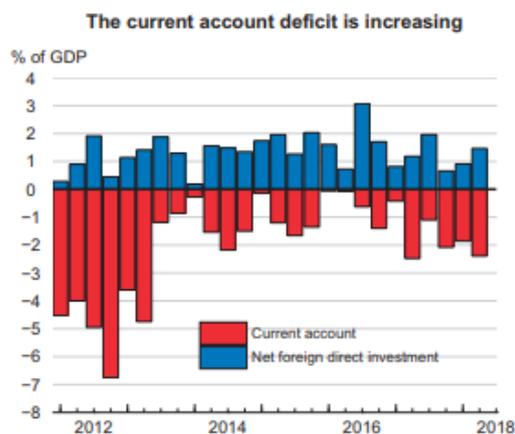
2. WPI, all commodities index.

3. Gross fiscal balance for central and state governments.

Source: OECD Economic Outlook 104 database.

The current account deficit is increasing, driven by India's growth differential with other economies and higher oil prices. Financing the deficit is becoming more challenging as foreign direct investment inflows are sluggish and portfolio capital is being pulled out by higher yields in advanced economies. The government has hiked import duties to limit the current account deficit and lessened constraints on firms' external borrowing. The depreciation of the real effective exchange rate remains moderate. External vulnerability is now less of a concern than in previous episodes of financial turmoil as macroeconomic fundamentals have improved and foreign exchange reserves have been replenished.

### India



1. Real effective exchange rate calculated using a basket of 36 currencies (trade weighted).

Source: Reserve Bank of India.

Growth is projected to remain strong in 2019 and 2020: Tighter financial conditions, higher oil prices, adverse terms of trade, lower growth in partner countries, and rising political uncertainties in India and abroad will tend to reduce growth somewhat. Even so, economic activity is projected to slow only marginally from a high level. Recent



improvements in the GST administration, enabling exporters to get faster tax refunds, and the depreciation of the rupee will boost exports. Corporate investment will remain vigorous, supported by recent structural reforms and better infrastructure (in particular road and energy provision). Inflation pressures will be reinforced by the decision to raise minimum support prices and government purchases of some agricultural products. The Reserve Bank's credibility in targeting inflation and the projected marginal increases in policy rates will help anchor inflation. Confidence and investment would suffer from unexpected difficulties in non-bank financial institutions and delays in reducing non-performing loans. A further increase in oil prices and contagion from turbulence in other emerging-market economies are the major external risks. On the other hand, the hike in US tariffs on Chinese imports could benefit India's exports, in particular in the textile sector.

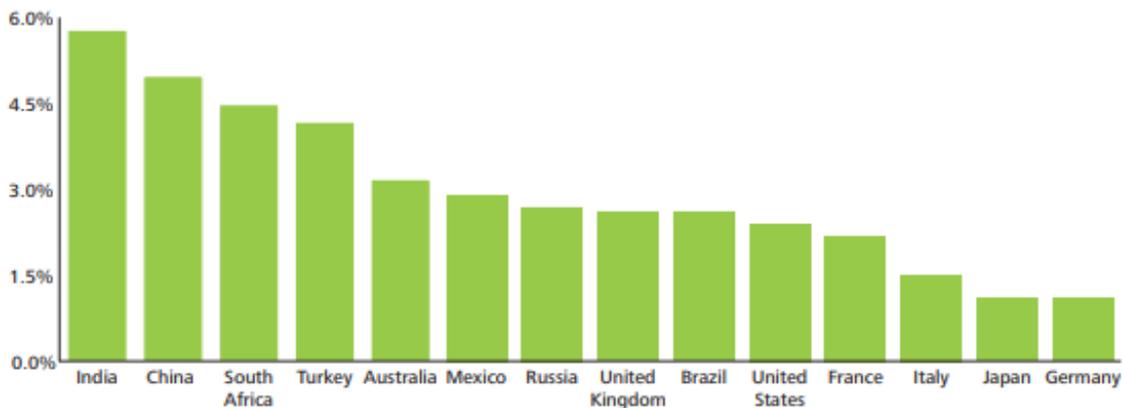
(Source: <http://www.oecd.org/eco/outlook/economic-forecast-summary-india-oecd-economic-outlook.pdf>)

## GLOBAL POWER INDUSTRY

The power sector has made significant progress in recent years, but the speed of progress must be accelerated. In 2017 the power sector added 167 gigawatts (GW) of renewable energy capacity globally, a robust growth of 8.3% over the previous year and a continuation of previous growth rates since 2010 averaging 8% per year.

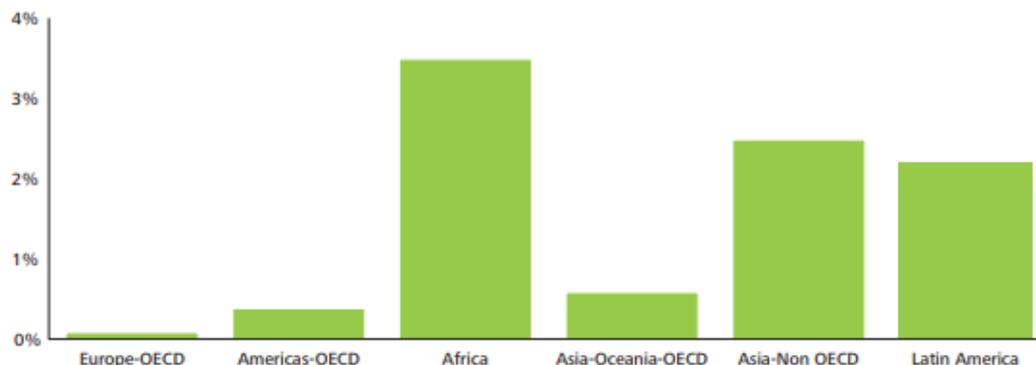
### Energy demand

Figure 1. Forecast potential GDP growth: average annual increase in percentage (2014-2030)



Due to higher levels of economic growth and anticipated improvements in the quality of life over the next few years, developing countries will likely see a rapid increase in power demand. India, for instance, is poised to see annual consumption increases of up to 3.2% between 2012 and 2040, while China's annual demand is forecast to grow by 2.1% for the same time period. Conversely, consumption in OECD countries will evolve slowly. Between 2012 and 2040, the increase in annual power demand rates will remain low for regions like the United States (0.2 %) and may drop in the European Union (-0.1 %).

Figure 2. Forecast power demand increase (2012-2040)



(Source: <https://www2.deloitte.com/content/dam/Deloitte/global/Documents/Energy-and-Resources/gx-power-future-global-power-sector-report.pdf>)

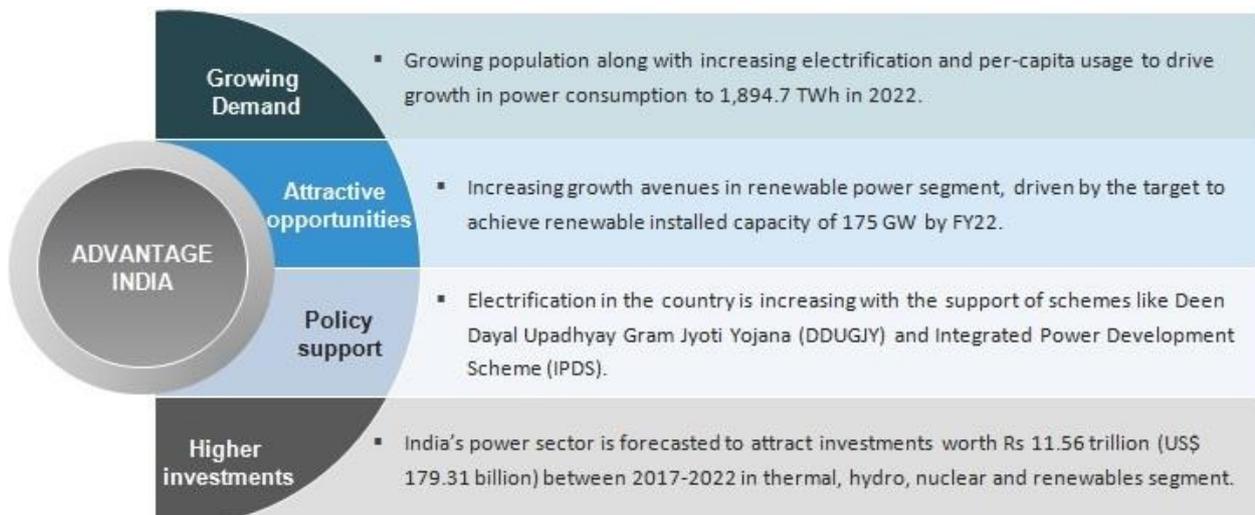


(Source: [https://www.irena.org/-/media/Files/IRENA/Agency/Publication/2018/Apr/IRENA\\_Report\\_GET\\_2018.pdf](https://www.irena.org/-/media/Files/IRENA/Agency/Publication/2018/Apr/IRENA_Report_GET_2018.pdf))

## INDIAN POWER (TRANSMISSION AND DISTRIBUTION) INDUSTRY

### Introduction

Power is one of the most critical components of infrastructure, crucial for the economic growth and welfare of nations. The existence and development of adequate infrastructure is essential for sustained growth of the Indian economy. Transmission, an important element in the power delivery value chain, facilitates evacuation of power from generating stations and its delivery to the load centers. For efficient dispersal of power to deficit regions, strengthening the transmission system network and enhancing the Inter-State power transmission system network are required.



Note: FDI - Foreign Direct Investment, TWh - Terawatt-Hour

Distribution is the most important link in the entire power sector value chain. As the only interface between utilities and consumers, it is the cash register for the entire sector. India's power sector is one of the most diversified in the world. In May 2018, India ranked 4th in the Asia Pacific region out of 25 nations on an index that measures their overall power.

(Source: <https://www.ibef.org/industry/power-sector-india.aspx>, <https://powermin.nic.in/en/content/overview-4>)

Demand for power transmission and distribution equipment correlates with investment in transmission and distribution network. India is on the verge of becoming a major power nation among developing economies, and increasing demand for electricity, new power generation capacity additions and expansion of transmission and distribution infrastructure have become major growth drivers for the sector.

Besides, India has a number of advantages in the manufacturing sector that make it an attractive investment destination. Apart from a large and growing domestic market, India also has a well-developed supplier base, availability of skilled manpower at relatively lower costs, supportive regulatory environment and good support infrastructure. Additionally, Indian manufacturers are becoming more competitive with respect to their product designs, manufacturing & testing facilities.

(Source: <https://economictimes.indiatimes.com/markets/stocks/news/growing-india-leaves-power-td-players-in-sweet-spot-for-long-term/articleshow/67203838.cms?from=mdr>)

### Market Size

Indian power sector is undergoing a significant change that has redefined the industry outlook. Sustained economic growth continues to drive electricity demand in India. The Government of India's focus on attaining 'Power for all' has accelerated capacity addition in the country. At the same time, the competitive intensity is increasing at both the market and supply sides (fuel, logistics, finances, and manpower).



Total installed capacity of power stations in India stood at 350.16 Gigawatt (GW) as of February 2019. Product segment, Robust growth, Export growth, aftermarket growth, growth drivers, shares in prodn and supply, favourable policy measures aiding growth

(Source: <https://www.ibef.org/uploads/industry/Infographics/large/power-infographic-nov-2018.pdf>)

### Investment Scenario

Between April 2000 and December 2018, the industry attracted US\$ 14.18 billion in Foreign Direct Investment (FDI), accounting for 3.48 per cent of total FDI inflows in India.

Some major investments and developments in the Indian power sector are as follows:

- i. In November 2018, Renascent Power Ventures Pte Ltd acquired 75.01 per cent stake in Prayagraj Power Generation Company Limited (PPGCL) for US\$ 854.94 million.
- ii. In August 2018, Kohlberg Kravis Roberts & Co (KKR) acquired Ramky Enviro Engineers Limited for worth US\$ 530 million.
- iii. In April 2018 ReNew Power made the largest M&A deal by acquiring Ostro Energy for US\$ 1,668.21 million.

(Source: <https://www.ibef.org/uploads/industry/Infographics/large/power-infographic-nov-2018.pdf>)

### Challenges

Securing land and clearances: Land is a basic necessity when it comes to pre-requisites for power generation projects. A lot of projects are either cancelled or delayed due to non-availability of land or difficulties in land acquisition. Another major hurdle post identification and selection of land is securing the required clearances. There are a number of clearances required from the MoEF, Ministry of Aviation, Department of Forests and other government bodies. Past experience indicates that there are major hurdles for land acquisition and securing clearances which include the following:

- Social reasons like opposition from nearby residents due to concerns over loss of land, water and pollution;
- Resettlement and rehabilitation issues;
- Regulatory delays;
- Environmental issues like afforestation;
- State specific issues like unavailability of supporting infrastructure;
- Financial reasons resulting from rising costs of land

Issues pertaining to competitive bidding: Competitive bidding in power generation and transmission is viewed as a major fundamental change – a move towards a competitive market, which would attract private sector participation and also help in discovering competitive prices in a largely regulated market. The typical duration for which companies quote their tariffs in competitive bidding scenario, is 25 years and 35 years for generation and transmission, respectively. The duration is fixed considering the life of assets and the period within which companies would be able to recover their costs at reasonable tariffs. The results in competitive bids in the recent past in India indicate that the tariffs discovered have been in most cases significantly lower than regulated tariffs. There are risks associated with projects that, if the bidder does not cover/hedge, would expose the bidder to a potential downside over a 25/35 year period.

Competition from International OEM : The strong demand growth in the country has led to increased competition for domestic BTG industry from OEMs based in China (like Shanghai Electric, Donfang Electric Group and Harbin Power Equipments), as several private players are opting to import BTG sets from China due to faster delivery of equipments and lower cost of sourcing. The prices quoted by Chinese manufacturers are below INR 2 crores/MW compared to price range of INR 2.8-3.2 crores/MW of domestic OEMs (Infra line Research). Importing equipment also provide developers opportunity to tap into Export Credit Market for equipment financing at extremely competitive rates. The Mega Power Policy has provided waiver of customs duty on import of supercritical equipments. In July 2011, to further eradicate difficulties faced by developers on furnishing “Certificate from Ministry of Power”, Government of India enabled dutyfree imports which is likely to continue till 2012

Worsening financial health of the distribution sector: Apart from a handful of franchisees and privatized utilities, the distribution sector is still largely in the hands of the state owned utilities. According to PFC’s report on performance of utilities-2010, the total AT&C loss in the country is 27.15% (2010), which is a mere 0.6% improvement from the levels



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of 27.74% in 2009. The low collections and cash deficit scenario of the distribution sector severely impacts the financial viability of generation and transmission sectors.

(Source : [https://www.pwc.in/assets/pdfs/power-mining/energising\\_opportunities\\_and\\_challenges.pdf](https://www.pwc.in/assets/pdfs/power-mining/energising_opportunities_and_challenges.pdf))

## **Opportunities**

Indian power sector has made considerable progress in the last decade and has evolved from a nascent market to a developing market led by policy reforms and increased private sector participation. Challenges do exist in the sector, which India has to overcome, to evolve from a developing market to a matured market. Meanwhile, the gap between what can be achieved and what is currently present, uncovers a number of possibilities and opportunities for growth.

- i. Strong growth in generation capacity led by per capita consumption, urbanization: There is strong growth opportunity in power generation led by exponential growth in economy, increasing propensity for electricity consumption and urbanization. India has made considerable progress in building up capability and uncovering opportunities for capacity additions. Indian companies have shown a huge interest in power generation and the recent change in power procurement landscape towards competitive bidding is expected to drive investments and efficiency in the sector. Compared to the 10th five year plan, the capacity additions have increased considerably in 11th five year plan as India Inc is slowly developing execution capabilities.
- ii. Alternate sources of energy: While Indian companies are largely focused on tradition sources of energy, global investments in renewable energy has jumped 32% reaching record USD 211 billion in 2010, which is over 5 fold increase since 2004. Even developing countries like China have ramped up their investments in alternate sources of energy. Steadily, India too is looking at building a strong renewable energy portfolio in coming years. Government of India is offering a number of incentives to renewable energy developers to accelerate investments in renewable energy space. RPO requirements set by state regulators and REC mechanism is expected to create demand for renewable energy across solar and non-solar sources. In addition, several benefits like accelerated depreciation, preferential tariff and generation based incentives offer attractive incentives to developers investing in renewable energy, and aim to enhance supply through renewable energy. The increased focus of Government of India towards renewable energy has created attractive opportunities for investments in this sector. The recent solar bids concluded is an indication the players are becoming increasingly competitive in the space while large scale capacity additions in wind continue across country (especially in Tamil Nadu and Rajasthan)

(Source : [https://www.pwc.in/assets/pdfs/power-mining/energising\\_opportunities\\_and\\_challenges.pdf](https://www.pwc.in/assets/pdfs/power-mining/energising_opportunities_and_challenges.pdf))



## Government Initiatives

The Government of India has identified power sector as a key sector of focus so as to promote sustained industrial growth. Some initiatives by the Government of India to boost the Indian power sector:

- i. As of September 2018, a draft amendment to Electricity Act, 2003 has been introduced. It discusses separation of content & carriage, direct benefit transfer of subsidy, 24\*7 Power supply is an obligation, penalization on violation of PPA, setting up Smart Meter and Prepaid Meters along with regulations related to the same.
- ii. Ujwal Discoms Assurance Yojana (UDAY) was launched by the Government of India to encourage operational and financial turnaround of State-owned Power Distribution Companies (DISCOMS), with an aim to reduce Aggregate Technical & Commercial (AT&C) losses to 15 per cent by FY19.
- iii. As of August 2018, the Ministry of New and Renewable Energy set solar power tariff caps at ₹ 2.50 (US\$ 0.04) and ₹ 2.68 (US\$ 0.04) unit for developers using domestic and imported solar cells and modules, respectively.
- iv. The Government of India approved National Policy on Biofuels – 2018, the expected benefits of this policy are health benefits, cleaner environment, employment generation, reduced import dependency, boost to infrastructural investment in rural areas and additional income to farmers.

(Source: <https://www.ibef.org/uploads/industry/Infographics/large/power-infographic-nov-2018.pdf>)

## The Road Ahead

The Government of India has released its roadmap to achieve 175 GW capacities in renewable energy by 2022, which includes 100 GW of solar power and 60 GW of wind power. The Union Government of India is preparing a 'rent a roof' policy for supporting its target of generating 40 gigawatts (GW) of power through solar rooftop projects by 2022. Coal-based power generation capacity in India, which currently stands at 191.09\*GW is expected to reach 330-441 GW by 2040. India could become the world's first country to use LEDs for all lighting needs by 2019, thereby saving ₹40,000 crore (US\$ 6.23 billion) on an annual basis. All the states and union territories of India are on board to fulfil the Government of India's vision of ensuring 24x7 affordable and quality power for all by March 2019, as per the Ministry of Power and New & Renewable Energy, Government of India.

(Source <https://www.ibef.org/uploads/industry/Infographics/large/power-infographic-nov-2018.pdf>)

Going forward, increasing population and growing penetration of electricity connections, along with increasing per-capita usage would provide further impetus to the power sector. Also, the strong public spending in infrastructure development and capacity building, especially in urban transportation, railways, oil and gas, sub-transmission etc, are expected to boost the sector. The industry is poised for growth in view of the government thrust on the power and construction industries. To note, the government has already planned a large amount of investment to the tune of \$800 million in renewable generation capacity, which is expected in next two years through tariff-based competitive bidding.

(Source: <https://economictimes.indiatimes.com/markets/stocks/news/growing-india-leaves-power-td-players-in-sweet-spot-for-long-term>)



## OUR BUSINESS

*This chapter should be read in conjunction with, and is qualified in its entirety by, the more detailed information about our Company and its financial statements, including the notes thereto, in the sections titled 'Risk Factors' and 'Financial Statements' and the chapter titled 'Management Discussion and Analysis of Financial Condition and Results of Operations' beginning on page nos. 17, 115 and 159 respectively, of this Draft Prospectus. Unless the context otherwise requires, in relation to business operations, in this chapter of this Draft Prospectus, all references to "we", "us", "our" and "our Company" are to Advait Infratech Limited.*

### OVERVIEW

Our company was incorporated as Advait Infratech Private limited on March 15, 2010 under Companies Act, 1956. The Name of the company was subsequently changed to "Advait Infratech Limited" pursuant to a special resolution passed by the shareholders of the company at the Extra Ordinary General Meeting held on October 21, 2019. A fresh certificate of incorporation consequent upon change of name was issued on November 29, 2019 by the Registrar of Companies, Ahmedabad.

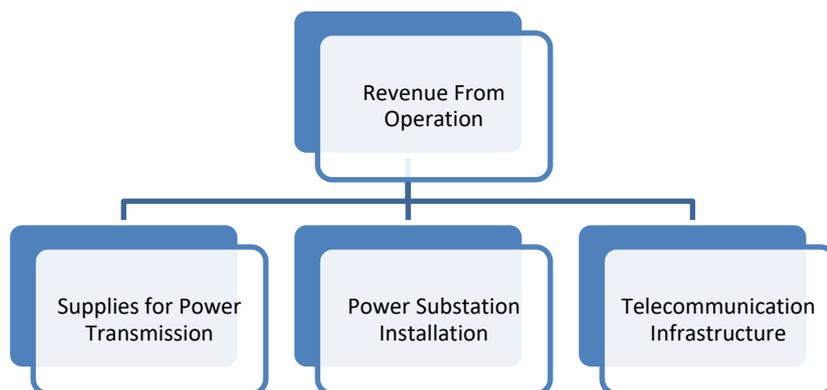
Our company is into business of providing products and solutions for power transmission, power substation and telecommunication infrastructure fields. We operates with various verticals such as Turnkey Telecommunication Projects, Installation of the Power Transmission, Sub Station and Telecom Products, Liasioning-marketing and providing end to end solutions for the overseas customers operating in the field Power Transmission and Sub Station, Trading of the similar products, and manufacturing through OEM of the stringing Tools

The major Products and Solutions offered by us are as below :

- 01) Optical Fibre Ground Wire (OPGW) and OFC cables and its solutions,.
- 02) Insulators for the the EHV – Extra High Voltage Transmission Lines,
- 03) Stringing Tools for construction of Transmission lines
- 04) Gas Insulators Sub Stations supply from our partners and providing end to end solutions
- 05) Earthing Solutions
- 06) Transmission line and Sub Station Lines specialized products,

Our Company has expanded its verticals by venturing into manufacturing of OPGW (Optical Fibre Ground Wire) and OFC Cables. Our Company has put up a manufacturing company, TG Advait India Private Limited through a joint venture with Jiangsu Tongguang Optical Fiber Cable Co.,Ltd.

Our revenue model is summarized as below



Our Managing Director and Promoter Mr. Shalin Sheth is actively involved in Business Development and expansion and technical areas of the Company. He actively participates in timely execution of the customer's orders and is the guiding force behind the growth and business strategy of our Company. Mrs Rejal Sheth, the Executive Director & also Promoter of our Company is instrumental in expanding the business of the Company to a new height Our promoters together have industry experience of many years and possess rich business intellect in the business circle of Ahmedabad. For details about the promoter family track record of this business please see "History and Certain Corporate Matters" on page no. 92 of this Draft Prospectus.



We operate through our registered office located at A-801 to 803 Sankalp iconic, Opposite Vikram Nagar Iscon Temple Cross Road, S.G Highway Ahmedabad, Gujarat: 380054.

## **Our strengths**

### **Existing Client Base**

Company is providing products and solutions to major power utilities in India and abroad, and to all Main EPC actively working in this field. We have successfully retained clients from both private and public sector. We have developed a strong client base for our product and services and enjoy certain level of an established relationship with them with our continuous innovation and customer first philosophy. Our business and growth are significantly depending on our ability to maintain the client relationship and offering innovative solution to customers. We have gained significant experience and have established track record and reputation for efficient and timely delivery of our product and services. This has helped us to maintain a long term working relationship with our customers and retain clients. We believe the quality of our products and services is demonstrated by the fact that all of these customers have given us repeat orders. We have strong existing client relationships which generates multiple repeat orders. We believe that our existing relationship with our clients represents a competitive advantage in gaining new clients and increasing our business.

### **Selective bidding with a focus on effective execution record**

We seek to bid on projects in our business areas on a selective basis. We have developed an experienced bidding team, and execution team and conduct extensive due diligence on project-specific, client-specific and country-specific risks and uncertainties. We endeavor to factor such risks and uncertainties into our bids and contracts to manage and allocate risks and uncertainties in a manner that reduces our financial exposure. We intend to continue to focus on effective order execution in order to maximize client satisfaction and margins. In addition, to facilitate decision making and to deliver satisfactorily on commitments to our clients, we intend to continue to strengthen the team for our execution.

### **Strong Order Book and Financial Position**

We have diversified products for power transmission and power substation field and have a strong order book. Our major product offering through trading vertical includes stringing tools -Optical Fiber Ground Wire (OPGW). We have a strong order book. We currently possess a unique balance sheet situation with low debt. We are finding unique opportunities for offering Niche and specific products for specific market giving us the higher profitability. Due to strong experience of our promoters and team till date, we have successfully executed our projects and orders.

### **Experienced Promoters and a well trained employee base**

Our Promoter Directors, Mr. Shalin Sheth and Mrs Rejal Sheth have significant industry experience and have been instrumental in the consistent growth of our group. They are ably supported by our staff and other co-directors. Our management and employee team combines expertise and experience to outline plans for the future development of the company. For further details regarding the experience and qualifications of our management team please see “*Our Management*” beginning on page 96 of this Draft Prospectus. We believe that the knowledge and experience of our promoter and management will enables us to identify new opportunities, rapidly respond to market conditions, adapt to changes in the business landscape and competitive environment and enhances the growth in the business.

### **Optimal Utilization of Resources**

Our Company constantly endeavors to improve our service process, and will increase its procurement process to optimize the utilization of resources. We have invested significant resources, and intend to further invest in our Existing Supplier Relationship, Experienced Management Team, Existing Client Base, Strong Balance Sheet and Financial Position, Optimal Utilization of Resources activities to develop customized systems and processes to ensure effective management control. We regularly analyze our existing policies to be carried out for operations of our Company which enable us to identify the areas of bottlenecks and correct the same. This helps us in improving efficiency and putting resources to optimal use.

## **Our strategies**

### **Capitalize on growing demand for power infrastructure in India**



Electricity consumption is one of the most important indices that decide the development level of a nation. It is the key ingredient for accelerated economic growth and is considered vital for nation's overall development. Providing reliable and quality power supply in an efficient manner is an immediate requirement of the day. There is consistent growth in electricity demand due to increase in customer base, changes in lifestyle and consumption pattern which requires continual reinforcement and creation of new electricity infrastructure in Generation, Transmission and Distribution sectors to meet the consumer expectations.

Government of India has launched a new scheme namely "24 x 7 POWER FOR ALL" with the objective to provide electricity connections to all remaining un-electrified households in rural as well as urban areas. This program is joint initiative of Government of India with all States and Union Territories (UTs) to facilitate 24 x 7 power for all by 2019. We believe that such initiatives by government will enhance the business opportunities for overall industry, resulting into greater business opportunities for our company as well. Further, we will continue to pursue opportunities to expand our presence in this industry.

### **Improving Technical capabilities & Movement in Supply Chain**

Currently, our major product offering through trading vertical includes stringing tools -such as clamps, pulley, winch, Aerial roller, Optical Fiber Ground Wire (OPGW), Other transmission solutions such as insulators, high tension low set conductors, earthing materials etc. We also provide site installation of our products. Our Company has moved upward in the supply chain by venturing into manufacturing of OPGW. Our Company has put up a manufacturing company of OPGW wires, TG Advait India Private Limited through a joint venture with Jiangsu Tongguang Optical Fiber Cable Co. Ltd.

We intend to continue to strengthen our technical capabilities to enable us to move up the value chain. This will lead us to generate deep understanding of network requirements of our customers. We believe that we will be able to identify and execute niche projects. This will thereby contribute to our efforts to further strengthen our relationships with our existing clients.. Successful track record with our clients also gives us expertise to bid for more tenders and meet the tender requirements. This will also enable us to generate more business directly from telecom operators.

### **Well Strategized Growth Plan**

We have well strategized and focused growth plan in place which includes enhancing our solution offerings, vertical expansion and strengthening of our management bandwidth. This plan helps us to establish realistic objectives and goals that are in line with our long term vision in place with constant focus on quality. To keep sailing on it, We are dedicated to improve the quality of our products/services. We have a qualified team which constantly works for product/services management, improving on deliverables. We are strengthening our management bandwidth with induction of senior and experience people regularly.

### **Improving functional efficiencies**

Our Company intends to improve functional efficiencies to achieve cost reductions to have a competitive edge over the peers. Our employees are regularly motivated to increase efficiency with error free exercise. We believe that this can be done through continuous process improvements. Further we believe that this can be done through domestic presence and economies of scale. Increasing our penetration in existing regions with new range of products, will enable us to penetrate into new catchment areas within these regions and optimize our infrastructure. As a result of these measures, our company will be able to increase its market share and profitability.

The key factors for improving functional efficiency are :

- Procurement of the Capital items for Construction of our Live line Installation projects of OPGW and OFC cables and henceby decreasing the cost of Project.
- Offering the better finance to the contractors and gangs for our projects in Pan India to reduce the cost of the project

### ***Leveraging our Market skills and Relationships***

Our Company believes that our business is a by-product of relationships. This is a continuous process in our organization and the skills that we impart in our people give importance to customers. We aim to enhance the growth by leveraging our relationships and further enhancing customer satisfaction. We plan to increase our customers by completing orders in hand on time, maintaining our customer relationship and renewing our relationship with existing buyers.



## DETAILS OF OUR BUSINESS

### Location

#### **Registered Office:**

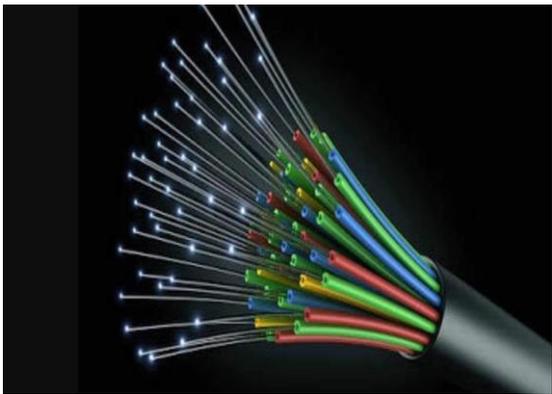
Our Registered office is located at A-801 to 803 Sankalp iconic, Opposite Vikram Nagar Iscon Temple Cross Road, S.G Highway Ahmedabad, Gujarat 380054.

#### **Warehouse / Assembly Unit./ Test Centre**

Our warehouse is located at Moraiyar survey no 441paikikhata no.1729 Paiki Khushal Ind Park Shed no. 49 &54 Ta-Sanand, Gujarat.

### Products and services

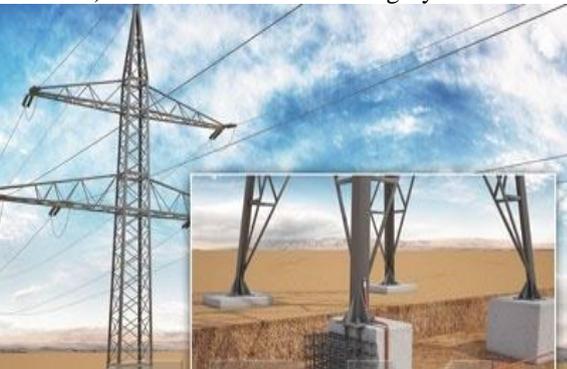
Our Company major products and solution offering includes :

Products	About	End users
1) Optical ground wire (OPGW) 	Optical ground wire (also known as an OPGW) is a type of cable that is used in overhead power lines. It is a dual functioning cable; it is designed to replace traditional earth wires on overhead transmission lines with the added benefit of containing optical fibers which can be used for telecommunications purposes. An OPGW cable contains a tubular structure with one or more optical fibers in it, surrounded by layers of steel and aluminum wire	Electric transmission and telecommunications business
2) Optical-fiber cable (OFC) 	Optical-fiber cable (OFC) is an assembly similar to an electrical cable but that contains one or more optical fibers that are used to carry light. An OFC is a type of cable that has a number of optical fibers bundled together, which are normally covered in their individual protective plastic covers. They are used to transfer digital data signals in the form of light up to distances of hundreds of miles. Optical fiber cable is widely used in fiber optic communications.	Electric transmission and telecommunications business
3) Motorized Winch Machine	A motorized winch machine is a mechanical device that is used to pull in (wind up) or let out (wind out) or otherwise adjust the tension of a rope or wire rope (also called "cable" or "wire cable"). In its simplest form, it consists of a spool (or drum) attached to a hand crank.	Electric transmission and telecommunications business. Construction and Infrastructure Business



		
<p>4) High Strength Wires</p> 	<p>High Strength Wires take the huge load of conductors during construction.</p>	<p>Electric Power Transmission Utility</p>
<p>5) Motorized Hydraulic Compressor Machine</p> 	<p>A hydraulic compressor is any type of air compressor that is powered by hydraulics on a vehicle or machine. Hydraulic compressors convert hydraulic power into mechanical power, and then mechanical power to pneumatic power. This power conversion allows vehicles or equipment with existing hydraulics to simultaneously utilize hydraulic and pneumatic power.</p>	<p>Electric Power Transmission Utility</p>



<p>6) Insulators</p> 	<p>Electrical insulators may be used for circuit boards, high voltage systems and as coating on electric wire and cable</p>	<p>Power Transmission and Distributors</p>
<p>7) GIS</p> 	<p>Gas-insulated high-voltage switchgear (GIS) is a compact metal encapsulated switchgear consisting of high-voltage components such as circuit-breakers and disconnectors, which can be safely operated in confined spaces. GIS is used where space is limited, for example, extensions, in city buildings, on roofs, on offshore platforms, industrial plants and hydro power plants.</p>	<p>Power Transmission companies, Railways</p>
<p>8) Transmission line Earthing System</p> 	<p>Abstract—High-voltage substations are fed by transmission lines with the earthing system solidly bonded to the substation earth grid. The analysis shows that the poles located within the finite length from the substation form a solid input to the substation earth potential rise</p>	<p>Power Transmission companies,</p>

### Installation of OPGW wire

Our company is engaged in installation Of OPGW Cable including laying, providing required hardware in line splices to be encased in Fibre Optic Splice Enclosures, lying & termination of a Fibre Optic Approach cable required to connect Overhead Fibre Optic Cable (OPGW) between the final & line splice enclosure on the gantry/tower including installation of Fibre Optic Distribution Panel (FODP) at sub -station ends.

OPGW stands for Optical Ground Wire. Earlier shield wire / sky wire / Ground wire were used for protecting the high voltage phase wires form lightning strikes on the Transmission Tower. But today, OPGW is used as shield wire /sky wire / ground wire. It is designed to replace traditional static / shield / earth wires on overhead transmission lines with the added benefit of containing optical fibers which can be used for telecommunications purposes.



One is to protect the high voltage phase wire on the tower from the lightning strikes. Another very important function is transmitting data. It is used for data telemetry from Generating Station to the load dispatch center.

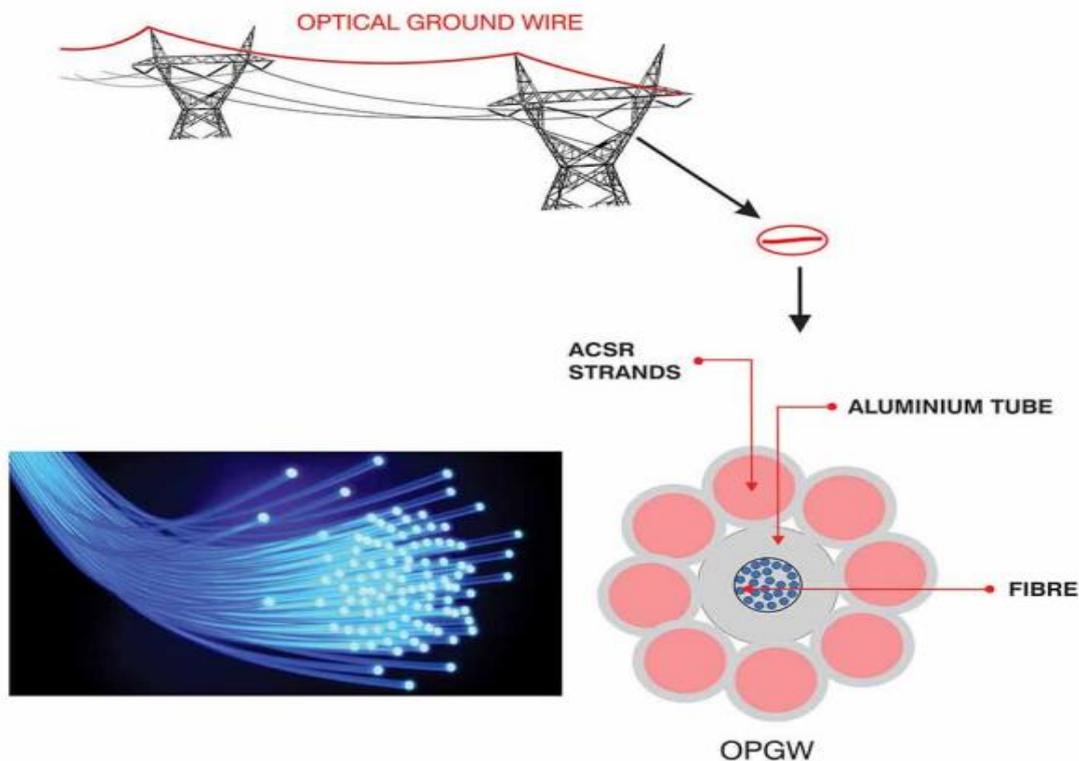
OPGW is primarily used by the electric utility industry, placed in the secure topmost position of the transmission line where it “shields” the all-important conductors from lightning while providing a telecommunications path for internal as well as third party communications. Optical Ground Wire is a dual functioning cable, meaning it serves two purposes. It is designed to replace traditional static / shield / earth wires on overhead transmission lines with the added benefit of containing optical fibers which can be used for telecommunications purposes. OPGW must be capable of withstanding the mechanical stresses applied to overhead cables by environmental factors such as wind and ice. OPGW must also be capable of handling electrical faults on the transmission line by providing a path to ground without damaging the sensitive optical fibers inside the cable.

#### **Construction of OPGW:**

OPGW is optical fiber composite ground wire. This cable contains a tubular structure having one or more optical fiber and surrounded by layers of aluminum and steel wires. This layer of aluminum and steel wires serves to connect the tower to the ground. The optical fiber within the cable is used for the high speed data telemetry between the utilities or sold to some third parties for high speed fiber interconnection between the cities. A simple schematic diagram of OPGW is shown below.



This cable is designed in such a way to withstand the mechanical stresses applied to overhead lines due to environmental factors such as wind and ice. It must also be capable of handling electrical faults on the transmission line by providing a path to ground without damaging the sensitive optical fibers inside the cable.



### Key Process –Manufacturing of OPGW by TG Advait India Private Limited

TG Advait India Private Limited, our joint venture with Jiangsu Tongguang Optical Fiber Cable Co Ltd. is engaged in manufacturing of OPGW and OFC Cable; the process is illustrated as below

#### *Manufacturing process of OPGW as following: -*

##### (1) Fiber Color Ring:-

Optical Fiber passes through the colour ring machine. in the colour ring machine, 'colour rings' will be made/marked on the fibers. colour rings will be marked on certain distance on the fiber.

##### (2) Fiber COLOURING:-

Optical Fiber passes through the Machine. The machine is having different Colour Containers. Optical Fiber rewinding through the machine , passes from the containers and Colour is applied on the surface of the Optical Fiber.

##### (3) Secondary Coating:-

PBT which is in Particle Form is fed into the machine. Machine will convert particles of PBT in to a Tube like Structure. At the same instance Optical Fiber will be injected into the tube and also the Fiber Gel will be injected into the tube through pump. Finished Item is Loose Tube Structure, means Colour Fiber surrounded by GEL in the PBT Tube.

##### (4) Loose Tube Stranding:-

Loose Tubes are stranded around the Strength Member to form a Cable Core Structure. The Strength Member is used to give strength to the Loose Tube Cable. Raw material: Loose Tube, Central Strength Member (FRP or Steel Wire)

##### (5) Aluminum Tubing: -

Aluminum Rod and Cable Core together are fed into the machine. Aluminum Rod is heated to the melting point and is made to cover the Cable Core. Aluminum Covered Cable Structure is formed after the process.

##### (6) Stranding: -

Aluminum Clad Steel wires are stranded around Aluminum Tube to form a final structure of OPGW Cable.



### **Manufacturing process of Optical Fiber Cable (OFC / ADSS) as following: -**

**(1) Fiber Color Ring:-**

Optical Fiber passes through the COLOUR RING machine. In the COLOUR RING machine, 'Colour Rings' will be made/marked on the Fibers. COLOUR RINGS will be marked on certain distance on the fiber.

**(2) Fiber COLOURING:-** Optical Fiber passes through the Machine. The machine is having different Colour Containers. Optical Fiber rewinding through the machine , passes from the containers and Colour is applied on the surface of the Optical Fiber

**(3) Secondary Coating:-** PBT (Polybutylece Terephthalate) which is in Particle Form is fed into the machine. Machine will convert particles of PBT in to a Tube like Structure. At the same instance Optical Fiber will be injected into the tube and also the Fiber Gel will be injected into the tube through pump. Finished Item is Loose Tube Structure, means Colour Fiber surrounded by GEL in the PBT Tube.

**(4) Loose Tube Stranding:-** Loose Tubes are stranded around the Strength Member to form a Cable Core Structure. The Strength Member is used to give strength to the Loose Tube Cable.

**(5) Inner Sheath:-** Cable Core is released off into the machine with or without Aluminum Tape or Steel Tape (As per design and client requirement). At the same time PE material fed into the machine and then extruded to cover the Cable Core to create inner sheath or Final OFC Structure. (Final OFC Structure in the case where only one layer sheathing is required)

**(6) Outer Jacket/Sheath:-**

Armid Yarn or PE Material is used to give strength and protect Cable Core. The Armid Yarn wrapped around the Cable Core and PE extruded and wrapped around inner PE finished cable to form a final structure of OFC / ADSS.

### **Plant and Machinery**

We have the following categories of tools and machinery :

Two sets of Capital Goods for the Optical Fibre Live line installation including Splicing machines, Testing Lab for the Stringing tools

### **Utilities**

#### **Power & Water**

Our company meets its power requirements for our registered office and for our godown by purchasing electricity from Torrent Power Limited and Uttar Gujarat Vij Company Ltd. Water is required only for human consumption at office and warehouse.

### **Our Client Base**

Our success lies in the strength of our relationship with our customers who have been associated with us for reasonable continues period. Our products are aimed at customers who are engaged mainly in the in the business of Power Generation, Transmission & Distribution. Along with it, those clients also form part of our valued customer base which are engaged in the erection and commissioning of Transmission lines. Some of our products are also targeted towards customers providing end to end power systems solutions. The following table illustrates the concentration of our revenues among our top ten customers on a standalone basis.

(₹ in Lakhs)

Particulars	For the period ended December 31, 2019		FY 2018-19		FY 2017-18		FY 2016-17	
	Revenue	% of Total Revenue	Revenue	% of Total Revenue	Revenue	% of Total Revenue	Revenue	% of Total Revenue
Top 10 Customers	2,449.67	76.83%	2,658.78	93.22%	3,221.41	71.04%	2,057.75	69.44%



## **Competition**

We face competition from various domestic and international players. Though being dominated by the large conglomerates, the industry is also unorganized and fragmented with many small and medium-sized companies and entities. Many of our competitors have substantially large capital base and resources than we do and offer broader range products. We believe that the principal factors affecting competition in our business include client relationships, reputation, the abilities of employees, market focus and the relative quality and price of the services and products.

## **Seasonability**

Our business is not seasonable in nature.

## **Marketing and Marketing Set-Up**

Our Company believes that the quality of their product and services are up to the mark and that's the major reason for being awarded with the orders. Our Company has a skilled team for marketing which personally indulges in formation of marketing strategies apt for the right promotion of the products manufactured by us. Our marketing team through their vast experience and good networking with clients owing to timely and quality delivery of service plays an instrumental role in creating and expanding a work platform for our Company. To retain our customers, our team, which comprises of people with vast experience regularly interacts with them and focuses on gaining an insight into the additional needs of customers.

Since the target industries and customers are known to us, the sales teams approach them and solicit business for various verticals. We believe that the quality of service we offer is one of our most effective marketing tools.

## **Export and Export Obligation**

Our Export Revenue for the last 3 financial years are as mentioned below:

(₹ in Lakhs)

Particular	For the period ended Dec 31, 2019	For the year ended March 31		
		2019	2018	2017
Export Revenue	327.38	296.97	189.95	375.46
% of Total Revenue from Operation	10.62%	10.58%	4.38 %	13.06 %

The company does not have any export obligations as on the date of this Draft Prospectus.

## **Human Resource**

We believe that a motivated and empowered employee base is the key to our operations and business strategy. Currently, our company has at its disposal a dynamic team of our manpower. These professionals are assisted by office & administration staff and finance professionals who work in unison in order to meet requirements of the Company and attain organizational goals and targets within the set time frame.

We employ 44 employees as on April 30, 2020. The details of manpower employed as on April 30, 2020 are as under:

Sr. No	Category	Number of employees
1.	Executive Director	2
2.	Key Managerial Personnel (KMP)	1
3.	Other Employees (Registered Office and marketing executives) (including office and administration staff )	41
	<b>Total</b>	<b>44</b>

## **Insurance**

Details of major insurances taken by us are given below:



Sr. No.	Name of Insurance Company	Details of Assets /Goods covered under the policy	Policy No.	Validity Period	Sum Insured	Premium p.a.
1.	TATA AIG General Insurance Company Limited	Permanent Employees policy	02366307850100	31/08/2019 to 30/08/2020	₹ 82,50,000	₹ 25,311
2.	TATA AIG General Insurance Company Limited	Marine Cargo Endorsement	08650808040101	31/08/2019 to 30/08/2020	₹ 15,00,00,0000	₹ 41300
3.	BAJAJ Allianz General Insurance Company Limited	Standard Fire and Special Perils Policy-Dwellings	OG-19-2202-4035-00000848	09/09/2018 to 08/09/2033	₹10,00,000	₹.4,426
4.	BAJAJ Allianz General Insurance Company Limited	Standard Fire and Special Perils Policy-Dwellings	OG-20-2202-4001-00005418	09/09/2019 to 08/09/2020	₹ 10,00,000	₹496
5.	BAJAJ Allianz General Insurance Company Limited	Standard Fire and Special Perils Policy-Dwellings	OG-20-2202-4001-00005421	09/09/2019 to 08/09/2020	₹ 10,00,000	₹590
6.	BAJAJ Allianz General Insurance Company Limited	Standard Fire and Special Perils Policy-Dwellings	OG-20-2202-4001-00005423	21/09/2019 to 20/09/2020	₹ 15,00,000	₹.2,438
7.	BAJAJ Allianz General Insurance Company Limited	Standard Fire and Special Perils Policy-Dwellings	OG-20-2202-4001-00004060	18/07/19 to 17/07/20	₹1,10,00,000	₹.8,275

### **Intellectual Property**

We do not have any trademark or intellectual property rights for our business operations. For further details, please see the chapter “Risk Factors” on page 17 of this Draft Prospectus. However our Company uses the following logo on its products and for corporate communications:

Particulars	Status
	Unregistered

### **Properties**

Our Company owns following properties:

Sr. No.	Details of premises	Name of Vendor	Purchase Consideration	Purpose
1.	Block no 548/549/550 Village- Borisana, Tehsil-Kadi, District- Mehasana, Gujarat	Mr.Shaileshbhai Kantilal Mistri	57,50,000	Investment
2.	Block no 547, Village- Borisana, Tehsil-Kadi, District- Mehasana, Gujarat	Mr.Shaileshbhai Kantilal Mistri & Mr Kanakray Ranchhodbhai Thesia	12,00,000	
3	Non agriculture land at Moraiyarsrv no 441paikikhata no.1729 PaikiKushalInd Park Shed no. 54 Ta- Sanand Gujarat	Kushal Infrastructure Private Limited	13,75,000	Warehouse
4.	MoujeThaltej, Srv-288,(Old Srv -291/1 ETC), Tp-39, Fp-9, La Habitat, Flat No- A9/202. Gujarat	Mr. Sureshkumar Khali Padhi & Mr. Sharmistha Sureshkumar Padhi	58,00,000	Given as rent free accommodation to Mr. Shalin R



			Sheth
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The details of leasehold properties, which we occupy for our business operations, are as under:

Sr. No.	Details of premises	Name of Licensor	Amount & Tenure of Rent	Purpose
1.	Unit no A/801, 8th floor, Sankalp Iconic tower, Isconambli road, Opp. Vikramanagar, Near Iskon cross road, Ahmedabad-380054.  Area: 730.28 sqmtrs	Mr. Shalin R Sheth, & Mrs. Rejal S Sheth	Tenure : 11months & 29 days starting from 1st April,2019.*  Monthly rent: ₹26500	Registered Office
2.	Unit no A/802, 8th floor, Sankalp Iconic tower, Isconambli road, Opp. Vikramanagar, Near Iskon cross road, Ahmedabad-380054.  Area: 730.28 sqmtrs	Mr. Shalin R Sheth, & Mrs. Rejal S Sheth	Tenure : 11months & 29 days starting from 1st April,2019.*  Monthly rent: ₹26500	
3	Unit no A/802, 8th floor, Sankalp Iconic tower, Isconambli road, Opp. Vikramanagar, Near Iskon cross road, Ahmedabad-380054.  Area: 730.28 sqmtrs	Mr. Shalin R Sheth, & Mrs. Rejal S Sheth	N.A. (Company has taken NOC from Mr. Shalin Sheth)	
4.	49, Kushal Industrial Estate, Opp. Ramdev Masala, Near Petro Nova Chemical, Moraiya, Changodar, Gujarat- 382 213	Mr. Shalin R Sheth, & Mrs. Rejal S Sheth	Tenure : 11months & 29 days starting from 1st July,2019.  Monthly rent: ₹40000	Warehouse

\*The said rent agreement is renewed by the promoters orally with mutual understanding for further 11 months & 29 days; however no written agreement is executed due to the lockdown caused by global pandemic of COVID 19.



