



## B.R. Goyal Infrastructure Limited

Our Company was converted from a partnership firm named “Balkrishna Ramkaran Goyal” formed vide a partnership deed dated August 4, 1986. The partners of the firm mutually settled their rights of accounts in the said partnership firm to form a joint-stock company. “Balkrishna Ramkaran Goyal” was thereafter converted from a partnership firm to a private limited company in the name of “B.R. Goyal Infrastructure Private Limited” under the provisions of Companies Act, 1956 vide certificate of incorporation dated April 1, 2005 at Indore, Madhya Pradesh bearing Corporate Identification Number (CIN) U04520MP2005PTC17479. Subsequently, our Company was converted into a public limited company and the name of our Company was changed to B.R. Goyal Infrastructure Limited and a fresh Certificate of Incorporation dated May 9, 2018 was issued to our Company. The Corporate Identification Number is U04520MP2005PLC017479. For further details of Incorporation, Change of Name and Registered Office of our company, please refer to chapter titled “General Information” and “Our History and Certain Other Corporate Matters” beginning on page 67 and page 151 of this Draft Prospectus.

**Registered Office:** 3-A, Agrawal Nagar, Indore – 452001, Madhya Pradesh, India.

**Tel. No.:** +91-731- 4096902; **Fax No.** Not Available

**Email:** cs@brginfra.in; **Website:** www.brginfra.com

**Contact Person:** Dasharath Tomar, Chief Financial Officer

**PROMOTERS OF OUR COMPANY:** BRIJKISHORE GOYAL, RAJENDRA KUMAR GOYAL AND GOPAL GOYAL

THE ISSUE	
<p><b>INITIAL PUBLIC ISSUE OF UPTO 33,45,600 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH (“EQUITY SHARES”) OF B.R. GOYAL INFRASTRUCTURE LIMITED (THE “COMPANY” OR THE “ISSUER”) FOR CASH AT A PRICE OF RS. 91/- PER EQUITY SHARE, INCLUDING A SHARE PREMIUM OF RS. 81/- PER EQUITY SHARE (THE “ISSUE PRICE”), AGGREGATING UP TO RS. 3,044.50 LAKHS (“THE ISSUE”), OF WHICH 1,68,000 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH FOR CASH AT A PRICE OF RS. 91/- PER EQUITY SHARE, AGGREGATING UP TO RS. 152.88 LAKHS WILL BE RESERVED FOR THE MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE PUBLIC ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. NET ISSUE TO PUBLIC WILL BE 31,77,600 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH FOR CASH AT A PRICE OF RS. 91/- PER EQUITY SHARE, AGGREGATING UP TO RS. 2,891.62 LAKHS IS HEREINAFTER REFERRED TO AS THE “NET ISSUE”. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 27.78% AND 26.39% RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.</b></p>	
<p><b>THE FACE VALUE OF THE EQUITY SHARES IS RS. 10/- EACH AND THE ISSUE PRICE OF RS. 91/- PER EQUITY SHARE IS 9.1 TIMES OF THE FACE VALUE OF THE EQUITY SHARES.</b></p>	
<p><b>In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015, all potential investors shall participate in the Issue only through an Application Supported by Blocked Amount (“ASBA”) process providing details about the bank account which will be blocked by the Self Certified Syndicate Banks (“SCSBs”) for the same. For details in this regard, specific attention is invited to the chapter titled “Issue Procedure” beginning on page 248 of this Draft Prospectus. A copy of the Prospectus will be delivered for registration to the Registrar of Companies as required under Section 26 of the Companies Act, 2013.</b></p>	
<p><b>THE ISSUE IS BEING MADE IN ACCORDANCE WITH CHAPTER XB OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED FROM TIME TO TIME (“SEBI (ICDR) REGULATIONS”). For further details please refer the section titled “Terms of the Issue” beginning on page 240 of this Draft Prospectus.</b></p>	
RISKS IN RELATION TO FIRST ISSUE	
<p>This being the first public issue of our Company, there has been no formal market for our Equity Shares. The face value of the Equity Shares of our Company is Rs. 10 and the Issue price of Rs. 91/- per Equity Share is 9.1 times of the face value. The Issue Price (as determined by our Company in consultation with the Lead Manager) as stated in the chapter titled “Basis for issue Price” beginning on page 96 of this Draft Prospectus should not be taken to be indicative of the market price of the Equity Shares after such Equity Shares are listed. No assurance can be given regarding an active and / 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>Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the Risk Factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Company and this Issue, including the risks involved. The Equity Shares issued 