## KEY INDUSTRY REGULATIONS AND POLICIES

*The following description is a summary of certain sector specific laws and regulations in India, which are applicable to us. The information detailed in this chapter has been obtained from publications available in the public domain. The regulations 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 substitute for professional legal advice.*

Our major product offering through trading vertical includes stringing tools -such as clamps, pulley, winch, Aerial roller , Optical Fiber Ground Wire (OPGW), Other transmission solutions such as insulators, high tension low set conductors, earthing materials etc. We also provide site installation of our products. Further, our Company is engaged in installation Of OPGW Cable including laying, providing required hardware in line splices to be encased in Fiber Optic Splice Enclosures, lying & termination of a Fiber Optic Approach cable required to connect Overhead Fiber Optic Cable (OPGW) between the final & line splice enclosure on the gantry/tower including installation of Fiber Optic Distribution Panel (FODP) at sub -station ends. Our Company also provides agency, liaising, marketing and branch support services to foreign companies for their Indian project execution.

Our business is governed by various central and state legislations that regulate the substantive and procedural aspects of the business. We are required to obtain and regularly renew certain licenses/ registrations and / or permissions required statutorily under the provisions of various Central and State Government regulations, rules, bye laws, acts and policies.

For details of Government Approvals obtained by us in compliance with these regulations, please see the chapter titled “Government and Other Key Approvals” beginning on page 181 of this Draft Prospectus.

### A. LABOUR RELATED LEGISLATIONS:

#### Payment of Gratuity Act, 1972

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

#### 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.

#### Equal Remuneration Act, 1979

Equal Remuneration Act, 1979 provides for payment of equal remuneration to men and women workers and for prevention discrimination, on the ground of sex, against female employees in the matters of employment and for matters connected therewith.

#### Gujarat Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2019

The Company has its registered office at A-801 To 803 Sankalp Iconic, Opp. Vikram Nagar, Iscon Temple Cross Road, S.G Highway Ahmedabad, Gujarat-380054, India and accordingly the provisions of Gujarat Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2019 are applicable to the Company. The said Act regulates the conditions of work and employment in shops and commercial establishments and generally prescribe obligations in respect of registration, opening and closing hours, daily and weekly working hours, holidays, leave, health and safety measures and wages for overtime work.

### B. TAX RELATED LEGISLATIONS:

#### Income-tax Act, 1961



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

### **Central Goods and Services Act, 2017**

The Central Goods and Services Act, 2017 (“CGST Act”) regulates the levy and collection of tax on the intra- State supply of goods and services by the Central Government or State Governments. The CGST Act amalgamates a large number of Central and State taxes into a single tax. The CGST Act mandates every supplier providing the goods or services to be registered within the State or Union Territory it falls under, within 30 days from the day on which he becomes liable for such registration. Such registrations can be amended, as well as cancelled by the proper office on receipt of application by the registered person or his legal heirs. There would be four tax rates namely 5%, 12%, 18% and 28%. The rates of GST applied are subject to variations based on the goods or services.

## **C. OTHER LEGISLATIONS:**

### **Transfer of Property Act, 1882**

The transfer of property, including immovable property, between living persons, as opposed to the transfer property by operation of law, is governed by the Transfer of Property Act, 1882 (“T.P. Act.”).The T.P. Act establishes the general principles relating to the transfer of property, including among other things, identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property. Transfer of property is subject to stamping and registration under the specific statutes enacted for the purposes which have been dealt with hereinafter. The T.P. Act recognizes, among others, the following forms in which an interest in an immovable property may be transferred:

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

**Sale:** The transfer of ownership in property for a price, paid or promised to be paid.

**Mortgage:** The transfer of an interest in property for the purpose of securing the payment of a loan, existing or future debt, or performance of an engagement which gives rise to a pecuniary liability. The T.P. Act recognises several forms of mortgages over a property.

**Charges:** Transactions including the creation of security over property for payment of money to another which are not classifiable as a mortgage. Charges can be created either by operation of law, e.g. decree of the court attaching to specified immovable property, or by an act of the parties.

**Leases:** The transfer of a right to enjoy property for consideration paid or rendered periodically or on specified occasions.

**Leave and License:** The transfer of a right to do something upon immovable property without creating interest in the property.

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

### **Registration Act, 1908**

The Registration Act, 1908 (“Registration Act”) was passed to consolidate the enactments relating to the registration of documents. The main purpose for which the Registration Act was designed was to ensure information about all deals concerning land so that correct land records could be maintained. The Registration Act is used for proper recording of transactions relating to other immovable property also. The Registration Act provides for registration of other



documents also, which can give these documents more authenticity. Registering authorities have been provided in all the districts for this purpose.

### **Indian Stamp Act, 1899**

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

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

### **Indian Contract Act, 1872**

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

### **Specific Relief Act, 1963**

The Specific Relief Act, 1963 (“Specific Relief Act”) is complimentary to the provisions of the Contract Act and the Transfer of Property 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.

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

The Consumer Protection Act, 1986 seeks to provide better protection of interests of the consumers and for that purpose to make provision for establishment of consumer councils and other authorities for the settlement of consumer’s disputes and for matters connected therewith. It seeks to promote and protect the rights of consumers.

To provide steady and simple redressal to consumers’ disputes, a quasi-judicial machinery is sought to be set up at the district, state and central levels. The quasi-judicial bodies will observe the principles of natural justices and have been empowered to give relieves of a specific nature and to award wherever appropriate compensation to consumers. Penalties for non-compliance of the orders given by the quasi-judicial bodies have also been provided.

### **Competition Act, 2002**

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

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



Companies Act, 1956 and Companies Act, 2013:

The Companies Act, 2013 (“Companies Act”), has been introduced to replace the existing Companies Act, 1956 in a phased manner. The Companies Act deals with laws relating to companies and certain other associations. The Companies Act primarily regulates the formation, financing, functioning and winding up of companies. The Companies Act 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.

### **The Trademarks Act, 1999**

Under the Trademarks Act, 1999 (“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 colors 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.

## **D. REGULATIONS REGARDING FOREIGN INVESTMENT**

### **Foreign Exchange Management Act, 1999 and Consolidated Foreign Direct Investment Policy Circular of 2017 (as amended from time to time)**

Foreign investment in companies in the manufacturing sector 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 which consolidates the policy framework on Foreign Direct Investment (“**FDI Policy**”), with effect from August 28, 2017. The FDI Policy consolidates and subsumes all the press notes, press releases, and clarifications on FDI issued by DIPP till August 27, 2017. All the press notes, press releases, clarifications on FDI issued by DIPP till August 27, 2017 stand rescinded as on August 28, 2017. In terms of the FDI Policy, foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the Government route, depending upon the sector in which foreign investment is sought to be made. In terms of the FDI Policy, the work of granting government approval for foreign investment under the FDI Policy and FEMA Regulations has now been entrusted to the concerned Administrative Ministries/Departments. 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 Government, the RBI would continue to be the primary agency for the purposes of monitoring and regulating foreign investment. In cases where Government 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, 2017 to prohibit, restrict or regulate, transfer by or issue of security to a person resident outside India. The Company is engaged in the activity of wholesale trading and multi-brand retail trading. The FDI Policy issued by the DIPP permits foreign investment upto 100% in the Cash and Carry Wholesale Trading/ Wholesale Trading (“**WT**”) sector under the automatic route. Further, the FDI Policy permits foreign investment upto 51% in the multi-brand retail sector under the government route subject to certain conditions which are mentioned below.



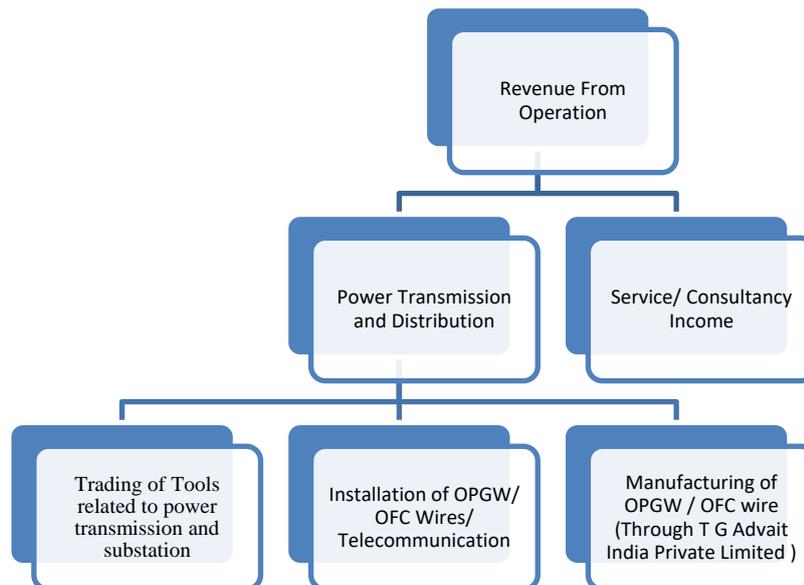
## HISTORY AND CERTAIN CORPORATE MATTERS

Our company was incorporated on March 15, 2010 as ‘Advait Infratech Private Limited’ under the provisions of Companies Act, 1956 with the Registrar of Companies, Ahmedabad bearing Registration No. 059878 and the certificate of incorporation was issued by the Registrar of Companies at Ahmedabad. Our Company was converted into a public limited company pursuant to a special resolution passed by our Shareholders on October 21, 2019 and the name of our Company was changed to “Advait Infratech Limited”. Consequently, a fresh certificate of incorporation consequent upon change of name upon conversion into public company was issued by the RoC on November 29, 2019.

Our company strives to provide diversified products for power transmission and power substation field. Our major product offering through trading vertical includes stringing tools -such as clamps, pulley, winch, Aerial roller , Optical Fiber Ground Wire (OPGW), Other transmission solutions such as insulators, high tension low set conductors, earthing materials etc. We also provide site installation of our products. Further, our Company is engaged in installation of OPGW Cable including laying, providing required hardware in line splices to be encased in Fiber Optic Splice Enclosures, lying & termination of a Fiber Optic Approach cable required to connect Overhead Fiber Optic Cable (OPGW) between the final & line splice enclosure on the gantry/tower including installation of Fiber Optic Distribution Panel (FODP) at sub -station ends. Our Company also provides agency, liaising, marketing and branch support services to foreign companies for their Indian project execution.

Our Company has expanded its verticals by venturing into manufacturing of OPGW. Our Company has put up a manufacturing company, TG Advait India Private Limited through a joint venture with Jiangsu Tongguang Optical Fiber Cable Co.,Ltd.

Our revenue model is summarized as below



Our Managing Director and Promoter Mr. Shalin Sheth is actively involved in technical areas of the Company. He actively participates in timely execution of the Industry Orders and is the guiding force behind the growth and business strategy of our Company. Mrs Rejal Sheth, the Executive Director & also Promoter of our Company is instrumental in expanding the business of the Company to a new height Our promoters together have industry experience of many years and possess rich business intellect in the business circle of Ahmedabad. For details about the promoter family track record of this business please see “History and Certain Corporate Matters” on page no. 92 of this Draft Prospectus.

We operate through our registered office located at A-801 to 803 Sankalp iconic, Opposite Vikram Nagar Iscon Temple Cross Road, S.G Highway Ahmedabad, Gujrat: 380054.

For further details regarding our business operations, please see “Our Business” beginning on page no. 76 of this Draft Prospectus.



Our Company has 7 shareholders as on the date of filing of this Draft Prospectus.

### MAJOR EVENTS IN THE HISTORY OF OUR COMPANY

Year	Event
March 15, 2010	Incorporated under Companies Act, 1956 as ‘ Advait Infratech Private Limited’
March 11, 2013	Purchased Warehouse located at Non agriculture land at Moraiyarsrv no 441paikikhata no.1729 PaikiKhushalInd Park Shed no. 54 Ta- Sanand Gujarat
May 13, 2016	Entered into Joint Venture with Jiangsu Tongguang Optical Fiber Cable Co. Ltd and thus ventured into manufacturing of OPGW
November 29, 2019	Conversion from Private Company as “Advait Infratech Private Limited” to Public Limited Company “Advait Infratech Limited” and a fresh certificate of incorporation consequent upon conversion was granted to our Company.

### MAIN OBJECTS AS PER MEMORANDUM OF ASSOCIATION

Our Company’s main objects as per the Memorandum of Association are as follows:

To carry out the business in India and/or elsewhere of infrastructure technology and related items, products including construction, building design, infrastructure related power generation, transmission, distribution and related products and also including its parts, components, accessories and ancillary products and/or items. To construct, acquire, maintain, alter, develop, take on lease, purchase or acquire under any terms and conditions in India or abroad any movable or immovable property including land, building, civil or infrastructure work, commercial license and to carry on the business of trader, agents, brokers, consultants, business brokers, developers, colonizer, mediatory, isomer, franchiser in all types of infrastructure technology development products and other products either independently or jointly in partnership, joint venture or otherwise, or to transact on commission, brokerage or otherwise

To carry on business as a Lassoer, Marketer, Trader, OEM Manufacturer of Materials, Components and Equipment related to Power Transmission, Substation, Power Generation and Telecommunication and also carry on business as a EPC Contractor for power transmission, optical fiber network and optical equipment solutions.To plan, promote, develop, erect and maintain, operate and otherwise deal in Telecommunications Networks & Services,. signaling & telecommunication system in all its aspects including turnkey telecommunication projects in India and abroad including planning, investigation, research, design and engineering, preparation of preliminary, feasibility and definite project reports To engage in the business of Manufacturing of capital goods for power transmission, construction equipment, joint venture manufacturer of optical fiber ground wire and optical fiber cables\*\*.

### CHANGES IN REGISTERED OFFICE OF OUR COMPANY

Date of Change	Changed From	Change to	Reason for change
December 31, 2014	222, 2ndFloor, Advait complex near sandesh press, Vastrapur , Ahmedabad	A-203, Shapath Hexa, Opp Gujarat High Court, Near Sola Over Bridge, Sola, Ahmedabad	Administrative Reasons
January 25, 2019	A-203, Shapath Hexa, Opp Gujarat High Court, Near Sola Over Bridge, Sola, Ahmedabad	A-801 To 803 Sankalp Iconic, Opp. Vikram Nagar, Iscon Temple Cross Road, S.G Highway Ahmedabad	

### AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION

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

DATE OF AGM/ EGM	NATURE OF AMMENDMENT
February 20, 2019	The authorized share capital of ₹ 1,00,000 divided into 10,000 Equity Shares of ₹ 10 each was increased to ₹6,00,00,000 divided into 60,00,000 Equity Shares of ₹10 each
August 12, 2019	Alteration in the Object Clause
October 21, 2019	Change in the name clause from “Advait Infratech Private Limited” to “Advait Infratech Limited”



DATE OF AGM/ EGM	NATURE OF AMMENDMENT
	pursuant to conversion from private limited company to public limited company

## **SUBSIDIARIES**

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

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

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

## **HOLDING COMPANY**

As on the date of this Draft Prospectus, there is no Holding Company of our Company.

## **JOINT VENTURES**

As on the date of this Draft Prospectus, TG Advait India Private Limited is joint venture Company of Our Company, details of which are given below:

TG Advait India Private Limited

Corporate Information

TG Advait India Private Limited was incorporated on September 9, 2016 under Companies Act vide Registration No. 093666.

The Registered office of TG Advait is situated at 803 Sankalp Iconic, Opp. Vikram Nagar, Iscon Temple Cross Road, S.G Highway Ahmedabad-380054.

Nature of Business

The Nature of Business is to carry on business as manufacturers, importers, exporters, traders, buyers, sellers, retailers, wholesalers, suppliers, indenters, packers, stockists, agents, sub-agents, merchants, distributors, consignors, jobbers, brokers, concessionaries or otherwise deal in all types and kinds of Optical Fiber Cables such as Underground Optical Fibre Cables, Pole Mounted Optical Fibre Cables, all Si-Electric Self Supporting Cable (ADSS) and Optical Fiber Ground Wire Cables (OPGW), and to provide all the services relating to erection, installation and commissioning of the above products.

Capital Structure

The issued, subscribed and paid up capital of TG Advait as on March 31, 2019 is ₹. 32,27,89,500 divided into 3,22,78,950 shares of ₹10 each.

Shareholding of the Issuer

As on date of this Draft Prospectus, our company is holding 1,08,13,450 shares aggregating to 33.50% of the equity paid -up share capital of the TG Advait India Private Limited.

The Board of Directors of TG Advait as on the date of this Draft Prospectus are as follows –

- Shalin Rahul Sheth
- Ding Guofeng
- Jiang Yongwei
- Zhou Feng

TG Advait India Private Limited has made losses in FY 2018-19 & FY 2017-18 of ₹ 203.97 lakhs & ₹ 21.71 lakhs respectively.

## **REVALUATION OF ASSETS IN THE LAST TEN YEARS**



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There has been no revaluation of assets of our company in last 10 years from the date of this Draft Prospectus.

#### **SHAREHOLDERS' AGREEMENT**

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

#### **ACQUISITION OF BUSINESS / UNDERTAKINGS**

We have not acquired any business / undertakings since incorporation.

#### **DIVESTMENT OF BUSINESS / UNDERTAKING BY COMPANY IN THE LAST TEN YEARS**

Our company has not divested any of its business / undertaking in last 10 years from the date of this Draft Prospectus

#### **FINANCIAL PARTNERS**

As on the date of this Draft Prospectus, apart from the various arrangements with bankers and financial institutions which our Company undertakes in the ordinary course of business, our Company does not have any other financial partners.

#### **DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS / BANKS**

There have been no defaults or rescheduling of borrowings with any financial institutions / banks as on the date of this Draft Prospectus.

#### **STRATEGIC PARTNERS**

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

#### **OTHER AGREEMENTS**

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

#### **INJUNCTIONS OR RESTRAINING ORDERS**

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



## OUR MANAGEMENT

### Board of Directors:

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

Name, Current Designation, Address, Occupation, Term and DIN	Nationality	Age	Other Directorships
<p><b>Mr Shalin Sheth</b> <i>Managing Director</i></p> <p><b>Date of Birth:</b> 21.07.1973</p> <p><b>Address:</b> A/9/203 LA Habitat Thaltej, Hebatpur Road, Ahmedabad-380060</p> <p><b>Date of Appointment as Director:</b> March 15, 2010</p> <p><b>Date of Re-designation as Managing Director:</b> August 01, 2019</p> <p><b>Term:</b> Appointed as Managing Director for a period of five years i.e. from August 01, 2019 to July 31, 2024 and subject to retire by rotation.</p> <p><b>Occupation:</b> Business</p> <p><b>DIN:</b> 02911544</p>	Indian	46	TG Advait India Private Limited
<p><b>Mrs Rejal Sheth</b> <i>Whole-Time Director &amp; CFO</i></p> <p><b>Date of Birth:</b> 06.01.1977</p> <p><b>Address:</b> A/9/203 LA Habitat Thaltej, Hebatpur Road, Ahmedabad-380060</p> <p><b>Date of Appointment as Director:</b> March 15, 2010</p> <p><b>Date of Re-designation as Whole-Time Director and CFO:</b> August 01, 2019</p> <p><b>Term:</b> Appointed as Wholetime Director for a period of five years i.e. from August 01, 2019 to July 31, 2024 and subject to retire by rotation.</p> <p><b>Occupation:</b> Business</p> <p><b>DIN:</b> 02911576</p>	Indian	43	Nil
<p><b>Mr. Dinesh Patel</b> <i>Non Executive Independent Director</i></p> <p><b>Date of Birth:</b> 12.07.1958</p> <p><b>Address:</b> 802, Sector 8, Opp St. Xaviers Church, Gandhinagar-382 008, Gujarat</p> <p><b>Date of Appointment:</b> September 07, 2019</p> <p><b>Term:</b> liable to retire by rotation</p>	Indian	61	<ol style="list-style-type: none"><li>1. Montecarlo Limited</li><li>2. Adeshwar Infrabuild Limited</li><li>3. Jhajjar Kt Transco Private Limited</li><li>4. Kalpataru Metfab Private Limited</li><li>5. Alipurduar Transmission Limited</li></ol>



<b>Name, Current Designation, Occupation, Term and DIN</b>	<b>Address,</b>	<b>Nationality</b>	<b>Age</b>	<b>Other Directorships</b>
<b>Occupation:</b> Professional <b>DIN:</b> 03443006				
<b>Mr Bajrangprasad Maheshwari</b> <i>Non Executive Independent Director</i>  <b>Date of Birth:</b> 25.04.1974  <b>Address:</b> B-5-204, La-Habitat, Opp. Ayna Complex, Habatpur Road, Thaltej, Ahmedabad – 380 059. <b>Date of Appointment as Non Executive Independent Director:</b> August 01, 2019  <b>Term:</b> Appointed for a period of five years i.e. from August 01, 2019 to July 31, 2024 <b>Occupation:</b> Professional <b>DIN:</b> 06571660		Indian	47	Nil
<b>Mrs. Rashmi Shah</b> <i>Non Executive Independent Director</i>  <b>Date of Birth:</b> 26.06.1985  <b>Address:</b> B3-13, Ground Floor, Skylark Apartment, Satellite Road, Ahmedabad, Gujrat – 380015  <b>Date of Appointment:</b> September 07, 2019  <b>Term:</b> Appointed for a period of five years i.e. from September 07, 2019 to September 06, 2024. <b>Occupation:</b> Business <b>DIN:</b> 08555499		Indian	34	Nil

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

**Notes:**

- Except as mentioned below no other directors are related to each other;
  - Mrs. Rejal Sheth is Wife of Mr. Shalin Sheth
- There are no arrangements or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the Directors or Key Management Personnel were selected as a Director or member of the senior management.
- There is no service contracts entered into by the Directors with our Company.
- None of our Directors have been or are presently directors on the boards of listed companies whose shares have been / were suspended from being traded on the Stock Exchanges during the last five years preceding the date of filing of this Draft Prospectus.
- None of our Directors have been or are presently directors on the boards of listed companies whose shares have been delisted from the Stock Exchange(s).
- No proceedings/investigations have been initiated by SEBI against any company, the board of directors of which also comprise any of the Directors of our Company. No consideration in cash or shares or otherwise has been paid



or agreed to be paid to any of our Directors or to the firms or companies in which they are interested as a member by any person either to induce him to become, or to help him qualify as a Director, or otherwise for services rendered by him or by the firm or company in which he is interested, in connection with the promotion or formation of our Company.

## **BRIEF BIOGRAPHIES OF OUR DIRECTORS**

### **Mr. Shalin Sheth**

Shalin Sheth, aged 46 years, is the Promoter and Managing Director of our Company. He has been on our Board since the incorporation of our Company and has been redesignated as Managing Director w.e.f. August 01, 2019. He holds Bachelor's Degree in Mechanical Engineering from BVM College, Sardar Patel University, Gujarat. He had done PGDMA from Ahemdabad Management Association. Post qualification, he had worked with Kalpataru Power Transmission Ltd. and Adani Power Limited. He has experience of more than a decade in electricity transmission and distribution industry. His functional responsibility in our Company involves handling the overall business affairs of the Company including planning business marketing strategies, capacity expansion, and overall development of the business of our Company.

### **Mrs. Rejal Sheth**

Rejal Sheth, aged 43 years, is the Promoter, Wholetime Director and CFO of our company. She has been associated with the company since incorporation as Director and has been redesignated as Whole Time Director And CFO of the Company. She holds Bachelor's Degree in Commerce from NM college of Commerce and Economics, University of Mumbai. She has been providing advisory services to the Company. Further, she leads the finance function of the Company.

### **Mr. Dinesh Patel**

Mr. Dinesh Patel, aged 61 years, is a Non Executive Independent Director. He holds degree of B.E Mechancial from L.D College of Engineering (Gujarat University). Post qualification, he has worked with companies such as Kalpataru Power Transmission Ltd etc. He has experience of several years in the field of Power and Transmission.

### **Mr. Bajrangprasad Maheshwari**

Mr. Bajrangprasad Maheshwari, aged 47 years, is a Non Executive Independent Director. He holds degree of Bachelor in Commerce from M.L.S University, Udaipur Rajasthan. He is an Associate member of ICAI and ICSI. He holds Diploma in Business Finance from the Institute of Chartered Financial Analysts of India. Post qualification, he has worked with companies such as Biotech International Limited, Kalpataru Power Transmission Ltd etc. Currently he is working with SK Fincap Advisors Private Limited as an Executive Manager. He has experience of several years in the field of Accounts and Finance. His areas of expertise include Treasury & Risk Management, Team building & performance improvement, Negotiations & Strategic Alliances etc. As a director of our Company with corporate acumen, he brings value addition to our Company.

### **Mrs. Rashmi Shah**

Mrs. Rashmi Amitabh Shah, aged 34 years, is a Non Executive Independent Director. She holds degree of Bachelor in Commerce from C.C.S University Meerut Uttar Pradesh and Master of Commerce from Rohilkhand University. Post qualification, she has worked with companies such as Jet Lite (India) Limited, China Airlines (National Airline of Republic of China), Frankfinn Institute of Air Hostess Training etc. Currently she is working with Yuva Unstoppable as Director. She has experience of several years in the field of Aviation and Asset Management.

## **Confirmation**

None of the above mentioned Directors are on the RBI List of willful defaulters as on date of filing the Draft Prospectus.

Further, our Company, our Promoters, persons forming part of our Promoter Group, Directors and persons in control of our Company, have not been/are not debarred from accessing the capital market by SEBI.

## **Borrowing Powers of our Board of Directors**



The Articles, subject to the provisions of Companies Act authorize the Board to raise, borrow or secure the payment of any sum or sums of money for the purposes of our Company within the prescribed limit under Act.

## REMUNERATION OF EXECUTIVE DIRECTORS

### REMUNERATION PAID TO DIRECTORS BY OUR SUBSIDIARY OR ASSOCIATE COMPANIES

Our associate-TG Advait India Private Limited has not paid any remuneration to our Managing Director, Mr. Shalin Sheth.

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

Pursuant to a resolution passed at the meeting of the Board of the Company on December 05, 2019, the Non-Executive Directors will be paid sitting fee of ₹ 2,000 for attending Board meetings.

Remuneration paid to our Non Executive Independent Directors in Fiscal 2020: Nil

### REMUNERATION / SITTING FEES PAID TO DIRECTORS FOR THE FY 2019-20

Sr. No.	Name of the Director	Designation	Remuneration Paid (₹ in Lakhs)	Sitting Fees Paid (₹ in Lakhs)	Total (₹ in Lakhs)
1.	Mr. Shalin Sheth	Managing Director	39.00	Nil	39.00
2.	Mrs. Rejal Sheth	Wholetime Director and CFO	24.00	Nil	24.00

### Shareholding of Directors

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

Name of Directors	No. of Equity Shares held	% of Pre-Issue Paid Up Capital
Mr. Shalin Sheth	28,50,000	76.00%
Mrs. Rejal Sheth	8,62,100	22.99%
Total	37,12,100	98.99%

### Interest of the Directors

Our Directors may be deemed to be interested in the promotion of the Company to the extent of the Equity Shares held by them and also to the extent of any dividend payable to them on their holding of such shares and other distributions in respect of the aforesaid Equity Shares. For further details, refer to *Annexure XXVI – Related Party Transactions*” under chapter titled *“Financial Information”* and *“Our Promoter and Promoter Group”* beginning on page nos. 115 and 107 of this Draft Prospectus.

All of our Directors may be deemed to be interested to the extent of fees payable to them for attending meetings of the Board or a committee thereof as well as to the extent of other remuneration and reimbursement of expenses payable to them under our Articles of Association, and to the extent of remuneration paid to them for services rendered as an officer or employee of our Company.

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

Except as stated in this chapter titled *“Our Management”* and refer to para titled as *Annexure XXVI – Related Party Transactions*” in chapter titled *“Financial Information”* beginning on page nos. 96 and 115 of this Draft Prospectus respectively, our Directors do not have any other interest in our business.



Except as disclosed in “*Properties*” under the section “*Our Business*” starting on page no. 76 of this Draft Prospectus, our Directors have no interest in any property acquired or proposed to be acquired by our Company as on the date of this Draft Prospectus.

### Changes in the Board of Directors in the last three years

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

Sr. No.	Name of Director	Date of Change	Reason for change
1.	Mr. Shalin Sheth	August 01, 2019	Change of Designation
2.	Mrs. Rejal Sheth	August 01, 2019	Change of Designation
3.	Mr. Bajrangprasad Maheshwari	August 01, 2019	Appointment as Director
4.	Mrs. Rashmi Shah	September 07, 2019	Appointment as Director
5.	Mr. Dinesh Patel	September 07, 2019	Appointment as Director

### Corporate Governance

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

Our Board has been constituted in compliance with the Companies Act and the SEBI Listing Regulations. The Board functions either as a full board, or through various committees constituted to oversee specific operational areas.

Currently, our Board has Five (5) Directors. In compliance with the requirements of the Companies Act, 2013 we have Five (5) Directors consisting of two (2) Executive Directors, three (3) Non Executive Independent Directors.. We have One (1) 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
4. Corporate Social Responsibility Committee

#### 1. Audit Committee

The Audit Committee of our Board was constituted by our Directors by a board resolution dated December 05, 2019 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 Bajrangprasad Maheshwari-	Non –Executive Independent Director	Chairman
Mrs. Rashmi Shah	Non-Executive Independent Director	Member
Mr. Shalin Sheth	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.



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- b) Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- c) Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- d) Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
- Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013
  - Changes, if any, in accounting policies and practices and reasons for the same
  - Major accounting entries involving estimates based on the exercise of judgment by management
  - Significant adjustments made in the financial statements arising out of audit findings
  - Compliance with listing and other legal requirements relating to financial statements
  - Disclosure of any related party transactions
  - Qualifications in the draft audit report.
- e) Reviewing, with the management, the half yearly financial statements before submission to the board for approval
- f) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- g) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- h) Approval or any subsequent modification of transactions of the company with related parties;
- i) Scrutiny of inter-corporate loans and investments;
- j) Valuation of undertakings or assets of the company, wherever it is necessary;
- k) Evaluation of internal financial controls and risk management systems;
- l) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- m) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- n) Discussion with internal auditors any significant findings and follow up there on.
- o) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- p) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- q) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- r) To review the functioning of the Whistle Blower mechanism.
- s) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
- t) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.



Explanation (i): The term "related party transactions" shall have the same meaning as contained in the Accounting Standard 18, Related Party Transactions, issued by The Institute of Chartered Accountants of India.

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

*The Audit Committee enjoys following powers:*

- a) To investigate any activity within its terms of reference
- b) To seek information from any employee
- c) To obtain outside legal or other professional advice
- d) To secure attendance of outsiders with relevant expertise if it considers necessary
- e) The audit committee may invite such of the executives, as it considers appropriate (and particularly the head of the finance function) to be present at the meetings of the committee, but on occasions it may also meet without the presence of any executives of the Issuer. The finance director, head of internal audit and a representative of the statutory auditor may be present as invitees for the meetings of the audit committee.

*The Audit Committee shall mandatorily review the following information:*

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

The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the Committee, reasons for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the shareholders. The Chairman of the committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit.

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

#### *Meeting of Audit Committee*

The audit committee shall meet at least four times in a year and not more than one hundred and twenty days shall elapse between two meetings. The quorum shall be either two members or one third of the members of the audit committee whichever is greater, but there shall be a minimum of two independent members present.

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

The Shareholder and Investor Grievance Committee of our Board were constituted by our Directors pursuant to section 178 (5) of the Companies Act, 2013 by a board resolution dated December 05, 2019 The Shareholder and Investor Grievance Committee comprises of:

<b>Name of the Member</b>	<b>Nature of Directorship</b>	<b>Designation in Committee</b>
Mr. Bajrangprasad Maheshwari	Non- Executive Independent Director	Chairman
Mrs. Rejal Sheth	Whole Time Director	Member
Mr. Shalin Sheth	Managing Director	Member



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

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

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

### ***Quorum and Meetings***

The quorum necessary for a meeting of the Stakeholders Relationship Committee shall be two members or one third of the members, whichever is greater.

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

The Nomination and Remuneration Committee of our Board was constituted by our Directors pursuant to section 178 of the Companies Act, 2013 by a board resolution dated December 05, 2019

The Nomination and Remuneration Committee currently comprises of:

<b>Name of the Member</b>	<b>Nature of Directorship</b>	<b>Designation in Committee</b>
Mr Bajrangprasad Maheshwari	Non-Executive Independent Director	Chairman
Mrs. Rashmi Shah	Non-Executive Independent Director	Member
Mr. Dinesh Patel	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.

### **5. Corporate Social Responsibility Committee**

The Corporate Social Responsibility Committee of our Board was constituted on October 16, 2018 and was reconstituted by our Board of Directors pursuant to section 135 of the Companies Act, 2013 *vide* resolution dated December 05, 2019 The Corporate Social Responsibility Committee comprises of the following::

<b>Name of the Member</b>	<b>Nature of Directorship</b>	<b>Designation in Committee</b>
Mr. Shalin Sheth	Managing Director	Chairman
Mrs. Rashmi Shah	Non-Executive & Independent Director	Member



Mr. Bajrangprasad Maheshwari	Non-Executive & Independent Director	Member
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The Company Secretary shall act as the secretary of the Corporate Social Responsibility Committee.

The terms of reference, powers and scope of the Corporate Social Responsibility Committee of our Company is in accordance with Section 135 of the Companies Act, 2013. The terms of reference of the Corporate Social Responsibility Committee include the following:

1. To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII as amended from time to time;
2. To recommend the amount of expenditure to be incurred on the activities referred to in clause (a) subject to the limit provided under Section 135 of the Companies Act;
3. To monitor the corporate Social Responsibility Policy of our Company from time to time;
4. To institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company;
5. Any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

The quorum of the meeting shall be either two members or one third of the members of the committee whichever is greater.

#### ***Quorum and Meetings***

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

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

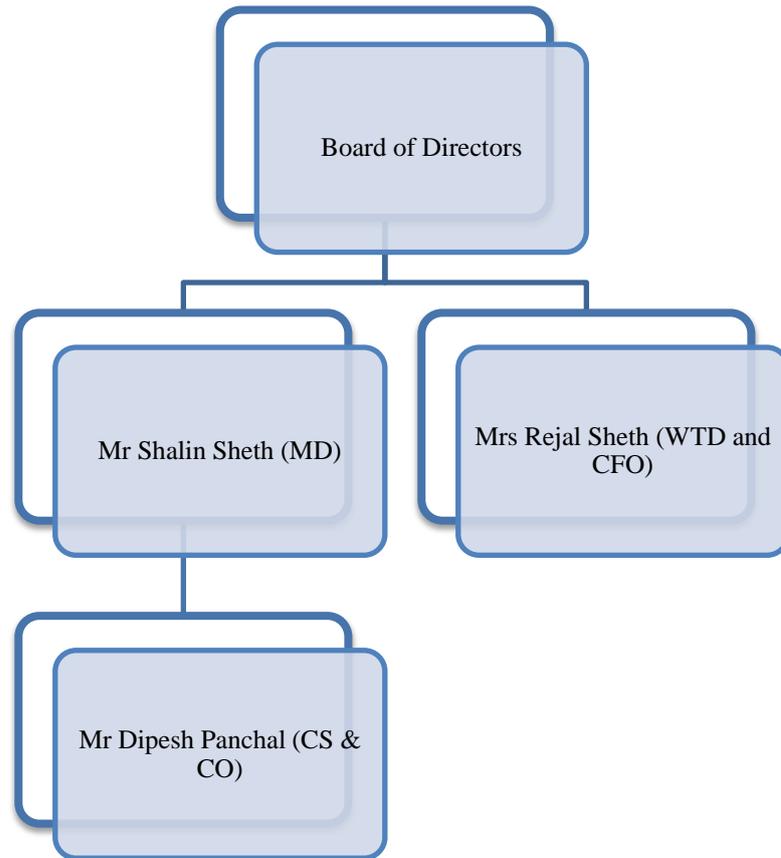
#### **Policy on Disclosures & Internal procedure for prevention of Insider Trading**

The provisions of Regulation 8 and 9 of the SEBI (Prohibition of Insider Trading) Regulations, 2015 will be applicable to our Company immediately upon the listing of its Equity Shares on the Stock Exchange. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 on listing of our Equity Shares on stock exchange. Further, Board of Directors have approved and adopted the policy on insider trading in view of the proposed public issue.

Our Board is responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the code of conduct under the overall supervision of the board.



## Management Organization Structure



### Terms & Abbreviations

CFO	:	Chief Financial Officer
CS & CO	:	Company Secretary and Compliance Officer
MD	:	Managing Director
WTD	:	Whole Time Director

### Key Managerial Personnel

The details of our key managerial personnel are as below –

Name of Employee	Designation & Functional Area	Date of Appointment	Compensation for Last Fiscal (M in lakhs)	Qualification	Name of Previous Employer(s)	Experience
Mrs. Rejal Sheth	Whole Time Director and Chief Financial Officer	August 01, 2019	24.00	• B.com	N.A.	10 years
Mr Dipesh Panchal	Company Secretary & Compliance Officer	May 01, 2019	Nil	• Company Secretary, M.B.A. in Finance & Bachelor of Business Administration	• Sales India Pvt Ltd • A Solanki & Associates	5 years



### **Other Notes –**

1. All the key managerial personnel mentioned above are permanent employees of our Company
2. There is no understanding with major shareholders, customers, suppliers or any others pursuant to which any of the above mentioned personnel have been recruited.
3. As on the date of filing of this Draft Prospectus, our Company does not have a bonus or a profit sharing plan with the key management personnel.
4. No non-salary-related payments or benefits have been made to our key management personnel.
5. There is no contingent or deferred compensation payable to any of our key management personnel.

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

None of the aforementioned KMP's are related to each other.

### **Arrangement / Understanding with Major Shareholders / Customers / Suppliers**

None of the KMPs have been selected pursuant to any arrangement / understanding with major shareholders / customers / suppliers.

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

None of our KMP's holds any shares of our Company as on the date of this Draft Prospectus.

### **Contingent and deferred compensation payable to our Director and Key Managerial Personnel**

There is no contingent or deferred compensation payable to our Directors and Key Managerial Personnel, which does not form a part of their remuneration.

### **Interest of Key Managerial Personnel**

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

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

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

### **Employee Share Purchase and Employee Stock Option Scheme**

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

### **Payment or Benefit to our Key Managerial Personnel**

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

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

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

<b>Name</b>	<b>Designation</b>	<b>Date of Joining/ Change in Designation</b>
Mrs. Rejal Sheth	Whole Time Director & Chief Financial Officer	August 01, 2019
Mr Dipesh Panchal	Company Secretary & Compliance Officer	May 01, 2019



## OUR PROMOTERS, PROMOTER GROUP

### THE PROMOTERS OF OUR COMPANY ARE:

1. Mr. Shalin Sheth
2. Mrs. Rejal Sheth

As on the date of this Draft Prospectus, our Promoters holds 37,12,100 Equity Shares in aggregate, representing 98.99% of the issued, subscribed and paid-up Equity Share capital of our Company.

The details of our Promoter are provided below:

	<b>Mr. Shalin Sheth</b>
	<b>Brief Profile:</b> Mr. Shalin Sheth, aged 46 years, is the Managing Director of our Company.
	<b>Date of Birth:</b> 21.07.1973
	<b>Address:</b> A/9/203 LA Habitat Thaltej, Hebatpur Road, Ahmedabad-380060.
	<b>PAN:</b> ACMPS6432J
	<b>Passport No.:</b> S2524928
	<b>Driver's License:</b> GJ18 19940022777
	<b>Voter's ID No.:</b> UHH2872505
	<b>Adhaar Card No.:</b> 5531 4550 5002
	<b>Bank A/c No.:</b> 032690700000286
	<b>Name of Bank &amp; Branch:</b> YES Bank, Ahmedabad
<b>Other Directorship:</b> TG Advait India Private Limited	

	<b>Mrs. Rejal Sheth</b>
	<b>Brief Profile:</b> Mrs. Rejal Sheth, aged 43 years, is the Whole-Time Director & CFO of our company.
	<b>Date of Birth:</b> 06.01.1977
	<b>Address:</b> A/9/203 LA Habitat Thaltej, Hebatpur Road, Ahmedabad-380060.
	<b>PAN:</b> ATZPS9381A
	<b>Passport No.:</b> L2664778
	<b>Driver's License:</b> GJ01 20110041666
	<b>Voter's ID No.:</b> UHH2872497
	<b>Adhaar Card No.:</b> 2396 3317 8685
	<b>Bank A/c No.:</b> 032690700000570
	<b>Name of Bank &amp; Branch:</b> YES Bank, Ahmedabad
<b>Other Directorship:</b> N.A	

*For additional details on the age, background, personal address, educational qualifications, experience, positions / posts, other ventures and Directorships held in the past for our Individual Promoter, please see the chapter titled "Our Management" beginning on page no. 96 of this Draft Prospectus.*

*For details of the build-up of our Promoter's shareholding in our Company, please see "Capital Structure – Shareholding of our Promoter" beginning on page no 50 of this Draft Prospectus.*

### Other Undertakings and Confirmations

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

Our Promoter 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 Promoter or members of our Promoter Group or any Group Companies in the past or are currently pending against them. None of (i) our Promoter 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 Promoter 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.

### **Change in control of our Company**

There has been no change in the promoter and control of our Company in the five years immediately preceding the date of this Draft Prospectus.

### **Interests of Promoter**

None of our Promoter / Directors have any interest in our Company except to the extent of compensation payable / paid, rent on the property owned by them and reimbursement of expenses (if applicable) and to the extent of any equity shares held by them or their relatives and associates or held by the companies, firms and trusts in which they are interested as director, member, partner, and / or trustee, and to the extent of benefits arising out of such shareholding. For further details on the interest of our promoter in our Company, Please see the chapters titled “*Capital Structure*”, “*Financial Information*” and “*Our Management*” beginning on page nos. 50, 115 and 96 of this Draft Prospectus.

Except as stated otherwise in this Draft Prospectus, we have not entered into any contract, agreements or arrangements in which our Promoter is directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them including the properties purchased by our Company other than in the normal course of business.

For Further details on the related party transaction, to the extent of which our Company is involved, please see “*Annexure XXVI - Statement of Related Party Transaction*” under the chapter “Financial Statements” on page no. 115 of this Draft Prospectus.

### **Common Pursuits of our Promoters**

Our Group Company has been authorized by its Memorandum of Association to undertake activities which are similar to ours and are currently engaged in businesses similar to ours.

Our Company has not adopted any measures for mitigating such conflict situations.

### **Companies with which the Promoter has disassociated in the last three years.**

Our Promoters have not disassociated themselves from any companies, firms or entities during the last three years preceding the date of this Draft Prospectus.

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

Except as stated in “*Annexure XXVI – Restated Statement of Related Party Transactions*” under the chapter “Financial Statements” on page no. 115 of this Draft Prospectus, there has been no other payment of benefits to our Promoter during the two years preceding the date of this Draft Prospectus.

### **Experience of our Promoter in the business of our Company**

For details in relation to experience of our Promoter in the business of our Company, see Chapter “*Our Management*” beginning on page no. 96 of this Draft Prospectus.

### **Interest of Promoter 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 Promoter 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 three years preceding the date of this Draft Prospectus or proposed to be acquired by our Company as on the date of this Draft Prospectus. For details, please see the chapter “Our Business” on page no. 76 of this Draft Prospectus. Further, other than as mentioned in the chapter titled “Our Business”, our Promoters do not have any interest in any transactions in the acquisition of land, construction of any building or supply of any machinery.

Our promoters may be interested in rent being paid by our company to them who own these premises being occupied by the company. For further details please see “Our Business” and “Financial Information” beginning on page no. 76 and 115 of this Draft Prospectus.

### **Interest of Promoter in our Company other than as Promoter**

Other than as Promoter, our Promoter is interested in our Company to the extent of their shareholding in our Company and the dividend declared, if any, by our Company. For details please see chapters titled “Our Management” and “Capital Structure” beginning on page nos. 96 and 50 respectively of this Draft Prospectus.

Except as mentioned in this section and the chapters titled “Capital Structure”, “Our Business”, “History and Certain Corporate matters” and “Annexure XXVI – Restated Statement of Related Party Transactions” on page nos. 50,76,92 and 115 of this Draft Prospectus, respectively, our Promoter do not have any interest in our Company other than as promoter.

### **Related Party Transactions**

Except as stated in the “Annexure XXVI – Restated Statement of Related Party Transactions” under Restated Financial Statement on page no. 115 of this Draft Prospectus., our Company has not entered into related party transactions with our Promoter.

### **Material Guarantees**

Except as stated in the “Financial Indebtedness” and “Financial Information” beginning on page nos. 172 and 115 of this Draft Prospectus respectively, our Promoters have not given any material guarantee to any third party with respect to the Equity Shares as on the date of this Draft Prospectus.

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

For details of shareholding of members of our Promoter Group as on the date of this Draft Prospectus, please see the chapter titled “Capital Structure – Notes to Capital Structure” beginning on page no. 50 of this Draft Prospectus.

### **Other Confirmations**

Our Company has neither made any payments in cash or otherwise to our Promoter or to firms or companies in which our Promoter is interested as members, directors or promoter nor have our Promoter been offered any inducements to become directors or otherwise to become interested in any firm or company, in connection with the promotion or formation of our Company otherwise than as stated in the “Annexure XXVI – Restated Statement of Related Party Transactions” under Restated Financial Statement on page no. 115 of this Draft Prospectus.

### **Outstanding Litigation**

There is no outstanding litigation against our Promoter except as disclosed in the section titled “Risk Factors” and chapter titled “Outstanding Litigation and Material Developments” beginning on page nos. 17 and 174 of this Draft Prospectus.



## OUR PROMOTER GROUP

In addition to the Promoter named above, the following natural persons and entities form part of our Promoter Group in terms of Regulation 2(1)(pp) of the SEBI (ICDR) Regulation, 2018.

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

Name of the Promoter	Name of the Relative	Relationship with the Promoter
<b>Mr. Shalin Sheth</b>	Rahul Sheth	Father
	Chandrika Sheth	Mother
	Rejal Sheth	Wife
	Pinkal Desai	Sister(s)
	Rutvi Sheth	Daughter(s)
	Aarini Sheth	
	Pankajkumar Parikh	Wife's Father
	Purnima Parikh	Wife's Mother
Rachna Sheth	Wife's Sister(s)	

Name of the Promoter	Name of the Relative	Relationship with the Promoter
<b>Mrs. Rejal Sheth</b>	Pankajkumar Parikh	Father
	Purnima Parikh	Mother
	Shalin Sheth	Husband
	Rachna Sheth	Sister (s)
	Rutvi Sheth	Daughter(s)
	Aarini Sheth	
	Rahul Sheth	Husband's Father
	Chandrika Sheth	Husband's Mother
	Pinkal Desai	Husband's Sister(s)

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

Company / Trust / Partnership firm / HUF or Sole Proprietorship shall form part of our Promoter Group.

Sr. No.	Name of Promoter Group Entity / Company
1.	Hind Power Service
2.	Shalin Sheth HUF



## OUR GROUP COMPANY

In accordance with the provisions of SEBI ICDR Regulations, as amended from time to time for the purpose of identification of Group Companies, our Company has considered such companies with which there were related party transactions, during the period for which financial information is disclosed in this Draft Prospectus, as covered under the applicable accounting standards, i.e. Accounting Standard 18 issued by the Institute of Chartered Accountants of India and such other companies as considered material by our Board as our group company. Our Board has adopted a policy of materiality for determining the Group Company by passing a resolution at its meeting held on December 05, 2019 which is reproduced below:

### Policy of Materiality:

A company shall be considered material and will also be disclosed as a group company if:

- The companies which are members of the Promoter Group and with which our Company were in related party transactions in the most recent Fiscal and stub period for which Restated Financial Statements are included in this Draft Prospectus; and
- Related parties with which there were transactions for the period (after the stub period in respect of which, the Restated Financial Statements) are included in this Draft Prospectus.

Accordingly, in addition to our Promoter Group, as specified under the section “*Our Promoter and Promoter Group*” on page no. 107 of this Draft Prospectus, the following company has been identified as a Group Companies.

Consequently the following companies have been identified as Group Companies of our Company:

### I. TG ADVAIT INDIA PRIVATE LIMITED

<b>Incorporation</b>	TG Advait India Private Limited was incorporated on September 09, 2016 under the Companies Act, 2013 with the Registrar of Companies, Ahmedabad, in the State of Gujrat.
<b>CIN</b>	U33309GJ2016PTC093666
<b>Registered Office</b>	803 Sankalp Iconic, Opp. Vikram Nagar, Iscon Temple Cross Road, S.G Highway Ahmedabad-380054.
<b>Nature of Business</b>	To carry on business as manufacturer, importers, exporters, traders, buyers, sellers, retailers, wholesalers, suppliers, indenters, packers, stockiest, agents, sub-agents, merchants, distributors, consignors, jobbers, brokers, concessionaries or otherwise deal in all types and kinds of Optical Cables such as Underground Optical Fiber Cables, Pole Mounted Optical Fiber Cables, All Dielectric Self Supporting Cable (ADSS) and Optical Fiber Ground Wire cables (OPGW), and to provide all the services relating to erection, installation and commissioning of the above products.
<b>Registrar of Companies</b>	Registrar of Companies, Ahmedabad

### Board of Directors of TG Advait India Private Limited

Sr. No.	Name	DIN
1.	Mr. Shalin Rahulkumar Sheth	02911544
2.	Mr. Ding Guofeng	07629254
3.	Mr. Jiang Yongwei	07634786
4.	Mr. Zhou Feng	08565820

### Interest of our promoter

Our Promoter/Promoter Group do not hold any Share Capital of TG Advait India Private Limited. However, our Company Holds 33.50% of the Share Capital of TG Advait India Private Limited.



## Brief Audited Financials of TG Advait India Private Limited

(₹ in lakhs except EPS & NAV)

Particulars	As at March 31,		
	2019	2018	2017
Equity Share Capital	3,227.89	1,222.81	888.32
Reserves (excluding revaluation reserve) and Surplus	(225.67)	(21.71)	-
Net Worth <sup>(1)</sup>	3,002.22	1,201.10	888.32
Sales	196.16	-	-
Other income	11.38	2.88	-
Profit/ (Loss) after tax	(203.97)	(21.71)	-
Earnings per share <sup>(2)</sup>	(0.76)	(0.24)	-
Net asset value per share <sup>(3)</sup>	9.30	9.82	10.00

<sup>(1)</sup> Net Worth Calculated after deducting unamortised / miscellaneous expenses not w/o, if any

<sup>(2)</sup> EPS is calculated on PAT minus Preference Dividend and Tax thereon, if any

<sup>(3)</sup> NAV per share does not include Preference Share Capital and Share Application Money, if any

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 OUR GROUP COMPANIES

#### Litigation

As on the date of this Draft Prospectus, there is no outstanding litigation involving our Group Company which have a material impact on our Company.

#### Group Companies which are a sick industrial companies

None of our Group Companies have become sick companies under the erstwhile Sick Industrial Companies (Special Provisions) Act, 1985.

#### Group Companies under winding up/insolvency proceedings

Our Group Company is not under any winding up/insolvency proceedings.

#### Loss making Group Companies

TG Advait India Private Limited has made losses in FY 2018-19 & FY 2017-18 of ₹ 203.97 lakhs & ₹ 21.71 lakhs respectively.

#### Defunct Group Company

During the five years immediately preceding the date of this Draft Prospectus, our Group Company has not remained defunct and no application has been made to the relevant registrar of companies for striking off the name of our Group Company.

#### Common Pursuits between the Company and its Group Companies

Our Group Company has been authorized by its Memorandum of Association to undertake activities which are similar to ours and are currently engaged in businesses similar to ours.

#### Related Business Transactions

For details pertaining to business transactions, of our Company with our Group Companies, please refer “Annexure XXVI - Related Party Transactions” of Restated Standalone Financial Statement beginning on page no. 115 of this Draft Prospectus.



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**Business interests or other interests**

Except as disclosed in “*Financial Information*” beginning on page 115 our Group Company does not have any business interest in our Company.



## 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. The Company has no formal dividend policy. The dividends declared by our Company during the last three Fiscal years have been presented below:

Particulars	Year ended March 31, 2019*	Year ended March 31	
		2018	2017
Face Value of Equity Share (per share)	10	10	10
Dividend on Equity Shares(₹)	15,000	-	-
Interim Dividend on each Equity Share (₹)	1.5	-	-
Dividend Tax (₹)	3,085	-	-
Dividend Rate for Equity Shares (%)	15%	-	-

\*Interim Dividend

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 VII - FINANCIAL STATEMENTS

### RESTATED FINANCIAL INFORMATION

#### REPORT OF THE AUDITORS ON CONSOLIDATED FINANCIAL STATEMENTS

**Auditor's Report on the Restated Consolidated Statement of Assets and Liabilities as at December 31, 2019, March 31, 2019, 2018 and 2017, Profit and Loss and Cash Flow for the financial period ended on December 31, 2019 and for the year ended March 31, 2019, 2018 and 2017 of Advait Infratech Limited (Collectively, the "Restated Consolidated Financial Statement")**

To,  
The Board of Directors,  
**Advait Infratech Limited**  
A-801 to 803 Sankalp Iconic,  
Opposite Vikram Nagar,  
Iscon Temple Cross Road,  
S.G Highway Ahmedabad.  
Gujarat 380054.

Dear Sir,

We have examined the attached Restated Consolidated Financial Statement along with significant accounting policies and related notes of **Advait Infratech Limited** and its **Joint Venture**, (hereinafter referred to as "the Group") as at and for the period ended December 31, 2019 and for the year ended March 31, 2019, 2018 and 2017 annexed to this report and prepared by the management of the Company and approved by the Board of Directors of the company in connection with the Initial Public Offering (IPO) on SME Platform of BSE Limited.

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

- a. Section 26 of Part I of Chapter III of the Companies Act, 2013, as amended (the "Act") read with Companies (Prospectus and Allotment of Securities) Rules 2014;
- b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the 'SEBI Regulations') and the related clarifications issued by the Securities and Exchange Board of India ('SEBI' in pursuance to Section 11 of the Securities and Exchange Board of India Act, 1992 and related amendments / clarifications from time to time
- c. The terms of reference to our engagements with the Company requesting us to carry out the assignment, in connection with the Draft Prospectus / Prospectus being issued by the Company for its proposed IPO of equity shares on SME Platform of BSE Limited.; and
- d. The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").;

We have examined the accompanied 'Restated consolidated Statement of Profit and Loss' (**Annexure – II**) for the financial period ended December 31, 2019 and years ended on 31st March 2019, 2018 and 2017 and the 'Restated consolidated Statement of 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 period ended December 31, 2019 and for financial year ended on 31st March 2019, 2018 and 2017 audited by us, being the Statutory Auditor of the Company for respective years, approved by the Board of Directors.

In terms of the SEBI (ICDR) Regulations, 2018 and other provisions relating to accounts of Advait Infratech Limited, we, V. Goswami & Co., Chartered Accountants, have been subjected to the peer review process of the Institute of



Chartered Accountants of India (ICAI) and hold a valid certificate issued by the Peer Review Board of the ICAI.

Based on our examination, we further report that:

- a. The Restated consolidated Statement of Assets and Liabilities of the Company as at December 31, 2019 and March 31, 2019, 2018 and 2017 examined by us, as set out in Annexure I to this examination report are after making adjustments and regrouping as in our opinion were appropriate and more fully described in the statement of significant accounting policies in Annexure IV and the Notes to Accounts in Annexure V.
- b. The Restated consolidated Statement of Profit and Loss of the Company for the financial period ended December 31, 2019 and financial years ended on March 31, 2019, 2018 and 2017 examined by us, as set out in Annexure II to this examination report are after making adjustments and regrouping as in our opinion were appropriate and more fully described in the statement of significant accounting policies in Annexure IV and the Statement of Adjustments to the consolidated audited financial statements in Annexure V.
- c. The Restated consolidated Statement of Cash Flows of the Company for the financial period ended December 31, 2019 and financial years ended on March 31, 2019, 2018 and 2017 examined by us, as set out in Annexure III to this examination report are after making adjustments and regrouping as in our opinion were appropriate and more fully described in the statement of significant accounting policies in Annexure IV and the Notes to Accounts in Annexure V.
- d. The Restated consolidated Financial Statements have been made after incorporating adjustments for :
  - i. The changes, if any, in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per the changed accounting policy for all the reporting period /years.
  - ii. Prior period and other material amounts in the respective financial years to which they relate which are stated in the Notes to Accounts as set out in **Annexure V**.
- e. Such Financial statements do not require any corrective adjustments on account of :
  - i. Other remarks/comments in the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub - section (11) of section 143 of the act, on financial statements of the company for the financial years ended March 31, 2019, 2018 and 2017.
  - ii. Extra-ordinary items that need to be disclosed separately in the accounts requiring adjustments.
- f. There are no Auditor's Qualifications in any of the Financial Statements of the Company for the financial period ended December 31, 2019 and financial years ended March 31, 2019, 2018 and 2017.
- g. The Company is in compliant with all the Accounting Standards / Disclosures requirement as issued by Institute of Chartered Accountants till date.
- h. Adjustments in Restated consolidated Financial Statements have been made in accordance with the correct accounting policies;
- i. At the request of the company, we have also examined the following financial information("Other Financial Information") proposed to be included in the offer document prepared by the management and approved by the board of directors of the company and annexed to this report:
  - i) Restated Consolidated Statement of Share Capital (Annexure - VI)
  - ii) Restated Consolidated Statement of Reserves & Surplus (Annexure - VII)
  - iii) Restated Consolidated Statement of Long Term Borrowings (Annexure - VIII)
  - iv) Restated Consolidated Statement of Long Term Provisions (Annexure- IX)
  - v) Restated Consolidated Statement of Deferred Tax Assets (Annexure- X)
  - vi) Restated Consolidated Statement of Short Term Borrowings (Annexure XI)
  - vii) Restated Consolidated Statement of Trade Payable (Annexure- XII)
  - viii) Restated Consolidated Statement of Short Term Provisions (Annexure- XIII)
  - ix) Restated Consolidated Statement of Other Current Liabilities(Annexure- XIV)
  - x) Restated Consolidated Statement of Property, Plant and Equipments (Annexure- XV)



- xi) Restated Consolidated Statement of Non-Current Investments (Annexure- XVI)
- xii) Restated Consolidated Statement of other non-current assets (Annexure- XVII)
- xiii) Restated Consolidated Statement of Inventories (Annexure – XVIII)
- xiv) Restated Consolidated Statement of Trade Receivables (Annexure - XIX)
- xv) Restated Consolidated Statement of Cash and Cash Equivalents (Annexure - XX)
- xvi) Restated Consolidated Statement of Short Term Loans and Advances (Annexure - XXI)
- xvii) Restated Consolidated Statement of Other Current assets (Annexure – XXII)
- xviii) Restated Consolidated Statement of Revenue from Operations (Annexure – XXIII)
- xix) Restated Consolidated Statement of Other Income (Annexure – XXIV)
- xx) Restated Consolidated Statement of Contingent Liabilities (Annexure – XXV)
- xxi) Restated Consolidated Statement of Dividend (Annexure – XXVI)
- xxii) Restated Consolidated Statement of Capitalization (Annexure – XXVII)
- xxiii) Restated Consolidated Statement of Accounting Ratios (Annexure – XXVIII)
- xxiv) Restated Consolidated Statement of Related Party Transactions (Annexure – XXIX)

In our opinion, the Restated consolidated Financial Statements and the other Financial Information set forth in Annexure I to XXIX read with the significant accounting policies and notes to the restated consolidated financial statements have been prepared in accordance with section 26 of Companies Act, 2013 and the SEBI Regulations and the Guidance Note on the reports in Company Prospectus (Revised) issued by the Institute of Chartered Accountants of India(ICAI).

Consequently the financial information has been prepared after making such regroupings and adjustments as were, in our opinion, considered appropriate to comply with the same. As a result of these regrouping and adjustments, the amount reported in the financial information may not necessarily be the same as those appearing in the respective audited financial statements for the relevant years.

This report should not in any way construed as a reissuance or redrafting of any of the previous audit report issued by us nor should this report be construed as new opinion on any of the financial statement referred to therein.

We have no responsibility to update our report for events and circumstances occurring after the date of the report.

This report is intended solely for your information and for inclusion in the Offer document in connection with the Company's proposed IPO-SME of equity shares and is not to be used, referred to or distributed for any other purpose without our prior written consent.

**For V. Goswami & Co.**

Chartered Accountants

Firm Registration No.128769W

Mr. Vipul Goswami

(Partner)

Membership No. 119809

Place: Ahmedabad

Date: February 22, 2020



**Annexure I**  
**RESTATED CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES**

(₹ in lakhs)

Particulars	As at Dec 31, 2019	As at March 31,		
		2019	2018	2017
<b>EQUITY AND LIABILITIES</b>				
<b>1.Shareholder's fund</b>				
a) Equity Share Capital	375.00	375.00	1.00	1.00
b)Reserves and surplus	1,642.28	1,511.61	1,634.18	1,004.43
<b>Total Shareholders Fund (1)</b>	<b>2,017.28</b>	<b>1,886.61</b>	<b>1,635.18</b>	<b>1,005.43</b>
<b>2.Non-current liabilities</b>				
a) Long Term Borrowings	714.98	589.64	67.02	44.85
b) Long term provisions	35.76	357.05	352.77	348.93
c) Deferred Tax Liabilities (net)	76.69	30.74	2.16	2.73
<b>Total (2)</b>	<b>827.43</b>	<b>977.42</b>	<b>421.95</b>	<b>396.50</b>
<b>3.Current liabilities</b>				
a) Short term Borrowings	87.64			
b) Trade payables	1,871.22	1,538.15	1185.88	717.96
c) Short-term provisions	1.02	0.89	31.14	113.61
d) Other Current Liabilities	332.75	37.39	45.43	36.16
<b>Total (3)</b>	<b>2,294.64</b>	<b>1,576.44</b>	<b>1,262.45</b>	<b>867.74</b>
<b>TOTAL (1+2+3)</b>	<b>5,137.35</b>	<b>4,440.47</b>	<b>3,319.59</b>	<b>2,269.68</b>
<b>ASSETS</b>				
<b>1.Non - Current Assets</b>				
a) Property, Plant & Equipment				
i.) Tangible assets	1,725.91	1,800.34	384.47	321.22
ii) Intangible assets	9.62	9.62	5.41	-
iii) Capital Work in Progress	-	-	18.55	3.86
b) Non-Current Investment	96.89	79.59	519.33	112.36
c) Non-Current assets	8.81	8.42	0.73	-
<b>Total (1)</b>	<b>1,841.24</b>	<b>1897.97</b>	<b>928.49</b>	<b>437.44</b>
<b>2.Current Assets</b>				
a) Inventories	463.24	140.11	55.32	49.96
b) Trade Receivables	1,323.37	1,094.43	1165.20	815.46
c) Cash and Cash equivalents	1,131.46	656.63	668.67	635.83
d) Short-term loans and advances	240.03	651.32	501.91	330.98
e) Other Current assets	138.02	-	-	-
<b>Total (2)</b>	<b>3,296.12</b>	<b>2,542.50</b>	<b>2,391.11</b>	<b>1,832.24</b>
<b>TOTAL(1+2)</b>	<b>5,137.35</b>	<b>4,440.47</b>	<b>3,319.59</b>	<b>2,269.68</b>



**Annexure II**  
**RESTATED CONSOLIDATED STATEMENT OF PROFIT AND LOSS ACCOUNT**

(₹ in lakhs)

Particulars	For the period ended Dec 31, 2019	For the year ended March 31,		
		2019	2018	2017
<b>INCOME:</b>				
Revenue from Operations	3,279.70	2,804.12	4,342.49	2,873.83
Other Income	104.22	48.26	192.96	89.68
<b>Total income</b>	<b>3,383.92</b>	<b>2,852.38</b>	<b>4,535.45</b>	<b>2,963.51</b>
<b>EXPENSES:</b>				
Cost Of Material Consumed/ Traded	2,432.39	1,862.38	2,821.25	1,476.82
Direct Expenses		-	-	-
Changes in Inventories	(323.13)	(84.79)	(5.36)	74.70
Employee Benefit Expenses	166.77	149.16	133.13	114.84
Depreciation & Amortization cost	155.51	37.93	18.70	12.05
Finance Cost	68.19	2.94	28.31	18.17
Other Expenses	571.06	490.35	690.60	616.97
<b>Total expenses</b>	<b>3,070.79</b>	<b>2,457.98</b>	<b>3,686.63</b>	<b>2,313.55</b>
<b>Net Profit / ( Loss ) for the period before extra- ordinary items and tax</b>	<b>313.13</b>	<b>394.41</b>	<b>848.82</b>	<b>649.96</b>
Extraordinary Items	37.43	-	-	-
<b>Net Profit / ( Loss ) for the period before tax</b>	<b>350.57</b>	<b>394.41</b>	<b>848.82</b>	<b>649.96</b>
<b>Less: Tax expense</b>				
Provision for income tax	173.95	116.81	225.05	217.82
Provision for deferred tax asset	45.95	28.58	(0.56)	5.62
<b>Total</b>	<b>219.90</b>	<b>145.39</b>	<b>224.48</b>	<b>223.43</b>
<b>Net Profit / (Loss) after Tax</b>	<b>130.67</b>	<b>249.02</b>	<b>624.34</b>	<b>426.53</b>



**Annexure III**  
**RESTATED CONSOLIDATED CASH FLOW STATEMENT**

(₹ in lakhs)

Particulars	For the period ended Dec 31, 2019	For the year ended March 31,		
		2019	2018	2017
<b>Cash Flow From Operating Activities</b>				
<b>Net Profit Before Tax</b>	<b>350.57</b>	<b>394.41</b>	<b>848.82</b>	<b>649.96</b>
Adjustments for :				
Depreciation/Amortisation	155.51	37.93	18.70	12.05
Adjustment pursuant to restatement of Gratuity		-	-	-
Interest Received		-	-	-
Dividend Income		(10.81)	(18.44)	(0.42)
Profit on Sale of Investment		(2.16)	(27.40)	(11.69)
Profit on sale of fixed asset		(3.73)	-	-
Interest Income	(25.43)	(30.31)	(35.05)	(36.33)
Interest Expenses	68.19	2.94	28.31	18.17
Gratuity		-	-	(20.08)
Interest Paid		-	-	-
<b>Operating Profit Before Working Capital Adjustments</b>	<b>548.84</b>	<b>388.26</b>	<b>814.94</b>	<b>611.39</b>
<b>Adjustment for Changes in Working Capital</b>				
Increase / decrease in trade receivables	(351.88)	70.78	(349.75)	(597.79)
Increase / decrease in inventories	(323.13)	(84.79)	(5.36)	74.40
Increase / decrease in short term loans and advances	194.79	(69.38)	(169.74)	50.48
Increase / decrease in other current assets	(72.79)	(63.61)	(1.24)	-
Increase / decrease in other non-current assets	(0.39)	(7.48)	(0.73)	-
Increase / decrease in trade payables	456.00	351.47	467.91	349.65
Increase / decrease in other current liabilities	250.14	(8.18)	9.28	(50.66)
Increase / decrease in short term provisions	0.13	0.12	0.12	106.48
Increase / decrease in long term provisions	(321.29)	4.28	3.84	23.13
<b>Cash Flow Generated from Operations</b>	<b>380.41</b>	<b>581.26</b>	<b>769.26</b>	<b>567.36</b>
Direct Tax Paid	(48.11)	(178.77)	(307.63)	(217.82)
<b>Net Cash flow from Operating activities (A)</b>	<b>322.29</b>	<b>402.48</b>	<b>461.63</b>	<b>349.55</b>
<b>Cash Flow From Investing Activities</b>				
Purchase of Fixed Assets	(81.07)	(1363.79)	(96.63)	(295.61)
Sale of Fixed Assets		8.67	-	-
Non-Current Investments	(17.30)	(27.28)	(760.77)	143.69
Interest Income	25.43	30.31	35.05	36.33
Dividend Income		10.81	18.44	0.42
<b>Net Cash Flow from Investing Activities (B)</b>	<b>(72.94)</b>	<b>(1341.28)</b>	<b>(803.91)</b>	<b>(115.18)</b>
<b>Cash flow from financing activities</b>				
Payment of interest	(68.19)	(2.94)	(28.31)	(18.17)
Payment of Dividend with dividend distribution tax		(0.18)	-	-
Proceed from long term / short term borrowings	283.67	586.98	22.17	41.51
Issue of Share		292.51	381.27	230.96
<b>Net Cash Flow from Financing Activities (C)</b>	<b>215.48</b>	<b>876.37</b>	<b>375.13</b>	<b>254.30</b>
<b>Net Increase/ ( Decrease) in Cash and Cash Equivalents ( A + B + C)</b>	<b>474.84</b>	<b>(62.41)</b>	<b>32.84</b>	<b>488.67</b>
<b>Cash &amp; Cash equivalent at the beginning of the year</b>	<b>656.63</b>	<b>668.67</b>	<b>635.83</b>	<b>147.16</b>
<b>Change Due to Increase in Shareholding</b>		<b>50.37</b>	-	-
<b>Cash &amp; Cash Equivalent at the end of the year</b>	<b>1,131.47</b>	<b>656.63</b>	<b>668.67</b>	<b>635.83</b>
Cash & cash equivalents comprises of :				



Particulars	For the period ended Dec 31, 2019	For the year ended March 31,		
		2019	2018	2017
Cash in hand	6.88	4.90	2.59	0.39
Balance with bank	395.99	242.54	198.37	43.32
Deposits with maturity more than 12 months	728.61	409.19	467.71	592.13
<b>Closing balance of cash &amp; cash equivalents</b>	<b>1,131.47</b>	<b>656.63</b>	<b>668.67</b>	<b>635.83</b>

## ANNEXURE V

### SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

#### A. Corporate Information

Advait Infratech Limited (the company) is a limited company domiciled in India and incorporated under the companies Act 1956 as 'Advait Infratech Private Limited'. The company is engaged in business of providing products and solutions for power transmission, power substation and telecommunication infrastructure fields. We operates with various verticals such as Turnkey Telecommunication Projects, Installation of the Power Transmission, Sub Station and Telecom Products, Liasioning-marketing and providing end to end solutions for the overseas customers operating in the field Power Transmission and Sub Station, Trading of the similar products, and manufacturing through OEM of the stringing Tools (Capital items for construction of Electrical Transmission Projects).

The consolidated financial statements relate to Advait Infratech Limited ("the Company") and its Joint Venture. The Consolidated Financial Statements have been prepared on the following basis:

- Investment in Joint Venture has been accounted under the proportionate consolidation method as per Accounting Standard (AS) 27 – "Financial Reporting of Interests in Joint Ventures".
- The difference between the cost investments in the Joint Venture and the share on net assets at the time of acquisition of shares in the Joint Venture is identified in the financial statements as Goodwill or Capital Reserve as the case may be.
- As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transaction and other events in similar circumstances and are presented in the same manner as the company's separate financial statements.
- Notes to the consolidated financial statements, represents notes involving items which are considered material and are accordingly duly disclosed. Materiality for the purpose is assessed in relation to the information contained in the consolidated financial statement.
- Particulars of Companies considered in the consolidated financial statements are :

Name Of the Company	Subsidiary/Associates/ Joint Venture	Country of Incorporation	Proportion of ownership Interest
TG Advait India Private Limited	Joint Venture	India	33.50%

#### B. Summary of Significant Accounting Policies

##### (a) Basis for preparation of financial statement

i) The financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India ("GAAP") under the historical cost convention on an accrual basis. GAAP comprises of mandatory accounting standards as prescribed under section 133 of the Companies Act, 2013 ('the Act') read with rule 7 of the companies (Account) Rules, 2014, the provision of the Act (to the extent notified).

ii) The financial statements have been prepared on a going concern basis under the historical cost convention on accrual basis. The accounting policies have been consistently applied by the Company unless otherwise stated.



iii) All the assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III of the Companies Act 2013.

**(b) Use of Estimates**

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

**(c) Revenue Recognition**

Revenue is recognized at accrual basis exclusive of taxes.

**(d) Property, Plant & Equipments**

Fixed assets are stated at cost of acquisition or construction less depreciation. The cost of assets comprises of purchase price and directly attributable cost of bringing the assets to working condition for its intended use including borrowing cost and incidental expenditure during the construction incurred up to the date of commissioning.

Capital Work in Progress includes capital items not installed or Building construction not completed and preoperative expenditure related to and incurred during implementation of projects and pending to be allocated.

**(e) Valuation of Inventories**

Inventories are valued at lower of Cost determined on FIFO basis or Net Realizable Value.

**(f) Depreciation**

- i) Depreciation on Fixed Assets is provided to the extent of depreciable amount on the Written Down Method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013
- ii) Depreciation in respect of addition to the fixed assets is provided on Pro-rata basis in which such assets are acquired / installed.

**(g) Impairment of Fixed Assets**

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

**(h) Employee Benefits**

Post-employment benefit plan:

- i) Defined Contribution Plan: Contribution for provident fund are accrued in accordance with applicable statutes and deposited with the Regional Provident Fund Commissioner.
- ii) Defined Benefit Plan: The liabilities in respect of gratuity are determined using Projected Unit Credit Method with actuarial valuation carried out as at balance sheet date. Actuarial gains are recognized in full in the profit & loss account for the period in which they occur.

Contribution in respect of Gratuity is made to the Group Gratuity Scheme with Life Insurance Corporation of India. Employee benefits recognized in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost and as reduced by the fair value of respective fund.

Short-term employee benefits:

Short term employee benefits are charged off at the undiscounted amount in the year in which the related service is rendered.



### **(i) Foreign Currency Transactions**

In accordance with Accounting Standard (AS) 11 on Accounting for the Effects of changes in Foreign Exchange Rates, Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction date. Realized gains and losses on settlement of foreign currency transactions are recognised in the Profit and Loss Account, Foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates, and the resultant exchange difference is recognised in the Profit and Loss Account.

### **(j) Borrowing Cost**

'Borrowing costs attributable to acquisition, construction or production of qualifying assets are capitalized as part of the cost of that asset, till the asset is ready for use as per Accounting Standard (AS) - 16. Other borrowing costs are recognized as an expense in the year in which these are incurred.

### **(k) Taxes on Income**

'The provision for current tax is based on the assessable profits of the Company computed in accordance with the applicable provisions of the Income Tax Act, 1961. Minimum Alternate Tax (MAT) eligible for set off in subsequent years (as per Tax Laws), is recognized as an asset by way of credit to the profit and loss account.

Deferred Tax resulting from timing difference between book and taxable profit is accounted for using the tax rates and laws that have been enacted as on the Balance Sheet date. The deferred tax asset is recognized only to the extent that there is reasonable certainty that the asset will be realized in future.

### **(l) Cash And Cash Equivalents**

Cash comprises cash on hand and demand deposit with banks. Cash equivalent are short term deposit , highly liquid investments that are readily convertible into known amount of cash and which are subject to significant rise of change in value.

### **Cash Flow Statement:**

Cash flow are reported using the indirect method, whereby profit is adjusted for effect of transactions on non-cash 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 are segregated based on the available information.

### **(m) Provision, Contingent Liabilities and Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

### **(n) Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

### **(o) Leases**

#### **Asset held under lease**

Leases of property, plant and equipment that transfer substantially all the risks and rewards of ownership are classified as finance leases. All the other leases are classified as operating leases. Assets held under operating leases are neither



recognised (in case the Company is lessee) nor derecognized (in case the Company is lessor) from the Company's Balance Sheet.

### Lease payments

Payments made or received under operating leases are generally recognised in profit or loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

## ANNEXURE V NOTES TO ACCOUNTS

### ADJUSTMENTS MADE IN RESTATED FINANCIAL STATEMENTS / REGROUPING NOTES

(₹ in Lakhs)

Particulars	For the period ended December 31, 2019	For the year ended March 31,		
		2019	2018	2017
<b>PAT As per Audited Financial Statement</b>	<b>134.42</b>	<b>210.24</b>	<b>627.30</b>	<b>437.44</b>
Add/(Less): Gratuity reversed/(provided)	-	7.38	(3.95)	(3.44)
Add/(Less): Depreciation restated	-	4.14	(2.75)	(1.39)
Add/(Less): Deferred Tax adjustment	-	6.10	(0.02)	(6.09)
Add/(Less): Reversal of Depreciation/ Gratuity adjustment	-	21.18	-	-
Add/(Less): GST Cess Received	(3.75)		3.75	
<b>PAT as per restated Financial Statement</b>	<b>130.67</b>	<b>249.04</b>	<b>624.34</b>	<b>426.52</b>

Appropriate adjustments have been made in the restated summary statements, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited financial statements of the Company, prepared in accordance with Schedule III and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009 (as amended).

#### Notes:

##### A. Gratuity Provision

During the year ended March 31, 2019 the company has recorded the Gratuity as per the Accounting Standard - 15 'Employee Benefit'. The gratuity for the year ended March 31, 2018 and March 31, 2017 have been recognized to reflect the consistent accounting policy across all years.

##### B. Deferred Tax

Deferred Tax for the year ended March 31, 2019, March 31, 2018 and March 31, 2017 have been restated on account of Gratuity Provision & Change in Depreciation.

##### C. Depreciation

Depreciation for the year ended March 31, 2019, March 31, 2018 and March 31, 2017 have been restated in order to comply with the Schedule II of Companies Act, 2013.

#### 2) Material Regrouping:

Appropriate adjustments have been made in the respective years of Restated Summary Statement of Assets and Liabilities, Restated Summary Statement of Profits and Losses and Restated Summary Statement of Cash Flows, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the regroupings as per the Audited financials of the Company for the year ended March 31, 2019, prepared in accordance with Schedule III, and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009 (as amended).

4) There are no audit qualifications, disclaimer of opinion, adverse opinion or emphasis of matter para in respect of financials of last three years of the Company.



#### 5) Changes in Accounting Policies in the Last Three Years:

There is no change in accounting policy.

#### 6) Dividend Payment:

The Company has paid interim dividend in the financial year 2019, the details of the same has been given in Schedule XXVI.

#### 7) Changes in Accounting Period:

There has been no change in the accounting period of the Company.

#### 8) Segment Reporting:

Reporting under AS - 17 is not applicable.

#### 9) Managerial Remuneration:

(₹ in Lakhs)

Particulars	For the period ended Dec 31, 2019	For the year ended March 31,		
		2019	2018	2017
<b>Whole Time Directors Remuneration</b>				
Salaries and Allowances	47.25	63.00	63.00	83.90
<b>Total</b>	<b>47.25</b>	<b>63.00</b>	<b>63.00</b>	<b>83.90</b>

#### 10) Deferred Tax:

(₹ in Lakhs)

Particulars	For the period ended Dec 31, 2019	For the year ended March 31,		
		2019	2018	2017
<b>Deferred tax liabilities/(assets) arising on account of timing difference in:</b>				
Opening Balance	15.95	(2.14)	(2.73)	2.89
Timing Differences	(92.64)	(28.59)	0.58	(5.62)
<b>Closing Balance</b>	<b>(76.69)</b>	<b>(30.74)</b>	<b>(2.16)</b>	<b>(2.73)</b>

#### 11) Remuneration to Statutory Auditors:

(₹ in Lakhs)

Particulars	For the period ended Dec 31, 2019	For the year ended March 31,		
		2019	2018	2017
Statutory Audit Fees	-	0.60	0.60	0.30
<b>Total</b>	<b>-</b>	<b>0.60</b>	<b>0.60</b>	<b>0.30</b>

#### 12) Information Regarding Foreign Exchange earnings and expenditures:

(₹ in Lakhs)

Particulars	For the period ended Dec 31, 2019	For the year ended March 31,		
		2019	2018	2017
Earning in Foreign Exchange	327.38	296.97	189.95	375.46
Expenditure in Foreign Exchange	713.64	816.14	2,099.69	1,044.58

#### Annexure VI

#### RESTATED CONSOLIDATED STATEMENT OF SHARE CAPITAL



(₹.in lakhs, except No. of shares)

Particulars	As at Dec 31, 2019	As at March 31,		
		2019	2018	2017
<b>Authorised Share Capital :</b>				
10,000 Equity Shares of ₹ 10/- each		-	1.00	1.00
60,00,000 Equity Shares of ₹ 10/- each	600.00	600.00	-	-
<b>Total</b>	<b>600.00</b>	<b>600.00</b>	<b>1.00</b>	<b>1.00</b>
<b>Issued Subscribed and Paid Up Capital :</b>				
10,000 Equity Shares of ₹ 10/- each	-	-	1.00	1.00
37,50,000 Equity Shares of ₹ 10/- each	375.00	375.00	-	-
<b>Total</b>	<b>375.00</b>	<b>375.00</b>	<b>1.00</b>	<b>1.00</b>

The details of shareholders holding more than 5% shares :

Particulars	As at December 31, 2019					
	No. of shares	% held	No. of shares	% held	No. of shares	% held
Rejal Seth	862500	22.99%	2400	24.00%	2400	24.00%
Shalin Seth	2850000	76.00%	7600	76.00%	7600	76.00%

Restated Consolidated Reconciliation of number of shares outstanding:

Particulars	As at Dec 31, 2019	As at March 31,		
		2019	2018	2017
<b>Equity Shares</b>				
At the beginning of the year	37,50,000	10,000	10,000	10,000
Allotment during the year	-	37,40,000	-	-
Forfeiture during the year	-	-	-	-
<b>Equity Shares at the end of the year</b>	<b>37,50,000</b>	<b>37,50,000</b>	<b>10,000</b>	<b>10,000</b>

## Annexure VII

### RESTATED CONSOLIDATED STATEMENT OF RESERVES AND SURPLUS

(₹.in lakhs)

Particulars	As at Dec 31, 2019	As at March 31,		
		2019	2018	2017
<b>Surplus in the statement of profit and loss</b>				
Balance as per last financial statement	1,511.61	1,634.19	1,004.85	599.08
Add: Profit for the year	130.67	249.02	629.98	426.53
Less: Adjustment pursuant to increase in share	-	(1.63)	-	-
Less: Provision for gratuity	-	-	-	(20.66)
Less: Issue of bonus shares	-	(374.00)	-	-
Less: Adjustment for Depreciation	-	-	-	(0.52)
Add: Pre Acquisition Losses	-	4.21	5.41	-
<b>Less: Appropriation and allocation</b>				
Interim Dividend	-	(0.15)	-	-
Equity DDT	-	(0.03)	-	-
<b>Total Reserves (a+b+c)</b>	<b>1642.28</b>	<b>1,511.61</b>	<b>1,634.18</b>	<b>1,004.43</b>



**Annexure VIII**  
**RESTATED CONSOLIDATED STATEMENT OF LONG BORROWINGS**

(₹.in lakhs)

Particulars	As at Dec 31, 2019	As at March 31,		
		2019	2018	2017
<b>Secured Loans</b>				
From Banks	524.36	526.96	22.84	2.81
<b>Unsecured Loans</b>				
From Directors & their relatives	190.62	62.68	44.18	42.04
<b>Total</b>	<b>714.98</b>	<b>589.64</b>	<b>67.02</b>	<b>44.85</b>

**Annexure IX**  
**RESTATED CONSOLIDATED DEFERRED TAX ASSETS**

(₹.in lakhs)

Particulars	As at Dec 31, 2019	As at March 31,		
		2019	2018	2017
Opening Balance	30.74	2.14	2.73	2.89
Addition during the year	45.95	28.60	0.58	(5.62)
<b>Total</b>	<b>76.69</b>	<b>30.74</b>	<b>2.14</b>	<b>2.73</b>

**Annexure X**  
**RESTATED CONSOLIDATED STATEMENT OF LONG TERM PROVISIONS**

(₹.in lakhs)

Particulars	As at Dec 31, 2019	As at March 31,		
		2019	2018	2017
Provision for warranty charges	-	325.50	325.50	325.50
Provision for gratuity	35.76	31.55	27.27	23.43
<b>Total</b>	<b>35.76</b>	<b>357.05</b>	<b>352.77</b>	<b>348.93</b>

**Annexure XI**  
**RESTATED CONSOLIDATED STATEMENT OF SHORT TERM BORROWINGS**

(₹.in lakhs)

Particulars	As at Dec 31, 2019	As at March 31,		
		2019	2018	2017
From Bank and Financial Institution	87.64	-	-	-
<b>Total</b>	<b>87.64</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Annexure XII**  
**RESTATED CONSOLIDATED STATEMENT OF TRADE PAYABLE**

(₹.in lakhs)

Particulars	As at Dec 31, 2019	As at March 31,		
		2019	2018	2017
<b>Creditors Due Small Micro Enterprises</b>				
Trade payables (Goods)	172.81	167.85	66.97	-
<b>Creditors Due Others</b>				
Trade payables (Goods)	1,698.41	1370.31	1,115.41	717.96
Trade payables (Expense)			3.50	
<b>Total</b>	<b>1,871.22</b>	<b>1538.15</b>	<b>1,185.88</b>	<b>717.96</b>

**Annexure XIII**  
**RESTATED CONSOLIDATED STATEMENT OF SHORT TERM PROVISIONS**

(₹.in lakhs)

Particulars	As at Dec 31, 2019	As at March 31,		
		2019	2018	2017
Provisions for Gratuity	1.02	0.89	0.77	0.67
Provision for Tax	-	-	30.37	112.95
<b>Total</b>	<b>1.02</b>	<b>0.89</b>	<b>31.14</b>	<b>113.61</b>



**Annexure XIV**  
**RESTATED CONSOLIDATED OTHER CURRENT LAIBILITIES**

(₹.in lakhs)

Particulars	As at Dec 31, 2019	As at March 31,		
		2019	2018	2017
Current maturities of long-term debt	174.32	5.16	2.47	11.32
Statutory Dues Payable	112.95	2.08	0.37	11.70
Dividend Payable		0.15	-	-
Other current liabilities		30.00	-	0.10
Employee Related			0.11	
Advance received from customers	45.49	-	42.49	13.04
<b>Total</b>	<b>332.75</b>	<b>37.39</b>	<b>45.43</b>	<b>36.16</b>

**Annexure XV**  
**RESTATED CONSOLIDATED STATEMENT OF PROPERTY PLANT AND EQUIPMENTS**

(₹.in lakhs)

Particulars	As at Dec 31, 2019	As at March 31,		
		2019	2018	2017
<b>Land</b>				
Gross Block	387.89	318.29	279.28	-
Addition during the year	2.85	0.04	39.01	279.28
Reduction during the year	-	1.03	-	-
Adjustment of Increase in control	-	70.58	-	-
Depreciation During the year	-	-	-	-
Accumulated Depreciation	-	-	-	-
<b>Closing Balance</b>	<b>390.74</b>	<b>387.88</b>	<b>318.29</b>	<b>279.28</b>
<b>Plant and Machinery</b>				
Gross Block	838.39	3.29	3.29	3.29
Addition during the year	24.76	835.10	-	-
Reduction during the year	-	-	-	-
Written Off due to New Act	-	-	-	-
Depreciation During the year	115.50	8.96	0.33	0.40
Depreciation on Deletion	-	-	-	-
Accumulated Depreciation	10.78	1.81	1.48	1.08
<b>Closing Balance</b>	<b>736.87</b>	<b>827.62</b>	<b>1.48</b>	<b>1.81</b>
<b>Building</b>				
Gross Block	439.15	13.88	13.88	13.88
Addition during the year	33.73	425.27	-	-
Reduction during the year	-	-	-	-
Depreciation During the year	1.69	3.12	0.87	0.97
Adjustment to Opening Reserve	-	-	-	-
Accumulated Depreciation	8.65	5.53	4.66	3.69
<b>Closing Balance</b>	<b>462.54</b>	<b>430.49</b>	<b>8.34</b>	<b>9.22</b>
<b>Office Equipment</b>				
Gross Block	11.95	5.76	4.60	4.01
Addition during the year	1.95	6.19	1.12	0.59
Reduction during the year	-	-	-	-
Depreciation During the year	2.38	1.82	0.69	0.87
Accumulated Depreciation	5.89	4.08	3.45	2.58
Adjustment of Increase in control	-	0.01		
<b>Closing Balance</b>	<b>5.63</b>	<b>6.06</b>	<b>1.58</b>	<b>1.14</b>
<b>Electrical Installations and equipment</b>				
Gross Block	91.09	-	-	-



Addition during the year	2.36	91.09	-	-
Reduction during the year	-	-	-	-
Depreciation During the year	17.42	2.75	-	-
Accumulated Depreciation	2.55	-	-	-
Adjustment of Increase in control	-	0.20	-	-
<b>Closing Balance</b>	<b>73.49</b>	<b>88.54</b>	-	-
<b>Furniture and fixtures</b>				
Gross Block	31.04	15.47	15.27	9.70
Addition during the year	3.25	15.56	0.20	5.57
Reduction during the year	-	-	-	-
Depreciation During the year	4.04	3.81	2.15	1.62
Accumulated Depreciation	13.15	9.38	7.26	5.64
Adjustment of Increase in control	-	0.04	-	-
<b>Closing Balance</b>	<b>17.09</b>	<b>17.89</b>	<b>6.06</b>	<b>8.01</b>
<b>Motor vehicles</b>				
Gross Block	84.25	94.85	55.32	50.25
Addition during the year	-	11.32	39.53	5.07
Reduction during the year	-	21.93	-	-
Depreciation During the year	8.77	15.34	13.60	7.14
Accumulated Depreciation	46.72	48.60	35.00.	27.87
Adjustment of Increase in control	-	0.23	-	-
Net Depreciation written off	-	16.99	-	-
<b>Closing Balance</b>	<b>28.76</b>	<b>37.53</b>	<b>46.25</b>	<b>20.32</b>
<b>Computer</b>				
Gross Block	13.28	9.20	7.16	5.70
Addition during the year	12.17	4.08	2.04	1.46
Reduction during the year	-	-	-	-
Depreciation During the year	5.73	2.13	1.11	1.05
Accumulated Depreciation	8.93	6.82	5.72	4.67
Adjustment to Opening Reserve	-	-	-	-
Net Depreciation written off	-	0.02	-	-
<b>Closing Balance</b>	<b>10.79</b>	<b>4.34</b>	<b>2.36</b>	<b>1.44</b>
<b>Intangible Assets</b>				
Gross Block	9.62	5.41	-	-
Addition during the year	-	4.21	5.41	-
Reduction during the year	-	-	-	-
Depreciation During the year	-	-	-	-
Accumulated Depreciation	-	-	-	-
Adjustment to Opening Reserve	-	-	-	-
Net Depreciation written off	-	-	-	-
<b>Closing Balance</b>	<b>9.62</b>	<b>9.62</b>	<b>5.41-</b>	<b>-</b>
<b>Gross Block</b>				
<b>Gross Block</b>	<b>1,897.02</b>	<b>460.74</b>	<b>378.80</b>	<b>86.83</b>
<b>Addition During the year</b>	<b>81.07</b>	<b>1,388.65</b>	<b>81.95</b>	<b>291.97</b>
<b>Adjustment of Increase in Control</b>	<b>-</b>	<b>71.07</b>	<b>-</b>	<b>-</b>
<b>Deletion During The year</b>	<b>-</b>	<b>22.95</b>	<b>-</b>	<b>-</b>
<b>Total Depreciation For the Year</b>	<b>155.51</b>	<b>37.93</b>	<b>18.70</b>	<b>12.05</b>
<b>Depreciation on deletion</b>	<b>-</b>	<b>16.99</b>	<b>-</b>	<b>-</b>
<b>Opening Total Accumulated Depreciation</b>	<b>96.67</b>	<b>76.23</b>	<b>57.58</b>	<b>45.54</b>
<b>Net Block of Tangible Assets</b>	<b>1,725.91</b>	<b>1,800.34</b>	<b>384.47</b>	<b>321.22</b>
<b>Net Block of Intangible Assets</b>	<b>9.62</b>	<b>9.62</b>	<b>5.41</b>	<b>-</b>



**Annexure XVI**  
**RESTATED CONSOLIDATED STATEMENT OF NON-CURRENT INVESTMENTS**

(₹.in lakhs)

Particulars	As at Dec 31, 2019	As at March 31,		
		2019	2018	2017
Investment Property	66.73	66.73	66.73	66.73
Investments in Equity Instruments				
Trade, Quoted	29.91	12.61	21.09	16.70
Non-Trade, Unquoted				
Equity shares of TG Advait India Pvt Ltd				
Share Application Money of TG Advait India Pvt Ltd				-
Investment in Mutual Funds	0.25	0.25	431.51	28.94
<b>Total</b>	<b>96.89</b>	<b>79.59</b>	<b>519.33</b>	<b>112.36</b>

**Annexure XVII**  
**RESTATED CONSOLIDATED STATEMENT OF OTHER NON CURRENT ASSETS**

(₹.in lakhs)

Particulars	As at Dec 31, 2019	As at March 31,		
		2019	2018	2017
Security Deposit	8.81	8.42	0.73	-
<b>TOTAL</b>	<b>8.81</b>	<b>8.42</b>	<b>0.73</b>	<b>-</b>

**Annexure XVIII**  
**RESTATED CONSOLIDATED STATEMENT OF INVENTORIES**

(₹.in lakhs)

Particulars	As at Dec 31, 2019	As at March 31,		
		2019	2018	2017
Finished Goods	175.09	69.08	55.32	49.96
Raw material	284.52	70.22	-	-
Stores and spares	3.62	0.81	-	-
<b>Total</b>	<b>463.24</b>	<b>140.11</b>	<b>55.32</b>	<b>49.96</b>

**Annexure XIX**  
**RESTATED CONSOLIDATED STATEMENT OF TRADE RECEIVABLES**

(₹.in lakhs)

Particulars	As at Dec 31, 2019	As at March 31,		
		2019	2018	2017
Trade Receivables				
Within six months	921.46	358.97	882.50	376.37
Outstanding for a period exceeding six months from the date they are due for payment	401.91	735.46	282.70	439.09
<b>Total</b>	<b>1,323.37</b>	<b>1,094.43</b>	<b>1,165.20</b>	<b>815.46</b>

**Annexure XX**  
**RESTATED CONSOLIDATED STATEMENT OF CASH & CASH EQUIVALENTS**

(₹.in lakhs)

Particulars	As at Dec 31, 2019	As at March 31,		
		2019	2018	2017
<b>Cash and Cash equivalents</b>				
Cash On Hand	6.87	4.90	2.59	0.39
Balances with Bank	-	-	-	-
in Current A/C	395.98	242.54	198.37	41.15
Bank overdraft	-	--	-	2.16
Deposit with Banks with maturity more than 12 months	728.61	409.19	467.71	592.13
<b>Total</b>	<b>1,131.46</b>	<b>656.63</b>	<b>668.67</b>	<b>635.83</b>



**Annexure XXI**  
**RESTATED CONSOLIDATED STATEMENT OF SHORT TERM LOANS & ADVANCES**

(₹.in lakhs)

Particulars	As at Dec 31, 2019	As at March 31,		
		2019	2018	2017
<b>Short-term loans and advances</b>				
Loans and advances to staff	3.10	2.48	4.45	0.94
Advances to sundry creditors/suppliers	5.25	24.56	169.07-	-
Prepaid expenses	5.16	8.58	-	-
Balances with govt. authorities	23.42	28.94	0.96	0.96
Advance Tax & TDS	1.33	32.02	0.07-	-
Others	198.65	165.42	27.01	3.58
Duties and Taxes Receivable	-	59.67	0.89	-
Interest Receivable	-	0.41	0.20	-
Retention Money	-	325.50	295.50	325.50
GST Cess Receivable	-	3.75	3.75	
Deposits	2.34	-	-	-
Advance for Software	0.79	-	-	-
<b>Total</b>	<b>240.03</b>	<b>651.32</b>	<b>501.91</b>	<b>330.98</b>

**Annexure XXII**  
**RESTATED CONSOLIDATED STATEMENT OF OTHER CURRENT ASSETS**

(₹.in lakhs)

Particulars	As at Dec 31, 2019	As at March 31,		
		2019	2018	2017
IGST / CGST / SGST Receivable	137.86	-	-	-
Interest Receivable	0.16	-	-	-
<b>Total</b>	<b>138.02</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Annexure XXIII**  
**RESTATED CONSOLIDATED STATEMENT OF REVENUE FROM OPERATIONS**

(₹.in Lakhs)

Particulars	For the period ended Dec 31, 2019	For the year ended March 31,		
		2019	2018	2017
<b>Revenue from operations</b>				
Sale of products	2,627.42	2262.58	3,913.73	2,410.55
Sale of services	652.28	541.54	428.77	463.29
<b>Total</b>	<b>3,297.70</b>	<b>2,804.12</b>	<b>4,342.49</b>	<b>2,873.83</b>

**Annexure XXIV**  
**RESTATED CONSOLIDATED STATEMENT OF OTHER INCOME**

(₹.in Lakhs)

Particulars	For the period ended Dec 31, 2019	For the year ended March 31,		
		2019	2018	2017
<b>Other Income</b>				
Interest Income	25.43	30.31	35.05	36.33
Dividend Income	0.23	10.81	18.44	0.42
Duty Drawback Income	0.78	-	-	0.12
Discount Received	1.64	0.37	3.33	0.66
Profit on sale of Investment	-	2.16	27.40	11.69
Profit on Sale of Fixed Assets	-	3.73	-	-
Foreign Exchange Difference (Net)	-	-	58.29	5.78
Tender Fee	-	-	2.81	11
Misc. Income	0.95	0.88	43.90	23.89



GST Cess Receivable	-		3.75	
Sundry credit balance w/off	1.08			
Reimbursement of expenses	54.91			
Retention money w/off	19.20			
<b>Total of Other Income</b>	<b>104.22</b>	<b>48.26</b>	<b>192.96</b>	<b>89.68</b>

#### Annexure XXV

#### RESTATED CONSOLIDATED STATEMENT OF CONTINGENT LIABILITIES

(₹.in lakhs)

Particulars	As at Dec 31, 2019	As at March 31,		
		2019	2018	2017
Contingent Liabilities				
Related to Tax Authorities	38.69	4.02	-	
Bank guarantee	1,082.74	466.68	251.04	
<b>Total</b>	<b>1,121.43</b>	<b>470.70</b>	<b>251.04</b>	

#### Annexure XXVI

#### RESTATED CONSOLIDATED STATEMENT OF DIVIDEND

Particulars	Year ended March 31, 2019	Interim dividend for Fiscal 2019	Year ended March 31	
			2018	2017
Face Value of Equity Share (per share)	10	10	10	10
Dividend on Equity Shares (₹)	-	15,000	-	-
Final Dividend on each Equity Share (₹)	-	1.5	-	-
Dividend Tax (₹)	-	3,085	-	-
Dividend Rate for Equity Shares (%)	-	15%	-	-

#### Annexure XXVII

#### RESTATED CONSOLIDATED STATEMENT OF CAPITALIZATION

(₹.in lakhs)

Particular	Pre Issue (as at December 31, 2019)	Post Issue
<b>Borrowing</b>		
Long Term Debt*	889.30	[●]
Short Term Debt	87.64	[●]
<b>Total Debts (A)</b>	<b>976.94</b>	<b>[●]</b>
<b>Equity (Shareholder's funds)</b>		
Equity share capital	375.00	[●]
Reserve and Surplus, as restated	1,642.28	[●]
<b>Total Equity (B)</b>	<b>2,017.28</b>	<b>[●]</b>
<b>Long Term Debt / Equity Shareholder's funds</b>	<b>0.44</b>	<b>[●]</b>
<b>Total Debts / Equity Shareholder's funds</b>	<b>0.48</b>	<b>[●]</b>

\* Includes Current maturities of long term borrowings.

#### Note:

The above has been computed on the basis of Restated Consolidated Financials of the Company.

#### Annexure XXVIII

#### RESTATED CONSOLIDATED STATEMENT OF ACCOUNTING RATIOS

(₹.in Lakh except no of shares)

Particulars	For the period ended Dec 31, 2019	For the year ended March 31,		
		2019	2018	2017
Restated PAT as per P & L Account	130.67	249.02	624.34	426.53
Actual Number of Equity Shares outstanding at the end of the year**	37,50,000	37,50,000	10,000	10,000



Equivalent Weighted Avg number of Equity Shares at the end of the year	37,50,000	37,50,000	37,50,000	37,50,000
Share capital	375.00	375.00	1.00	1.00
Reserves & Surplus	1,642.28	1,511.61	1,634.19	1,004.31
Misc. expenses w/off				
Net Worth	2,017.28	1,886.61	1,635.19	1,005.31
<b>Earnings Per Share:</b>				
Basic				
Basic & Diluted*	3.48	6.64	16.64	11.37
Return on Net Worth (%)	6.48%	13.20%	38.18%	42.42%
Net Asset Value Per Share (Rs) – based on actual no. of equity shares at the end of the year	53.79	50.31	16,351.84	10,054.34
Nominal Value per Equity share (₹)	10.00	10.00	10.00	10.00

\* Not Annualised

\*\* Assuming proportionate No. of shares, according to amount paid on such partly paid –up share

Notes to Accounting Ratios:

10) The Ratios have been computed as follows:

	Net Profit After Tax as restated
a) Basic Earnings Per Share (M)	----- Weighted Average Number of Equity Shares outstanding during the year
	Net Profit after Tax as restated
b) Return on Net worth (%)	----- * 100 Net Worth
	Net Worth
c) Net Asset Value Per Equity Share (M)	----- No. Of Equity shares outstanding at the end of the year

2) Weighted average number of Equity Shares is the number of Equity Shares outstanding at the beginning of the year adjusted by the number of Equity Shares issued during year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.

3) The Calculation of Earnings Per Share (EPS) as disclosed in the Profit and Loss Account has been made in accordance with Accounting Standard (AS – 20) on Earnings Per Share issued by the Institute of Chartered Accountants of India.

4) As there is no dilutive capital in the company, Basic and Diluted EPS are similar.

5) The above Ratios have been computed on the basis of the Restated consolidated Financial Information for the respective year.

The above statements should be read with the Notes to Restated consolidated Financial Statements.

#### Annexure XXIX

#### RESTATED CONSOLIDATED STATEMENT OF RELATED PARTY TRANSACTIONS

As per Accounting Standard 18 on related party disclosure issued by the Institute of Chartered Accountants of India, the Company's related parties are disclosed below:

(i) Key Managerial Personnel

For the period ended December 31, 2019	For the year ended March 31,		
	2019	2018	2017
Mr. Shalin Sheth	Mr. Shalin Sheth	Mr. Shalin Sheth	Mr. Shalin Sheth



Ms. Rejal Sheth	Ms. Rejal Sheth	Ms. Rejal Sheth	Ms. Rejal Sheth
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(ii) Relatives of KMP's

For the period ended December 31, 2019	For the year ended March 31,		
	2019		2019
Shalin Sheth HUF	Shalin Sheth HUF	Shalin Sheth HUF	Shalin Sheth HUF
Ms. Rachna Sheth	Ms. Rachna Sheth	Ms. Rachna Sheth	

(iii) Associates / Enterprises over which directors and / or their relatives has significant influence

For the period ended December 31, 2019	For the year ended March 31,		
	2019	2018	2017
Hind Power Services	Hind Power Services	Hind Power Services	Hind Power Services

(iv) Particulars of Transactions with Related Parties

### Key Management Personnel

(₹.in lakhs)

Particulars	For the period ended Dec 31, 2019	For the year ended March 31,		
		2019	2018	2017
<b>Mr. Shalin Sheth</b>				
<b>1) Finance-Advance Taken</b>				
Opening Outstanding	60.50	29.00	29.00	-
Loan given in Current F.Y.	125.76	50.00	-	29.00
Repayment of loan in Current F.Y.	47.63	18.50	-	-
Closing balance	138.63	60.50	29.00	29.00
<b>2) Salary</b>	29.25	39.00	39.00	59.90
<b>3) Rent paid</b>	2.66			
<b>Ms. Rejal Sheth</b>				
<b>1) Finance-Advance Taken</b>				
Opening Outstanding	-	13.00	13.00	-
Loan given in Current F.Y.	35.94	-	-	13.00
Repayment of loan in Current F.Y.	1.51	13.00	-	-
Closing balance	34.43	-	13.00	13.00
<b>2) Salary</b>	18.00	24.00	24.00	24.00
<b>3) Rent paid</b>	2.66			

Relatives of KMP's

(₹.in lakhs)

Particulars	For the period ended Dec 31, 2019	For the year ended March 31,		
		2019	2018	2017
<b>1) Shalin HUF</b>				
Rent			-	3.30
<b>2) Ms. Rachna Sheth</b>				
Opening Outstanding	2.18	2.18		
Loan Taken in FY	-	-	2.18	
Repayment of Loan	-	-	-	
Closing balance	2.18	2.18	2.18	

**Associate Companies / Entities***(₹.in lakhs)*

Particulars	For the period ended Dec 31, 2019	For the year ended March 31,		
		2019	2018	2017
<b>Hind Power Services</b>				
Purchases	91.99	-	-	-
Sales	-	-	-	-
<b>Hind Power Services</b>				
<b>Finance - Loan Given</b>				
Opening Outstanding	0.02	-	-	-
Loan given in P.Y.	-	23.62	2.38	-
Repayment of Loan	-	23.60	2.38	-
Closing balance of loan	0.02	0.02	-	-

**CHANGES IN ACCOUNTING POLICIES IN THE LAST THREE YEARS**

There has been no change in the Accounting Policies in the last three (3) years.

**CHANGES IN ACCOUNTING PERIOD**

There has been no change in the accounting period of the Company.



## REPORT OF THE AUDITORS ON RESTATED FINANCIAL STATEMENTS

To,  
**The Board of Directors,**  
Advait Infratech Limited  
A-801 to 803 Sankalp Iconic,  
Opposite Vikram Nagar,  
Iscon Temple Cross Road,  
S.G Highway Ahmedabad.  
Gujarat 380054.

We have examined Financial Statements and Other Financial Information of Advait Infratech Limited (the 'Company') as approved by the Board of Directors of the Company at their meeting held on February 22, 2019 taking into consideration the terms of reference and terms of our engagement agreed upon with you in connection with inclusion in the Offer Document in connection with its proposed Initial Public Offer ("IPO") on the SME Platform of BSE Limited and the Guidance Note on Reports in Company Prospectus (Revised 2019) issued by the Institute of Chartered Accountants of India.

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

Section 26 of Part I of Chapter III of the Companies Act, 2013, as amended (the "Act") read with Companies (Prospectus and Allotment of Securities) Rules 2014;

The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the 'SEBI Regulations') and the related clarifications issued by the Securities and Exchange Board of India ('SEBI' in pursuance to Section 11 of the Securities and Exchange Board of India Act, 1992 and related amendments / clarifications from time to time

The terms of reference to our engagements with the Company requesting us to carry out the assignment, in connection with the Draft Prospectus / Prospectus being issued by the Company for its proposed IPO of equity shares on SME Platform of BSE Limited.; and

The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").;

We have examined the accompanied 'Restated Statement of Profit and Loss' (Annexure – II) for the period ended December 31, 2019 and for the years ended on 31st March 2019, 2018 and 2017 and the 'Restated Statement of 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 December 2019 and financial year ended on 31st March 2019, 2018 and 2017 audited by us, being the Statutory Auditor of the Company for respective years, approved by the Board of Directors.

In terms of the SEBI (ICDR) Regulations, 2018 and other provisions relating to accounts of Advait Infratech Limited, we, V. Goswami & Co., Chartered Accountants, have been subjected to the peer review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the Peer Review Board of the ICAI.

Based on our examination, we further report that:

The Restated Statement of Assets and Liabilities of the Company as at December 31, 2019 and as at March 31, 2019, 2018 and 2017 examined by us, as set out in Annexure I to this examination report are after making adjustments and regrouping as in our opinion were appropriate and more fully described in the statement of significant accounting policies in Annexure IV and the Notes to Accounts in Annexure V.

The Restated Statement of Profit and Loss of the Company for the period ended December 31, 2019 and financial years ended on March 31, 2019, 2018 and 2017 examined by us, as set out in Annexure II to this examination report are after making adjustments and regrouping as in our opinion were appropriate and more fully described in the statement



of significant accounting policies in Annexure IV and the Statement of Adjustments to the audited financial statements in Annexure V.

The Restated Statement of Cash Flows of the Company for the period ended December 31, 2019 and financial years ended on March 31, 2019, 2018 and 2017 examined by us, as set out in Annexure III to this examination report are after making adjustments and regrouping as in our opinion were appropriate and more fully described in the statement of significant accounting policies in Annexure IV and the Notes to Accounts in Annexure V.

The Restated Financial Statements have been made after incorporating adjustments for :

The changes, if any, in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per the changed accounting policy for all the reporting period /years.

Prior period and other material amounts in the respective financial years to which they relate which are stated in the Notes to Accounts as set out in Annexure V.

Such Financial statements do not require any corrective adjustments on account of :

Other remarks/comments in the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub - section (11) of section 143 of the act, on financial statements of the company for the period ended December 31, 2019 and financial years ended March 31, 2019, 2018 and 2017.

Extra-ordinary items that need to be disclosed separately in the accounts requiring adjustments.

There are no Auditor's Qualifications in any of the Financial Statements of the Company for the period ended December 31, 2019 and financial year ended March 31, 2019, 2018 and 2017.

The Company is in compliant with all the Accounting Standards / Disclosures requirement as issued by Institute of Chartered Accountants till date.

Adjustments in Restated Financial Statements have been made in accordance with the correct accounting policies;

At the request of the company, we have also examined the following financial information ("Other Financial Information") proposed to be included in the offer document prepared by the management and approved by the board of directors of the company and annexed to this report:

Restated Statement of Share Capital (Annexure - VI)  
Restated Statement of Reserves & Surplus (Annexure - VII)  
Restated Statement of Long Term Borrowings (Annexure - VIII)  
Restated Statement of Long Term Provisions (Annexure- IX)  
Restated Statement of Trade Payable (Annexure- X)  
Restated Statement of Short Term Provisions (Annexure- XI)  
Restated Statement of Other Current Liabilities (Annexure- XII)  
Restated Statement of Fixed Assets (Annexure- XIII)  
Restated Statement of Non Current Investments (Annexure- XIV)  
Restated Statement of Deferred Tax Assets (Annexure- XV)  
Restated Statement of Inventories (Annexure – XVI)  
Restated Statement of Trade Receivables (Annexure - XVII)  
Restated Statement of Cash and Cash Equivalentents (Annexure - XVIII)  
Restated Statement of Short Term Loans and Advances (Annexure - XIX)  
Restated Statement of Revenue from Operations (Annexure – XX)  
Restated Statement of Other Income (Annexure – XXI)  
Restated Statement of Contingent Liabilities (Annexure – XXII)  
Restated Statement of Dividend (Annexure – XXIII)  
Restated Statement of Capitalization (Annexure – XXIV)  
Restated Statement of Accounting Ratios (Annexure – XXV)  
Restated Statement of Related Party Transactions (Annexure – XXVI)  
Restated Statement of Tax Shelter (Annexure – XXVII)



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In our opinion, the Restated Financial Statements and the other Financial Information set forth in Annexure I to XXVII read with the significant accounting policies and notes to the restated financial statements have been prepared in accordance with section 26 of Companies Act, 2013 and the SEBI Regulations and the Guidance Note on the reports in Company Prospectus (Revised) issued by the Institute of Chartered Accountants of India (ICAI).

Consequently the financial information has been prepared after making such regroupings and adjustments as were, in our opinion, considered appropriate to comply with the same. As a result of these regrouping and adjustments, the amount reported in the financial information may not necessarily be the same as those appearing in the respective audited financial statements for the relevant years.

This report should not in any way construed as a reissuance or redrafting of any of the previous audit report issued by us nor should this report be construed as new opinion on any of the financial statement referred to therein.

We have no responsibility to update our report for events and circumstances occurring after the date of the report.

This report is intended solely for your information and for inclusion in the Offer document in connection with the Company's proposed IPO-SME of equity shares and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For V. Goswami & Co.  
Chartered Accountants  
Firm Registration No.128769W

Mr. Vipul Goswami  
(Partner)  
Membership No. 119809  
Place: Ahmedabad  
Date: February 22, 2020



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

(₹..in lakhs)

Particulars	As at December 31, 2019	As at March 31,		
		2019	2018	2017
<b>EQUITY AND LIABILITIES</b>				
1.Shareholder's fund				
a) Equity Share Capital	375.00	375.00	1.00	1.00
b) Reserves and surplus	2,005.47	1,583.66	1,634.42	1,004.43
<b>Total Shareholders Fund (1)</b>	<b>2,380.47</b>	<b>1,958.661</b>	<b>1,635.42</b>	<b>1,005.43</b>
2.Non-current liabilities				
a) Long Term Borrowings	212.05	86.74	67.02	44.81
b) Long term provisions	35.76	357.05	352.77	348.93
c) Deferred Tax Liabilities (net)		-	2.14	2.73
<b>Total (2)</b>	<b>247.81</b>	<b>443.79</b>	<b>421.93</b>	<b>396.47</b>
3.Current liabilities				
a) Trade payables	1351.42	1,234.64	1,182.38	717.87
b) Short-term provisions	1.02	0.89	31.14	113.61
c) Other Current Liabilities	251.25	36.01	44.96	36.16
Total (3)	1,603.68	1,271.55	1,258.48	867.64
<b>TOTAL (1+2+3)</b>	<b>4231.96</b>	<b>3,674.00</b>	<b>3,315.83</b>	<b>2,269.55</b>
<b>ASSETS</b>				
1.Non - Current Assets				
a) Property, Plant & Equipments				
i.) Tangible assets	154.08	165.56	138.10	115.55
ii) Intangible assets	-	-	-	-
b) Non Current Investment	1,178.24	1,160.94	1,131.50	343.32
c) Deferred tax assets (Net)	20.11	15.95	-	-
<b>Total (1)</b>	<b>1,352.42</b>	<b>1,342.44</b>	<b>1,269.60</b>	<b>458.87</b>
2.Current Assets				
a) Inventories	175.09	69.08	55.32	49.96
b) Trade Receivables	1,304.06	1,024.81	1,165.20	815.45
c) Cash and Cash equivalents	1,071.91	590.22	494.07	614.28
d) Short-term loans and advances	328.46	647.46	331.65	330.98
<b>Total (2)</b>	<b>2879.54</b>	<b>2,331.56</b>	<b>2,046.23</b>	<b>1,810.67</b>
<b>TOTAL(1+2)</b>	<b>4,231.96</b>	<b>3,674.00</b>	<b>3,315.83</b>	<b>2,269.55</b>



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

(₹. In lakhs)

Particulars	For the period ended December 31, 2019	For the year ended March 31,		
		2019	2018	2017
<b>INCOME:</b>				
Revenue from Operations	3,084.09	2,807.71	4,346.24	2,873.83
Other Income	1,04.19	44.45	188.46	89.68
Total income	3,188.28	2,852.16	4,534.71	2,963.51
<b>EXPENSES:</b>				
Cost Of Material Consumed/ Traded	2,054.56	1,794.74	2,821.25	1,476.82
Direct Expenses		-	-	-
Changes in Inventories	(106.01)	(13.76)	(5.36)	74.70
Employee Benefit Expenses	149.43	146.96	131.77	114.84
Depreciation	23.63	25.16	18.54	12.05
Financial Cost	10.74	2.84	28.18	18.17
Other Expenses	501.76	474.08	685.88	616.97
Total expenses	2,634.11	2,430.01	3,680.26	2,313.55
Profit before extraordinary items and tax	554.16	422.15	854.45	649.96
Extraordinary items	37.43	-		
Net Profit / (Loss) before Tax	591.60	422.15	854.45	649.96
Less: Tax expense				
Provision for income tax	173.95	116.81	225.0468	217.8161
Provision for deferred tax asset	(4.16)	(18.09)	(0.58)	5.62
Total	169.79	98.72	224.46	223.43
Net Profit / ( Loss ) for the period	421.81	323.42	629.98	426.53



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

(₹. in lakhs)

Particulars	For the period ended December 31, 2019	For the year ended March 31,		
		2019	2018	2017
<b>Cash Flow From Operating Activities</b>				
<b>Net Profit Before Tax</b>	<b>591.60</b>	<b>422.15</b>	<b>854.45</b>	<b>649.96</b>
Adjustments for :				
Depreciation/Amortisation	23.53	25.16	18.54	12.05
Adjustment pursuant to restatement of Gratuity		-	-	(20.66)
Interest Received	(25.41)	(26.84)	(34.30)	(36.33)
Dividend Income	(0.23)	(10.81)	(18.44)	(0.42)
Profit on Sale of Investment	-	(2.16)	(27.40)	(11.69)
Profit on sale of fixed asset	-	(3.73)	-	-
Interest Paid	10.74	2.84	28.18	18.17
GST Cess Received	3.75	-	(3.75)	
<b>Operating Profit Before Working Capital Adjustments</b>	<b>604.07</b>	<b>406.60</b>	<b>817.28</b>	<b>611.08</b>
Adjustment for Changes in Working Capital				
Trade Receivables	(279.25)	140.39	(349.75)	(597.77)
Inventories	(106.01)	(13.76)	(5.36)	74.70
Short Term Loans and Advances	316.58	(284.22)	3.08	50.48
Trade Payables	116.77	52.26	464.51	349.55
Other Current Liabilities	215.24	(8.95)	8.80	(50.66)
Short term provisions	0.13	0.12	0.11	106.48
Long term provisions	(321.29)	4.28	3.84	23.43
<b>Cash Flow Generated from Operations</b>	<b>546.23</b>	<b>296.73</b>	<b>942.51</b>	<b>567.29</b>
Direct Tax Paid	(175.28)	(178.77)	(307.63)	(217.82)
<b>Net Cash flow from Operating activities (A)</b>	<b>370.95</b>	<b>117.96</b>	<b>634.89</b>	<b>349.47</b>
<b>Cash Flow From Investing Activities</b>				
Purchase of Fixed Assets	(12.15)	(57.55)	(41.09)	(86.09)
Sale of Fixed Assets	-	8.67	-	-
Non-Current Investments	(17.30)	(27.28)	(760.77)	143.69
Interest Received	25.41	26.84	34.30	36.33
Dividend Income	0.23	10.81	18.44	0.42
<b>Net Cash Flow from Investing Activities (B)</b>	<b>(3.80)</b>	<b>(38.51)</b>	<b>(749.12)</b>	<b>94.35</b>
<b>Cash Flow From Financing Activities</b>				
Increase / (Decrease) in Long Term /short term Borrowing	125.30	19.73	22.21	41.47
Interest Paid	(10.74)	(2.84)	(28.18)	(18.17)
Payment of Dividend with Dividend Distribution Tax	-	(0.18)	-	-
<b>Net Cash Flow from Financing Activities (C)</b>	<b>114.57</b>	<b>16.70</b>	<b>(5.97)</b>	<b>23.30</b>
<b>Net Increase/ ( Decrease) in Cash and Cash Equivalents ( A + B + C)</b>	<b>481.71</b>	<b>96.15</b>	<b>(120.21)</b>	<b>467.12</b>
<b>Cash &amp; Cash equivalent at the beginning of the year</b>	<b>590.22</b>	<b>494.07</b>	<b>614.28</b>	<b>147.16</b>
<b>Cash &amp; Cash Equivalent at the end of the year</b>	<b>1,071.93</b>	<b>590.21</b>	<b>494.07</b>	<b>614.28</b>
Cash & cash equivalents comprises of :				
Cash in hand	6.82	4.78	2.55	0.39
Balance with bank	394.78	227.00	26.19	39.97
Deposits with maturity more than 12 months	670.34	358.43	465.33	573.93
Closing balance of cash & cash equivalents	1071.93	590.22	494.07	614.28



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## ANNEXURE IV

### SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

#### A. Corporate Information

Advait Infratech Limited (the company) is a limited company domiciled in India and incorporated under the companies Act 1956 as 'Advait Infratech Private Limited'. The company is engaged in business of providing products and solutions for power transmission, power substation and telecommunication infrastructure fields. We operates with various verticals such as Turnkey Telecommunication Projects, Installation of the Power Transmission, Sub Station and Telecom Products, Liasioning-marketing and providing end to end solutions for the overseas customers operating in the field Power Transmission and Sub Station, Trading of the similar products, and manufacturing through OEM of the stringing Tools (Capital items for construction of Electrical Transmission Projects).

#### B. Summary of Significant Accounting Policies

##### Basis for preparation of financial statement

- i) These financial statements have been prepared to comply with the Accounting Standards referred to in the Companies (Accounting Standards) Rules, 2006 notified by the Central Government in exercise of the power conferred under sub-section (1) (a) of section 642 and the relevant provisions of the Companies Act, 1956 read with the Rule 7 of Companies (Accounts) Rules, 2014 in respect of section 133 of the Companies Act, 2013 (the "Act").
- ii) The financial statements have been prepared on a going concern basis under the historical cost convention on accrual basis. The accounting policies have been consistently applied by the Company unless otherwise stated.
- iii) All the assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III of the Companies Act 2013.

##### Use of Estimates

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

##### Revenue Recognition

Revenue is recognized at accrual basis exclusive of taxes.

##### Expenditure

Expenditures are accounted for on accrual basis and provision is made for all known losses and liabilities.

##### Property, Plant & Equipments

Fixed assets are stated at cost of acquisition or construction less depreciation. The cost of assets comprises of purchase price and directly attributable cost of bringing the assets to working condition for its intended use including borrowing cost and incidental expenditure during the construction incurred up to the date of commissioning.

Capital Work in Progress includes capital items not installed or Building construction not completed and preoperative expenditure related to and incurred during implementation of projects and pending to be allocated.

##### Valuation of Inventories

Inventories are valued at lower of Cost determined on FIFO basis or Net Realizable Value.



## Depreciation

- i) Depreciation on Fixed Assets is provided to the extent of depreciable amount on the Written Down Method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013
- ii) Depreciation in respect of addition to the fixed assets is provided on Pro-rata basis in which such assets are acquired / installed.
- iii) Depreciation on Intangible Assets has been provided as per the estimated useful life of the assets as estimated. i.e. 3 years.

## Impairment of Fixed Assets

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

## Employee Benefits

Short term benefit payable to employees wholly within twelve months of rendering services such as salaries, wages etc. are recognized in the period in which the employee renders the related service.

Defined Contribution Plan: The Company's contribution to the state governed employees provident fund scheme is a defined contribution plan. The contribution paid/ payable under the scheme is recognized during the period in which the employee renders the related service.

Defined Benefit Plan: The Company's employee's gratuity is accounted on accrual basis based on actuarial valuation.

## Foreign Currency Transactions

In accordance with Accounting Standard (AS) 11 on Accounting for the Effects of changes in Foreign Exchange Rates, Transactions in foreign currencies are recognized at the prevailing exchange rates on the transaction date. Realized gains and losses on settlement of foreign currency transactions are recognized in the Profit and Loss Account, Foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates, and the resultant exchange difference is recognized in the Profit and Loss Account.

## Taxation

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions.

Deferred tax is recognized for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date, the company reassesses unrecognized deferred tax assets, if any.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

## Cash And Cash Equivalents

Cash comprises cash on hand and demand deposit with banks. Cash equivalent are short term deposit , highly liquid investments that are readily convertible into known amount of cash and which are subject to significant rise of change in value.



#### Cash Flow Statement:

Cash flow are reported using the indirect method, whereby profit is adjusted for effect of transactions on non-cash 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 are segregated based on the available information.

#### Provision, Contingent Liabilities and Contingent Assets

Provision are recognized for when the company has at present, legal or contractual obligation as a result of past events, only if it is probable that an outflow of resources embodying economic outgo or loss will be required and if the amount involved can be measured reliably.

Contingent liabilities being a possible obligation as a result of past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more future events not wholly in control of the company are not recognized in the accounts. The nature of such liabilities and an estimate of its financial effect are disclosed in notes to the Financial Statements. Contingent assets are neither recognized nor disclosed in the financial statements.

#### Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

#### Leases

##### Asset held under lease

Leases of property, plant and equipment that transfer substantially all the risks and rewards of ownership are classified as finance leases. All the other leases are classified as operating leases. Assets held under operating leases are neither recognized (in case the Company is lessee) nor derecognized (in case the Company is lessor) from the Company's Balance Sheet.

##### Lease payments

Payments made or received under operating leases are generally recognized in profit or loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

#### ANNEXURE V NOTES TO ACCOUNTS

##### ADJUSTMENTS MADE IN RESTATED FINANCIAL STATEMENTS / REGROUPING NOTES

(₹. in Lakhs)

Particulars	For the period ended December 31, 2019	For the year ended March 31,		
		2019	2018	2017
<b>PAT As per Audited Financial Statement</b>	<b>425.56</b>	<b>284.62</b>	<b>632.95</b>	<b>437.44</b>
Add/(Less): Gratuity reversed/(provided)	-	7.38	(3.95)	(3.44)
Add/(Less): Depreciation restated	-	4.14	(2.75)	(1.39)
Add/(Less): Deferred Tax adjustment	-	6.10	(0.02)	(6.09)
Add/(Less): Reversal of Depreciation/ Gratuity adjustment	-	21.18	-	-
Add/(Less): GST Cess Received	(3.75)		3.75	
<b>PAT as per restated Financial Statement</b>	<b>421.81</b>	<b>323.43</b>	<b>629.99</b>	<b>426.52</b>



Appropriate adjustments have been made in the restated summary statements, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited financial statements of the Company, prepared in accordance with Schedule III and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009 (as amended).

Notes:

**A. Gratuity Provision**

During the period ended December 31, 2019 and year ended March 31, 2019 the company has recorded the Gratuity as per the Accounting Standard - 15 'Employee Benefit' The gratuity for the period ended December 31 2019 and year ended March 31, 2018 and March 31, 2017 have been recognized to reflect the consistent accounting policy across all years.

**B. Deferred Tax**

Deferred Tax for the period ended December 31, 2019 and year ended March 31, 2019, March 31, 2018 and March 31, 2017 have been restated on account of Gratuity Provision & Change in Depreciation.

**C. Depreciation**

Depreciation for the period ended December 31, 2019 year ended March 31, 2019, March 31, 2018 and March 31, 2017 have been restated in order to comply with the Schedule II of Companies Act, 2013.

**2) Material Regrouping:**

Appropriate adjustments have been made in the respective years of Restated Summary Statement of Assets and Liabilities, Restated Summary Statement of Profits and Losses and Restated Summary Statement of Cash Flows, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the regroupings as per the Audited financials of the Company for the period ended December 31, 2019 and year ended March 31, 2019, prepared in accordance with Schedule III, and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009 (as amended).

3) There are no audit qualifications, disclaimer of opinion, adverse opinion or emphasis of matter para in respect of financials of last three years of the Company.

4) Changes in Accounting Policies in the Last Three Years: There is no change in accounting policy.

5) Dividend Payment: The Company has paid interim dividend in the financial year 2019, the details of the same has been given in Schedule XXIII.

6) Changes in Accounting Period: There has been no change in the accounting period of the Company.

**7) Segment Reporting:**

Reporting under AS - 17 is not applicable.

**8) Managerial Remuneration:**

(₹. in Lakhs)

Particulars	For the period ended December 31, 2019	For the year ended March 31,		
		2019	2018	2017
Executive Directors				
Directors Remuneration	47.25	63.00	63.00	83.90
Total	47.25	63.00	63.00	83.90



9) Deferred Tax:

(₹.in Lakhs)

Particulars	For the period ended December 31, 2019	For the year ended March 31,		
		2019	2018	2017
Deferred tax liabilities/(assets) arising on account of timing difference in:				
Opening Balance	15.95	(2.14)	(2.73)	2.89
Addition During the year	4.16	18.09	0.58	(5.62)
Total of Deferred Tax	20.11	15.95	(2.14)	(2.73)

10) Remuneration to Statutory Auditors:

(₹.in Lakhs)

Particulars	For the period ended December 31, 2019	For the year ended March 31,		
		2019	2018	2017
Statutory Audit Fees	-	0.60	0.60	0.30
Total	-	0.60	0.60	0.30

11) Information Regarding Foreign Exchange earnings and expenditures:

(₹.in Lakhs)

Particulars	For the period ended December 31, 2019	For the year ended March 31,		
		2019	2018	2017
FOB value of exports	327.38	296.97	189.95	375.46
Foreign Exchange Outflow	713.64	816.14	2,099.69	1,044.58

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

(₹.in lakhs, except No. of shares)

Particulars	As at December 31, 2019	As at March 31,		
		2019	2018	2017
<b>Authorised Share Capital :</b>	-			
10,000 Equity Shares of ₹ 10/- each		-	1.00	1.00
60,00,000 Equity Shares of ₹ 10/- each	600.00	600.00	-	-
Total	600.00	600.00	1.00	1.00
<b>Issued Subscribed and Paid Up Capital :</b>				
10,000 Equity Shares of ₹ 10/- each		-	1.00	1.00
37,50,000 Equity Shares of ₹ 10/- each	375.00	375.00	-	-
Total	375.00	375.00	1.00	1.00

Reconciliation of number of shares outstanding:

Particulars	As at December 31, 2019	As at March 31,		
		2019	2018	2017
Equity Shares				
At the beginning of the year	37,50,000	10,000	10,000	10,000
Allotment during the year		37,40,000	-	-
Forfeiture during the year		-	-	-
Equity Shares at the end of the year	37,50,000	37,50,000	10,000	10,000



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

(₹.in lakhs)

Particulars	As at December 31, 2019	As at March 31,		
		2019	2018	2017
Surplus in the statement of profit and loss				
Balance as per last financial statement	1,583.66	1,634.42	1,004.43	599.08
Profit for the year	421.81	323.42	629.98	426.53
Less: Provision for gratuity		-	-	(20.66)
Less: Issue of bonus shares		(374.00)	-	-
Less: Adjustment for Depreciation		-	-	(0.52)
Less: Appropriation and allocation		-	-	-
Interim Dividend		(0.15)	-	-
Equity DDT		(0.03)	-	-
Total Reserves	2,005.47	1,583.66	1,634.42	1,004.43

**Annexure VIII**  
**RESTATED STATEMENT OF LONG BORROWINGS**

(₹.in lakhs)

Particulars	As at December 31, 2019	As at March 31,		
		2019	2018	2017
Secured Loans				
From Banks & Financial Institute	21.43	24.07	22.84	2.81
Unsecured Loans				
From Banks & Financial Institute	15.39			
From Directors & their relatives	175.23	62.68	44.18	42.00
Total	212.05	86.74	67.02	44.81

**Annexure IX**  
**RESTATED STATEMENT OF LONG TERM PROVISIONS**

(₹.in lakhs)

Particulars	As at December 31, 2019	As at March 31,		
		2019	2018	2017
Provision for warranty charges	-	325.50	325.50	325.50
Provision for gratuity	35.76	31.55	27.27	23.43
Total	35.76	357.05	352.77	348.93

**Annexure X**  
**RESTATED STATEMENT OF TRADE PAYABLE**

(₹.in lakhs)

Particulars	As at December 31, 2019	As at March 31,		
		2019	2018	2017
Creditors Due Small Micro Enterprises				
Trade payables (Goods)	162.91	125.35	66.97	
Creditors Due Others				
Trade payables (Goods)	1,188.50	1,109.30	1,115.41	717.87
Total	1,351.42	1,234.64	1,182.38	717.87

**Annexure XI**  
**RESTATED STATEMENT OF SHORT TERM PROVISIONS**

(₹.in lakhs)

Particulars	As at December 31, 2019	As at March 31,		
		2019	2018	2017
Provisions for Gratuity	1.02	0.89	0.77	0.67



Provision for Tax	-	-	30.37	112.95
Total	1.02	0.89	31.14	113.61

**Annexure XII**  
**RESTATED STATEMENT OF OTHER CURRENT LIABILITIES**

(₹.in lakhs)

Particulars	As at December 31, 2019	As at March 31,		
		2019	2018	2017
Current maturities of long-term debt	129.09	5.16	2.47	11.32
Statutory Dues Payable	76.67	0.70	-	11.70
Dividend Payable		0.15	-	-
Other current liabilities		30.00	-	0.10
Advance received from customers	45.49	-	42.49	13.04
Total	251.25	36.01	44.96	36.16

**Annexure XIII**  
**RESTATED STATEMENT OF FIXED ASSETS, AS RESTATED**

(₹.in lakhs)

Particulars	As at December 31, 2019	As at March 31,		
		2019	2018	2017
Land				
Gross Block	73.62	73.62	73.62	-
Addition during the year		-	-	73.62
Reduction during the year		-	-	-
Written Off due to New Act		-	-	-
Depreciation During the year		-	-	-
Accumulated Depreciation		-	-	-
Closing Balance	73.62	73.62	73.62	73.62
Plant and Machinery				
Gross Block	3.29	3.29	3.29	3.29
Addition during the year		-	-	-
Reduction during the year		-	-	-
Written Off due to New Act		-	-	-
Depreciation During the year	0.16	0.27	0.33	0.40
Depreciation on Deletion		-	-	-
Accumulated Depreciation	2.08	1.81	1.48	1.08
Closing Balance	1.05	1.21	1.48	1.81
Building				
Gross Block	13.88	13.88	13.88	13.88
Addition during the year		-	-	-
Reduction during the year		-	-	-
Depreciation During the year	0.54	0.79	0.87	0.97
Adjustment to Opening Reserve		-	-	0.00
Accumulated Depreciation	6.33	5.53	4.66	3.69
Closing Balance	7.01	7.55	8.34	9.22
Office Equipments				
Gross Block	11.43	5.71	4.60	4.01
Addition during the year	1.56	5.73	1.11	0.59
Reduction during the year		-	-	-
Depreciation During the year	2.20	1.80	0.63	0.87
Accumulated Depreciation	5.88	4.08	3.45	2.58
Adjustment to Opening Reserve				
Closing Balance	4.92	5.56	1.63	1.14



Particulars	As at December 31, 2019	As at March 31,		
		2019	2018	2017
Electrical Installations and equipment				
Gross Block	21.44	-	-	-
Addition during the year	2.42	21.44	-	-
Reduction during the year		-	-	-
Depreciation During the year	4.04	1.71	-	-
Accumulated Depreciation	1.71	-	-	-
Adjustment to Opening Reserve		-	-	-
Closing Balance	18.11	19.73	-	-
Furniture and fixtures				
Gross Block	30.58	15.27	15.27	9.70
Addition during the year	0.47	15.31	-	5.57
Reduction during the year				
Depreciation During the year	3.42	3.75	2.10	1.62
Accumulated Depreciation	13.12	9.37	7.26	5.64
Adjustment to Opening Reserve				
Closing Balance	14.51	17.46	5.90	8.01
Motor vehicles				
Gross Block	83.06	93.67	55.32	50.25
Addition during the year		11.32	38.34	5.07
Reduction during the year		21.93	-	-
Depreciation During the year	8.52	14.97	13.59	7.14
Accumulated Depreciation	46.58	48.60	35.00	27.87
Adjustment to Opening Reserve		-	-	-
Net Depreciation written off		16.99	-	-
Closing Balance	27.96	36.48	45.07	20.32
Computer				
Gross Block	12.55	8.80	7.16	5.70
Addition during the year	7.70	3.75	1.64	1.46
Reduction during the year		-	-	-
Depreciation During the year	4.76	1.86	1.02	1.05
Accumulated Depreciation	8.60	6.74	5.72	4.67
Adjustment to Opening Reserve		-	-	-
Net Depreciation written off		-	-	-
Closing Balance	6.89	3.95	2.06	1.44
<b>Gross Block</b>	<b>249.85</b>	<b>214.22</b>	<b>173.13</b>	<b>86.83</b>
<b>Addition During the year</b>	<b>12.15</b>	<b>57.55</b>	<b>41.09</b>	<b>86.30</b>
<b>Deletion During The year</b>	<b>-</b>	<b>21.93</b>	<b>-</b>	<b>-</b>
<b>Total Depreciation For the Year</b>	<b>23.63</b>	<b>25.61</b>	<b>18.54</b>	<b>12.05</b>
<b>Depreciation on deletion</b>	<b>-</b>	<b>16.99</b>	<b>-</b>	<b>-</b>
<b>Opening Total Accumulated Depreciation</b>	<b>84.29</b>	<b>76.12</b>	<b>57.58</b>	<b>45.54</b>
<b>Net Block</b>	<b>154.08</b>	<b>165.56</b>	<b>138.10</b>	<b>115.55</b>

**Annexure XIV**  
**RESTATED STATEMENT OF NON-CURRENT INVESTMENTS**

(₹.in lakhs)

Particulars	As at December 31, 2019	As at March 31,		
		2019	2018	2017
Investment Property	66.73	66.73	66.73	66.73
Investments in Equity Instruments				



Particulars	As at December 31, 2019	As at March 31,		
		2019	2018	2017
Trade, Quoted	29.91	12.61	21.09	16.70
NonTrade, Unquoted				
Equity shares of TG Advait India Pvt Ltd	1,081.35	1,081.35	317.93	230.96
Share Application Money of TG Advait India Pvt Ltd		-	294.24	-
Investment in Mutual Funds	0.25	0.25	431.51	28.94
<b>Total</b>	<b>1,178.24</b>	<b>1,160.94</b>	<b>1,131.50</b>	<b>343.32</b>

**Annexure XV**  
**RESTATED DEFERRED TAX ASSETS**

(₹.in lakhs)

Particulars	As at December 31, 2019	As at March 31,		
		2019	2018	2017
Opening Balance	15.95	(2.14)	(2.73)	2.89
Addition during the year	4.16	18.09	0.58	(5.62)
<b>Total</b>	<b>20.11</b>	<b>15.95</b>	<b>(2.14)</b>	<b>(2.73)</b>

**Annexure XVI**  
**RESTATED STATEMENT OF INVENTORIES**

(₹.in lakhs)

Particulars	As at December 31, 2019	As at March 31,		
		2019	2018	2017
Finished Goods	175.09	69.08	55.32	49.96
<b>Total</b>	<b>175.09</b>	<b>69.08</b>	<b>55.32</b>	<b>49.96</b>

**Annexure XVII**  
**RESTATED STATEMENT OF TRADE RECEIVABLES**

(₹.in lakhs)

Particulars	As at December 31, 2019	As at March 31,		
		2019	2018	2017
Trade Receivables				
Outstanding for a period exceeding six months from the date they are due for payment	400.19	735.46	282.70	439.09
Others Receivables	903.87	289.35	882.50	376.37
<b>Total</b>	<b>1,304.06</b>	<b>1024.81</b>	<b>1165.20</b>	<b>815.45</b>

**Annexure XVIII**  
**RESTATED STATEMENT OF CASH & CASH EQUIVALENTS**

(₹.in lakhs)

Particulars	As at December 31, 2019	As at March 31,		
		2019	2018	2017
Cash and Cash equivalents				
Cash On Hand	6.82	4.78	2.55	0.39
Balances with Bank				
in Current A/C	394.78	227.00	26.19	37.80
Bank overdraft	-	-	-	2.16
Deposit with Banks with maturity more than 12 months	670.34	358.43	465.33	573.93
<b>Total</b>	<b>1,071.93</b>	<b>590.22</b>	<b>494.07</b>	<b>614.28</b>



**Annexure XIX**  
**RESTATED STATEMENT OF SHORT TERM LOANS & ADVANCES**

(₹.in lakhs)

Particulars	As at December 31, 2019	As at March 31,		
		2019	2018	2017
Short-term loans and advances				
Loans and advances to staff	3.01	2.48	4.45	0.94
Advances to sundry creditors/suppliers	4.96	16.86	-	-
Prepaid expenses	5.16	8.58	-	-
Balances with govt. authorities	23.42	28.92	0.96	0.96
Advance Tax & TDS	1.33	31.59	-	-
Others	288.24	229.77	26.99	3.58
Retention Money	-	325.50	295.50	325.50
GST Cess Receivable	-	3.75	3.75	-
Deposits	2.34			
<b>Total</b>	<b>328.46</b>	<b>647.46</b>	<b>331.65</b>	<b>330.98</b>

**Annexure XX**  
**RESTATED STATEMENT OF REVENUE FROM OPERATIONS**

(₹.in Lakhs)

Particulars	As at December 31, 2019	For the year ended March 31,		
		2019	2018	2017
Revenue from operations				
Sale of products	2,431.81	2,266.17	3,917.4873	2,410.55
Sale of services	652.28	541.54	428.77	463.29
<b>Total</b>	<b>3,084.09</b>	<b>2,807.71</b>	<b>4,346.24</b>	<b>2,873.83</b>

**Annexure XXI**  
**RESTATED STATEMENT OF OTHER INCOME**

(₹.in Lakhs)

Particulars	As at December 31, 2019	For the year ended March 31,		
		2019	2018	2017
Interest Income	25.41	26.84	34.30	36.33
Dividend Income	0.23	10.81	18.44	0.42
Duty Drawback Income	0.78	-	-	0.12
Discount Received	1.63	0.37	3.33	0.66
Profit on sale of investment	00.00	2.16	27.40	11.69
Profit on Sale of Fixed Assets	0.00	3.73	-	-
Foreign Exchange Difference (Net)	19.20	-	58.29	5.78
Reimbursement of expenses	54.91	00.00	2.81	10.79
Misc. Income	0.94	0.54	44	23.89
Sundry creditors written off	1.08	-	-	-
<b>Total of Other Income</b>	<b>104.19</b>	<b>44.45</b>	<b>188.46</b>	<b>89.68</b>



**Annexure XXII**  
**RESTATED STATEMENT OF CONTINGENT LIABILITIES**

(₹.in lakhs)

Particulars	As at December 31, 2019	As at March 31,		
		2019	2018	2017
Contingent Liabilities				
Related to Tax Authorities	38.69	4.02		
Bank guarantee, Letter of Credit, Bills Discounted	1,082.74	466.68	251.04	-
<b>Total</b>	<b>1,121.43</b>	<b>470.70</b>	<b>251.04</b>	<b>-</b>

**Annexure XXIII**  
**RESTATED STATEMENT OF DIVIDEND**

Particulars	For the period ended December 31, 2019	Year ended March 31, 2019	Interim dividend for Fiscal 2019	Year ended March 31	
				2018	2017
Face Value of Equity Share (per share)		10	10	10	10
Dividend on Equity Shares(₹)		-	15,000	-	-
Final Dividend on each Equity Share (₹)		-	1.5	-	-
Dividend Tax (₹)		-	3,085	-	-
Dividend Rate for Equity Shares (%)		-	15%	-	-

**Annexure XXIV**  
**RESTATED STATEMENT OF CAPITALIZATION**

(₹.in lakhs)

Particular	Pre Issue (as at December 31, 2019)	Post Issue
<b>Borrowing</b>		
Long Term Debt*	341.14	●
Short Term Debt	-	
<b>Total Debts (A)</b>	<b>341.41</b>	<b>●</b>
<b>Equity (Shareholder's funds)</b>		
Equity share capital	375.00	●
Reserve and Surplus, as restated	2,005.47	●
<b>Total Equity (B)</b>	<b>2,380.47</b>	<b>●</b>
Long Term Debt / Equity Shareholder's funds	0.14	●
<b>Total Debts / Equity Shareholder's funds</b>	<b>0.14</b>	<b>●</b>

\* Includes Current maturities of long term borrowings.

Note:

The above has been computed on the basis of Restated Financials of the Company.

**Annexure XXV**  
**RESTATED STATEMENT OF ACCOUNTING RATIOS**

(₹.in Lakhs except no of shares)

Particulars	For the period ended December 31, 2019	For the year ended March 31,		
		2019	2018	2017
Restated PAT as per P & L Account	421.81	323.42	629.98	426.53
Actual Number of Equity Shares outstanding at the end	37,50,000	37,50,000	10,000	10,000



of the year**				
Equivalent Weighted Avg number of Equity Shares at the end of the year	37,50,000	37,50,000	37,50,000	37,50,000
Share capital	375.00	375.00	1.00	1.00
Reserves & Surplus	2005.47	1,583.66	1,634.42	1,004.43
Misc. expenses w/off		-	-	-
Net Worth	2380.47	1954.66	1,635.42	1,005.43
Earnings Per Share:				
Basic				
Basic & Diluted*	11.25	8.62	16.80	11.37
Return on Net Worth (%)	17.72%	16.51%	38.52%	42.42%
Net Asset Value Per Share (Rs) – based on actual no. of equity shares at the end of the year	63.48	52.23	16,354.17	10054.34
Nominal Value per Equity share (₹)	10.00	10.00	10.00	10.00

\* Not Annualised

\*\* Assuming proportionate No. of shares, according to amount paid on such partly paid –up share

Notes to Accounting Ratios:

The Ratios have been computed as follows:

a) Basic Earnings Per Share (M)	$\frac{\text{Net Profit After Tax as restated}}{\text{Weighted Average Number of Equity Shares outstanding during the year}}$
b) Return on Net worth (%)	$\frac{\text{Net Profit after Tax as restated}}{\text{Net Worth}} \times 100$
c) Net Asset Value Per Equity Share (M)	$\frac{\text{Net Worth}}{\text{No. Of Equity shares outstanding at the end of the year}}$

2) Weighted average number of Equity Shares is the number of Equity Shares outstanding at the beginning of the year adjusted by the number of Equity Shares issued during year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.

3) The Calculation of Earnings Per Share (EPS) as disclosed in the Profit and Loss Account has been made in accordance with Accounting Standard (AS – 20) on Earnings Per Share issued by the Institute of Chartered Accountants of India.

4) As there is no dilutive capital in the company, Basic and Diluted EPS are similar.

5) The above Ratios have been computed on the basis of the Restated Financial Information for the respective year.

The above statements should be read with the Notes to Restated Financial Statements.

## Annexure XXVI

### RESTATED STATEMENT OF RELATED PARTY TRANSACTIONS

As per Accounting Standard 18 on related party disclosure issued by the Institute of Chartered Accountants of India, the Company's related parties are disclosed below:



Key Managerial Personnel

For the period ended December 31, 2019	For the year ended March 31,		
	2019	2018	2017
Mr. Shalin Sheth	Mr. Shalin Sheth	Mr. Shalin Sheth	Mr. Shalin Sheth
Ms. Rejal Sheth	Ms. Rejal Sheth	Ms. Rejal Sheth	Ms. Rejal Sheth

Relatives of KMP's

For the period ended December 31, 2019	For the year ended March 31,		
	2019	2018	2017
Shalin Sheth HUF	Shalin Sheth HUF	Shalin Sheth HUF	Shalin Sheth HUF
Ms. Rachna Sheth	Ms. Rachna Sheth	Ms. Rachna Sheth	-

Associates / Enterprises over which directors and / or their relatives has significant influence

For the period ended December 31, 2019	For the year ended March 31,		
	2019	2018	2017
T G Advait India Pvt. Ltd	T G Advait India Pvt. Ltd	T G Advait India Pvt. Ltd	T G Advait India Pvt. Ltd
Hind Power Services	Hind Power Services	Hind Power Services	Hind Power Services

Particulars of Transactions with Related Parties

Key Management Personnel

(₹.in lakhs)

Particulars	For the period ended December 31, 2019	For the year ended March 31,		
		2019	2018	2017
Mr. Shalin Sheth				
1) Finance-Advance Taken				
Opening Outstanding	60.50	29.00	29.00	-
Loan taken in Current F.Y.	125.76	50.00	-	29.00
Repayment of loan in Current F.Y.	47.63	18.50	-	-
Closing balance	138.63	60.50	29.00	29.00
2) Salary	29.25	39.00	39.00	59.90
Ms. Rejal Sheth				
1) Finance-Advance Taken				
Opening Outstanding	-	13.00	13.00	-
Loan taken in Current F.Y.	35.94	-	-	13.00
Repayment of loan in Current F.Y.	1.51	13.00	-	-
Closing balance	34.43	-	13.00	13.00
2) Salary	18.00	24.00	24.00	24.00

Relatives of KMP's

(₹.in lakhs)

Particulars	For the period ended December 31, 2019	For the year ended March 31,		
		2019	2018	2017
1) Shalin HUF				
Rent	-	-	-	3.30
2) Ms. Rachna Sheth				
Opening Outstanding	2.18	2.18		-



Particulars	For the period ended December 31, 2019	For the year ended March 31,		
		2019	2018	2017
Loan taken in Current F.Y.	-	-	2.18	-
Repayment of loan in Current F.Y.	-	-	-	-
Closing balance	2.18	2.18	2.18	-

Associate Companies / Entities

(₹.in lakhs)

Particulars	For the period ended December 31, 2019	For the year ended March 31,		
		2019	2018	2017
T G Advait India Pvt. Ltd				
Investment				
Opening	612.16	612.16	230.96	-
Investment made during year	-	0.00	381.20	230.96
Closing	612.16	612.16	612.16	230.96
Finance - Loan Given				
Opening	192.11	0.00	-	-
Given during period .	106.48	428.78	-	-
Repaid during period	30.48	236.68	-	2.38
Closing	268.11	192.11	-	--
Purchase	466.85	230.12	-	-
Sale	0.13	14.02	-	-
Hind Power service				
Purchase	91.99	-	-	-
Sale				

**CHANGES IN ACCOUNTING POLICIES IN THE LAST THREE YEARS**

There has been no change in the Accounting Policies in the last three (3) years.

**CHANGES IN ACCOUNTING PERIOD**

There has been no change in the accounting period of the Company.

**Annexure – XXVII**

**RESTATED STATEMENT OF TAX SHELTER**

(₹.in lakhs)

Particulars	For the year ended March 31,		
	2019	2018	2017
Tax Rates			
Income Tax Rate (%) (A)	27.82%	27.55%	33.06%
Special Income Tax Rate (%)	16.05%	16.53%	16.53%
Minimum Alternate Tax Rate (%)	20.39%	20.39%	20.39%
Restated Income before tax as per books (A)	422.15	850.39	649.96
Incomes considered separately			
Interest Income	26.84	34.30	36.33
Dividend Income	10.81	18.44	0.42
Mutual Fund Income	-	25.00	-



Particulars	For the year ended March 31,		
	2019	2018	2017
Profit on Sale of FA	3.73	-	-
Profit on Sale of Investments	2.16	-	-
Total Incomes considered separately (B)	43.54	77.74	36.75
Restated Profit other than income considered separately (D)=(A-B-C)	378.61	772.65	612.94
Tax Adjustment			
Permanent Differences			
Profit on sale of Tangible Assets	(3.73)	-	-
Donation	-	-	0.22
Corporate Social Responsibility	4.51	-	-
Assets write off expenses	-	-	0.21
Disallowance u/s 36	-	1.60	2.57
Total Permanent Differences (E)	0.78	1.60	3.00
Timing Differences			
Depreciation as per Income Tax	(16.77)	(14.14)	(9.12)
Depreciation as per Books	25.16	18.54	12.05
Gratuity Expenses	4.48	4.25	3.71
Total Timing Differences (F)	12.87	8.66	6.63
Income From Business or Profession (G)=(D+E+F)	392.26	782.91	622.58
Income from Other Sources (H)			
Dividend Income	10.81	18.44	0.42
Less: Exemption under section 10 (34)	(10.00)	(10.00)	(0.42)
Net Dividend Taxable @ 10.7%	0.81	8.44	-
Interest Income	26.84	34.30	36.33
Taxable income from Other Sources (H)	27.65	42.74	36.33
Less:-Deduction under chapter VIA (I)			
80G Donation (Others)	-	0.42	0.11
Total Deduction as per Income Tax Act. (I)	-	0.42	0.11
Taxable Income/(Loss) (G+H-I)	422.42	825.22	658.79
Net Taxable Income at Normal rate	419.10	825.22	658.79
Tax on Total Income	117.00	225.04	217.82
MAT on Book Profit	86.07	173.26	132.30
Tax paid as per normal or MAT	Normal	Normal	Normal
Total Tax as per Return	120.14	225.05	217.82



## OTHER FINANCIAL INFORMATION

### RESTATED CONSOLIDATED STATEMENT OF ACCOUNTING RATIOS

(₹.in Lakhs except no of shares)

Particulars	For the period ended Dec 31, 2019	For the year ended March 31,		
		2019	2018	2017
Restated PAT as per P & L Account	130.67	249.02	624.34	426.53
Actual Number of Equity Shares outstanding at the end of the year**	37,50,000	37,50,000	10,000	10,000
Equivalent Weighted Avg number of Equity Shares at the end of the year	37,50,000	37,50,000	37,50,000	37,50,000
Share capital	375.00	375.00	1.00	1.00
Reserves & Surplus	1,642.28	1,511.61	1,634.19	1,004.31
Misc. expenses w/off				
Net Worth	2,017.28	1,886.61	1,635.19	1,005.31
<b>Earnings Per Share:</b>				
Basic				
Basic & Diluted*	3.48	6.64	16.64	11.37
Return on Net Worth (%)	6.48%	13.20%	38.18%	42.42%
Net Asset Value Per Share (Rs) – based on actual no. of equity shares at the end of the year	53.79	50.31	16,351.84	10,054.34
Nominal Value per Equity share (₹)	10.00	10.00	10.00	10.00

\* Not Annualised

\*\* Assuming proportionate No. of shares, according to amount paid on such partly paid –up share

### RESTATED STANDALONE STATEMENT OF ACCOUNTING RATIOS

(₹.in Lakhs except no of shares)

Particulars	For the period ended December 31, 2019	For the year ended March 31,		
		2019	2018	2017
Restated PAT as per P & L Account	421.81	323.42	629.98	426.53
Actual Number of Equity Shares outstanding at the end of the year**	3750000	37,50,000	10,000	10,000
Equivalent Weighted Avg number of Equity Shares at the end of the year	3750000	37,50,000	37,50,000	37,50,000
Share capital	375.00	375.00	1.00	1.00
Reserves & Surplus	2005.47	1,583.66	1,634.42	1,004.43
Misc. expenses w/off		-	-	-
Net Worth	2380.47	1954.66	1,635.42	1,005.43
<b>Earnings Per Share:</b>				
Basic				
Basic & Diluted*	11.25	8.62	16.80	11.37
Return on Net Worth (%)	17.72%	16.51%	38.52%	42.42%
Net Asset Value Per Share (₹) – based on actual no. of equity shares at the end of the year	63.48	52.23	16,354.17	10054.34
Nominal Value per Equity share (₹)	10.00	10.00	10.00	10.00

\* Not Annualised

\*\* Assuming proportionate No. of shares, according to amount paid on such partly paid –up share

Notes to Accounting Ratios:

1) The Ratios have been computed as follows:

a) Basic Earnings Per Share (M)

Net Profit After Tax as restated

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Weighted Average Number of Equity Shares outstanding during the year

$$\text{b) Return on Net worth (\%)} = \frac{\text{Net Profit after Tax as restated}}{\text{Net Worth}} * 100$$

$$\text{c) Net Asset Value Per Equity Share (M)} = \frac{\text{Net Worth}}{\text{No. Of Equity shares outstanding at the end of the year}}$$

2) Weighted average number of Equity Shares is the number of Equity Shares outstanding at the beginning of the year adjusted by the number of Equity Shares issued during year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.

3) The Calculation of Earnings Per Share (EPS) as disclosed in the Profit and Loss Account has been made in accordance with Accounting Standard (AS – 20) on Earnings Per Share issued by the Institute of Chartered Accountants of India.

4) As there is no dilutive capital in the company, Basic and Diluted EPS are similar.

5) The above Ratios have been computed on the basis of the Restated Financial Information for the respective year.

The above statements should be read with the Notes to Restated Financial Statements.



## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Our company was incorporated on March 15, 2010 as 'Advait Infratech Private Limited' under the provisions of Companies Act, 1956 with the Registrar of Companies, Ahmedabad bearing Registration No. 059878 and the certificate of incorporation was issued by the Registrar of Companies at Ahmedabad. Our Company was converted into a public limited company pursuant to a special resolution passed by our Shareholders on October 21, 2019 and the name of our Company was changed to "Advait Infratech Limited" vide a Fresh Certificate of Incorporation dated November 29, 2019, issued by the Registrar of Companies, Ahmedabad.

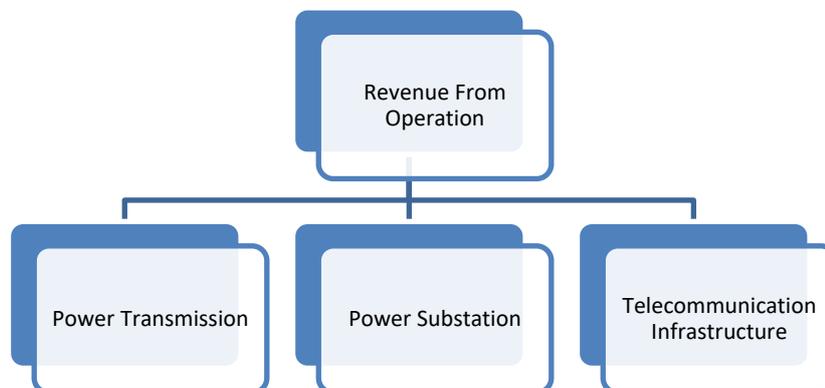
Our company is into business of providing products and solutions for power transmission, power substation and telecommunication infrastructure fields. We operates with various verticals such as Turnkey Telecommunication Projects, Installation of the Power Transmission, Sub Station and Telecom Products, Liasioning-marketing and providing end to end solutions for the overseas customers operating in the field Power Transmission and Sub Station, Trading of the similar products, and manufacturing through OEM of the stringing Tools (Capital items for construction of Electrical Transmission Projects).

The major Products and services offered by us are as below :

- 01) Optical Fibre Groud Wire (OPGW) and OFC cables and its solutions,,
- 02) Insulators for the the EHV – Extra High Voltage Transmission Lines,
- 03) Stringing Tools for construction of Transmission lines
- 04) Gas Insulators Sub Stations supply from our partners and providing end to end solutions
- 05) Earthing Solutions
- 06) Transmission line and Sub Station Lines specialized products,

Our Company has expanded its verticals by venturing into manufacturing of OPGW (Optical Fibre Ground Wire) and OFC Cables. Our Company has put up a manufacturing company, TG Advait India Private Limited through a joint venture with Jiangsu Tongguang Optical Fiber Cable Co.,Ltd.

Our revenue model is summarized as below



Our Managing Director and Promoter Mr. Shalin Sheth is actively involved in Business Development and expansion and technical areas of the Company. He actively participates in timely execution of the customer's orders and is the guiding force behind the growth and business strategy of our Company. Mrs Rejal Sheth, the Executive Director & also Promoter of our Company is instrumental in expanding the business of the Company to a new height Our promoters together have industry experience of many years and possess rich business intellect in the business circle of Ahmedabad. For details about the promoter family track record of this business please see "History and Certain Corporate Matters" on page no. 92 of this Draft Prospectus.

We operate through our registered office located at A-801 to 803 Sankalp iconic, Opposite Vikram Nagar Iscon Temple Cross Road, S.G Highway Ahmedabad, Gujarat: 380054.



**RESTATED CONSOLIDATED STATEMENT OF PROFITS AND LOSSES**

(₹in lakhs)

Particulars	For the period ended		For the year ended March 31,					
	December 31 2019	%of total income	2019	% of Total Income	2018	% of Total Income	2017	% of Total Income
<b>INCOME:</b>								
Revenue from Operations	3,279.70	96.92%	2,804.12	98.31%	4,342.49	95.75%	2,873.83	96.97%
Other Income	104.22	3.08%	48.26	1.69%	192.96	4.25%	89.68	3.03%
<b>Total income</b>	<b>3,383.92</b>	<b>100.00%</b>	<b>2,852.38</b>	<b>100.00%</b>	<b>4535.45</b>	<b>100.00%</b>	<b>2,963.51</b>	<b>100.00%</b>
<b>EXPENDITURE:</b>								
Cost of Material Consumed	2,432.39	71.88%	1,862.38	65.29%	2,821.25	62.20%	1,476.82	49.83%
Changes in Inventories	(323.13)	-9.55%	(84.79)	-2.97%	(5.36)	-0.12%	74.70	2.52%
Employee Benefit Expenses	166.77	4.93%	149.16	5.23%	133.13	2.94%	114.84	3.88%
Finance Costs	68.19	2.02%	2.94	0.10%	28.31	0.62%	18.17	0.61%
Depreciation and Amortisation Expenses	155.51	4.60%	37.93	1.33%	18.70	0.41%	12.05	0.41%
Other Expenses	571.06	16.88%	490.35	17.19%	690.60	15.23%	616.97	20.82%
<b>Total expenses</b>	<b>3,070.79</b>	<b>90.75%</b>	<b>2,457.98</b>	<b>86.17%</b>	<b>3,686.63</b>	<b>81.28%</b>	<b>2,313.55</b>	<b>78.08%</b>
<b>Net Profit / (Loss) before Tax and extra-ordinary items</b>	<b>313.13</b>	<b>9.25%</b>	<b>394.41</b>	<b>13.83%</b>	<b>848.82</b>	<b>18.72%</b>	<b>649.96</b>	<b>21.92%</b>
Extraordinary Items	37.43	1.11%	-	-	-	-	-	-
<b>Net Profit / (Loss) before Tax</b>	<b>350.57</b>	<b>10.36%</b>	<b>394.41</b>	<b>13.83%</b>	<b>848.82</b>	<b>18.72%</b>	<b>649.96</b>	<b>21.92%</b>
<b>Less: Tax Expense</b>								
Current tax	173.95	5.14%	116.81	4.10%	225.05	4.96%	217.82	7.35%
Deferred tax	45.95	1.36%	28.58	1.00%	(0.56)	-0.01%	5.62	0.19%
<b>Total Tax Expense</b>	<b>219.90</b>	<b>6.50%</b>	<b>145.39</b>	<b>5.10%</b>	<b>224.59</b>	<b>4.95%</b>	<b>223.43</b>	<b>7.54%</b>
<b>Net Profit / ( Loss ) after tax</b>	<b>130.67</b>	<b>3.86%</b>	<b>249.02</b>	<b>8.73%</b>	<b>624.34</b>	<b>13.77%</b>	<b>426.53</b>	<b>14.39%</b>



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## **Main Components of our Profit and Loss Account**

### **Income**

#### **Revenue from Operations**

Our Revenue from Operations are from providing products and solutions for power transmission, power substation and telecommunication infrastructure fields; which as a percentage of total income was 96.92% for the period ended December 31, 2019 and 98.31%, 95.75% and 96.97% respectively, for the fiscal years 2019, 2018 and 2017.

#### **Other Income**

Our other income comprises of Interest income, Dividend income, Profit from sale of Fixed Assets, Discount received, Foreign exchange difference, Short term capital gain in Mutual Fund, Tender Fee and Miscellaneous income. Other income, as a percentage of total income was 3.08% for the period ended December 31, 2019 and 1.69%, 4.25% and 3.03% respectively, for the fiscal years 2019, 2018 and 2017.

#### **Expenditure**

Our total expenditure primarily consists of Costs of materials consumed, Changes in Inventories, Employee Benefit Expenses, Finance Cost, Depreciation & Amortisation Expenses and Other Expenses

#### **Cost of Materials Consumed**

Costs of materials are primarily in relation to purchases of Optical ground wire (OPGW), Optical-fibre cable (OFC), Motorized Winch Machine, High Strength Wire, Motorized Hydraulic Compressor Machine, Insulators, GIS, Transmission line Earthing System

#### **Changes in Inventories**

Changes in Inventories primarily consist of changes in Finished goods.

#### **Employee Benefit Expenses**

Expenses in relation to employees remuneration and benefits include salary & wages, director's remuneration and staff welfare expenses.

#### **Finance Costs**

Finance Cost primarily consists of Interest cost & Bank charges.

#### **Depreciation and Amortization Expenses**

Depreciation and Amortization Expenses primarily consist of depreciation on the fixed assets of our Company which primarily includes Plant & Machinery, Building, Furniture and Fixtures, Office equipments, Electrical Installations and equipment, Motor Vehicles and Computers etc.

#### **Other Expenses**

Other expenses primarily include Contract Charges, Freight and Forwarding Charges, Legal and Professional Fees, Travelling and Conveyance, Foreign Exchange Loss etc.

#### **Provision for Tax**

The provision for current taxation is computed in accordance with relevant tax regulation. Deferred tax is recognized on timing differences between the accounting and the taxable income for the year and quantified using the tax rates and laws enacted or subsequently enacted as on balance sheet date. Deferred tax assets are recognized and carried forward to the extent that there is a virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized in future.



## **Fiscal 2019 compared with Fiscal 2018**

### **Revenue from Operations**

In fiscal 2019, Revenue from Operations had decreased by ₹1,538.37 lakhs or 35.43%, from ₹ 4342.49 lakhs in Fiscal 2018 to ₹ 2,804.12 lakhs in Fiscal 2019. The decrease in the Fiscal 2019 was due to decrease in the sale of products.

### **Other income**

In Fiscal 2019, Other Income had decreased by ₹144.70 lakhs or 74.99%, from ₹ 192.96 lakhs in Fiscal 2018 to ₹.48.26 lakhs in Fiscal 2019. The decrease was due to the decrease in Interest income, Dividend Income, Foreign Exchange Difference & Miscellaneous Income.

### **Cost of Materials**

The cost of materials consumed in Fiscal 2019 was ₹1,862.38 lakhs, a decrease of ₹958.87 lakhs or 33.99% as compared to the previous year's consumption of ₹2821.25 lakhs in Fiscal 2018. The decrease was due to the decrease in Revenue from Operations.

### **Changes in Inventories**

The changes in Inventories were negative ₹ 5.36 lakhs in Fiscal 2018, the changes in Inventories were negative ₹ 84.79 lakhs in Fiscal 2019. The amount of increase was ₹ 79.43 lakhs. The percentage of increase was 1481.90%.

### **Employee Benefit Expenses**

Our staff cost had increased by ₹ 16.03 lakhs or 12.04%, from ₹ 133.13 lakhs in Fiscal 2018 to ₹ 149.16 lakhs in Fiscal 2019. This increase was mainly due to the increase in the salaries of employees in FY 2018-19.

### **Finance Cost**

Finance cost during the year had decreased by ₹ 25.37 or 89.61% from ₹28.31 lakhs in Fiscal 2018 to ₹ 2.94 in Fiscal 2019 due to decrease in Bank charges and Interest charges.

### **Depreciation and Amortization Expenses**

Depreciation expenses had increased by ₹19.23 lakhs from ₹18.70 lakhs in Fiscal 2018 to ₹37.93 lakhs in Fiscal 2019. This increase was on account of purchase of fixed assets during the year 2019.

### **Other Expenses**

Other expenses had decreased by ₹ 200.25 lakhs or 29.00% from ₹ 690.60 lakhs in Fiscal 2018 to ₹ 490.35 lakhs in Fiscal 2019. The decrease was due to the decrease in Legal & Professional Fees, Travelling & Conveyance, Contract Charges, Office Expenses, Bank Charges etc. for FY 2018-19.

### **Profit before Tax**

Due to decrease in our revenues, our Profit before tax had decreased by ₹ 454.41 lakhs or 53.53% from ₹ 848.82 lakhs in Fiscal 2018 to ₹ 394.41 lakhs in Fiscal 2019.

### **Profit after Tax**

After accounting for taxes at applicable rates, our Profit after Tax had decreased by ₹ 375.32 lakhs or 60.11%, from ₹ 624.34 lakhs in Fiscal 2018 to ₹ 249.02 lakhs in Fiscal 2019.

## **Fiscal 2018 compared with Fiscal 2017**

### **Revenue from Operations**



In Fiscal 2018, Revenue from Operations had increased by ₹ 1468.66 lakhs or 51.10%, from ₹ 2,873.83 lakhs in Fiscal 2017 to ₹ 4,342.49 lakhs in Fiscal 2018. The increase in the year 2018 was due to the increase in the sale of products.

#### **Other income**

In Fiscal 2018, Other Income had increased by ₹103.28 lakhs or 115.17%, from ₹ 89.68 lakhs in Fiscal 2017 to ₹ 192.96 lakhs in Fiscal 2018. The major factor for the increase was due to increase in Dividend income, Foreign Exchange Difference, Discount received, Short term Capital gain in Mutual Fund & Miscellaneous Income.

#### **Cost of Materials**

The cost of materials consumed in Fiscal 2018 were ₹ 2,821.25 lakhs, an increase of ₹ 1,344.43lakhs or 91.04% as compared to the previous year's consumption of ₹ 1,476.82 lakhs in Fiscal 2017. The increase was due to the increase in Revenue from Operations.

#### **Changes in Inventories**

The changes in Inventories were ₹ 74.70 lakhs in Fiscal 2017, the changes in Inventories were negative ₹ 5.36 in Fiscal 2018. The amount of decrease was ₹ 80.06 lakhs. The percentage of decrease was 107.18%.

#### **Employee Benefit Expenses**

Our staff cost had increased by ₹ 18.29 lakhs or 15.93%, from ₹ 114.84 lakhs in Fiscal 2017 to ₹ 133.13 lakhs in Fiscal 2018. This increase was mainly due to the increase in salary and wages expenses and staff welfare expenses in FY 2017-2018.

#### **Finance Cost**

Finance cost during the year had increased by ₹ 10.14 or 55.81% from ₹ 18.17 lakhs in Fiscal 2017 to ₹ 28.31 in Fiscal 2018 due to the increase in Bank Charges & Interest charges.

#### **Depreciation and Amortization Expenses**

Depreciation expenses had increased by ₹ 6.65 lakhs or 55.19% from ₹12.05 lakhs in Fiscal 2017 to ₹18.70 lakhs in Fiscal 2018. This increase was on account of purchase of fixed assets during the year 2018.

#### **Other Expenses**

Other expenses had increased by ₹ 73.63 lakhs or 11.93% from ₹ 616.97 lakhs in Fiscal 2017 to ₹ 690.60 lakhs in Fiscal 2018. The increase was due to the increase in Transportation Expense, Travelling Expense, Shipping Line Charges & Stationery and Printing Expenses etc. which were incurred in Fiscal 2018.

#### **Profit before Tax**

Due to the increase in our revenues, our Profit before tax had increased by ₹ 198.86 lakhs or 30.60% from ₹ 649.96 lakhs in Fiscal 2017 to ₹ 848.82 lakhs in Fiscal 2018.

#### **Profit after Tax**

After accounting for taxes at applicable rates, our Profit after Tax had increased by ₹ 197.81 lakhs or 46.38 %, from ₹426.53 lakhs in Fiscal 2017 to ₹ 624.34 lakhs in Fiscal 2018.

#### **RESTATED STATEMENT OF CASH FLOWS**

(₹in lakhs)

Particulars	For the period ended Dec 31,2019	Year ended March 31,		
		2019	2018	2017
Net Cash from Operating Activities	322.29	402.48	461.63	349.55



Net Cash from Investing Activities	(72.94)	(1341.28)	(803.91)	(115.18)
Net Cash used in Financing Activities	215.48	876.37	375.13	254.30
<b>Net Increase / (Decrease) in Cash and Cash equivalents</b>	<b>474.84</b>	<b>(62.41)</b>	<b>32.84</b>	<b>488.67</b>

### **Cash Flows from Operating Activities**

Net cash from operating activities for period ended December 31, 2019 was ₹ 322.29 lakhs as compared to the PBT of ₹ 350.57 lakhs for the same period. This difference is primarily on account of changes in short term loans and advances, trade receivables, trade payables, Interest Income & Depreciation and amortization

Net cash from operating activities in fiscal year 2019 was ₹ 402.48 lakhs as compared to the PBT of ₹ 394.41 lakhs for the same period. This difference is primarily on account of changes in short term loans and advances, trade receivables, trade payables, Interest Income & Depreciation and amortization.

Net cash from operating activities in fiscal year 2018 was ₹ 461.63 lakhs as compared to the PBT of ₹ 848.82 lakhs for the same period. This difference is primarily on account of changes in trade receivables, trade payables, Interest Income, Interest Expenses & Depreciation and amortization.

Net cash from operating activities in fiscal year 2017 was ₹ 349.55 lakhs as compared to the PBT of ₹ 649.96 lakhs for the same period. This difference is primarily on account of changes in trade receivables, trade payables, short term provisions, Inventories & Other Current Liabilities.

### **Cash Flows from Investment Activities**

For the period ended December 31, 2019, the net cash invested in Investing Activities was negative ₹ 72.94 lakhs. This was on account of purchase of fixed assets, purchase of Non-current Invt, Interest Income, Dividend Income & Sale of Fixed Assets..

In fiscal year 2019, the net cash invested in Investing Activities was negative ₹ 1341.28 lakhs. This was on account of purchase of fixed assets, purchase of Non-current Invt, Interest Income, Dividend Income & Sale of Fixed Assets..

In fiscal year 2018, the net cash invested in Investing Activities was negative ₹ 803.91 lakhs. This was on account of purchase of Non-current Invt, purchase of fixed assets, Interest Income & Dividend Income.

In fiscal year 2017, the net cash invested in Investing Activities was negative ₹ 115.18 lakhs. This was on account of purchase of Non-current Invt, purchase of fixed assets Interest Income & Dividend Income.

### **Cash Flows from Financing Activities**

Net cash from financing activities For the period ended December 31, 2019 was ₹ 215.48 lakhs. This was on account of Proceeds from long term / short term borrowings, Payment of interest & Payment of dividend.

Net cash from financing activities in fiscal year 2019 was ₹ 876.37 lakhs. This was on account of Proceeds from long term / short term borrowings, Payment of interest & Payment of dividend.

Net cash from financing activities in fiscal year 2018 was ₹ 375.13 lakhs. This was on account of Payment of interest & Proceeds from long term / short term borrowings.

Net cash from financing activities in fiscal year 2017 was ₹ 254.30 lakhs. This was on account of Proceeds from long term / short term borrowings & Payment of interest.



## STANDALONE RESULTS OF OUR OPERATIONS

(₹ in lakhs)

Particulars	For the period ended		For the year ended March 31,					
	December 31, 2019	% of Total Income	2019	% of Total Income	2018	% of Total Income	2017	% of Total Income
<b>INCOME:</b>								
Revenue from Operations	3084.09	96.73%	2807.71	98.44%	4,342.49	95.76%	2,873.83	96.97%
Other Income	104.19	3.27%	44.45	1.56%	192.21	4.24%	89.68	3.03%
<b>Total income</b>	<b>3188.28</b>	<b>100.00%</b>	<b>2852.16</b>	<b>100.00%</b>	<b>4,534.71</b>	<b>100.00%</b>	<b>2,963.51</b>	<b>100.00%</b>
<b>EXPENDITURE:</b>								
Cost of Material Consumed	2054.56	64.44%	1794.74	62.93%	2,821.25	62.21%	1,476.82	49.83%
Changes in Inventories	(106.01)	-3.32%	(13.76)	-0.48%	(5.36)	-0.12%	74.70	2.52%
Employee Benefit Expenses	149.43	4.69%	146.96	5.15%	131.77	2.91%	114.84	3.88%
Finance Costs	10.74	0.34%	2.84	0.10%	28.18	0.62%	18.17	0.61%
Depreciation and Amortisation Expenses	23.63	0.74%	25.16	0.88%	18.54	0.41%	12.05	0.41%
Other Expenses	501.76	15.74%	474.08	16.62%	685.88	15.13%	616.97	20.82%
<b>Total expenses</b>	<b>2634.11</b>	<b>82.62%</b>	<b>2430.01</b>	<b>85.20%</b>	<b>3,680.26</b>	<b>81.16%</b>	<b>2,313.55</b>	<b>78.07%</b>
Net Profit / (Loss) before Tax and extra-ordinary items	554.16	17.38%	422.15	14.80%	854.45	18.84%	649.96	21.93%
Extraordinary Items	37.43	1.17%	-	-	-	-	-	-
Net Profit / (Loss) before Tax	591.60	18.56%	422.15	14.80%	854.45	18.84%	649.96	21.93%
Less: Tax Expense								
Current tax	173.95	5.46%	116.81	4.10%	225.05	4.96%	217.82	7.35%
Deferred tax	(4.16)	-0.13%	(18.09)	-0.63%	(0.58)	-0.01%	5.62	0.19%
Total Tax Expense	169.79	5.33%	98.72	3.46%	224.46	4.95%	223.43	7.54%
<b>Net Profit / ( Loss ) after tax</b>	<b>421.81</b>	<b>13.23%</b>	<b>323.42</b>	<b>11.34%</b>	<b>629.98</b>	<b>13.89%</b>	<b>426.53</b>	<b>14.39%</b>



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## **Main Components of our Profit and Loss Account**

### **Income**

#### **Revenue from Operations**

Our Revenue from Operations are from providing products and solutions for power transmission, power substation and telecommunication infrastructure fields; which as a percentage of total income was 96.73% for the period ended December 31, 2019. and 98.44%, 95.76% and 96.97% respectively, for the fiscal years 2019, 2018 and 2017.

#### **Other Income**

Our other income comprises of Interest income, Dividend income, Profit from sale of Fixed Assets, Discount received, Foreign exchange difference, Short term capital gain in Mutual Fund, Tender Fee and Miscellaneous income. Other income, as a percentage of total income was 3.27% for the period ended December 31, 2019 and 1.56%, 4.24% and 3.03% respectively, for the fiscal years 2019, 2018 and 2017.

### **Expenditure**

Our total expenditure primarily consists of Costs of materials consumed, Changes in Inventories, Employee Benefit Expenses, Finance Cost, Depreciation & Amortisation Expenses and Other Expenses

#### **Cost of Materials Consumed**

Costs of materials are primarily in relation to purchases of Optical ground wire (OPGW), Optical-fibre cable (OFC), Motorized Winch Machine, High Strength Wire, Motorized Hydraulic Compressor Machine, Insulators, GIS, Transmission line Earthing System

#### **Changes in Inventories**

Changes in Inventories primarily consist of changes in Finished goods.

#### **Employee Benefit Expenses**

Expenses in relation to employees remuneration and benefits include salary & wages, director's remuneration and staff welfare expenses.

#### **Finance Costs**

Finance Cost primarily consists of Interest cost & Bank charges.

#### **Depreciation and Amortization Expenses**

Depreciation and Amortization Expenses primarily consist of depreciation on the fixed assets of our Company which primarily includes Plant & Machinery, Building, Furniture and Fixtures, Office equipments, Electrical Installations and equipment, Motor Vehicles and Computers etc.

#### **Other Expenses**

Other expenses primarily include Contract Charges, Freight and Forwarding Charges, Legal and Professional Fees, Travelling and Conveyance, Foreign Exchange Loss etc.

### **Provision for Tax**

The provision for current taxation is computed in accordance with relevant tax regulation. Deferred tax is recognized on timing differences between the accounting and the taxable income for the year and quantified using the tax rates and laws enacted or subsequently enacted as on balance sheet date. Deferred tax assets are recognized and carried forward to the extent that there is a virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized in future.



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## **Review for the Nine (9) months period ended December 31, 2019**

### **Revenue from Operations**

Revenue from Operations for the nine months period ended December 31, 2019 was ₹ 3084.09 lakhs which as a proportion of our total income was 96.73%

### **Other income**

Other Income for the nine months period ended December 31, 2019 was ₹ 104.19 lakhs which as a proportion of our total income was 3.27%.

### **Cost of material consumed**

Cost of material consumed for the nine months period ended December 31, 2019 was ₹ 2054.56 lakhs which as a proportion of our total income was 64.44%

### **Changes in Inventories**

Changes in Inventories for the nine months period ended December 31, 2019 was negative ₹ 106.01 lakhs which as a proportion of our total income was negative 3.32%

### **Employee Benefit Expenses**

Our Employee Benefit Expenses for the nine months period ended December 31, 2019 were ₹ 149.43 lakhs which as a proportion of our total income was 4.69%

### **Financial Cost**

Our Financial Cost for the nine months period ended December 31, 2019 was ₹ 10.74 lakhs which as a proportion of our total income was 0.34 % .

### **Depreciation**

Our Depreciation for the nine months period ended December 31 2019 was ₹ 23.63 lakhs which as a proportion of our total income was 0.74 %.

### **Other Expenses**

Our Other Expenses for the nine months period ended December 31, 2019 was ₹ 501.76 lakhs which as a proportion of our total income was 15.74 %.

### **EXTRA ORDINARY ITEMS**

Our Extra Ordinary Items for the nine months period ended December 31, 2019 were ₹ 37.43 lakhs which as a proportion of our total income was 1.17 %.

### **Profit/ (Loss) before Tax**

Profit/ (Loss) before Tax for the nine months period ended December 31, 2019 was ₹ 591.60 lakhs which as a proportion of our total income was 18.56%

### **Profit/ (Loss) after Tax**

Profit after Tax for the nine months period ended December 31, 2019 was ₹ 421.81 lakhs which as a proportion of our total income was 13.23%

## **Fiscal 2019 compared with Fiscal 2018**

### **Revenue from Operations**



In fiscal 2019, Revenue from Operations had decreased by ₹ 1,534.78 lakhs or 35.34%, from ₹ 4342.49 lakhs in Fiscal 2018 to ₹ 2807.71 lakhs in Fiscal 2019. The decrease in the Fiscal 2019 was due to decrease in the sale of products.

#### **Other income**

In Fiscal 2019, Other Income had decreased by ₹ 147.76 lakhs or 76.87%, from ₹ 192.21 lakhs in Fiscal 2018 to ₹ 44.45 lakhs in Fiscal 2019. The decrease was due to the decrease in Interest income, Dividend Income, Foreign Exchange Difference & Miscellaneous Income.

#### **Cost of Materials**

The cost of materials consumed in Fiscal 2019 were ₹ 1794.74 lakhs, a decrease of ₹ 1026.51 lakhs or 36.38% as compared to the previous year's consumption of ₹ 2821.25 lakhs in Fiscal 2018. The decrease was due to the decrease in Revenue from Operations.

#### **Changes in Inventories**

The changes in Inventories was negative ₹ 5.36 lakhs in Fiscal 2018, the changes in Inventories were negative ₹ 13.76 in Fiscal 2019. The amount of increase was ₹ 8.40 lakhs. The percentage of increase was 156.72%.

#### **Employee Benefit Expenses**

Our staff cost had increased by ₹ 15.19 lakhs or 11.53%, from ₹ 131.77 lakhs in Fiscal 2018 to ₹ 146.96 lakhs in Fiscal 2019. This increase was mainly due to the increase in the salaries of employees in FY 2018-19.

#### **Finance Cost**

Finance cost during the year had decreased by ₹ 25.34 or 89.92% from ₹ 28.18 lakhs in Fiscal 2018 to ₹ 2.84 in Fiscal 2019 due to decrease in Bank charges and Interest charges.

#### **Depreciation and Amortization Expenses**

Depreciation expenses had increased by ₹6.62 lakhs from ₹18.54 lakhs in Fiscal 2018 to ₹ 25.16 lakhs in Fiscal 2019. This increase was on account of purchase of fixed assets during the year 2019.

#### **Other Expenses**

Other expenses had decreased by ₹ 211.80 lakhs or 30.88% from ₹ 685.88 lakhs in Fiscal 2018 to ₹ 474.08 lakhs in Fiscal 2019. The decrease was due to the decrease in Legal & Professional Fees, Travelling & Conveyance, Contract Charges, Office Expenses, Bank Charges etc. for FY 2018-19.

#### **Profit before Tax**

Due to decrease in our revenues, our Profit before tax had decreased by ₹ 432.30 lakhs or 50.59% from ₹ 854.45 lakhs in Fiscal 2018 to ₹ 422.15 lakhs in Fiscal 2019.

#### **Profit after Tax**

After accounting for taxes at applicable rates, our Profit after Tax had decreased by ₹ 306.56 lakhs or 48.66%, from ₹ 629.98 lakhs in Fiscal 2018 to ₹ 323.42 lakhs in Fiscal 2019.

#### **Fiscal 2018 compared with Fiscal 2017**

##### **Revenue from Operations**

In Fiscal 2018, Revenue from Operations had increased by ₹ 1,468.66 lakhs or 51.10%, from ₹ 2,873.83 lakhs in Fiscal 2017 to ₹ 4,342.49 lakhs in Fiscal 2018. The increase in the year 2018 was due to the increase in the sale of products.

##### **Other income**



In Fiscal 2018, Other Income had increased by ₹ 102.53 lakhs or 114.33%, from ₹ 89.68 lakhs in Fiscal 2017 to ₹ 192.21 lakhs in Fiscal 2018. The major factor for the increase was due to increase in Dividend income, Foreign Exchange Difference, Discount received, Short term Capital gain in Mutual Fund & Miscellaneous Income.

### Cost of Materials

The cost of materials consumed in Fiscal 2018 were ₹ 2,821.25 lakhs, an increase of ₹ 1,344.43 lakhs or 91.04% as compared to the previous year's consumption of ₹ 1,476.82 lakhs in Fiscal 2017. The increase was due to the increase in Revenue from Operations.

### Changes in Inventories

The changes in Inventories were ₹ 74.70 lakhs in Fiscal 2017, the changes in Inventories were negative ₹ 5.36 in Fiscal 2018. The amount of decrease was ₹ 80.06 lakhs. The percentage of decrease was 107.18%.

### Employee Benefit Expenses

Our staff cost had increased by ₹ 16.93 lakhs or 14.74%, from ₹ 114.84 lakhs in Fiscal 2017 to ₹ 131.77 lakhs in Fiscal 2018. This increase was mainly due to the increase in salary and wages expenses and staff welfare expenses in FY 2017-2018.

### Finance Cost

Finance cost during the year had increased by ₹ 10.01 or 55.09% from ₹ 18.17 lakhs in Fiscal 2017 to ₹ 28.18 in Fiscal 2018 due to the increase in Bank Charges & Interest charges.

### Depreciation and Amortization Expenses

Depreciation expenses had increased by ₹ 6.49 lakhs or 53.86% from ₹ 12.05 lakhs in Fiscal 2017 to ₹ 18.54 lakhs in Fiscal 2018. This increase was on account of purchase of fixed assets during the year 2018.

### Other Expenses

Other expenses had increased by ₹ 68.91 lakhs or 11.17% from ₹ 616.97 lakhs in Fiscal 2017 to ₹ 685.88 lakhs in Fiscal 2018. The increase was due to the increase in Transportation Expense, Travelling Expense, Shipping Line Charges & Stationery and Printing Expenses etc. which were incurred in Fiscal 2018.

### Profit before Tax

Due to the increase in our revenues, our Profit before tax had increased by ₹ 204.49 lakhs or 31.46% from ₹ 649.96 lakhs in Fiscal 2017 to ₹ 854.45 lakhs in Fiscal 2018.

### Profit after Tax

After accounting for taxes at applicable rates, our Profit after Tax had increased by ₹ 203.45 lakhs or 47.70 %, from ₹ 426.53 lakhs in Fiscal 2017 to ₹ 629.98 lakhs in Fiscal 2018.

### Standalone Cash Flows

(₹ in lakhs)

Particulars	For period ending December 31, 2019	For the year ended March 31,		
		2019	2018	2017
Net Cash from Operating Activities	370.95	117.96	634.89	349.47
Net Cash from Investing Activities	(3.80)	(38.51)	(749.12)	94.35
Net Cash used in Financing Activities	114.57	16.70	(5.97)	23.30
<b>Net Increase / (Decrease) in Cash and Cash equivalents</b>	<b>481.71</b>	<b>96.15</b>	<b>(120.21)</b>	<b>467.12</b>

### Cash Flows from Operating Activities



Net cash from operating activities for the period ended December 31, 2019 was ₹ 370.95 lakhs as compared to the PBT of ₹ 591.60 lakhs for the same period. This difference is primarily on account of changes in short term loans and advances, other current liabilities, trade payables, trade receivables.

Net cash from operating activities in fiscal year 2019 was ₹ 117.96 lakhs as compared to the PBT of ₹ 422.15 lakhs for the same period. This difference is primarily on account of changes in short term loans and advances, trade receivables, trade payables, Interest Income & Depreciation and amortization.

Net cash from operating activities in fiscal year 2018 was ₹ 634.89 lakhs as compared to the PBT of ₹ 854.45 lakhs for the same period. This difference is primarily on account of changes in trade receivables, trade payables, Interest Income, Interest Expenses & Depreciation and amortization.

Net cash from operating activities in fiscal year 2017 was ₹ 349.47 lakhs as compared to the PBT of ₹ 649.96 lakhs for the same period. This difference is primarily on account of changes in trade receivables, trade payables, short term provisions, Inventories & Other Current Liabilities.

### **Cash Flows from Investment Activities**

For the period ended December 31, 2019 the net cash invested in Investing Activities was negative ₹ 3.80 lakhs. This was majorly on account of purchase of non-current investment.

In fiscal year 2019, the net cash invested in Investing Activities was negative ₹ 38.51 lakhs. This was on account of purchase of fixed assets, purchase of Non-current Investment, Interest Income, Dividend Income & Sale of Fixed Assets..

In fiscal year 2018, the net cash invested in Investing Activities was negative ₹ 749.12 lakhs. This was on account of purchase of Non-current Investment, purchase of fixed assets, Interest Income & Dividend Income.

In fiscal year 2017, the net cash invested in Investing Activities was ₹ 94.35 lakhs. This was on account of purchase of Non-current Investment, purchase of fixed assets Interest Income & Dividend Income.

### **Cash Flows from Financing Activities**

Net cash from financing activities for the period ending December 31, 2019 was ₹ 114.57 lakhs. This was on account of proceeds from long term/short term borrowings etc.

Net cash from financing activities in fiscal year 2019 was ₹ 16.70 lakhs. This was on account of Proceeds from long term / short term borrowings, Payment of interest & Payment of dividend.

Net cash from financing activities in fiscal year 2018 was negative ₹ 5.97 lakhs. This was on account of Payment of interest & Proceeds from long term / short term borrowings.

Net cash from financing activities in fiscal year 2017 was ₹ 23.30 lakhs. This was on account of Proceeds from long term / short term borrowings & Payment of interest.



## CAPITALIZATION STATEMENT

### RESTATED CONSOLIDATED STATEMENT OF CAPITALIZATION

(₹.in lakhs)

Particular	Pre Issue (as at December 31, 2019)	Post Issue
<b>Borrowing</b>		
Long Term Debt*	889.30	[•]
Short Term Debt	87.64	[•]
<b>Total Debts (A)</b>	<b>976.94</b>	<b>[•]</b>
<b>Equity (Shareholder's funds)</b>		
Equity share capital	375.00	[•]
Reserve and Surplus, as restated	1,642.28	[•]
<b>Total Equity (B)</b>	<b>2,017.28</b>	<b>[•]</b>
<b>Long Term Debt / Equity Shareholder's funds</b>	<b>0.44</b>	<b>[•]</b>
<b>Total Debts / Equity Shareholder's funds</b>	<b>0.48</b>	<b>[•]</b>

### RESTATED STANDALONE STATEMENT OF CAPITALIZATION

(₹.in lakhs)

Particular	Pre Issue (as at December 31, 2019)	Post Issue
<b>Borrowing</b>		
Long Term Debt*	341.14	[•]
Short Term Debt	-	[•]
<b>Total Debts (A)</b>	<b>341.41</b>	<b>[•]</b>
<b>Equity (Shareholder's funds)</b>		
Equity share capital	375.00	[•]
Reserve and Surplus, as restated	2,005.47	[•]
<b>Total Equity (B)</b>	<b>2,380.47</b>	<b>[•]</b>
<b>Long Term Debt / Equity Shareholder's funds</b>	<b>0.14</b>	<b>[•]</b>
<b>Total Debts / Equity Shareholder's funds</b>	<b>0.14</b>	<b>[•]</b>

\* Includes Current maturities of long term borrowings.

Note:

The above has been computed on the basis of Restated Financials of the Company.



## FINANCIAL INDEBTEDNESS

Set forth below, is a brief summary of our Company's borrowings as on December 31, 2019 together with a brief description of certain significant terms of such financing arrangements.

Nature of Borrowing	Amount (₹ in Lakhs)
Secured Borrowings	25.47
Unsecured Borrowings	315.67
<b>Total</b>	<b>341.14</b>

The company has non fund based borrowing of ₹ 1082.74 lakhs outstanding as on December 31, 2019.

### I. DETAILS OF SECURED LOANS

(₹ in lakhs)

Name of Lender	Type of Loan	Amount Sanctioned	Amount Outstanding as on December 31, 2019	Interest (in % p.a.) / Commission	Security
Yes Bank	Letter of Credit	800.00	17.56	1.00 % p.a. plus applicable taxes	See Note 1
	Bank Guarantee (Performance)	800.00 (Sublimit of Letter of Credit)	743.07	1.00 % p.a. plus applicable taxes	
	Cash Credit	400.00 (Sublimit of Letter of Credit)	-	1 YEAR MCLR+ 1.05% Effective Rate- 10.75% with reset of interest rate in a year	
Yes Bank	Bank Guarantee Performance	120.00	-	1.00 % p.a. plus applicable taxes	

*Apart from above company has issued letter of credit of ₹ 322.11 lakhs which is obtained from Yes Bank Without Charge.*

#### NOTE 1:

#### Security (Applicable for all facilities)

Equitable Mortgage over following properties:

1. Residential property situated at A9/202, LA-Habitat, Thaltej- Hebatpur road lane, opp. Ayyana complex, Nr. Ganesh housing, Thaltej, Ahmedabad-380054;
2. Industrial godown property situated at 54, M/s Kushal Industrial Park, Inside Sarkhej Estate, Near to Ramdev Masala, opp. Nova Petro chemical, Moraiya, Changodar, Ahmedabad-382213;
3. A9/203, LA-LA- Habitat, Thaltej- Hebatpur road lane, opp. Ayyana complex, Nr. Ganesh housing, Thaltej, Ahmedabad-380054;
4. Commercial property situated at 22 Advait complex, Sandesh press road, Bodakdev, Ahmedabad.
5. Residential property situated at A-402, Vaibhav tower, opp. Nalanda complex, Nr. Sagar tower, Vastrapur
6. Residential property situated at F-403 Royal Homes, opp. Satyamev Vista, Gota, Ahmedabad;
7. Residential property situated at Bunglow no-28 , "Garden view", Near Sun-divine-4,B/H., Umiya campus, Near Bhagwatvindhypith, Sola, Ahmedabad;
8. Industrial godown property situated at 49, M/s Kushal Industrial Park, Inside Sarkhej Estate, Near to Ramdev Masala, opp. Nova Petro chemical, Moraiya, Changodar, Ahmedabad-382213;

#### Personal / Firm / Corporate Guarantees

In addition to the above security the aforementioned loans are also secured by way of unconditional and irrevocable personal guarantee of Mr Shalin sheth and Mrs Rejal sheth.



The Company has outstanding vehicle loans of ₹ 25.47 lakhs from Banks and financial institutions.

**II. DETAILS OF UNSECURED LOANS:**

(₹ in lakhs)

<b>Detail of Lender</b>	<b>Amount outstanding as on December 31, 2019</b>
Directors and Related Parties	175.23
NBFC's and Financial Institutions	140.44
<b>Total</b>	<b>315.67</b>

**Note:** The above loans from NBFC's and Financial Institutions carry interest rate around 16%-17%



## SECTION VIII – LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no:

A. outstanding (i) criminal proceedings; (ii) actions by statutory or regulatory authorities; (iii) claims relating to direct and indirect taxes; or (iv) Material Litigation (as defined below); involving our Company, Directors and Promoters. Our Board, in its meeting held on December 05, 2019 has inter-alia adopted the materiality policy for purposes of disclosure of litigations in the Draft Prospectus and has determined that outstanding legal proceedings involving the Company, Directors and Promoters where the aggregate amount involved, in such individual litigation exceeds ten lakh of our Company on the end of the most recent period covered in the last audited financial statements of the Company, will be considered as material litigation (“Material Litigation”).

As per the materiality policy adopted by the Board of our Company in its meeting held on December 05, 2019, creditors of our Company to whom an amount in excess of one were considered ‘material’ creditors. Details of outstanding dues to creditors (including micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006) as required under the SEBI Regulations have been disclosed on our website at [www.advaitinfra.com](http://www.advaitinfra.com).

Our Company, Directors and Promoters have not been declared as wilful defaulters by the RBI or any government authority and there have been no violations of securities laws in the past or pending against them.

#### CONTINGENT LIABILITIES OF OUR COMPANY (OTHER THAN TAX)

Particulars	As at December 31, 2019	As at March 31,		
		2019	2018	2017
Bank guarantee, Letter of Credit	1,082.74	466.68	251.04	-
Total	1,121.43	470.70	251.04	-

#### LITIGATION INVOLVING OUR COMPANY

##### A. LITIGATION AGAINST OUR COMPANY

###### 1. Criminal matters

NIL

###### 2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

###### 3. Litigation involving Tax Liabilities

###### (i) Direct Tax Liabilities

As per the website of the Income Tax Department for outstanding tax demand, the following defaults in payment of

Assessment Year	Section Code	Demand Identification Number	Date on which demand is raised	Outstanding demand amount (in ₹.)
2012-2013	143(1)(a)	2013201237047314255C	27.01.2014	31,980
2014-2015	143(3)	2016201410004601750C	29.11.2016	3,12,770
2016-2017	154	2017201637057306723C	19.10.2017	58,040
2017-2018	143(3)	2019201737086337264C	25.12.2019	28,85,660
2018-2019	154	2019201837048348875C	25.09.2019	5,80,910
<b>Total</b>				<b>38,69,360</b>

The Company has been issued the following communications from time to time from the Central Processing Center, Income Tax Department in respect of proposed adjustments under section 143(1)(a) of the Income Tax Act, 1961:



Assessment Year	Date of communication	Communication Reference No.	Adjustments u/s 143(1)(a) /	Comments	Amount (in ₹.)
2017-2018	12.07.2018	CPC/1718/G22/1809780531	Disallowance of expenditure indicated in the audit report but not taken into account in computing the total income-143(1)(a)(iv).	Proposed adjustment to total income	43,456
2017-18	04.01.2019	CPC/1718/G22/1875500158	In Schedule BP, Row no A3c“Income/receipt credited to profit and loss account considered under other heads of income” – Other Source value is more than the SUM of row no. 1(a),1(b),1(c),1(d)and 3(a) in Other source Schedule.	Variance on account of proposed adjustment	42,190
			In Schedule BP, Sl.No.15. Amounts debited to the profit and loss account, to the extent disallowable under section 37 (7k of Part-OI) is not consistent with amount shown in Sl.No.7.k. Total amount disallowable under section 37 (total of 7 ato 7j).	Variance on account of proposed adjustment	43,456
			Inconsistency in Total amount of disallowance under sec 37.	Proposed adjustment to total income	43,456
2018-19	27.02.2019	CPC/1819/G22/1882822664	In Schedule BP, Sl.No.A.3bIncome/receipt credited to profit and loss account considered under other heads of income is more than the sum of Sl.No.A(1)(a)(i), A(2)(a), A(3)(1)(1a),(3)(ii)(2a),A(5)(a),A(6)(a),B(1)(a)(i),B(2)(a), B(3)(a),B(4)(1a), B(6)(1a), B(6)(2a), B(6)(3a),B(7)(a) in Schedule Capital Gain, Sl.No.5and Sl.No. 8 in Schedule DPM and S.No.5and Sl.No.8 in Schedule DOA.	Variance on account of proposed adjustment	24,99,824
2017-18	15.05.2019	CPC/1718/G22/1885808303	In Schedule BP, Row no A3c“Income/receipt credited to profit and loss account considered under other heads of income” – Other Source value is more than the SUM of row no. 1(a), 1(b), 1(c), 1(d) and 3(a) in Other source Schedule.	Variance on account of proposed adjustment	42,190
2019-20	12.02.2020	CPC/1920/G22/1973848358	In Schedule BP, Sl.No.14. Amounts debited to the profit and loss account, to the extent disallowable under section 36 (6s of PartA-OI) is not consistent with Amount shown in Sl.No.6.s. Total amount disallowable under section 36(total of 6a to 6r) of Part-OI	Variance on account of proposed adjustment	528

The Company has been issued the following miscellaneous communications under the provisions of the Income Tax Act, 1961:

Assessment Year	Date of communication	Communication Reference No.	Section	Issues on which clarifications have been sought /Particulars
2018-2019	21.02.2020	ITBA/AST/S/142(1)/201920/1025550414(1)	142(1)	Company has been



				called upon to furnish specified documents and accounts
2017-2018	25.12.2019	ITBA/PNL/S/271AAC(1)/201920/1023076579 (1)	271AAC(1)	Company has been called upon show cause why an order imposing a penalty on you should not be made under section 271AAC(1)

**(ii) Indirect Taxes Liabilities**

NIL

**4. Other Pending Litigations**

NIL

**B. CASES FILED BY OUR COMPANY**

**1. Litigation Involving Criminal matters**

NIL

**2. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3. Litigation involving Tax Liabilities**

**(i) Direct Tax Liabilities**

NIL

**(ii) Indirect Tax Liabilities**

NIL

**4. Other Pending Litigations**

NIL

**LITIGATION INVOLVING OUR DIRECTORS**

**A. LITIGATION AGAINST OUR DIRECTORS**

**1. Criminal matters**

NIL

**2. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3. Litigation involving Tax Liabilities**

**(i) Direct Tax Liabilities**



As per the website of the Income Tax Department for outstanding tax demand, the following defaults in payment of Income Tax by Mrs. Rejal Sheth are still pending:

Assessment Year	Section Code	Demand Identification Number	Date on which demand is raised	Outstanding demand amount (in ₹.)
2013-2014	220(2)	2019201337053885374T	19.10.2019	13,900
<b>Total</b>				<b>13,900</b>

As per the website of the Income Tax Department for outstanding tax demand, the following defaults in payment of Income Tax by Mrs. Rashmi A. Shah are still pending:

Assessment Year	Section Code	Demand Identification Number	Date on which demand is raised	Outstanding demand amount (in ₹.)
2018-2019	1431a	2018201837096575633T	18.02.2019	1,000
<b>Total</b>				<b>1,000</b>

**(ii) Indirect Taxes Liabilities**

NIL

**4. Other Pending Litigations**

NIL

**B. LITIGATION FILED BY OUR DIRECTORS**

**1. Litigation Involving Criminal matters**

NIL

**2. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3. Litigation involving Tax Liabilities**

**(i) Direct Tax Liabilities**

NIL

**(ii) Indirect Taxes Liabilities**

NIL

**4. Other Pending Litigations**

NIL

**LITIGATION INVOLVING OUR PROMOTERS**

**A. LITIGATION AGAINST OUR PROMOTERS**

**1. Litigation Involving Criminal matters**

NIL

**2. Litigation Involving Actions by Statutory/Regulatory Authorities**



NIL

**3. Litigation involving Tax Liabilities**

**(i) Direct Tax Liabilities**

As per the website of the Income Tax Department for outstanding tax demand, the following defaults in payment of Income Tax by Mrs. Rejal Sheth are still pending:

Assessment Year	Section Code	Demand Identification Number	Date on which demand is raised	Outstanding demand amount (in ₹.)
2013-2014	220(2)	2019201337053885374T	19.10.2019	13,900
<b>Total</b>				<b>13,900</b>

**(ii) Indirect Taxes Liabilities**

NIL

**4. Other Pending Litigations**

NIL

**B. LITIGATION FILED BY OUR PROMOTERS**

**1. Litigation Involving Criminal matters**

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

**LITIGATION INVOLVING OUR GROUP COMPANY**

**A. LITIGATION AGAINST OUR GROUP COMPANY**

**1. Litigation involving Criminal matters**

NIL

**2. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL



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**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 GROUP COMPANY**

**1. Criminal matters**

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

**There are no litigations or legal actions, pending or taken, by any Ministry or Department of the Government or a statutory authority against our Promoters since incorporation of the Company.**

There are no litigations or legal actions, pending or taken, by any Ministry or Department of the Government or a statutory authority against our Promoters since incorporation of the Company.

**Pending proceedings initiated against our Company for economic offences.**

There are no pending proceedings initiated against our Company for economic offences.

**Inquiries, investigations etc. instituted under the Companies Act, 2013 or any previous companies enactment against our Company.**

There are no inquiries, investigations etc. instituted under the Companies Act or any previous companies enactment since incorporation against our Company.

**Material Fraud against our Company since incorporation**

There has been no material fraud committed against our Company since incorporation.

**Fines imposed or compounding of offences for default**



There are no fines imposed or compounding of offences done immediately preceding the year of the Draft Prospectus for the Company for default or outstanding defaults.

#### **Non-Payment of Statutory Dues**

There have been no defaults or outstanding defaults in the payment of statutory dues payable by the Company as of the date of the last audited financial statements of the Company.

#### **Amounts owed to small scale undertakings and other creditors**

The details of dues payable to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development, 2006 as of December 31, 2019 are as given below:

<b>Particulars</b>	<b>Number of Creditors</b>	<b>Amount involved (₹ in lakhs)</b>
Micro, Small and Medium Enterprise	15	162.92

As per the materiality policy, creditors of our Company to whom an amount exceeding ₹ 10,00,000/- (Rupees Ten Lakhs only) was outstanding, were considered 'material' creditors. Based on this criterion, our Company had the following creditors as on December 31, 2019:

<b>Particulars</b>	<b>Number of Creditors</b>	<b>Amount involved (₹ in lakhs)</b>
Material Creditors	18	1,219.61
Other Creditors	70	126.84

Details in relation to the amount owed by our Company to material creditors, small scale undertakings and other creditors as on December 31, 2019 are also available on [www.advaitinfra.com](http://www.advaitinfra.com).

*Information provided on the website of our Company is not a part of this Draft Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company's website, would be doing so at its own risk.*

#### **Material developments occurring after last balance sheet date**

Except as disclosed elsewhere in this Draft 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 licenses, permissions and approvals from the Central and State Governments and other government agencies/regulatory authorities/certification bodies required to undertake the Issue or continue our business activities. In view of the approvals listed below, we can undertake the Issue and our current/ proposed business activities and no further major approvals from any governmental/regulatory authority or any other entity are required to be undertaken, in respect of the Issue or to continue our business activities. It must, however, be distinctly understood that in granting the above approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of the Company or for the correctness of any of the statements or any commitments made or opinions expressed in this behalf.*

*The main objects clause of the Memorandum of Association of the Company and the other objects clause, enable our Company to carry out its activities.*

### I. APPROVALS FOR THE ISSUE

1. The Board of Directors have, pursuant to Section 62(1)(c) and other applicable provisions of the Companies Act, 2013, by a resolution passed at its meeting held on December 05, 2019 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 special resolution passed in the extra ordinary general meeting held on December 10, 2019 authorized the Issue.
3. Approval dated [\*] from the BSE for listing of the Equity Shares issued by our Company pursuant to the Issue.
4. Our Company's International Securities Identification Number (“**ISIN**”) is INE0ALI01010.

### II. APPROVALS PERTAINING TO INCORPORATION, NAME AND CONSTITUTION OF OUR COMPANY

1. Certificate of Incorporation, dated March 15, 2010 issued by the Registrar of Companies, Ahmedabad, in the name of “Advait Infratech Private Limited”.
2. Fresh Certificate of Incorporation Consequent upon Conversion from Private Company to Public Company dated November 29, 2019 issued to our Company by the Registrar of Companies, Ahmedabad consequent upon change of name of our Company from “Advait Infratech Private Limited” to “Advait Infratech Limited”.
3. The Corporate Identity Number of the Company is U45201GJ2010PLC059878.

### III. TAX RELATED APPROVALS

Sr. No.	Description	Registration/ Approval/ Certificate Number	Issuing Authority	Date of Expiry
1.	Permanent Account Number (PAN)	AAICA2840D	Income Tax Department, Government of India	Valid until cancelled
2.	Tax Deduction Account Number (TAN)	AHMA10314D	Income Tax Department, Government of India	Valid until cancelled



3.	Certificate of Registration under the Gujarat State Tax on Professions, Trades, Callings and Employments Act, 1976.	PRC010650000462	Amdavad Municipal Corporation	Valid until cancelled
4.	Certificate of Enrolment under the Gujarat State Tax on Professions, Trades, Callings and Employments Act, 1976.	PEC010650003186	Amdavad Municipal Corporation	Valid Until Cancelled
5.	Goods and Service Tax Act, 2017	24AAICA2840D1Z6	Government of India	Valid Until Cancelled
6.	Certificate of Importer/Exporter Code (IEC)	0810000156	Ministry of Commerce and Industry	Valid Until Cancelled
7.	Registration Certificate under Gujarat Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017	PII/PRNTR/2900021/0237920	Office of the Chief Facilitator	December 31, 2022

#### IV. LABOUR RELATED APPROVALS

Sr. No.	Description	Registration/ Certificate Number	Approval/ Issuing Authority	Date of Expiry
1.	Certificate of Registration under the Employee Provident Fund	GJAHD1908495000	Regional Provident Fund Commissioner, Maharashtra	Valid Until cancelled
2.	Certificate of Registration under the Employee State Insurance Act, 1948.	37001136340001099	Sub-Regional Director, Employees' State Insurance Corporation.	Valid Until Cancelled



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## SECTION IX- OTHER REGULATORY AND STATUTORY DISCLOSURES

### Authority for the Issue

Our Board of Directors have vide resolution dated December 05, 2019 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 December 10, 2019, in accordance with the provisions of Section 62(1)(C) of the Companies Act, 2013.

The Company has obtained approval from BSE vide letter dated [●] to use the name of BSE in this Issue Document for listing of equity shares on the SME platform of the BSE. BSE is the designated stock exchange.

### Prohibition by SEBI or Other Governmental Authorities

We confirm that our Company, Directors, Promoters, Promoter Group, person in control of our Company, are not prohibited from accessing or operating in the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by the SEBI or any securities market regulator in any other jurisdiction or any other authority / court as on the date of this Draft Prospectus.

Neither our Promoters, nor any of our Directors or persons in control of our Company were or is a promoter, director or person in control of any other company which is debarred from accessing the capital market under any order or directions made by the SEBI or any other governmental authorities as on the date of this Draft Prospectus.

Further, there has been no violation of any securities law committed by any of them in the past and no such proceedings are currently pending against any of them.

Further, none of our Promoters or Directors are declared as fugitive economic offenders under Fugitive Economic Offenders Act, 2018.

### Prohibition by RBI

Neither our Company nor any of our Promoters or Directors or the Selling Shareholders has been declared as wilful defaulter(s) by the RBI or any other governmental authority.

### Compliance with the Companies (Significant Beneficial Ownership) Rules, 2018

Our Company, its Promoters and the Selling Shareholders are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 (“SBO Rules”), to the extent applicable, as on the date of the Draft Prospectus.

### Association with Securities Market

None of our Directors are, in any manner, associated with the securities market and there has been no action initiated by SEBI against the Directors of our Company in the five years preceding the date of this Draft Prospectus.

### Eligibility for the Issue

- (A) Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulation; and this Issue is an “Initial Public Issue” in terms of the SEBI (ICDR) Regulations.
- (B) Further, our Company confirms that it is not ineligible to make the Issue in terms of Regulation 228 of the SEBI ICDR Regulations, to the extent applicable. The details of our compliance with Regulation 228 of the SEBI ICDR Regulations are as follows:
- i. Neither our Company nor our Promoters, members of our Promoter Group or our Directors are debarred from accessing the capital markets by the SEBI.
  - ii. None of our Promoters or Directors is Promoters or Directors of companies which are debarred from accessing the capital markets by the SEBI.



- iii. Neither our Company nor our Promoters or Directors is a willful defaulter.
- iv. None of our Promoters or Directors is a fugitive economic offender.
- (C) This Issue is being made in terms of Regulation 229(1) of Chapter IX of the SEBI (ICDR) Regulations, 2018, 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).
- (D) In accordance with regulation 260 of the SEBI (ICDR) Regulations, this Issue will be 100% underwritten and shall not restrict to the minimum subscription level. The BRLM shall underwrite at least 15% of the total issue size. For further details pertaining to underwriting please refer to chapter titled "General Information" beginning on page 1 of this Draft Prospectus.
- (E) In accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight days from the date our company becomes liable to repay it, then our company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under section 40 of the Companies Act, 2013.
- (F) In accordance with Regulation 246 of the SEBI (ICDR) Regulations, we have filed draft offer document with SEBI as well as stock exchange (s). However, Board shall not issue any observation pursuant to Regulation 246(2) of the SEBI (ICDR) Regulations.
- (G) In accordance with Regulation 261 of the SEBI ICDR Regulations, we have entered into an agreement with the Lead Manager and Market Maker to ensure compulsory market making for the minimum period of three years from the date of listing of equity shares offered in this issue. For further details of the As per Regulation 229 (3) of the SEBI ICDR Regulations, our Company satisfies track record and/or other eligibility conditions of SME platform of the BSE in accordance with the Restated Standalone Financial Statements, prepared in accordance with the Companies Act and restated in accordance with the SEBI ICDR Regulations as below:

The Net worth and Cash accruals (Earnings before depreciation and tax) from operation of the Company as per the Standalone Restated Financial statements for the financial period ended December 31, 2019 & for the year ended March, 2019 is as set forth below:

(₹. In lakhs)

Particulars	For the financial period ended 31st December, 2019	
	For the financial period ended 31st December, 2019	For the financial year ended 31st March, 2019
Net Worth*	2380.47	1958.66
Cash Accruals**	615.23	447.30
Net Tangible Assets	2628.28	2402.45

\*Net Worth has been defined as the aggregate of the paid up share capital, share application money (excluding the portion included in other current liabilities) and reserves and surplus excluding miscellaneous expenditure, if any.)

\*\*Cash accruals has been defined as the Earnings before depreciation and tax.

10. The track record of the Company as per the Restated financial statements for the financial year ended March 31, 2019, 2018 and 2017 is as set forth below:

(₹. In lakhs)

Particulars	For the financial year ended 31st March		
	2019	2018	2017
Profit After Tax	323.42	629.98	426.53

- 1) Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
- 2) There is no winding up petition against the company, which has been admitted by a Court of competent jurisdiction or a liquidator has not been appointed.
- 3) There has been no change in the Promoters of the Company in the preceding one year from date of filing application to BSE for listing on SME segment.



- 4) Our company has entered into an agreement with both the depositories in order to facilitate mandatory trading of securities in demat form.
- 5) No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the Company.
- 6) We have a website: <https://advaitinfra.com>

(H) As per Regulation 230 (1) of the SEBI ICDR Regulations, our Company has ensured that:

- The Draft Prospectus has been filed with BSE and our Company has made an application to BSE for listing of its Equity Shares on the SME platform of the BSE. BSE is the Designated Stock Exchange.
- Our Company has entered into an agreement dated September 23, 2019 with NSDL and agreement dated September 20, 2019 with CDSL for dematerialization of its Equity Shares already issued and proposed to be issued.
- The entire pre-Issue capital of our Company has shares fully paid-up Equity Shares and the Equity Shares proposed to be issued pursuant to this IPO will be fully paid-up.
- The entire Equity Shares held by the Promoters are in dematerialized form.

Our Company has made firm arrangements of finance through verifiable means towards seventy five per cent of the stated means of finance for funding from the issue proceeds, excluding the amount to be raised through the proposed public issue or through existing identifiable internal accruals. For details, please refer the chapter “*Objects of the Issue*” on page no. 58 of this Draft Prospectus

Our Company confirms that it will ensure compliance with the conditions specified in Regulation 230 (2) of the SEBI ICDR Regulations, to the extent applicable.

We further confirm that we shall be complying with all other requirements as laid down for such offer under Chapter IX of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

#### **DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF DRAFT PROSPECTUS TO SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MERCHANT BANKER ISK ADVISORS PRIVATE 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, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT PROSPECTUS, THE LEAD MERCHANT BANKER ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER, ISK ADVISORS PRIVATE LIMITED HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED [●] IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018**



**THE FILING OF THE DRAFT PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE DRAFT PROSPECTUS.**

**Note:**

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Draft Prospectus with the RoC in terms of section 26 and 30 of the Companies Act, 2013.

**Disclaimer from our Company and the Lead Manager**

Our Company, the Directors and the Lead Manager accept no responsibility for statements made otherwise than those contained in this Draft Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information would be doing so at his or her own risk.

**Disclaimer in respect of Jurisdiction**

This Issue is being made in India to persons resident in India including Indian nationals resident in India (who are not minors, except through their legal guardian), Hindu Undivided Families (HUFs), companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), Trusts registered under the Societies Registration Act, 1860, as amended from time to time, or any other trust law and who are authorised under their constitution to hold and invest in shares, permitted insurance companies and pension funds and to non-residents including NRIs and FIIs. The Draft Prospectus does not, however, constitute an offer to sell or an invitation to subscribe to Equity Shares offered hereby in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession the Draft Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this issue will be subject to the jurisdiction of appropriate court(s) in Ahmedabad only.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and the Draft Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of the Draft Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been any change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

**Disclaimer Clause under Rule 144A of the U.S. Securities Act**

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to "qualified institutional buyers", as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applicants may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.



## **Disclaimer Clause of the BSE**

As required, a copy of the Draft Prospectus shall be submitted to the SME Platform of BSE. The Disclaimer Clause as intimated by the SME Platform of BSE to us, post scrutiny of the Draft Prospectus, shall be included in the Prospectus prior to the filing with RoC

## **Listing**

Application have been made to SME Platform of BSE for obtaining permission for listing of the Equity Shares being offered and sold in the issue on its SME Platform after the allotment in the Issue. BSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue.

If the permission to deal in and for an official quotation of the Equity Shares on the SME Platform is not granted by BSE, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of the prospectus. The allotment letters shall be issued or application money shall be refunded / unblocked within fifteen days from the closure of the Issue or such lesser time as may be specified by Securities and Exchange Board or else the application money shall be refunded to the applicants forthwith, failing which interest shall be due to be paid to the applicants at the rate of fifteen per cent per annum for the delayed period as prescribed under Companies Act, 2013, the SEBI (ICDR) Regulations and other applicable law.

Our Company 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 [●] to use the name of BSE in this Offer document for listing of equity shares on SME Platform of BSE.

## **Consents**

Consents in writing of: (a) the Directors, the Chief Financial Officer, Company Secretary & Compliance Officer and the Statutory Auditor; and (b) the Lead Manager, Registrar to the Issue, the Legal Advisor to the Issue, Banker to the Company, Banker to the Issue\*, Market Maker and Underwriters to act in their respective capacities, have been obtained and shall be filed along with a copy of the Prospectus with the RoC, as required under Section 26 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

*\*The aforesaid will be appointed prior to filing of the Prospectus with RoC and their consents as above would be obtained prior to the filing of the Prospectus with RoC.*

In accordance with the Companies Act, 2013 and the SEBI (ICDR) Regulations, V. Goswami & Co., Chartered Accountants has provided their written consent to the inclusion of their reports dated February 22, 2020 on Restated Financial Statements and to the inclusion of their reports dated February 22, 2020 on Statement of Tax Benefits, which may be available to the Company and its shareholders, included in this Draft Prospectus in the form and context in which they appear therein and such consents and reports have not been withdrawn up to the time of filing of this Draft Prospectus.

## **Expert Opinion**

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

Our Company has received written consent from the Statutory Auditor V. Goswami & Co., Chartered Accountants has to include their name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Prospectus and as “Expert” as defined under section 2(38) of the Companies Act, 2013 in respect of the reports on the Statement of Tax Benefits dated February 22, 2020, and on the Restated Financial Statements dated February 22, 2020 and issued by them, included in this Draft Prospectus and such consent has not been withdrawn as on the date of this Draft Prospectus.

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



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## **CAPITAL ISSUE DURING THE LAST FIVE 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 no. 50 of this Draft Prospectus, we have not issued any Equity Shares for consideration other than for cash.

### **Commission and Brokerage Paid on Previous Issues of our Equity Shares**

Since this is an Initial Public Offer of the Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since inception of the Company.

### **Capital Issues in the last three (3) years by Listed Group Companies / Subsidiaries / Associates**

None of our Group Companies / Associates that are listed on any Stock Exchange has made any Capital Issue in the last three (3) years.

We do not have any subsidiary as on date of this Draft Prospectus

## **PERFORMANCE VIS-À-VIS OBJECTS**

### **Issuer Company**

Our Company has not made any public issue (including any rights issue to the public) since its incorporation.

### **Listed Subsidiaries / Promoters**

None of our Subsidiaries / Promoters is listed on any Stock Exchange and not made any rights and public issues in the past five (5) years.

## **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.

### **Price Information of past issues handled by the Lead Manager**

ISK Advisors Private Limited has not done any issue in the past.

### **Summary Statement of Disclosure**

### **Track record of past issues handled by the Lead Manager**

N. A.

## **DISPOSAL OF INVESTOR GRIEVANCES**

### **Mechanism for Redressal of Investor Grievances**

The agreement between the Registrar to the Issue and our Company provides for retention of records with the Registrar to the Issue for a period of at least three years from the last date of dispatch of the letters of allotment and demat credit to enable the investors to approach the Registrar to the Issue for redressal of their grievances.



The Company has appointed Karvy Fintech Private Limited as the Registrar to the Issue, to handle the investor grievances in co-ordination with the Compliance Officer of the Company. All grievances relating to the present Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and name of bank and branch. The Company would monitor the work of the Registrar to ensure that the investor grievances are settled expeditiously and satisfactorily.

The Registrar to the Issue will handle investor's grievances pertaining to the Issue. A fortnightly status report of the complaints received and redressed by them would be forwarded to the Company. The Company would also be co-ordinating with the Registrar to the Issue in attending to the grievances to the investor.

All grievances relating to the ASBA process may be addressed to the SCSBs, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch of the SCSB where the Application Form was submitted by the ASBA Applicant. We estimate that the average time required by us or the Registrar to the Issue or the SCSBs for the redressal of routine investor grievances will be seven business days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

The Company shall obtain authentication on the SCORES and comply with the SEBI circular (CIR/OIAE/1/2013) dated April 17, 2013 in relation to redressal of investor grievances through SCORES

Our Board by a resolution on Decenmber 05, 2019 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 Bajrangprasad Maheshwari	Non-Executive Independent Director	Chairman
Mrs. Rashmi Shah	Non-Executive Independent Director	Member
Mr. Dinesh Patel	Non-Executive Independent Director	Member

For further details, please see the chapter titled "*Our Management*" beginning on page no. 96 of this Draft Prospectus.

Our Company has also appointed Mr. Dipesh Panchal, as the Compliance Officer for the Issue and he may be contacted at the Registered Office of our Company

**Mr. Dipesh Panchal**

**Address:** A-801 To 803 Sankalp Iconic, Opp. Vikram Nagar, Iscon Temple Cross Road, S.G Highway Ahmedabad 380054.

**Tel No:** +91-79-48956677

**Email:** dipesh@advaitinfra.com

**Website:** www.advaitinfra.com

Investors can contact the Compliance Officer or the Registrar to the Issue or the Lead Manager in case of any pre Issue or post Issue related problems, such as non-receipt of letters of Allotment, credit of Allotted Equity Shares in the respective beneficiary accounts and refund orders.

**Status of Investor Complaints**

We confirm that we have not received any investor complaint during the three years preceding the date of this Draft Prospectus and hence there are no pending investor complaints as on the date of this Draft Prospectus.

Our Group Companies and our Subsidiaries are not listed on any stock exchange.

**DISPOSAL OF INVESTOR GRIEVANCES BY LISTED COMPANIES UNDER THE SAME MANAGEMENT**

For details of Investor Grievances by Listed Companies under the same Management, see the chapter "*Our Group Company*" beginning on page no. 111 of this Draft Prospectus.



## SECTION X – ISSUE RELATED INFORMATION

### TERMS OF THE ISSUE

*The Equity Shares being issued are subject to the provisions of the Companies Act, SEBI (ICDR) Regulations, SEBI Listing Regulations, SCRA, SCRR, our Memorandum and Articles of Association, the terms of this Draft Prospectus, the Prospectus, the Application Form, the Revision Form, the Confirmation of Allocation Note and other terms and conditions as may be incorporated in the allotment advices and other documents/certificates that may be executed in respect of this Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by SEBI, RBI, the Government of India, the Stock Exchanges, the RoC and/or any other authorities while granting its approval for the Issue.*

*Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment. Further vide the said circular Registrar to the Issue and Depository Participants have been also authorised to collect the Application forms. Investors may visit the official websites of the concerned stock exchanges for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available.*

*Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, Retail Individual Investors applying in public issue may use either Application Supported by Blocked Amount (ASBA) process or UPI payment mechanism by providing UPI-ID in the Application Form which is linked from bank account of the Applicant*

#### **Authority for the Present Issue**

This Issue has been authorized by a resolution of our Board passed at their meeting held on December 05, 2019 subject to the approval of shareholders through a special resolution to be passed pursuant to Section 62 (1) (c) of the Companies Act, 2013. The shareholders have authorized the Issue by a special resolution in accordance with Section 62 (1) (c) of the Companies Act, 2013 passed at the EGM of our Company held on December 10, 2019.

#### **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, SEBI ICDR Regulations, SCRA and shall rank pari-passu in all respects including dividend with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment.

For further details, please see the section titled "Main Provisions of the Articles of Association" beginning on page no. 225 of this Draft Prospectus.

#### **Mode of Payment of Dividend**

Our Company shall pay dividends, if declared, to the Shareholders in accordance with the provisions of the Companies Act, the Memorandum and Articles of Association and provisions of the SEBI Listing Regulations and any other guidelines or directions which may be issued by the Government in this regard. Dividends, if any, declared by our Company after the date of Allotment (pursuant to the transfer of Equity Shares from the Offer for Sale), will be payable to the Applicants who have been Allotted Equity Shares in the Issue, for the entire year, in accordance with applicable laws. For further details, in relation to dividends, see "Dividend Policy" and "Main Provisions of the Articles of Association" beginning on page nos. 114 and 225 of this Draft Prospectus.

#### **Face Value and Issue Price**

The Equity Shares having a face value of ₹ 10 each are being issued in terms of this Draft Prospectus at the price of ₹ [●] per Equity Share. The Issue Price is determined by our Company in consultation with the Lead Managers and is justified under the chapter titled "Basis for Issue Price" beginning on page no. 62 of this Draft Prospectus. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.



## **Compliance with SEBI (ICDR) Regulations**

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations, 2018. 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 and e-voting, in accordance with the provisions of the Companies Act;
- ✓ Right to receive offer for rights shares and be allotted bonus shares, if announced;
- ✓ Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- ✓ Right of free transferability of the Equity Shares, subject to applicable laws including any RBI rules and regulations; and
- ✓ Such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, terms of the listing agreements with the Stock Exchange and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provision of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien and / or consolidation / splitting, etc., please see the section titled "*Main Provisions of Articles of Association*" beginning on page no. 225 of this Draft Prospectus.

## **Allotment only in Dematerialised Form**

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 September 23, 2019 between our Company, NSDL and the Registrar and Share Transfer Agent to the Issue.
- 2) Tripartite agreement dated September 20, 2019 between our Company, CDSL and the Registrar and Share Transfer Agent to the Issue.

## **Market Lot and Trading Lot**

Trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012 and the same may be modified by BSE from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Issue will be done in multiples of [●] Equity Share subject to a minimum allotment of [●] Equity Shares to the successful Applicants.

## **Minimum Number of Allottees**

The minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies collected shall be refunded within 6 Working days of closure of issue.

## **Joint Holders**

Where two or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.



## Nomination Facility to Investor

In accordance with Section 72 of the Companies Act, 2013 and the rules made thereunder, the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 (3) of the Companies Act, 2013, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in accordance to Section 72 (4) of the Companies Act, 2013, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Articles of Association of the Company, any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013, shall upon the production of such evidence as may be required by the Board, elect either:

- ✓ to register himself or herself as the holder of the Equity Shares; or
- ✓ to make such transfer of the Equity Shares, as the deceased holder could have made

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

In case the allotment of Equity Shares is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

## Withdrawal of the Issue

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

## ISSUE PROGRAMME

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

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

The above timetable is indicative and does not constitute any obligation on our Company or the Lead Managers. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Issue



Closing Date, the timetable may change due to various factors, such as extension of the Issue Period by our Company, or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

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

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

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

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

### **Minimum Subscription**

The requirement for 90% minimum subscription is not applicable to Issues under chapter IX of the SEBI ICDR Regulations.

In accordance with Regulation 260 (1) of the SEBI ICDR Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the Issue through the Draft Prospectus and shall not be restricted to the minimum subscription level. Further, in accordance with Regulation 267 (2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than ₹ 1,00,000 (Rupees One Lac) per application.

As per Section 39 of the Companies Act, 2013, if the minimum stated amount has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the issue through the issue including devolvement of Underwriter, if any, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond eight (8) working days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI ICDR Regulations, the Companies Act 2013 and applicable law.

### **Arrangements for Disposal of Odd Lots**

The trading of the Equity Shares will happen in the minimum contract size of [●] shares. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME Platform of BSE Limited.



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## **Restrictions, if any, on transfer and transmission of shares or debentures and on their consolidation or splitting**

Except for the lock-in of the pre-Issue capital of our Company, Promoter' Contribution and the public lock-in as provided in "*Capital Structure*" beginning on page no. 50 of this Draft Prospectus and except as provided in our Articles of Association there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of shares/debentures and on their consolidation/splitting, except as provided in the Articles of Association. For details, see "*Main Provisions of the Articles of Association*" beginning on page no. 225 of this Draft Prospectus.

## **New Financial Instruments**

As on the date of this Draft Prospectus, there are no outstanding warrants, new financial instruments or any rights, which would entitle the shareholders of our Company, including our Promoter, to acquire or receive any Equity Shares after the Issue.

## **Allotment of Securities in Dematerialised Form**

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange.

## **Migration to Main Board**

As per the provisions of the Chapter IX of the SEBI (ICDR) Regulation, 2018, Our Company may migrate to the main board of BSE from the BSE SME Platform on a later date subject to the following:

a) If the Paid up Capital of the company is likely to increase above Rs. 25 Crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the 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 fulfillment of the eligibility criteria for listing of specified securities laid down by the Main Board.

OR

b) If the Paid up Capital of the company is more than Rs. 10 Crores but below Rs. 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 favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

In accordance with the BSE Circular dated August 10, 2018, our Company will have to be mandatorily listed and traded on the BSE SME Platform 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 IX of the SEBI (ICDR) Regulations.

## **Market Making**

The shares issued through this Issue are proposed to be listed on the SME Platform of BSE (SME Exchange), wherein the Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Maker of the SME Exchange for a minimum period of three years from the date of listing on the SME Platform of BSE.

For further details of the agreement entered into between our Company, the Lead Manager and the Market Maker, please see the chapter titled "*General Information - Details of the Market Making Arrangement for this Issue*" beginning on page no. 43 of this Draft Prospectus.



## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229(1) of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post issue face value capital does not exceed more than ten crore rupees, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the SME Platform of BSE). For further details regarding the salient features and terms of such this Issue, please see the chapters titled "*Terms of the Issue*" and "*Issue Procedure*" beginning on page nos. 190 and 198 respectively, of this Draft Prospectus.

Following is the issue structure:

*Public Issue of 13,50,000 Equity Shares of ₹ 10 each (the "Equity Shares") for cash at a price of ₹ [●] per Equity Share (including a Share premium of ₹ [●] per Equity Share) aggregating to ₹ [●] lakhs ("the Issue") by Advait Infratech Limited. ("AIL" or the "Company").*

*The Issue comprises a reservation of 68,000 Equity Shares of ₹ 10 each for subscription by the designated Market Maker ("the Market Maker Reservation Portion") and Net Issue to Public of 12,82,000 Equity Shares of ₹ 10 each ("the Net Issue"). The Issue and the Net Issue will constitute 26.47% and 25.14%, respectively of the post issue paid up equity share capital of the company. The Issue is being made through the Fixed Price Process:*

Particulars of the Issue	Net Issue to Public	Market Maker Reservation Portion
Number of Equity Shares available for allocation	12,82,000 Equity Shares	68,000 Equity Shares
Percentage of Issue Size available for allocation	94.96% of the Issue Size	5.04% of the Issue Size
Basis of Allotment	Proportionate subject to minimum allotment of [●] Equity Shares and further allotment in multiples of [●] Equity Shares each.	Firm Allotment
Mode of Application	<p><u>For Other than Retail Individual Investors:</u></p> <p>All the applicants shall make the application (Online or Physical) through ASBA process</p> <p><u>For Retail Individuals Investors:</u></p> <p>Through the ASBA Process or by using UPI ID for payment</p>	Through ASBA Process Only
Minimum Application Size	<p><i>For QIB and NII:</i></p> <p>Such number of Equity Shares in multiples of [●] Equity Shares such that the Application Value exceeds ₹ 2,00,000.</p> <p><i>For Retail Individuals:</i></p> <p>[●] Equity Shares</p>	68,000 Equity Shares
Maximum Application Size	<p><i>For QIB and NII:</i></p> <p>Such number of Equity Shares in multiples of [●] Equity Shares such that the Application Size does not exceed 12,82,000 Equity Shares.</p> <p><i>For Retail Individuals:</i></p> <p>Such number of Equity Shares in multiples of [●] Equity Shares such that the Application Value does not exceed ₹ 2,00,000.</p>	68,000 Equity Shares
Mode of Allotment	Dematerialized Form	Dematerialized Form



Particulars of the Issue	Net Issue to Public	Market Maker Reservation Portion
Trading Lot	[●] Equity Shares	[●] Equity Shares, However the Market Maker may buy odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.
Terms of Payment	The entire Application Amount will be payable at the time of submission of the Application Form	
Application Lot Size	[●] Equity Share and in multiples of [●] Equity Shares thereafter	

**Note:**

- Since present issue is a fixed price issue, the allocation in the net issue to the public category in terms of Regulation 253 of the SEBI (ICDR) Regulations, 2018 shall be made as follows:
  - a) Minimum fifty per cent to retail individual investors; and
  - b) Remaining to:
    - (i) individual applicants other than retail individual investors; and
    - (ii) other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;

Provided that the unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.
- In case of joint Applications, the Application Form should contain only the name of the First Applicant whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such First Applicant would be required in the Application Form and such First Applicant would be deemed to have signed on behalf of the joint holders.
- In case of ASBA Applicants, the SCSB shall be authorised to block such funds in the bank account of the ASBA Applicant (including retail applicants applying through UPI mechanism) that are specified in the Application Form. SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB

**Lot Size**

SEBI vide circular CIR/MRD/DSA/06/2012 dated February 21, 2012 (the “Circular”) standardized the lot size for Initial Public Offer proposing to list on SME exchange/platform and for the secondary market trading on such exchange/platform, as under:

Issue Price(in K)	Lot Size (No. of shares)
Up to 14	10,000
More than 14 up to 18	8,000
More than 18 up to 25	6,000
More than 25 up to 35	4,000
More than 35 up to 50	3,000
More than 50 up to 70	2,000
More than 70 up to 90	1,600
More than 90 up to 120	1,200
More than 120 up to 150	1,000
More than 150 up to 180	800
More than 180 up to 250	600
More than 250 up to 350	400
More than 350 up to 500	300
More than 500 up to 600	240
More than 600 up to 750	200
More than 750 up to 1,000	160
Above 1,000	100



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Further to the Circular, at the Initial Public Offer stage the Registrar to Issue in consultation with Lead Managers, our Company and BSE shall ensure to finalize the basis of allotment in minimum lots and in multiples of minimum lot size, as per the above given table. The secondary market trading lot size shall be the same, as shall be the IPO Lot Size at the application/allotment stage, facilitating secondary market trading.



## ISSUE PROCEDURE

All Applicants should read 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 and updated pursuant to the circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, the circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016, circular (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 and circular SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018 and recently updated with with the circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 notified by SEBI (the “General Information Document”) and SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, 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 Regulations. The General Information Document is available on the websites of the Stock Exchanges and the LMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

The General Information Documents to be included will be updated to reflect the enactments and regulations including the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, SEBI Listing Regulations and certain notified provisions of the Companies Act, 2013, to the extent applicable to a public issue. The General Information Document will also be available on the websites of the Stock Exchange and the Lead Manager. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

All Designated Intermediaries in relation to the Issue should ensure compliance with the SEBI circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, as amended and modified by the SEBI circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 and SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 and (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 01, 2018, in relation to clarifications on streamlining the process of public issue of equity shares and convertibles as amended and modified by the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 03, 2019 circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, Retail Individual Investors applying in public issue may use either Application Supported by Blocked Amount (ASBA) process or UPI payment mechanism by providing UPI-ID in the Application Form which is linked from bank account of the Applicant.

With effect from July 01, 2019, with respect to Applications by RIIs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Applications with existing timeline of T+6 days will continue will continue for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”), Further pursuant to SEBI Circular SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019 UPI Phase II was extended till March 31, 2020. Further, pursuant to SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 UPI Phase II was extended till further notice by SEBI.

Please note that the information stated/covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company and Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Our Company and Lead Manager would not be able to include any amendment, modification or change in applicable law, which may occur after the date of the Prospectus. Applicants are advised to make their independent investigations and ensure that their Application do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Draft Prospectus and the Prospectus.

This section applies to all the Applicants, please note that all the Applicants are required to make payment of the full Application Amount along with the Application Form.

### ***Phased implementation of Unified Payments Interface***

SEBI has issued a circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 and circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019 and circular no. SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 (collectively the “UPI Circulars”) in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circulars, UPI will be introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account



maintained with SCSBs under the ASBA) for applications by RIBs through intermediaries with the objective to reduce the time duration from public issue closure to listing from six working days to up to three working days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI Mechanism.

Phase I: This phase has become applicable from January 1, 2019 and was continue till June 30, 2019. Under this phase, a Retail Individual Applicant would also have the option to submit the Application Form with any of the intermediary and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing would continue to be six Working Days.

Phase II: This phase will commence upon completion of Phase I i.e with effect from July 01, 2019 and will continue for a period of three months or floating of five main board public issues, whichever is later. Under this phase, submission of the Application Form by a Retail Individual Applicant through intermediaries to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI Mechanism. However, the time duration from public issue closure to listing would continue to be six Working Days during this phase. This Phase is further extended till March 31, 2020. As per SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2 dated March 30, 2020, the UPI Phase II will continue until further notice by SEBI.

Phase III: Subsequently, the time duration from public issue closure to listing would be reduced to be three Working Days under this Phase and the implementation of this phase is yet to be notified by SEBI. All SCSBs offering facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. The Issuers are to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Retail Individual Applicants into the UPI mechanism.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the Lead Manager.

## **FIXED PRICE ISSUE PROCEDURE**

The Issue is being made in compliance with the provisions of Reg. 229(1) of Chapter IX of the SEBI (ICDR) Regulations, 2018 and through the Fixed Price Process wherein 50% of the Net Issue to Public is being offered to the Retail Individual Applicants and the balance shall be offered to Non Retail Category i.e. QIBs and Non-Institutional Applicants. However, if the aggregate demand from the Retail Individual Applicants is less than 50%, then the balance Equity Shares in that portion will be added to the non retail portion offered to the remaining investors including QIBs and NIIs and vice-versa subject to valid Applications being received from them at or above the Issue Price.

Subject to the valid Applications being received at or above the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for the Retail Portion where Allotment to each Retail Individual Applicants shall not be less than the minimum lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under subscription, if any, in any category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the Lead Managers and the Stock Exchange.

**Investors should note that according to section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialised form. The Application Forms which do not have the details of the Applicant's depository account including DP ID, PAN and Beneficiary Account Number shall be treated as incomplete and rejected. In case DP ID, Client ID and PAN mentioned in the Application Form and entered into the electronic system of the stock exchanges, do not match with the DP ID, Client ID and PAN available in the depository database, the application is liable to be rejected. Applicants will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialised segment of the Stock Exchanges.**

## **APPLICATION FORM**

Copies of the Application Form and the abridged prospectus will be available at the offices of the Lead Managers, the Designated Intermediaries, and the Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of the BSE ([www.bseindia.com](http://www.bseindia.com)), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Issue Opening Date



All Applicants (other than Retail Applicants using the UPI Mechanism) shall mandatorily participate in the Issue only through the ASBA process. ASBA Applicants must provide bank account details and authorisation to block funds in the relevant space provided in the Application Form and the Application Forms that do not contain such details are liable to be rejected. Further Retail Individual Applicants may participate in the Issue through UPI by providing details about the bank account in the relevant space provided in the Application Form and the Application Forms that do not contain the UPI ID are liable to be rejected.

ASBA Applicants shall ensure that the Applications are made on Application Forms bearing the stamp of the Designated Intermediary, submitted at the Collection Centres only (except in case of electronic Application Forms) and the Application Forms not bearing such specified stamp are liable to be rejected.

The prescribed colour of the Application Form for various categories is as follows:

Category	Colour <sup>(1)</sup>
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents and Eligible NRIs, FIIs, FVCIs, etc. applying on a repatriation basis	Blue

<sup>(1)</sup> excluding electronic Application Form

Designated Intermediaries shall submit Application Forms (except the Application Form for a Retail Applicant using the UPI Mechanism) to SCSBs and shall not submit it to any non-SCSB bank.

Applicants shall only use the specified Application Form for the purpose of making an application in terms of the Prospectus. The Application Form shall contain information about the Applicants and the price and the number of Equity Shares that the Applicants wish to apply for. The Application Form downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. ASBA Applicants are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB at the time of submitting the Application

Applicants are required to submit their applications only through any of the following Application Collecting Intermediaries:

- i) an SCSB, with whom the bank account to be blocked, is maintained
- ii) a syndicate member (or sub-syndicate member)
- iii) a stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker')
- iv) a depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)
- v) a registrar to the issue and share transfer agent (RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)

The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by:

<b>For Applications submitted by investors to SCSB:</b>	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange(s) and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
<b>For Applications submitted by investors to intermediaries other than SCSBs:</b>	After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of stock exchange(s). Post uploading they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.



Upon completion and submission of the Application Form to Application Collecting intermediaries, the Applicants have deemed to have authorized our Company to make the necessary changes in the Prospectus, without prior or subsequent notice of such changes to the Applicants.

### Who Can Apply?

1. Indian nationals resident in India, who are not minors (except through their Legal Guardians), in single or joint names (not more than three);
2. Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the Application is being made in the name of the HUF in the Application Form as follows: — Name of Sole or First Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;
3. Companies, Corporate Bodies and Societies registered under the applicable laws in India and authorised to invest in equity shares under their respective constitutional and charter documents;
4. Mutual Funds registered with SEBI;
5. Eligible NRIs on a repatriation basis or on a non-repatriation basis subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
6. Indian financial institutions, scheduled commercial banks (excluding foreign banks), regional rural banks, co-operative banks (subject to RBI regulations and the SEBI Regulations and other laws, as applicable);
7. FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI
8. Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares
9. State Industrial Development Corporations;
10. Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to trusts/societies and who are authorised under their respective constitutions to hold and invest in equity shares;
11. Scientific and/or industrial research organizations authorized in India to invest in equity shares;
12. Insurance companies registered with Insurance Regulatory and Development Authority;
13. Provident Funds with a minimum corpus of ₹ 250 million and who are authorised under their constitution to hold and invest in equity shares;
14. Multilateral and Bilateral Development Financial Institutions;
15. National Investment Fund set up by resolution no. F.NO.2/3/2005-DDII dated November 23, 2005 of the GoI, published in the Gazette of India;
16. 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
17. Any other person eligible to Apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws.

As per the existing regulations, OCBs cannot participate in this Issue.

In addition to the category of Applicants set forth *above*, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- i. FPIs and sub-accounts registered with SEBI other than Category III foreign portfolio investor;



- ii. Category III foreign portfolio investors, which are foreign corporates or foreign individuals only under the Non Institutional Investors (NIIs) category;
- iii. Scientific and / or industrial research organizations authorized in India to invest in the Equity Shares.

### Maximum and Minimum Application Size

The applications in this Issue, being a fixed price issue, will be categorized into two;

#### a) For Retail Individual Applicants:

The Application must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Application Amount payable by the Applicant does not exceed ₹ 2,00,000. In case of revision of the Application, the Retail Individual Applicants have to ensure that the Application Amount does not exceed ₹ 2,00,000.

#### b) For Other Applicants (Non-Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares such that the Application Amount exceeds ₹ 2,00,000 and in multiples of [●] Equity Shares thereafter. Application cannot be submitted for more than the Issue Size. However, the maximum application size by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. **A QIB and a Non-Institutional Applicant cannot withdraw or lower the size of their Application at any stage and are required to pay the entire Application Amount upon submission of the Application.**

The identity of QIBs applying in the Net Issue shall not be made public during the Issue Period. In case of revision in Application, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than ₹ 2,00,000 for being considered for allocation in the Non-Institutional Portion.

### Information for the Applicants

- a) Our Company shall file the Prospectus with the RoC at least three working days before the Issue Opening Date.
- b) Our Company shall, after registering the Prospectus with the RoC, make a pre-Issue advertisement, in the form prescribed under the ICDR Regulations, in English and Hindi national newspapers and one regional newspaper with wide circulation. In the pre- Issue advertisement, our Company and the Lead Managers shall advertise the Issue Opening Date, the Issue Closing Date. This advertisement, subject to the provisions of the Companies Act, shall be in the format prescribed in Part A of Schedule X of the ICDR Regulations.
- c) Copies of the Application Form and the abridged prospectus will be available at the offices of the Lead Managers, the Designated Intermediaries, and Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of the BSE ([www.bseindia.com](http://www.bseindia.com)), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Issue Opening Date.
- d) Applicants who are interested in subscribing to the Equity Shares should approach any of the Application Collecting Intermediaries or their authorized agent(s).
- e) Application should be submitted in the prescribed Application Form only. Application Forms submitted to the SCSBs should bear the stamp of the respective intermediary to whom the application form is submitted. Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and / or the Designated Branch.
- f) The Application Form can be submitted either in physical or electronic mode, to the Application Collecting Intermediaries. Further Application Collecting Intermediary may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account.

**The Applicants should note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic system of the Stock Exchanges does not match with the PAN, DP ID and Client ID available in the database of Depositories, the Application Form is liable to be rejected.**



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## **Participation by associates and affiliates of the Lead Managers**

The Lead Managers shall not be allowed to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Lead Managers may subscribe to Equity Shares in the Issue in non Retail Portion, where the allocation is on a proportionate basis.

### **Applications by Mutual Funds**

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves the right to reject the Application without assigning any reason thereof.

Applications made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Applications are made.

**In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.**

**No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.**

### **Applications by Eligible NRIs**

NRIs may obtain copies of Application Form from the offices of the Lead Managers and the Designated Intermediaries. Eligible NRI Applicants applying on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to block their Non-Resident External (“NRE”) accounts, or Foreign Currency Non-Resident (“FCNR”) ASBA Accounts, and eligible NRI Applicants applying on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non-Resident Ordinary (“NRO”) accounts for the full Application Amount, at the time of the submission of the Application Form.

Eligible NRIs applying on non-repatriation basis are advised to use the Application Form for residents (white in colour).

Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for Non-Residents (blue in colour).

### **Applications by FPI and FIIs**

In terms of the SEBI FPI Regulations, any qualified foreign investor or FII who holds a valid certificate of registration from SEBI shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or a sub-account may participate in this Issue, in accordance with Schedule 2 of the FEMA Regulations, until the expiry of its registration with SEBI as an FII or a sub-account. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations. Further, a qualified foreign investor who had not obtained a certificate of registration as and FPI could only continue to buy, sell or otherwise deal in securities until January 6, 2015. Hence, such qualified foreign investors who have not registered as FPIS under the SEBI FPI Regulations shall not be eligible to participate in this Issue.

In case of Applications made by FPIs, a certified copy of the certificate of registration issued by the designated depository participant under the FPI Regulations is required to be attached to the Application Form, failing which our Company reserves the right to reject any application without assigning any reason. An FII or sub account may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Issue, until the expiry of its registration as a FII or sub-account, or until it obtains a certificate of registration as FPI, whichever is earlier. Further, in case of Applications made by SEBI-registered FIIs or sub-accounts, which are not registered as FPIs, a certified copy of the certificate of registration as an FII issued by SEBI is required to be attached to the Application Form, failing which our Company reserves the right to reject any Application without assigning any reason.



In terms of the SEBI FPI Regulations, the Issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10.00% of our post-Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10.00% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24.00% of the paid-up Equity Share capital of our Company. The aggregate limit of 24.00% may be increased up to the sectorial cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholder of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included. The existing individual and aggregate investment limits an FII or sub account in our Company is 10.00% and 24.00% of the total paid-up Equity Share capital of our Company, respectively.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with know your client' norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

FPIs who wish to participate in the Issue are advised to use the Application Form for Non-Residents (blue in color).

#### **Applications by SEBI registered VCFs, AIFs and FVCIs**

The SEBI FVCI Regulations and the SEBI AIF Regulations inter-alia prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIFs.

The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

**Our Company or the Lead Managers will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.**

**There is no reservation for Eligible NRIs, FPIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.**

**All non-resident investors should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.**

#### **Applications by Limited Liability Partnerships**



In case of Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reason thereof.

### **Applications by Insurance Companies**

In case of Applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended, are broadly set forth below:

- 1) equity shares of a company: the least of 10.00% of the investee company's subscribed capital (face value) or 10.00% of the respective fund in case of life insurer or 10.00% of investment assets in case of general insurer or reinsurer;
- 2) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- 3) the industry sector in which the investee company belong to: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (1), (2) and (3) above, as the case may be.

Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

### **Applications by Provident Funds / Pension Funds**

In case of Applications made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 250.00 million, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application, without assigning any reason thereof.

### **Applications by Banking Companies**

In case of Applications made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Application Form, failing which our Company reserve the right to reject any Application without assigning any reason.

Application Form, failing which our Company reserve the right to reject any Application by a banking company without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended ("Banking Regulation Act"), and the Reserve Bank of India ("Financial Services provided by Banks") Directions, 2016, is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks 'interest on loans / investments made to a company. The bank is required to submit a time bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (ii) investment in a non



financial services company in excess of 10% of such investee company's paid up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016.

### **Applications by SCSBs**

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

### **Applications under Power of Attorney**

In case of Applications made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with a minimum corpus of ₹ 250 million (subject to applicable law) and pension funds with a minimum corpus of ₹ 250 million, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reasons thereof. In addition to the above, certain additional documents are required to be submitted by the following entities:

- a) With respect to Applications by FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form.
- b) With respect to Applications by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged along with the Application Form.
- c) With respect to Applications made by provident funds with a minimum corpus of ₹ 250 million (subject to applicable law) and pension funds with a minimum corpus of ₹ 250 million, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Application Form.
- d) With respect to Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form.
- e) Our Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application form, subject to such terms and conditions that our Company and the Lead Managers may deem fit.

**The above information is given for the benefit of the Applicants. Our Company and the Lead Managers are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and Applicants are advised to ensure that any single Application from them does not exceed the applicable investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Prospectus.**

### **ISSUE PROCEDURE FOR ASBA (APPLICATION SUPPORTED BY BLOCKED ACCOUNT) APPLICANTS**

In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants has to compulsorily apply through the ASBA Process. Our Company and the Lead Managers are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of the Draft Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.

Lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on [www.sebi.gov.in](http://www.sebi.gov.in). For details on designated branches of SCSB collecting the Application Form, please refer the below mentioned SEBI link.



<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35> and <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>

## **ASBA PROCESS**

A Resident Retail Individual Investor shall submit his Application through an Application Form, either in physical or electronic mode, to the SCSB with whom the bank account of the ASBA Applicant or bank account utilized by the ASBA Applicant (“ASBA Account”) is maintained. The SCSB shall block an amount equal to the Application Amount in the bank account specified in the ASBA Application Form, physical or electronic, on the basis of an authorization to this effect given by the account holder at the time of submitting the Application.

The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against the allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the ASBA Application, as the case may be.

The ASBA data shall thereafter be uploaded by the SCSB in the electronic IPO system of the Stock Exchange. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant bank accounts and for transferring the amount allocable to the successful ASBA Applicants to the ASBA Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Lead Managers.

ASBA Applicants are required to submit their Applications, either in physical or electronic mode. In case of application in physical mode, the ASBA Applicant shall submit the ASBA Application Form at the Designated Branch of the SCSB or Registered Brokers or Registered RTA's or DPs registered with SEBI. In case of application in electronic form, the ASBA Applicant shall submit the Application Form either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for applying and blocking funds in the ASBA account held with SCSB, and accordingly registering such Applications.

## **HOW TO APPLY?**

In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants has to compulsorily apply through the ASBA Process.

## **MODE OF PAYMENT**

Upon submission of an Application Form with the SCSB, whether in physical or electronic mode, each ASBA Applicant shall be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount, in the bank account maintained with the SCSB.

Application Amount paid in cash, by money order or by postal order or by stock invest, or ASBA Application Form accompanied by cash, draft, money order, postal order or any mode of payment other than blocked amounts in the SCSB bank accounts, shall not be accepted.

After verifying that sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the ASBA Application Form till the Designated Date.

On the Designated Date, the SCSBs shall transfer the amounts allocable to the ASBA Applicants from the respective ASBA Account, in terms of the SEBI Regulations, into the ASBA Public Issue Account. The balance amount, if any against the said Application in the ASBA Accounts shall then be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue.

The entire Application Amount, as per the Application Form submitted by the respective ASBA Applicants, would be required to be blocked in the respective ASBA Accounts until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until rejection of the ASBA Application, as the case may be.



## UNBLOCKING OF ASBA ACCOUNT

On the basis of instructions from the Registrar to the Issue, the SCSBs shall transfer the requisite amount against each successful ASBA Applicant to the ASBA Public Issue Account as per section 40(3) of the Companies Act, 2013 and shall unblock excess amount, if any in the ASBA Account.

However, the Application Amount may be unblocked in the ASBA Account prior to receipt of intimation from the Registrar to the Issue by the Controlling Branch of the SCSB regarding finalization of the Basis of Allotment in the Issue, in the event of withdrawal/failure of the Issue or rejection of the ASBA Application, as the case may be.

### Payment instructions

The entire issue price of ₹ [●] per Equity Share is payable on Application. In case of allotment of lesser number of Equity Shares than the number applied, then the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Applicants.

SCSBs will transfer the amount as per the instruction received by the Registrar to the Public Issue Bank Account. The balance amount after transfer to the Public Issue Account shall be unblocked by the SCSBs.

The Applicants shall specify the bank account details in the Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal / rejection of the application or receipt of instructions from the Registrar to unblock the Application Amount. However, Not Retails Applicants shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instruction to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalisation of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public issue Account, or until withdrawal / failure of the Issue or until rejection of the application, as the case may be.

Pursuant to the SEBI (Issue of Capital and Disclosure Requirements) (Fifth Amendment) Regulations, 2015, the ASBA process become mandatory for all investors w.e.f. January 1, 2016 and it allows the registrar, share transfer agents, depository participants and stock brokers to accept application forms.

### Electronic Registration of Applications

- 1) The Application Collecting Intermediary will register the applications using the on-line facilities of the Stock Exchange.
- 2) The Application Collecting Intermediary will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of the next Working day from the Issue Closing Date.
- 3) The Application Collecting Intermediary shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the applications accepted by them, (ii) the applications uploaded by them, (iii) the applications accepted but not uploaded by them or (iv) In case the applications accepted and uploaded by any Application Collecting Intermediary other than SCSBs, the Application Form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.
- 4) Neither the Lead Managers nor the Company, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the applications accepted by any Application Collecting Intermediaries, (ii) the applications uploaded by any Application Collecting Intermediaries or (iii) the applications accepted but not uploaded by the Application Collecting Intermediaries.
- 5) The Stock Exchange will Issue an electronic facility for registering applications for the Issue. This facility will be available at the terminals of the Application Collecting Intermediaries and their authorised agents during the Issue Period. On the Issue Closing Date, the Application Collecting Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange.



- 6) With respect to applications by Applicants, at the time of registering such applications, the Application Collecting Intermediaries shall enter the following information pertaining to the Applicants into the on-line system:
  - Name of the Applicant;
  - IPO Name;
  - Application Form Number;
  - Investor Category;
  - PAN Number
  - DP ID & Client ID
  - Numbers of Equity Shares Applied for;
  - Amount;
  - Location of the Banker to the Issue or Designated Branch, as applicable;
  - Bank Account Number and
  - Such other information as may be required.
- 7) In case of submission of the Application by an Applicant through the Electronic Mode, the Applicant shall complete the above mentioned details and mentioned the bank account number, except the Electronic Application Form number which shall be system generated.
- 8) The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof or having accepted the application form, in physical or electronic mode, respectively. The registration of the Application by the Application Collecting Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
- 9) Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
- 10) The Application Collecting Intermediaries shall have no right to reject the applications, except on technical grounds.
- 11) The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way deemed or construed to mean the compliance with various statutory and other requirements by our Company and / or the Lead Managers are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness or any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Prospectus; not does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchange.
- 12) The Application Collecting Intermediaries will be given time till 1.00 p.m. on the next working day after the Issue Closing Date to verify the PAN No., DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with the Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.
- 13) The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for ASBA Applicants.

#### **Allocation of Equity Shares**

- 1) The Issue is being made through the Fixed Price Process wherein 68,000 Equity Shares shall be reserved for the Market Maker 12,82,000 Equity Shares will be allocated on a proportionate basis to Retail Individual Applicants, subject to valid applications being received from the Retail Individual Applicants at the Issue Price. The balance of the Net Issue will be available for allocation on a proportionate basis to Non Retail Applicants.
- 2) Under-subscription, if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the Lead Managers and the Stock Exchange.



- 3) Allocation to Non-Residents, including Eligible NRIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.
- 4) In terms of SEBI Regulations, Non Retails Applicants shall not be allowed to either withdraw or lower the size of their application at any stage.
- 5) Allotment status details shall be available on the website of the Registrar to the Issue.

### **Pre-Issue Advertisement**

Subject to Section 30 of the Companies Act, our Company shall, after registering the Prospectus with the RoC, publish a pre-issue advertisement, in the form prescribed by the SEBI Regulations, in one English language national daily newspaper, one Hindi language national daily newspaper and one regional language daily newspaper, each with wide circulation. In the pre- issue advertisement, we shall state the Issue Opening Date and the Issue Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule XIII of the SEBI Regulations.

### **Signing of the Underwriting Agreement and the RoC Filing**

- a) Our Company, the Lead Managers and the Market Maker have entered into an Underwriting Agreement on February 18, 2020.
- b) For terms of the Underwriting Agreement please see chapter titled “*General Information*” beginning on page no. 43 of this Draft Prospectus.
- c) We will file a copy of the Prospectus with the RoC in terms of Section 26 and all other provision applicable as per Companies Act.

### **FILING OF THE PROSPECTUS WITH THE ROC**

The Company will file a copy of the Prospectus with the RoC in terms of Section 26 of Companies Act, 2013.

- a) **Designated Date and Allotment of Equity Shares Designated Date:** On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.
- b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the designated stock exchange, the Registrar shall upload on its website. On the basis of approved basis of allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Applicants are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the issue.
- c) Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Applicants who have been allotted Equity Shares in the Issue. The dispatch of allotment advice shall be deemed a valid, binding and irrevocable contract.
- d) Issuer will make the allotment of the equity shares and initiate corporate action for credit of shares to the successful applicants Depository Account within 4 working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Applicants Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

**Designated Date:** On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

The Company will issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 6 working days of the Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under Section 56 of the Companies Act, 2013 or other applicable provisions, if any.

### **INTEREST AND REFUNDS**



## **COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING**

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 6 Working Days of the Issue Closing Date. The Registrar to the Issue may give instruction for credit to Equity Shares the beneficiary account with DPs, and dispatch the allotment Advise within 6 Working Days of the Issue Closing Date.

## **GROUND FOR REFUND**

### **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 Draft Prospectus. The designated Stock Exchange may be as disclosed in the Draft Prospectus with which the Basis of Allotment may be finalised.

If the permission to deal in and official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith repay, without interest, all money received from the Applicants in pursuance of the Prospectus.

In the event that the listing of the Equity Shares does not occur in the manner described in this Draft Prospectus, the Lead Managers and Registrar to the Issue shall intimate Public Issue bank/Bankers to the Issue and Public Issue Bank/Bankers to the Issue shall transfer the funds from Public Issue account to Refund Account as per the written instruction from lead Managers and the Registrar for further payment to the beneficiary Applicants.

If such money is not repaid within eight days after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of eight days, be liable to repay the money, with interest at such rate as disclosed in the Draft Prospectus.

### **MINIMUM NUMBER OF ALLOTTEES**

The Issuer may ensure that the number of proposed Allottees to whom Equity Shares may be allotted shall not be less than 50 (Fifty), failing which the entire application monies may be refunded forthwith.

## **MODE OF REFUND**

### **IN CASE OF ASBA APPLICATION**

Within 6 working days of the Issue Closing Date, the Registrar to the Issue may give instruction to SCSBs for unblocking the amount in ASBA Account on unsuccessful Application and also for any excess amount blocked on Application.

### **MODE OF MAKING REFUND FOR ASBA APPLICANTS**

In case of ASBA Application, the registrar of the issue may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA applications or in the event of withdrawal or failure of the Issue.

### **INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND:**

The issuer shall allot securities offered to the public shall be made within the period prescribed by the Board. The issuer shall also pay interest at the rate of fifteen per cent. per annum if the allotment letters or refund orders have not been dispatched to the applicants or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner within eight days from the date of the closure of the issue. However applications received after the closure of issue in fulfilment of underwriting obligations to meet the minimum subscription requirement, shall not be entitled for the said interest.



1. **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Lead Managers or the Registrar to the Issue shall send to the Bankers to the Issue a list of their Applicants who have been allocated/Allotted Equity Shares in this Issue.
2. Pursuant to confirmation of corporate actions with respect to Allotment of Equity Shares, the Registrar to the Issue will dispatch Allotment Advice to the Applicants who have been Allotted Equity Shares in the Issue.
3. Approval of the Basis of Allotment by the Designated Stock Exchange. As described above shall be deemed a valid, binding and irrevocable contract for the Applicant.

## General Instructions

### Do's:

- 1) Check if you are eligible to apply as per the terms of this Draft Prospectus and under applicable law, rules, regulations, guidelines and approvals;
- 2) Read all the instructions carefully and complete the Application Form in the prescribed form;
- 3) Ensure that the details about the PAN, DP ID and Client ID are correct and the Applicants depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;
- 4) Ensure that your Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary;
- 5) If the first applicant is not the account holder, ensure that the Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Application Form;
- 6) Ensure that the signature of the First Applicant in case of joint Applications, is included in the Application Forms;
- 7) Ensure that the name(s) given in the Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Applications, the Application Form should contain only the name of the First Applicant whose name should also appear as the first holder of the beneficiary account held in joint names;
- 8) Ensure that you request for and receive a stamped acknowledgement of your Application;
- 9) Retail Applicants using the UPI mechanism should ensure that the correct UPI ID is mentioned in the Application Form;
- 10) Retail Applicants shall ensure that the bank, with which such Retail Applicants has a bank account, where the funds equivalent to the application amount are available for blocking is UPI 2.0 certified by the NPCI;
- 11) Ensure that you have funds equal to the Application Amount in the ASBA Account maintained with the SCSB before submitting the Application Form under the ASBA process to the respective member of the SCSBs, the Registered Broker (at the Broker Centres), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
- 12) Submit revised Applications to the same Designated Intermediary, through whom the original Application was placed and obtain a revised acknowledgment;
- 13) Except for Applications (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Applications by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Applicants should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active



status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;

- 14) Ensure that the Demographic Details are updated, true and correct in all respects;
- 15) 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;
- 16) Ensure that the category and the investor status is indicated;
- 17) Ensure that in case of Applications under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;
- 18) Ensure that Applications submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
- 19) Applicants should note that in case the DP ID, Client ID and the PAN mentioned in their Application Form and entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Applications are liable to be rejected. Where the Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Application Form;
- 20) Ensure that the Application Forms are delivered by the Applicants within the time prescribed as per the Application Form and the Prospectus;
- 21) For Retail Applicants using the UPI mechanism, ensure that you approve the request generated by the Sponsor Bank to authorize blocking of funds equivalent to application amount and subsequent debit of funds in case of allotment, in a timely manner;
- 22) Retail Applicants shall ensure that details of the Applications are reviewed and verified by opening the attachment in the UPI mandate request and then proceed to authorize the UPI request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, a Retail Applicant may be deemed to have verified the attachment containing the application details of the Retail Applicant in the UPI mandate request and have agreed to block the entire Application Amount and authorized the Sponsor Bank to block the Application Amount mentioned in the Application Form;
- 23) Retail Applicants using the UPI mechanism should mention valid UPI ID of only the Applicant (in case of single account) and of the first Applicant (in case of joint account) in the Application Form;
- 24) Retail Applicants using the UPI mechanism, who have revised their Application subsequent to making the initial Application, should also approve the revised request generated by the Sponsor Bank to authorise blocking of funds equivalent to the revised Application Amount and subsequent debit of funds in case of allotment in a timely manner;
- 25) Ensure that you have mentioned the correct ASBA Account number in the Application Form;
- 26) Ensure that you have correctly signed the authorisation/undertaking box in the Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Amount mentioned in the Application Form at the time of submission of the Application;
- 27) Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Application Form; and
- 28) The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

**Don'ts:**



- 1) Do not apply for lower than the minimum Application size;
- 2) Do not apply at a Price different from the Price mentioned herein or in the Application Form;
- 3) Do not pay the Application Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
- 4) Do not send Application Forms by post; instead submit the same to the Designated Intermediary only;
- 5) Do not submit the Application Forms to any non-SCSB bank or our Company;
- 6) Do not apply on a Application Form that does not have the stamp of the relevant Designated Intermediary;
- 7) Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
- 8) Do not apply for a Application Amount exceeding ₹ 200,000 (for Applications by Retail Individual Applicants);
- 9) Do not fill up the Application Form such that the Equity Shares applied for exceeds the Issue size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Draft Prospectus;
- 10) Do not submit the General Index Register number instead of the PAN;
- 11) Do not submit the Application without ensuring that funds equivalent to the entire Application Amount are blocked in the relevant ASBA Account;
- 12) Do not submit more than 1 Application Form for each UPI ID in case of Retail Applicants Applying through the Designated Intermediary using the UPI Mechanism;
- 13) Do not submit Applications on plain paper or on incomplete or illegible Application Forms or on Application Forms in a colour prescribed for another category of Applicant;
- 14) Do not submit a Application in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
- 15) Do not apply if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
- 16) Do not make applications using third party bank accounts or using third party linked bank account UPI IDs;
- 17) Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Applications submitted by Retail Applicants using the UPI mechanism;
- 18) Do not submit incorrect UPI ID details, if you are a Retail Applicants bidding through UPI Mechanism;
- 19) Do not submit more than five Application Forms per ASBA Account;
- 20) Do not submit an Application in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
- 21) If you are a Non-Institutional Applicant or Retail Individual Applicant, do not submit your Application after 3.00 p.m. on the Issue Closing Date;

The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

#### **INSTRUCTIONS FOR COMPLETING THE APPLICATION FORM**

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are



liable to be rejected. Application forms submitted to the SCSBs should bear the stamp of respective intermediaries to whom the application form submitted. Application form submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch. Application forms submitted by Applicants whose beneficiary account is inactive shall be rejected. SEBI, vide Circular No. CIR/CFD/14/2012 dated October 4, 2012 has introduced an additional mechanism for investors to submit application forms in public issues using the stock broker (“broker”) network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker’s Centre is available on the websites of BSE i.e. [www.bseindia.com](http://www.bseindia.com).

## **APPLICANT’S DEPOSITORY ACCOUNT AND BANK DETAILS**

*Please note that, providing bank account details in the space provided in the Application Form is mandatory and applications that do not contain such details are liable to be rejected.*

*Please note that, furnishing the details of depository account is mandatory and applications without depository account shall be treated as incomplete and rejected.*

Applicants should note that on the basis of name of the Applicants, Depository Participant’s name, Depository Participant

Identification number and Beneficiary Account Number provided by them in the Application Form, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicants bank account details, MICR code and occupation (hereinafter referred to as ‘Demographic Details’). These Bank Account details would be used for giving refunds to the Applicants. Hence, Applicants are advised to immediately update their Bank Account details as appearing on the records of the depository participant. Please note that failure to do so could result in delays in dispatch/ credit of refunds to Applicants at the Applicants’ sole risk and neither the Lead Managers nor the Registrar to the Issue or the Escrow Collection Banks or the SCSB nor the Company shall have any responsibility and undertake any liability for the same. Hence, Applicants should carefully fill in their Depository Account details in the Application Form. These Demographic Details would be used for all correspondence with the Applicants including mailing of the CANs / Allocation Advice and printing of Bank particulars on the refund orders or for refunds through electronic transfer of funds, as applicable. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue. By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

## **PAYMENT BY STOCK INVEST**

In terms of the Reserve Bank of India Circular No. DBOD No. FSC BC 42/ 24.47.00/ 2003-04 dated November 5, 2003; the option to use the stock invest instrument in lieu of cheques or bank drafts for payment of Application money has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

## **OTHER INSTRUCTIONS**

### **Submission of Bids**

- a) During the Bid/ Issue Period, Bidders may approach any of the Designated Intermediaries to register their Bids.
- b) In case of Bidders (excluding Non-Retail Bidders) bidding at Cut-off Price, the ASBA Bidders 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 are requested to refer to the Draft Prospectus.

## **JOINT APPLICATIONS IN THE CASE OF INDIVIDUALS**

Applications may be made in single or joint names (not more than three). In the case of joint Applications, all payments will be made out in favour of the Applicant whose name appears first in the Application Form or Revision Form. All communications will be addressed to the First Applicant and will be dispatched to his or her address as per the Demographic Details received from the Depository.

## **MULTIPLE APPLICATIONS**



An Applicant should submit only one Application (and not more than one). Two or more Applications will be deemed to be multiple Applications if the sole or First Applicant is one and the same.

In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are given below:

- All applications are electronically strung on first name, address (1st line) and applicant's status. Further, these applications are electronically matched for common first name and address and if matched, these are checked manually for age, signature and father/ husband's name to determine if they are multiple applications;
- Applications which do not qualify as multiple applications as per above procedure are further checked for common DP ID/ beneficiary ID. In case of applications with common DP ID/ beneficiary ID, are manually checked to eliminate possibility of data entry error to determine if they are multiple applications.
- Applications which do not qualify as multiple applications as per above procedure are further checked for common PAN. All such matched applications with common PAN are manually checked to eliminate possibility of data capture error to determine if they are multiple applications.

In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

In cases where there are more than 20 (Twenty) valid applications having a common address, such shares will be kept in abeyance, post allotment and released on confirmation of "know your client" norms by the depositories. The Company reserves the right to reject, in its absolute discretion, all or any multiple Applications in any or all categories.

After submitting an ASBA Application either in physical or electronic mode, an ASBA Applicant cannot apply (either in physical or electronic mode) to either the same or another Designated Branch of the SCSB. Submission of a second Application in such manner will be deemed a multiple Application and would be rejected. More than one ASBA Applicant may apply for Equity Shares using the same ASBA Account, provided that the SCSBs will not accept a total of more than five Application Forms with respect to any single ASBA Account.

Duplicate copies of Application Forms downloaded and printed from the website of the Stock Exchange bearing the same application number shall be treated as multiple applications and are liable to be rejected. The Company, in consultation with the Lead Managers reserves the right to reject, in its absolute discretion, all or any multiple applications in any or all categories. In this regard, the procedure which would be followed by the Registrar to the Issue to detect multiple applications is given below:

1. All Applications will be checked for common PAN. For Applicants other than Mutual Funds and FII sub-accounts, Applications bearing the same PAN will be treated as multiple Applications and will be rejected.
2. For Applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Applications on behalf of the Applicants for whom submission of PAN is not mandatory such as the Central or State Government, an official liquidator or receiver appointed by a court and residents of Sikkim, the Application Forms will be checked for common DP ID and Client ID.

#### **PERMANENT ACCOUNT NUMBER OR PAN**

Pursuant to the circular MRD/DoP/Circ 05/2007 dated April 27, 2007, SEBI has mandated Permanent Account Number ("PAN") to be the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction w.e.f. July 2, 2007. Each of the Applicants should mention his/her PAN allotted under the Income Tax Act, 1961. Applications without the PAN will be considered incomplete and are liable to be rejected. It is to be specifically noted that Applicants should not submit the General Index Registration ("GIR") number instead of the PAN, as the Application is liable to be rejected on this ground.

**Our Company/ Registrar to the Issue/ Lead Managers can, however, accept the Application(s) in which PAN is wrongly entered into by ASBA SCSB's in the ASBA system, without any fault on the part of Applicant.**



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## Minimum Subscription

The requirement for 90% minimum subscription is not applicable to Issues under chapter IX of the SEBI ICDR Regulations.

As per Section 39 (1) of the Companies Act, 2013, if the minimum stated amount has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the issue through the issue including devolvement of Underwriter, if any, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond eight (8) working days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI ICDR Regulations, the Companies Act 2013 and applicable law.

In accordance with Regulation 260 (1) of the SEBI ICDR Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the Issue through the Prospectus and shall not be restricted to the minimum subscription level. Further, in accordance with Regulation 267 (2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than ₹1,00,000 (Rupees One Lakh) per application.

## RIGHT TO REJECT APPLICATIONS

In case of QIB Applicants, the Company in consultation with the Lead Managers may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non Institutional Applicants, Retail Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds.

## GROUND FOR REJECTIONS

Applicants are advised to note that Applications are liable to be rejected inter alia on the following technical grounds:

- Amount paid does not tally with the amount payable for the highest value of Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Application by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Application Form;
- GIR number furnished instead of PAN;
- Applications for lower number of Equity Shares than specified for that category of investors;
- Applications at a price other than the Fixed Price of the Issue;
- Applications for number of Equity Shares which are not in multiples of 6,000;
- Category not ticked;
- Multiple Applications as defined in the Draft Prospectus;
- ASBA Form by the Retail Individual Applicants by using third party bank accounts or using third party linked bank account UPI IDs;
- In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;



- Applications accompanied by Stock invest/ money order/ postal order/ cash;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms, Issue Opening Date advertisement and the Prospectus and as per the instructions in the Prospectus and the Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicants (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications by OCBs;
- Applications by US persons other than in reliance on Regulations or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- Applications not duly signed;
- Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Applications by any person that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Applications by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- Applications or revisions thereof by QIB Applicants, Non Institutional Applicants where the Application Amount is in excess of ₹ 2,00,000, received after 3.00 pm on the Issue Closing Date;
- Applications not containing the details of Bank Account and/or Depositories Account.

#### **EQUITY SHARES IN DEMATERIALIZED FORM WITH NSDL OR CDSL**

To enable all shareholders of the Company to have their shareholding in electronic form, the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- Tripartite agreement dated September 23, 2019 with NSDL, our Company and Registrar to the Issue;
- Tripartite agreement dated September 20, 2019 with CDSL, our Company and Registrar to the Issue;
- The Company's shares bear an ISIN: INE0ALI01010

#### **BASIS OF ALLOTMENT**

Allotment will be made in consultation with BSE (The Designated Stock Exchange). In the event of over subscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

1. The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category x number of Shares applied for).



2. The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
3. For applications where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:
  - a) Each successful applicant shall be allotted [●] equity shares; and
  - b) The successful applicants out of the total applicants for that category shall be determined by the drawal of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
4. If the proportionate allotment to an applicant works out to a number that is not a multiple of [●] equity shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.
5. If the Shares allocated on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares.
6. Since present issue is a fixed price issue, the allocation in the net issue to the public category in terms of Regulation 253 of the SEBI (ICDR) Regulations, 2018 shall be made as follows:
  - a) The net issue of shares to the Public (i.e. 6,41,000 Equity Shares) shall be made available for allotment to retail individual investors; and
  - b) The balance net issue of shares to the public (i.e. 6,41,000 Equity Shares) shall be made available for allotment to Non-Institutional Investors, including Qualified Institution Buyers, Corporate Bodies/ Institutions.
  - c) The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

Explanation: If the retails individual investor category is entitled to more than allocated portion on proportionate basis, the retails individual investors shall be allocated that higher percentage.

Our Company shall ensure that out of total allocated shares to the Category “Non-Institutional Investors, including Qualified Institution Buyers, Corporate Bodies/ Institutions”, at least 15% of net issue of shares to the public shall be allocated to Non-Institutional Investors and not more than 50% shall be allocated to Qualified Institution Buyers including allocation of 5% to Mutual Funds.

Please note that the Allotment to each Retail Individual Investor shall not be less than the minimum application lot, subject to availability of Equity Shares in the Retail portion. The remaining available Equity Shares, if any in Retail portion shall be allotted on a proportionate basis to Retail individual Investor in the manner in this para titled “*Basis of Allotment*” on page no. 218 of this Draft Prospectus.

“Retail Individual Investor” means an investor who applies for shares of value of not more than ₹ 2,00,000. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with the SME Platform of NSE.

#### **BASIS OF ALLOTMENT IN THE EVENT OF UNDER SUBSCRIPTION**

In the event of under subscription in the Issue, the obligations of the Underwriter shall get triggered in terms of the Underwriting Agreement. The Minimum subscription of 100% of the Issue size shall be achieved before our company proceeds to get the basis of allotment approved by the Designated Stock Exchange.

The Executive Director/Managing Director of the SME Platform of BSE – the Designated Stock Exchange in addition to Lead Managers and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2018.



## **Issuance of a Confirmation of Allocation Note (“CAN”) and Allotment in the Issue**

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the Lead Managers or Registrar to the Issue shall send to the SCSBs a list of their Applicants who have been allocated Equity Shares in the Issue.
2. The Registrar will then dispatch a CAN to their Applicants who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Applicant.

## **Communications**

All future communications in connection with Applications made in this Issue should be addressed to the Registrar quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application Form, name and address of the SCSB / Designated Intermediary, where the Application was submitted and bank account number in which the amount equivalent to the Application Amount was blocked.

Applicants can contact the Compliance Officer or the Registrar in case of any pre-issue or post-issue related problems such as non-receipt of letters of Allotment, credit of allotted shares in the respective beneficiary accounts, refund orders etc. In case of ASBA Applications submitted to the Designated Branches of the SCSBs, the Applicants can contact the Designated Branches of the SCSBs.

## **Impersonation**

**Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:**

“Any person who:

- a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447”

*Section 447 of the Companies Act, 2013, is reproduced as below:*

*Without prejudice to any liability including repayment of any debt under this Act or any other law for the time being in force, any person who is found to be guilty of fraud involving an amount of at least ten lakh rupees or one per cent. Of the turnover of the company, whichever is lower shall be punishable with imprisonment for a term which shall not be less than six months but which may extend to ten years and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to three times the amount involved in the fraud:*

*Provided that where the fraud in question involves public interest, the term of imprisonment shall not be less than three years.*

*Provided further that where the fraud involves an amount less than ten lakh rupees or one per cent. of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to twenty lakh rupees or with both.*

## **Names of entities responsible for finalising the basis of allotment in a fair and proper manner**

The authorised employees of the Stock Exchanges, along with the BRLM and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.



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## **Procedure and Time of Schedule for Allotment and Demat Credit**

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. **Bidders are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.**

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Bidders who have been Allotted Equity Shares in the Issue.

Issuer will ensure that the Allotment of Equity Shares and corporate action for credit of shares to the successful Bidders Depository Account will be completed within 6 Working Days of the Issue Closing Date. The Issuer also ensures the credit of shares to the successful Bidder depository account is completed within one Working Day from the date of Allotment, after the funds are transferred from the Public Issue Account on the Designated Date.

### **Method of allotment as may be prescribed by SEBI from time to time**

Our Company will not make any allotment in excess of the Equity Shares offered through the Issue through the offer document except in case of over subscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange. Further, upon over subscription, an allotment of not more than 1% of the net Issue to public may be made for the purpose of making allotment in minimum lots.

The allotment of Equity Shares to applicants other than to the Retail Individual Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed.

The allotment of Equity Shares to each Retail Individual Investor shall not be less than the minimum bid lot, subject to the availability of shares in Retail Individual Investor category, and the remaining available shares, if any, shall be allotted on a proportionate basis.

### **Letters of Allotment or Refund Orders or Instructions to the SCSBs**

The Registrar to the Issue shall give instructions for credit to the beneficiary account with depository participants within 6 Working Days from the Bid/ Issue Closing Date. the Registrar shall instruct the relevant SCSBs to, on the receipt of such instructions from the Registrar, unblock the funds in the relevant ASBA Account to the extent of the Bid Amount specified in the Bid cum Application Form or the relevant part thereof, for withdrawn, rejected or unsuccessful or partially successful ASBA Bids within 6 Working Days of the Bid/ Issue Closing Date.

### **Mode of Refund**

Within 6 Working Days of the Bid/ Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Bid and also for any excess amount blocked on Bidding.

### **Interest in Case of Delay in Allotment or Refund**

The Issuer shall allot the equity shares offered to the public within the period prescribed by the Board. The Issuer may pay interest at the rate of 15% per annum in case demat credits are not made to Bidders or instructions for unblocking of funds in the ASBA Account are not dispatched within the 6 Working days of the Bid/ Issue Closing Date.

### **Undertaking by our Company**

We undertake the following:

- 1) If our Company does not proceed with the Issue after the Issue Opening Date but before allotment, then the reason thereof shall be given as a public notice to be issued by our Company within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the Pre-Issue advertisements were published. The stock exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;
- 2) If our Company withdraw the Issue after the Issue Closing Date, our Company shall be required to file a fresh offer document with the RoC/SEBI, in the event our Company subsequently decides to proceed with the Issue;



- 3) The complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily;
- 4) All steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed are taken within six Working Days of the Issue Closing Date;
- 5) Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 15 days from the Issue Closing Date, or such time period as specified by SEBI, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- 6) 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;
- 7) Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law for the delayed period;
- 8) The certificates of the securities/refund orders to Eligible NRIs shall be dispatched within specified time;
- 9) No further Issue of Equity Shares shall be made till the Equity Shares offered through this Issue Document are listed or until the Application monies are refunded on account of non-listing, under-subscription etc;
- 10) Adequate arrangements shall be made to collect all Application Forms.

#### **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.



## 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 the Consolidated FDI Policy Circular of 2017 (“FDI Policy”) with effect from August 28 2017, consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP that were in force and effect as on August 28, 2017. The Government proposes to update the consolidated circular on FDI Policy once every year and therefore, the Consolidation FDI Policy will be valid until the DIPP issues an updated circular.

The transfer of shares by an Indian resident to a Non-Resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee Company are under the automatic route under the Consolidated FDI Policy and transfer does not attract the provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI/RBI.

### Foreign Exchange Laws

The foreign investment in our Company is governed by, inter alia, the FEMA, as amended, the Foreign Exchange Management (Transfer or Issue of Securities by a Person Resident Outside India) Regulations, 2017 as amended, the FDI Policy issued and amended by way of press notes, and the SEBI FPI Regulations. In terms of the FDI Policy, foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the Government route, depending upon the sector in which the foreign investment is sought to be made. In terms of the FDI Policy, the work of granting government approval for foreign investment under the FDI Policy and FEMA has now been entrusted to the concerned administrative ministries/departments.

RBI has also issued Master Direction on Foreign Investment in India dated January 4, 2018 (updated until March 8, 2019) (“Master Directions”). In terms of the Master Directions, an Indian company may issue fresh shares to persons resident outside India (who are eligible to make investments in India, for which the eligibility criteria are as prescribed).

**The Equity Shares Issued in the Issue have not been and will not be registered under the Securities Act, and may not be Issued or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold (i) within the United States to persons reasonably believed to be “qualified institutional investors” (as defined in Rule 144A under the Securities Act) pursuant to Rule 144A under the Securities Act or other applicable exemption under the Securities Act and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and the applicable laws of the jurisdictions where such offers and sales occur.**

**The above information is given for the benefit of the Applicants. Our Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them.**

### **Revised Policy for Investment by Non-Resident Entities in India Amid current COVID-19 Pandemic Conditions:**

In order to curb opportunistic takeover / acquisition of Indian Companies due to current COVID-19 pandemic conditions, the Government of India has vide Press Note No. 3(2020 Series) have amended the extant FDI Policy, 2017 according to which a non resident entity can invest in India, subject to the FDI Policy except in those sectors/activities which are prohibited. However, an entity of a country, which shares land border with India or where the beneficial



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owner of an investment into India is situated in or is a citizen of any such country, can invest only under the Government route. Further In the event of the transfer of ownership of any existing or future FDI in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the restriction/purview as mentioned herein, such subsequent change in beneficial ownership will also require Government approval.



**SECTION XI – MAIN PROVISIONS OF ARTICLES OF ASSOCIATION**

**ARTICLES OF ASSOCIATION**

**Of**

**ADVAIT INFRATECH LIMITED**

**COMPANY LIMITED BY SHARES**

(Incorporated under the Companies Act, 1956)

The following regulations comprised in the Articles of Association were adopted pursuant to the member’s resolution passed at the Extra Ordinary General Meeting held on 21<sup>st</sup> October,2019 In substitution for, and to the entire exclusion of , the earlier regulation comprised in the extant Articles of Association of the Company.

<b>PRELIMINARY</b>		
1	a)	The Regulations Contained in Table “F” in the Schedule I to the Companies Act, 2013, shall apply to this Company, so far as they are not inconsistent with any of the provisions contained in these regulations or modifications thereof and only to the extent that there is no specific provisions in these regulations. In case of any conflict between the express provisions herein contained and the incorporated Regulation of ‘Table F’, the provisions herein shall prevail.
	b)	The regulations for the management of the Company and for the observance by the members thereto and their representatives, shall, subject to any exercise of the statutory powers of the Company with reference to the deletion or alteration of or addition to its regulations by resolution as prescribed or permitted by the Companies Act,2013, be such as are contained in these Articles.
<b>INTERPRETATION</b>		
2	(i)	in these Articles:
	a)	“Act” means the Companies Act, 2013 and the Rules made there under or any statutory modification or re-enactment thereof for the time being in force and the term shall be deemed to refer to the applicable section thereof which is relatable to the relevant Article in which the said term appears in these Articles and any previous company law, so far as may be applicable.
	b)	“Articles” means these Articles of Association of the Company or as altered from time to time.
	c)	“Board” or “Board of Directors” means the Board of Directors of the Company or the Directors of the Company collectively. The Board of Directors shall include committees of the Board made thereon.
	d)	“Beneficial Owner” shall mean beneficial owner of the Shares or Debentures, whose name is recorded as such with a Depository.
	e)	“By- Laws” means bye-laws made by a Depository the Depository Act, 1996.
	f)	“Company” means the Company above named.
	g)	“Depositories Act, 1996” shall also include any statutory modification or enactment thereof.
	h)	“Depository” shall mean a company formed and registered under the Companies Act,1956 and the Act, 2013 which has been granted a certificate of registration to act as a depository under the Securities & Exchanges Board of India Act,1992.
	i)	“Document” includes summons, notice, requisition, order, declaration, form and register, whether issued, sent or kept in pursuance of this Act or under any other law for the time being in force or otherwise, maintained on paper or electronic form



	j)	"Executor" or "Administrator" means a person who has obtained probate or Letters of Administration, as the case may be, from a competent court, and shall include the holder of a succession Certificate authorizing the holder thereof to negotiate or transfer the share or shares of the deceased members, and shall also include the holder of a certificate granted by the Administrator General of any State in India.	<b><i>Executor or Administrator</i></b>
	k)	"Global Depository Receipt" means any instrument in the form of a depository receipt, by whatever name called, created by a foreign depository outside India and authorized by a company making an issue of such depository receipts.	<b><i>Global Depository Receipt</i></b>
	l)	"Indian Depository Receipt" means any instrument in the form of a depository receipt created by a domestic depository in India and authorized by a company incorporated outside India making an issue of such depository receipts.	<b><i>Indian Depository Receipt</i></b>
	m)	"Legal Representative" means a person who in law represent the estate of a deceased Member.	<b><i>Legal Representative</i></b>
	n)	"Office" means the Registered Office for the time being of the Company.	<b><i>Office</i></b>
	o)	"Shareholder(s)" or "Member(s)" means;	<b><i>Shareholder or Member</i></b>
	-	the subscriber to the memorandum of the company who shall be deemed to have agreed to become member of the company, and on its registration, shall be entered as member in its register of members;	
	-	Every other person who agrees in writing to become a member of the company and whose name is entered in the register of members of the company.	
	-	every person holding shares of the company and whose name is entered as a beneficial owner in the records of a depository.	
	p)	"In Writing" or "Written" means and includes words printed, lithographed, represented or reproduced in any mode in a visible form.	<b><i>"In Writing" or "Written"</i></b>
	q)	Word importing the masculine gender shall include the feminine gender and vice-versa	<b><i>Gender</i></b>
	r)	"Rules" means the applicable rules for the time being in force as prescribed under relevant sections of the Act	<b><i>Rules</i></b>
	s)	Word importing the singular number include where the context admits or requires the plural number and vice versa	<b><i>Singular number</i></b>
	(II)	Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Act as the case may be.	<b><i>Expressions in the Articles to bear the same meaning in the Act</i></b>
	(III)	The Company Shall, on being so required by a Member, send to him within seven days of the requirement and subject to the payment of a fees of ₹. 100/- or such other fee as may be specified in the Rules for each copy of the documents specified in the Act.	<b><i>Copies of the Memorandum and Articles to be furnished</i></b>
		<b>PUBLIC COMPANY</b>	
		The company is a Public Company within the meaning of section 2(71) of the Companies Act, 2013.	
		<b>SHARE CAPITAL AND VARIATION OF RIGHTS</b>	
3	a)	The Authorized Share Capital of the Company is as stated in the Memorandum of Association of the Company. Further, Subject to the provisions of the Act, the Company may, by an ordinary resolution:	<b><i>Authorized Capital</i></b>
	-	Increase the share capital by such sum, to be divided into shares of such amount as it thinks expedient.	
	-	Consolidate and divide all or any of its share capital into shares or larger amount than its existing shares; provided that any consolidation or division which results in changes in the voting percentage of the members shall require applicable approval under the Act.	
	-	Convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination.	



	-	Sub-divide its existing shares or any of them into shares of smaller amount then is fixed by the Memorandum of Association.	
	-	Cancel any shares which, at the date of passing of the resolution, have not been taken or agreed to be taken by any person.	
	b)	Except in so far as otherwise provided by the conditions of issue or by these Articles, any capital raised by the creation of new shares, shall be considered as part of the existing capital and shall be subject to the provisions herein contained with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.	<i>New capital same as existing Capital</i>
4		Subject to the provision of the Act and these Articles, the shares in the capital (including any shares forming part of any increased 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 term and conditions and either at a premium or at par and at such time as they may from time to time think fit	<i>Share under control of Directors</i>
5		The Company may issue Global Depository receipts in any foreign country in accordance with these Articles, the Act, the Rules and other applicable laws after passing a special resolution in its general meeting.	<i>Global Depository Receipt</i>
6		Subject to the provisions of the Act and these Articles , the Board may issue and allot shares in the capital of the Company on payment or part payment for any property or assets of any kind whatsoever sold or transferred, goods or machinery supplied or for services rendered to the Company in the conduct of its business and any shares which may be so allotted or issued as fully paid-up or partly paid-up otherwise than for cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up, as the case may be	<i>Directors may allot shares otherwise than in cash</i>
7		The Company may issue following kinds of shares in accordance with these Articles, the Act, the Rules and other applicable laws:	<i>Kinds of Shares Capital</i>
		Equity Share Capital:	
		(a) with voting rights; and/ or	
		(b) with differential rights as to dividend , voting or otherwise in accordance with the Rules; and	
		Preference share Capital	
8	a)	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 from the date of receipt by the Company of the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided:	<i>Issue of Share Certificate</i>
		i. one certificate for all his shares without payment of any charges: or	
		ii. Several certificates, each for one or more of his shares, upon payment of twenty rupees or such charges as may be fixed by the Board for each certificate after the first.	
		Provided that notwithstanding what is stated herein above the Board of Directors shall comply with such Rules or Regulation or requirements of Securities Exchange Board of India, any Stock Exchange, where the Companies securities are listed or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act,1956 or any other Act, or rules applicable in this behalf.	
	b)	Every certificate shall be issued in under the seal and shall specify the shares to which it relates and the amount paid-up thereon.	<i>Certificate to bear seal</i>
	c)	In respect of any shares 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.	<i>One certificate for shares held jointly</i>



9	a)	A member holding shares shall have the option either to receive certificate for such shares or hold such shares in a dematerialized state with a depository . Where a person opts to hold any share with the depository, the company shall intimate such depository the details of allotment of the share to enable the depository to enter in its records the name of such person as the beneficial owner of that shares.	<i>option to receive share certificate or hold shares with depository</i>
	b)	Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its shares, debentures and other securities and to offer any shares, debentures or other securities proposed to be issued by it for subscription in a dematerialized form and on the same being done, the Company shall further be entitled to maintain a Register of Members/ Debenture holders/ other Security holders with the details of members/ debenture holders/ other security holders holding shares, debentures or other securities both in materialized and dematerialized form in any media as permitted by the Act.	<i>Company entitled to dematerialize its shares, debentures and other securities</i>
	c)	Every person subscribing to or holding securities of the Company shall have the option to receive security certificates or to hold the securities in electronic form with a Depository. If a person opts to hold his security with a Depository, the Company shall intimate such Depository the details of allotment of the security, and on receipt of the information, the Depository shall enter in its records the name of the allotted as the Beneficial Owner of the Security.	<i>Option to hold Shares in electronic or physical form</i>
	d)	Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears as the beneficial owner of the shares, debentures and other securities in the records of the Depository as the absolute owner thereof as regards receipt of dividend or bonus shares, interest/ premium on debentures and other securities and repayment thereof or for service of notices and all or any other matters connected with the Company and accordingly the Company shall not (except as ordered by the Court of competent jurisdiction or as by law required and except as aforesaid) be bound to recognize any benami trust or equity or equitable, contingent or other claim to or interest in such shares, debentures or other securities as the case may be, on the part of any other person whether or not it shall have express or implied notice thereof.	<i>Beneficial owner deemed as absolute owner</i>
	e)	In the case of transfer of shares, debentures or other securities where the Company has not issued any certificates and where such shares, debentures or other securities are being held in an electronic and fungible form, the provisions of the Depositories Act, shall apply.	<i>Shares, debentures and other securities held in electronic form</i>
	f)	Every Depository shall furnish to the Company, information about the transfer of securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by the bye-laws of the Depository and the Company in that behalf.	<i>information about transfer of securities</i>
	g)	Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in electronic form so far as they apply to shares in physical form subject however to the provisions of the Depositories Act.	<i>Provisions to apply to shares in electronic form</i>
10	a)	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 Board deems adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees fees for each Certificate or such other fees as may be fixed by the Board.	<i>Issue of new certificate in place of one defaced lost or destroyed</i>



	b)	The company may issue new share certificates pursuant to consolidation or sub-division of sharecertificate(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.	<b><i>Issue of new certificate in case of consolidation or sub-division</i></b>
	c)	Any debentures, debenture-stock or other securities may be issued subject to the provisions of the Act and these Articles, at a discount, premium or otherwise and may be issued with an option that they shall be convertible into shares of any denomination and with any special privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the general meeting and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the general meeting by way of a special resolution.	<b><i>Terms of issue of debentures</i></b>
		Further the Company shall have power to reissue redeemed debentures in certain case in accordance with the provisions of Act,	
11		The Provisions of the foregoing Articles relating to issue of certificates shall mutatis mutandis apply to issue of certificates for any other securities including debentures (except where the Act otherwise requires ) of the Company.	<b><i>Provisions as to issue of certificates to apply mutatis mutandis to debentures, etc.</i></b>
12		Except as required by law, no person shall be recognized by the Company as holding any share upon any trust, and the Company shall not be bound by, or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a shares, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except as absolute right to the entirely thereof in the registered holder.	<b><i>Company is not bound to recognize any interest in share other than of registered holder</i></b>
13	a)	The Company may exercise the powers of paying commissions conferred by the Act, to any person in connection with the subscription to its securities, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Act and the Rules,	<b><i>Power to pay commission in connection with securities issued</i></b>
	b)	The rate or amount of commission shall not exceed the rate or amount prescribed in the Act.	<b><i>Rate of commission in accordance with Rules</i></b>
	c)	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.	<b><i>Mode of payment of commission</i></b>
14	a)	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 the Act, and whether or not the Company is being wound up, be varied with the consent in writing, of such number of the holders of the issued shares of that class, or with the sanction of a resolution passed at a separate meeting of the holders of the shares of that class, as prescribed by the Act.	<b><i>Variation of members' rights</i></b>
	b)	To every such separate meeting, the provisions of these Articles relating to general meetings shall mutatis mutandis apply.	<b><i>Provisions as to general meetings to apply mutatis mutandis to each meeting</i></b>
15		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.	<b><i>Issue of further shares not to affect rights of existing members</i></b>
16		Subject to provisions of the Act the Board shall have the power to issue or re-issue preference shares of one or more classes which are liable to be redeemed, or converted to equity shares, on such terms and conditions and in such manner as determined by the Board in accordance with the Act.	<b><i>Power to issue redeemable preference shares</i></b>
17	a)	The Board or the Company, as the case may be, may in accordance with	<b><i>Further issue of share</i></b>



		the Act issue further shares to:	<i>capital</i>
	-	persons who, at the date of offer, are holders of equity shares of the Company; such offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favor of any other person; or	
	-	employees under any scheme of employees' stock option; or	
	-	any persons, whether or not those persons include the persons referred to in clause (i) or clause (ii) above.	
	b)	A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act and the Rules.	<i>Mode of further issue of shares</i>
		<b>LIEN</b>	
18	a)	The Company shall have a first and paramount lien;	<i>Company's lien on shares</i>
	-	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	
	-	on all shares (not being fully paid shares) standing registered in the name of a single member, for all monies presently payable by him or his estate to the company; The fully paid shares shall be free from all lien and that in the case of partly paid shares the Company's lien shall be restricted to monies called or payable at a fixed time in respect of such shares.	
		Provided that the Board may at any time declare any share to be wholly or in part exempt from the provisions of this clause.	
	b)	The Company's lien, if any, on a share shall extend to all dividends or interest, as the case may be, payable and bonuses declared from time to time in respect of such shares for any money owing to the Company.	<i>Lien to extend to dividends, etc.</i>
	c)	Unless otherwise agreed by the Board, the registration of a transfer of shares shall operate as a waiver of the Company's lien.	<i>Waiver of lien in case of registration</i>
19		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:	
	-	unless a sum in respect of which the lien exists is presently payable; or	
	-	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 to the person entitled thereto by reason of his death or insolvency or otherwise.	
20	a)	To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof.	<i>Validity of sale</i>
	b)	The purchaser shall be registered as the holder of the shares comprised in any such transfer.	<i>purchaser to be registered holder</i>
	c)	The receipt of the Company for the consideration (if any) given for the share on the sale thereof shall (subject, if necessary, to execution of an instrument of transfer or a transfer by relevant system, as the case may be) constitute a good title to the share and the purchaser shall be registered as the holder of the share.	<i>Validity of Company's receipt</i>
	d)	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 with reference to the sale.	<i>Purchaser not affected</i>
21	a)	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.	<i>Application of proceeds of sale</i>
	b)	The residue, if any, shall, subject to a like lien for sums not presently payable as existed as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.	<i>Payment of residual money</i>



	c)	in exercising its lien, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or unless required by any statute) be bound to recognize any equitable or other claim to , or interest in, such share on the part of any other person, whether a creditor of the registered holder or otherwise. The company's lien shall prevail notwithstanding that it has received notice of any such claim.	<i>Outsider's lien not to affect Company's lien</i>
22		The provisions of these Articles relating to lien shall mutatis mutandis apply to any other securities including debentures of the Company.	<i>Provisions as to lien to apply mutatis mutandis to debentures, etc.</i>
<b>CALLS ON SHARES</b>			
23	a)	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.	<i>Board may make calls</i>
		Provided that no calls 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.	
	b)	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.	<i>Notice of call</i>
	c)	The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call in respect of one or more members as the Board may deem appropriate in any circumstances.	<i>Board may extend time for payment</i>
	d)	A call may be revoked or postponed at the discretion of the board	<i>Revocation or postponement of call</i>
	e)	The option or right to make call on shares shall not be given to any person except with the sanction of the Company in General Meetings. That is, it may delegate power to make calls on shares subject to approval of the shareholder in a general meeting of the company.	<i>Right to call</i>
	f)	A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by installment	<i>Call to take effect from date of Resolution</i>
	g)	The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.	<i>Liability of joint holders of shares</i>
24	a)	If a sum called in respect of a share is not paid before or on the day appointed for payment thereof (the "due date"), the person from whom the sum is due shall pay interest thereon from the due date to the time of actual payment at ten per cent per annum or at such higher rate, as may be fixed by the Board.	<i>When interest on call or installment payable</i>
	b)	The Board shall be at liberty to waive payment of any such interest wholly or in part	<i>Board may waive interest</i>
25	a)	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 purpose of these Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.	<i>Sums deemed to be calls</i>
	b)	In case of non-payment of such sum, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture of otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.	<i>Effect of non payment of sums</i>
26	a)	The Board may, if it thinks fit-	<i>Payment in anticipation of calls may carry interest</i>
	-	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	
	-	upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not	



		exceeding, unless the company in general meeting shall otherwise direct, twelve per cent. per annum, as may be agreed upon between the Board and themember paying the sum in advance but shall not confer a right to dividend or to participate in profits..	
		Noting contained in this clause shall confer on the member;	
	-	any right to participate in profits or dividends; or	
	-	any voting rights in respect of the moneys so paid by him until the same would, but for such payment, become presently payable by him.	
	b)	if by the conditions of allotment of any shares, the whole or part of the amount of issue price thereof shall be payable by installments, then every such installment shall, when due, be paid to the company by the person who, for the time being and from time to time, is or shall be the registered holder of the share or the legal representative of a deceased registered holder.	<i>Installments on shares to be duly paid</i>
27		All calls shall be made on a uniform basis on all shares falling under the same class.	<i>Calls on shares of same calss to be on uniform basis</i>
		Explanation: Shares of the same nominal values on which different amounts have been paid-up shall not be deemed to fall under the same class.	
28		Neither a judgment nor a decree in favor of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereof nor the receipt by the Company of a portion of any money which shall from time to time be due from any member in respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respect of payment of any such money shall preclude the forfeiture of such shares as herein provided.	<i>Partial payment not to preclude forfeiture</i>
29		On the trial or hearing of any action or suit brought by the Company against any member or his legal representatives to recover any moneys claimed to be due to the Company for any call or other sum in respect of his shares, it shall be sufficient to prove that the name of the member in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder, or one of the holders, at or subsequent to the date at which the money sought to be recovered is alleged to have become due, on the shares in respect of which such money is sought to be recovered, and that the amount claimed is not entered as paid in the books of the Company or the Register of Members and that the resolution making the call is duly recorded in the minute book, and that notice of such call was duly given to the member or his legal representatives sued in pursuance of these presents; and it shall not be necessary to prove the appointment of the Directors who made such call, not that a quorum of Directors was present at the meeting of the Board at which such call was made, nor that the meeting at which such call was made duly convened or constituted, nor any other matter whatsoever, but the proof of the matters aforesaid shall be conclusive or evidence of the debts, and the same shall be recovered by the Company against the member or his representatives from whom the same is sought to be recovered unless it shall be proved, on behalf of such member or his representatives against the Company that the name of such member was improperly inserted in the register, on that the money sought to be recovered has actually been paid.	<i>Poof on trial on suit on money on shares</i>
30		The provisions of these Articles relating to calls shall mutatis mutandis apply to any other securities including debentures of the Company.	<i>Provisions as to calls to apply mutatis mutandis to debentures, etc.</i>
		<b>FORFEITURE OF SHARES</b>	



31		If a member fail to pay any call, or installment of a call or any money due in respect of any share, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on him requesting a payment of so much of the call or installment or other money as is unpaid, together with any interest which may have accrued and all expenses that may have been incurred by the Company by reason of non-payment	<i>if call or installment not paid notice must be given</i>
32		The notice aforesaid shall	<i>Form of Notice</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	
	-	state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.	
33		If the requirement 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.	<i>In default of payment of shares to be forfeited</i>
34		Neither the receipt by the Company for a portion of any money which may from time to time be due from any member in respect of his shares, nor any indulgence that may be granted by the Company in respect of payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture in respect of such shares as herein provided. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited shares and not actually paid before the forfeiture.	<i>Receipt of part amount or grant of indulgence not to affect forfeiture</i>
35		When any share shall have been so forfeited, notice of the forfeiture shall be given to the defaulting member and an entry of the forfeiture with the date thereof, shall forthwith be made in the register of members but no forfeiture shall be invalidated by any omission or neglect or any failure to give such notice or make such entry as aforesaid.	<i>Entry of forfeiture in register of members</i>
36		The forfeiture of a share shall involve extinction at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share.	<i>Effect of forfeiture</i>
37	a)	A forfeited share may be sold or otherwise disposed on such terms and in such manner as the Board thinks fit.	<i>Forfeited shares may be sold, etc.</i>
	b)	At any time before a sale, re-allotment or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.	
38	a)	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, and shall 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.	<i>Members still liable to pay money owing at the time of forfeiture</i>
	b)	All such monies payable shall be paid together with interest thereon at such rate as the board may determine, from the time of forfeiture until payment or realization. The Board may, if it thinks fit, but without being under any obligation to do so, enforce the payment of the whole or any portion of the monies due, without any allowance for the value of the shares at the time of forfeiture or waiver payment in whole or in part.	<i>Member still liable to pay money owing at time of forfeiture and interest</i>
	c)	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.	<i>Cease of liability</i>
39	a)	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 shares.	<i>Certificate of forfeiture</i>
	b)	The Company may receive the consideration, if any, given for the share on any sale, re-allotment or disposal thereof and may execute a transfer of the share in favor of the person to whom the share is sold or disposed of.;	<i>Title of purchaser and transferee of forfeited shares</i>



	c)	The transferee shall thereupon be registered as the holder of the share.	<i>Transferee to be registered as holder</i>
	d)	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, re-allotment or disposal of the share.	<i>Transferee not affected</i>
40		Upon any sale after forfeiture or for enforcing a lien in exercise of the powers hereinabove given, the Board may, if necessary, appoint some person to execute an instrument for transfer of the shares sold and cause the purchaser's name to be entered in the register of members in respect of the shares sold and after his name has been entered in the register of members in respect of such shares the validity of the sale shall not be impeached by any person.	<i>Validity of sales</i>
41		Upon any sale, re-allotment or other disposal under the provisions of the proceeding Articles, the certificate(s), if any, originally issued in respect of the relative shares shall (unless the same shall on demand by the Company has been previously surrendered to it by the defaulting member) stand cancelled and become null and void and be of no effect, and the Board shall be entitled to issue a duplicate certificate(s) in respect of the said shares to the person(s).	<i>Cancellation of share certificate in respect of forfeited shares</i>
42		The Board may, subject to the provisions of the Act, accept a surrender of any share from or by any member desirous of surrounding those on such terms as they think fit.	<i>Surrender of share certificates</i>
43		The provisions of these Articles 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 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.	<i>Sums deemed to be calls</i>
44		The provisions of these Articles 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 at 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.	<i>Provisions as to forfeiture of shares to apply in case of non-payment of call</i>
		<b>TRANSFER OF SHARES</b>	
45		The Company shall use a Common form of transfer. The instrument of transfer of any share in the company shall be duly executed by or on behalf of both the transferor and transferee	<i>Instrument of Transfer to be executed by transferor and transferee</i>
46	-	The Board shall not issue or register a transfer of any shares to a minor (except in case when they are fully paid) or insolvent person or person of unsound mind.	<i>No transfer to minor</i>
	-	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.	
47	a)	The board may, subject to the right of appeal conferred by the Act decline to register	
	-	the transfer of a share, not being a fully paid share, to a person of whom they do not approve, or	
	-	any transfer of shares on which the Company has a lien.	
	b)	Subject to the power of the Directors stated in Articles 63 and the provisions of this clause, transfer of shares/ debentures, in whatever lot should not be refused. However the Company may refuse to split a Share Certificate/ Debenture Certificate into several scraps of very small denominations or to consider a proposal for transfer of Shares/ Debentures comprised in a Share Certificate/ Debenture Certificate to several parties, involving such splitting if on the face of its such splitting/ transfer appears to be unreasonable or without a genuine need or a marketable lot.	<i>Directors may refuse any application for split or consolidation of Certificate(s)</i>
48		In case of shares held in physical form, the Board may decline to	<i>Board may decline to</i>



		recognize any instrument of transfer unless-	<i>recognize instrument of transfer</i>
	-	the instrument of transfer is duly executed and is in the form as prescribed in the Rules made under the Act,	
	-	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	
	-	the instrument of transfer is in respect of only one class of shares.	
49		On previous notice of at least seven days or such lesser period in accordance with the Act and Rules made there under, 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.	
50		Subject to the provisions of Section 59 of Companies Act, 2013, the Board may decline to register any transfer of Shares on such grounds as it think fit in the benefit of the company (notwithstanding that the proposed transferee be already a Member), but in such case it shall, within two (2) months from the date the instrument of transfer was lodged with the Company, send to the transferee and the transferor notice of the refusal to register such transfer giving reasons for such refusal. Provided that registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever.	
51		The Company shall keep a book called the "Register of Transfers" and therein shall be fairly and distinctly entered the particulars of every transfer or transmission of any share in the Company.	<i>Register of Transfer</i>
52		The provisions of these Articles relating to transfer of shares shall mutatis mutandis apply to any other securities including debentures of the Company	<i>Provisions as to transfer of shares to apply mutatis mutandis to debentures, etc.</i>
		<b>TRANSMISSION OF SHARES</b>	
53	a)	On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognized by the Company as having any title to his interest in the shares.	<i>Title to shares on death of a member</i>
	b)	Nothing in clause (a) 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.	<i>Estate of deceased member liable</i>
54	a)	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-	
	-	to be registered himself as holder of the share; or	
	-	to make such transfer of the share as the deceased or insolvent member could have made.	
	b)	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.	<i>Board's right unaffected</i>
	c)	The Company shall be fully indemnified by such person from all liability, if any, by actions taken by the Board to give effect to such registration or transfer.	<i>Indemnity to the Company</i>
55	a)	If a 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.	<i>Right to election of holder of share</i>
	b)	If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share	<i>Manner of testifying election</i>



56		All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfer 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.	<b><i>Limitations applicable notice</i></b>
57		A person becoming entitled to a share be 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	<b><i>Claimant to be entitled to same advantage</i></b>
		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 requirement of the notice have been complied with.	
58		The provisions of these Articles relating to transmission by operation of law shall mutatis mutandis apply to any other securities including debenture of the Company.	<b><i>Provisions as to transmission of apply mutatis mutandis to debentures etc.</i></b>
59		Where shares are converted into stock;	<b><i>Shares may be converted into stock</i></b>
	a)	the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same Articles 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 sock transferable so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose:	
	b)	the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares form which the stock arose, but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage:	
	c)	such of these Articles of the Company as are applicable to paid-up shares shall apply to stock and the words "shares" and "shareholder"/ "member" shall include "stock" and "stock-holder" respectively.	
60		where two or more persons are registered as joint holders (not more than three) of any share, they shall be deemed (so far as the company is concerned) to hold the same as joint tenants with benefit of survivorship, subject to the following and other provisions contained in these Articles:	
	a)	The joint-holders of any shares shall be liable severally as well as jointly for and in respect of all calls or installments and other payments which ought to be made in respect of such share.	<b><i>Liability of Joint holders</i></b>
	b)	on the death of any one or more of such joint- holders, the survivor or survivors shall be the only person or persons recognized by the company as having any title to the share but the Directors may require such evidence of death as they may deem fit, and nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other person.	<b><i>Death of one or more joint-holder</i></b>
	c)	Only the person whose name stands first in the register of members as one of the joint-holders of any share shall be entitled to the delivery of certificate, if any, relating to such share or to receive notice (which term shall be deemed to include all relevant documents) and any notice served on or sent to such person shall be deemed service on all the joint-holders.	<b><i>Delivery of certificate and giving of notice to first named holder</i></b>



	d)	Any one of two or more joint-holders may vote at any meeting either personally or by attorney or by proxy in respect of such shares as if he were solely entitled thereto and if ore than one of such joint holders be present at any meeting personally or by proxy or by attorney then that one of such persons so present whose name stands first or higher (as the case may be) on the register in respect of such shares shall alone be entitled to vote in respect thereof.	<i>Vote of joint holders</i>
		<b>CAPITALISATION OF PROFITS</b>	
61	a)	The Company by ordinary resolution in general meeting may, upon the recommendation of the Board, resolve-	<i>Capitalization of profits</i>
	-	that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and	
	-	that such sum be accordingly set free for distribution in the manner specified in clause (b) below amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.	
	b)	The sum aforesaid shall not be paid in cash but shall be applied subject to the provision contained in clause (c ) below, either in or towards:	
	-	paying up any amounts for the time being unpaid on any shares held by such members respectively	
	-	Paying up in full, unissued shares or other securities of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid:	
	-	partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii).	
	c)	A securities premium account and a capital redemption reverse account may, for the purpose 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:	
	d)	The Board shall give effect to the resolution passed by the company in pursuance of this Article.	
62	a)	whenever such a resolution as aforesaid shall have been passed the Board shall	<i>Power of the Board for capitalization</i>
	-	make all appropriations and applications of the amounts resolved to be capitalized thereby, and all allotments and issues of fully paid shares or other securities, if any, and	
	-	Generally do all acts and things required to give effect thereto.	
	b)	The Board shall have power	<i>Board's power to issue fractional certificate/ coupon etc.</i>
	-	to make such provisions, by the issue of fractional certificates/ coupons or by payment in cash or otherwise as it thinks fit, for the case of shares or other securities becoming distributable in fractions; and	
	-	to authorize 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 or other securities to which they may be entitled upon such capitalizations, 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 capitalized, of the amount or any part of the amounts remaining unpaid on their existing shares.	
	c)	Any agreement made under such authority shall be effective and binding on such members.	<i>Agreement binding on members</i>
		<b>SHARE WARRANTS</b>	
63	a)	Subject to the provisions of the Act and the approval of the Company in General Meeting the Company may issue with respect to any fully paid shares, a warrant stating that the bearer of the warrants is entitled to the	<i>Issue of Share Warrants</i>



		shares specified therein and may provide coupons or otherwise, for payment of future dividends on the Shares specified in the warrants and may provide conditions for registering membership.	
	b)	Subject to the provisions of the Act and the approval of the Company in General Meeting , the Company may from time to time issue warrants naked or otherwise or issue coupons or other instruments and any combination of Equity Shares, Debentures, Preference Shares or any other instruments to such class of persons as the Board of Directors may deem fit with a right attached to the holder of such warrants or coupons or other instruments to subscribe to the Equity shares or other instruments within such time and at such price as the Board of Directors may decide as per the rules applicable from time to time.	
	c)	The bearer of a share warrant may, at any time, deposit the warrant at the office of the Company and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the Company and of attending and voting and exercising the other privileges of the member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the Share included in the deposit warrant	<b><i>Deposit of Share Warrant</i></b>
	-	Not more than one person shall be recognized as depositor of the share warrant.	
	-	The Company shall, on two days' written notice, return the deposited share warrant to the depositor.	
	d)	subject as herein otherwise expressly provided, no person shall as bearer of a share warrant, sign a requisition for calling a meeting of the Company or attend or vote or exercise any other privileges of a member at a meeting of the Company or be entitled to receive any notice from the Company	<b><i>Privileges and disabilities of the holders of share warrant</i></b>
	-	The bearer of a share warrant shall be entitled in all other respect to the same privileges and advantages as if he is named in the Register of Members as the holder of the Shares included in the warrant and he shall be a member of the Company.	
		<b>BUY-BACK OF SHARES</b>	
64		Notwithstanding anything contained in these Articles but subject to all applicable provisions of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities.	<b><i>Buy-back of Shares</i></b>
		<b>GENERAL MEETINGS</b>	
65		All general meetings other than Annual General Meeting shall be called Extraordinary General Meeting.	<b><i>Extraordinary General Meeting</i></b>
66	-	The Board may, whenever it thinks fit, call an extraordinary general meeting.	<b><i>Power of Board to call extraordinary general meeting</i></b>
	-	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.	
		<b>PROCEEDINGS AT GENERAL MEETINGS</b>	
67	a)	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	<b><i>Presence of Quorum</i></b>
	b)	The quorum for a general meeting shall be as provided in the Act	<b><i>Quorum for general meeting</i></b>
	c)	The Chairperson, of the Company shall preside as Chairperson at every general meeting of the Company	<b><i>Chairperson of the meetings</i></b>
	d)	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.	<b><i>Directors to elect a chairperson</i></b>



	e)	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 elect one of themselves to be chairperson of the meeting thereof by show of hands	<i>Members to elect a Chairperson</i>
68		on any business at any general meeting, in case of an equality of votes, whether on a show of hands or electronically, the chairperson shall have a second or casting vote.	<i>casting vote of Chairperson at general meeting</i>
69	a)	The Company shall cause minutes of the proceedings of every general meeting of any class of members or creditors and every resolution passed by postal ballot to be prepared and signed in such manner as may be prescribed by the Rules and kept by making within thirty days of the conclusion of every such meeting concerned or passing of resolution by postal ballot entries thereof in books kept for that purpose with their pages consecutively numbered.	<i>Minutes of proceedings of meetings and resolutions passed by postal ballot</i>
	b)	There shall not be included in the minutes any matter which, in the opinion of the Chairperson of the meeting	<i>Certain matters not to be included in Minutes</i>
	-	is, or could reasonably be regarded, as defamatory of any person, or	
	-	is irrelevant or immaterial to the proceedings, or	
	-	is detrimental to the interests of the Company	
	c)	The chairperson shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in the aforesaid clause.	<i>Discretion of Chairperson in relation to minutes</i>
	d)	The minutes of the meeting kept in accordance with the provisions of the Act shall be evidence of the proceedings recorded therein.	<i>Minutes to be evidence</i>
70	a)	The books containing the minutes of the proceedings of any general meeting of the Company or a resolution passed by postal ballot shall:	<i>Inspection of minutes books of general meeting</i>
	-	be kept at the registered office of the Company; and	
	-	ii. be open to inspection of any member without charge, during 11.00 a.m. to 1.00 p.m. on all working days other than Saturdays.	
	b)	Any member shall be entitled to be furnished, within the time prescribed by the Act, after he has made a request in writing in that behalf to the Company and on payment of such fees as may be fixed by the Board or Committee made thereof, with a copy of any minutes referred to in clause (a) above:	<i>Members may obtain copy of minutes</i>
		Provided that a member who has made a request for provision of a soft copy of the minutes of any previous general meeting held during the period immediately preceding three financial years, shall be entitled to be furnished with the same free of cost.	
	c)	The Board, and also any person(s) authorized by it, may take any action before the commencement of any general meeting, or any meeting of a class of members in the Company, which they may think fit to ensure the security of the meeting, the safety of people attending the meeting, and the future orderly conduct of the meeting. Any decision made in good faith under this Article shall be final, and rights to attend and participate in the meeting concerned shall be subject to such decision.	<i>Powers to arrange security at meetings</i>
		<b>ADJOURNMENT OF MEETING</b>	
71	a)	The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.	<i>Chairperson may adjourn the meeting</i>
	b)	No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.	<i>Business at adjourned meeting</i>
	c)	When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting	<i>Notice of adjourned meeting</i>
	d)	Save as aforesaid, and save as provided in 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.	<i>Notice of Adjourned Meeting not required</i>



<b>VOTING RIGHTS</b>			
72	a)	Subject to any rights or restrictions for the time being attached to any class or classes of shares —	<i>Entitlement to vote on show of hands and on poll</i>
	-	on show of hands, every member present in person shall have one vote; and	
	-	one poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.	
	b)	A member may exercise his vote at a meeting by electronic means in accordance with the Act and shall vote only once.	<i>Voting through electronic means</i>
73	a)	In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.	<i>Vote of joint holders</i>
	b)	For this purpose, seniority shall be determined by the order in which the names stand in the register of members.	<i>Seniority of names</i>
	c)	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. If any member be a minor, the vote in respect of his share or shares shall be by his guardian or any one of his guardians.	<i>How members non compos mentis and minor may vote</i>
74		Subject to the provisions of the Act and other provisions of these Articles, any person entitled under the Transmission Clause to any shares may vote at any general meeting in respect thereof as if he was the registered holder of such shares, provided that at least 48 (forty eight) hours before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall duly satisfy the Board of his right to such shares unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.	<i>Votes in respect of shares of deceased or insolvent members, etc.</i>
75		Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.	<i>Business may proceed pending poll</i>
76		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.	<i>Restriction on voting rights</i>
77	a)	No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which vote objected to, is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.	<i>No Objection can be raised to the qualification of voter</i>
	b)	Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive	
78		Any member whose name is entered in the register of members of the Company shall enjoy the same rights and be subject to the same liabilities as all other members of the same class.	<i>Equal rights of members</i>
<b>PROXY</b>			
79	a)	Any member entitled to attend and vote at a general meeting may do so either personally or through his constituted attorney or through another person as a proxy on his behalf, for that meeting.	<i>Member may vote in person or otherwise</i>
	b)	The instrument appointing a proxy and the power-of attorney or other authority, if any, under which it is signed or a notarized copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid.	<i>Proxies when to be deposited</i>
	c)	An instrument appointing a proxy shall be in the form, as prescribed in the Rules.	<i>Form of Proxy</i>



	d)	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:	<i>Proxy to be valid notwithstanding death of the principal</i>
		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.	
		<b>BOARD OF DIRECTORS</b>	
80		Until otherwise determined by a General Meeting of the Company and subject to the provisions of the Act, the number of Directors shall not be less than three and not more than fifteen.	<i>Board of Directors</i>
81		Subject to the provisions of the Act and these Articles, the Managing Director or Whole-time Director shall not while he continues to hold that office, be subject to retirement by rotation but he shall be subject to the same provisions as to the resignation and removal as the other Directors of the Company and he shall ipso facto and immediately cease to be Managing Director or Whole-time Director if he chooses to hold office of Director for any cause provided that if at any time the number of Directors (including Managing Director or Whole-time Director) as are not subject to retirement by rotation shall exceed one-third of the total number of the Directors for the time being, then such of the Managing Director or Whole-time Director or two or more of them as the Directors may from time to time determine shall be liable to retirement by rotation to the extent that the number of Directors not liable to retirement by rotation shall not exceed one-third of the total number of Directors for the time being.	<i>Directors not liable to retirement by rotation</i>
82		The same individual may, at the same time, be appointed as the Chairperson of the Company as well as the Managing Director or Chief Executive Officer of the Company.	<i>Same individual may be Chairperson and Managing Director/ Chief Executive Officer</i>
83	a)	The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.	<i>Remuneration of Directors</i>
	b)	The remuneration payable to the directors, including any managing or whole-time director or manager, if any, shall be determined in accordance with and subject to the provisions of the Act by an ordinary resolution passed by the Company in general meeting	<i>Remuneration of require members' consent</i>
	c)	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:	<i>Travelling and other expenses</i>
	-	In attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the Company; or	
	-	In connection with the business of the Company.	
		The Board may pay all expenses incurred in getting up and registering the Company.	
84		All cheques, promissory notes, drafts, hands, 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.	<i>Execution of negotiable instrument</i>
85		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	<i>Attendance at the meeting</i>
86	a)	Subject to the provisions of the Act, 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.	<i>Appointment of additional directors</i>



	b)	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.	<i>Duration of office of additional director</i>
87	a)	The Board may appoint an alternate director to act for a director (hereinafter in this Article called “the Original Director”) during his absence for a period of not less than three months from India. No person shall be appointed as an alternate director for an independent director unless he is qualified to be appointed as an independent director under the provisions of the Act.	<i>Appointment of alternate director</i>
	b)	An alternate director shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India.	<i>Duration of office of alternate director</i>
	c)	If the term of office of the Original Director is determined before he returns to India the automatic reappointment of retiring directors in default of another appointment shall apply to the Original Director and not to the alternate director.	<i>Re-appointment provisions applicable to Original Director</i>
88	a)	If the office of any director appointed by the Company in general meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board of Directors at a meeting of the Board.	<i>Appointment of director to fill a casual vacancy</i>
	b)	The director so appointed shall hold office only upto the date upto which the director in whose place he is appointed would have held office if it had not been vacated.	<i>Duration of office of Director appointed to fill casual vacancy</i>
		<b>POWERS OF BOARD</b>	
89	a)	The management of the business of the Company shall be vested in the Board and the Board may exercise all such powers, and do all such acts and things, as the Company is by the memorandum of association or otherwise authorized to exercise and do, and, not hereby or by the statute or otherwise directed or required to be exercised or done by the Company in general meeting but subject nevertheless to the provisions of the Act and other laws and of the memorandum of association and these Articles and to any regulations, not being inconsistent with the memorandum of association and these Articles or the Act, from time to time made by the Company in general meeting provided that no such regulation shall invalidate any prior act of the Board which would have been valid if such regulation had not been made.	<i>General powers of the Company vested in Board</i>
	b)	Save as provided by the said Act or by these presents and subject to the restrictions imposed by the Act, the Directors may delegate all or any powers by the said Act or by the Memorandum of Association or by these presents reposed in them.	<i>Power to delegate</i>
	c)	Subject to restrictions provided in the Act, the Directors may, from time to time at their discretion raise or borrow, or secure the repayment of any loan or advance taken by the Company. Any such moneys may be raised and the payment or repayment of such moneys maybe secured in such manner and upon such terms and conditions in all respects as the Directors may think fit and, in particular by promissory notes, or by opening current accounts or by receiving deposits and advances at interest, with or without security, or by the issue of debentures or debenture-stock of the Company charged upon all or any part of the property of the Company (both present and future), including its uncalled capital for the time being, or by mortgaging, charging or pledging any lands, buildings, machinery, plants, goods or other property and securities of the Company, or by such other means as to them may seem expedient.	<i>Borrowing powers of the Board</i>
	d)	The Board of Directors shall not, except with the consent of the Company in General Meeting, borrow moneys where the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company’s bankers in the ordinary course of business) in excess of the borrowing limits as specified in the	<i>Restriction on Powers of Board</i>



		Act.	
	-	Any bonds, debentures, debenture-stock or other securities issued or to be issued by the Company, shall be under the Control of the Directors who may issue them upon such terms and conditions and in such manner and for such consideration as they shall consider to be for the benefit of the Company.	
		<b>PROCEEDINGS OF THE BOARD</b>	
90	a)	The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.	<i>When meeting to be convened</i>
	b)	The Chairperson or any one Director with the previous consent of the Chairperson may, on the direction of the Chairperson may, or the company secretary, at any time, summons a meeting of the Board.	<i>Who may summon Board Meeting</i>
	c)	The quorum for a Board meeting shall be as provided in the Act.	<i>Quorum for Board Meeting</i>
	d)	The participation of directors in a meeting of the Board may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.	<i>Participation at Board meetings</i>
91	a)	Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.	<i>Questions at Board meeting how decided</i>
	b)	In case of an equality of votes, the chairperson of the Board, if any, shall have a second or casting vote.	<i>Casting vote</i>
92		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.	<i>Directors not to act when number falls below minimum</i>
93	a)	The Chairperson of the Company shall be the Chairperson at meetings of the Board. In his absence, the Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.	<i>who to preside at meetings of the Board</i>
	b)	If no such Chairperson is elected, or if at any meeting the Chairperson is not present within fifteen minutes after the time appointed for holding the meeting, the directors present may choose one of their member to be Chairperson of the meeting.	<i>Directors to elect a chairperson</i>
94	a)	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.	<i>Delegation of Powers</i>
	b)	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.	<i>Committee to conform to Board regulations</i>
	c)	The participation of directors in a meeting of the Committee may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.	<i>Participation at Committee meetings</i>
95	a)	A Committee may elect a Chairperson of its meetings unless the Board, while constituting a Committee, has appointed a Chairperson of such Committee.	<i>Chairperson of Committee</i>
	b)	If no such Chairperson is elected, or if at any meeting the Chairperson is not present within fifteen minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.	<i>Who to preside at meetings of committee</i>
96	a)	A Committee may meet and adjourn as it thinks fit.	<i>Committee to meet</i>
	b)	Questions arising at any meeting of a Committee shall be determined by a majority of votes of the members present.	<i>Questions at Committee meeting how decided</i>



	c)	In case of an equality of votes, the Chairperson of the Committee shall have a second or casting vote.	<i>Casting vote of Chairperson at Committee meeting</i>
97		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 or that his or their appointment had terminated, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.	<i>Acts of Board or Committee valid notwithstanding defect of appointment</i>
98		Save as otherwise expressly provided in the Act, a resolution in writing, signed, whether manually or by secure electronic mode, by a majority of 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.	<i>Passing of resolution by circulation</i>
		<b>CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY AND CHIEF FINANCIAL OFFICER</b>	
99	a)	Subject to the provisions of the Act,—	<i>Chief Executive Officer, Manager, etc.</i>
		A chief executive officer, manager, company secretary and 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 and chief financial officer so appointed may be removed by means of a resolution of the Board, the Board may appoint one or more chief executive officers for its multiple businesses.	
	b)	A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.	<i>Director may be chief executive officer, etc.</i>
		<b>REGISTERS</b>	
100	a)	The Company shall keep and maintain at its registered office all statutory registers namely, register of charges, register of members, register of debenture holders, register of any other security holders, the register and index of beneficial owners and annual return, register of loans, guarantees, security and acquisitions, register of investments not held in its own name and register of contracts and arrangements for such duration as the Board may, unless otherwise prescribed, decide, and in such manner and containing such particulars as prescribed by the Act and the Rules. The registers and copies of annual return shall be open for inspection during 11.00 a.m. to 1.00 p.m. on all working days, other than Saturdays, at the registered office of the Company by the persons entitled thereto on payment, where required, of such fees as may be fixed by the Board but not exceeding the limits prescribed by the Rules.	<i>Statutory Register</i>
	b)	The Company may exercise the powers conferred on it by the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of the Act) make and vary such regulations as it may think fit respecting the keeping of any such register.	<i>foreign register</i>
	-	The foreign register shall be open for inspection and may be closed, and extracts may be taken there from and copies thereof may be required, in the same manner, mutatis mutandis, as is applicable to the register of members.	
	c)	The Board of Directors shall provide a Common Seal for the purpose of the Company and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof and the Board shall provide for the safe custody of the Seal for the time being, under such regulations as the Board may prescribe.	<i>The Seal, its custody and use affixation of seal</i>



	-	The Common Seal of the Company shall not be affixed to any instrument except by the authority of the Board of Directors or a Committee of the Board previously given and in the presence of any one Director or any other person duly authorized by the Board, who shall sign every instrument to which the Common Seal is affixed, provided further that the certificate of shares or debentures shall be sealed in the manner and in conformity with the provisions of the Companies (Issue of share certificates) Rules, 1960 and any statutory modifications for the time being in force.	
		<b>DIVIDEND AND RESERVE</b>	
101	a)	The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board but the Company in general meeting may declare a lesser dividend.	<i>Company in general meeting may declare dividends</i>
	b)	Subject to the provisions of the Act, the Board may from time to time pay to the members such interim dividends of such amount on such class of shares and at such times as it may think fit.	<i>Interim Dividend</i>
	c)	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 applied 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.	<i>Dividends only to be paid out of profits</i>
	d)	The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.	<i>Carry forward of profits</i>
	e)	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.	<i>Division of profits</i>
	f)	No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this Article as paid on the share.	<i>Payments in advance</i>
	g)	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.	<i>Dividends to be apportioned</i>
	h)	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.	<i>No member to receive dividend whilst indebted to the Company and Company's right to reimbursement therefrom</i>
	i)	The Board may retain dividends payable upon shares in respect of which any person is, under the Transmission Clause hereinbefore contained, entitled to become a member, until such person shall become a member in respect of such shares.	<i>Retention of dividends</i>
	j)	Any dividend, interest or other monies payable in cash in respect of shares may be paid by electronic mode or 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.	<i>Dividend how remitted</i>
	k)	Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.	<i>Instrument of payment</i>



	l)	Payment in any way whatsoever shall be made at the risk of the person entitled to the money paid or to be paid. The Company will not be responsible for a payment which is lost or delayed. The Company will be deemed to having made a payment and received a good discharge for it if a payment using any of the foregoing permissible means is made.	<i>Discharge to Company</i>
	m)	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.	<i>Receipt of one holder sufficient</i>
	n)	No dividend shall bear interest against the Company	<i>No interest on dividends</i>
	o)	The waiver in whole or in part of any dividend on any share by any document (whether or not under seal) shall be effective only if such document is signed by the member (or the person entitled to the share in consequence of the death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Board.	<i>Waiver of dividends</i>
	p)	No unclaimed Dividend shall be forfeited before the claim becomes barred by law, and unclaimed Dividends shall be dealt with in accordance with the applicable provisions of the Act	<i>Forfeiture of Unclaimed Dividend</i>
<b>ACCOUNTS</b>			
102	a)	The books of account and books and papers of the Company, or any of them, shall be open to the inspection of directors in accordance with the applicable provisions of the Act and the Rules.	<i>Inspection by Directors</i>
	b)	No member (not being a director) shall have any right of inspecting any books of account or books and papers or document of the Company except as conferred by law or authorized by the Board.	<i>Restriction on inspection by members</i>
<b>WINDING UP</b>			
103	a)	Subject to the applicable provisions of the Chapter XX of the Act and the Rules made thereunder —	<i>Winding up of Company</i>
	-	If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.	
	-	For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.	
	-	The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.	
<b>INDEMNITY AND INSURANCE</b>			
104		Subject to the provisions of the Act, every director, managing director, whole-time director, manager, company secretary and other officer of the Company shall be indemnified by the Company out of the funds of the Company, to pay all costs, losses and expenses (including travelling expense) which such director, manager, company secretary and officer may incur or become liable for by reason of any contract entered into or act or deed done by him in his capacity as such director, manager, company secretary or officer or in any way in the discharge of his duties in such capacity including expenses.	<i>Directors and officers right to indemnity</i>
<b>GENERAL POWER</b>			



105	Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry out such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided.	<b><i>General Power</i></b>
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## SECTION XII – OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by the Company (not being contracts entered into in the ordinary course of business carried on by the Company or contracts entered into more than two years before the date of this Draft Prospectus) which are or may be deemed material have been attached to the copy of the Draft Prospectus delivered to the RoC for registration. Copies of the above mentioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all Working Days from Application/Issue Opening Date until the Application/Issue Closing Date.

#### A. Material Contracts

1. Memorandum of Understanding dated February 18, 2020 between our Company and the Lead Manager.
2. Memorandum of Understanding dated February 18, 2020 between our Company and the Registrar to the Issue.
3. Escrow Agreement dated [●] between our Company, the Lead Manager, Escrow Collection Bank(s) and the Registrar to the Issue.
4. Market Making Agreement dated February 18, 2020 between our Company, the Lead Manager and Market Maker.
5. Underwriting Agreement dated February 18, 2020 between our Company, the Lead Manager and Market Maker.
6. Tripartite agreement between the NSDL, our Company and the Registrar dated September 23, 2019.
7. Tripartite agreement between the CDSL, our Company and the Registrar dated September 20, 2019.

#### B. Material Documents

1. Certified true copies of the Memorandum and Articles of Association of our Company, as amended from time to time.
2. Copy of Certificates of Incorporation of Advait Infratech Limited
3. Resolution of the Board of Directors meeting dated December 05, 2019 authorizing the Issue.
4. Shareholders' resolution passed at the EGM dated December 10, 2019 authorizing the Issue.
5. Auditor's report for Restated Financials dated February 22, 2020 included in this Draft Prospectus.
6. The Statement of Tax Benefits dated February 22, 2020 from our Statutory Auditors.
7. Consent of our Directors, Chief Financial Officer, Statutory Auditor, Lead Manager, Banker to the Company, Legal Advisor to the Issue, Registrar to the Issue, Market Maker and Underwriters as referred to in their specific capacities.
8. Due Diligence Certificate(s) dated [●] of the Lead Managers to be submitted to SEBI along with the filing of the Prospectus.
9. Approval from BSE vide letter dated [●] to use the name of BSE in this Issue Document for listing of Equity Shares on the SME Platform of the BSE.

Any of the contracts or documents mentioned in this Draft Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes



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## DECLARATION

We, hereby declare that, all the relevant provisions of the Companies Act, 2013 and the Guidelines issued by the Government of India or the Regulations or Guidelines issued by the Securities and Exchange Board of India, as the case may be, have been complied with and no statement made in the Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contract (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as Amended or Rules made there under or Guidelines / Regulations issued, as the case may be. We further certify that all the disclosures and statements made in the Draft Prospectus are true and correct.

### SIGNED BY THE DIRECTORS OF OUR COMPANY:

\_\_\_\_\_  
**Mr. Shalin Sheth**  
Managing Director

\_\_\_\_\_  
**Mrs. Rejal Sheth**  
Whole-time Director

\_\_\_\_\_  
**Mr. Dinesh Patel**  
Non-Executive Independent Director

\_\_\_\_\_  
**Mr Bajrangprasad Maheshwari**  
Non-Executive Independent Director

\_\_\_\_\_  
**Mrs. Rashmi Shah**  
Non-Executive Independent Director

### SIGNED BY THE CHIEF FINANCIAL OFFICER & COMPANY SECRETARY AND COMPLIANCE OFFICER

\_\_\_\_\_  
**Mrs. Rejal Sheth**  
Chief Financial Officer

\_\_\_\_\_  
**Mr. Dipesh Panchal**  
Company Secretary and Compliance Officer

Date: June 04, 2020.  
Place: Ahmedabad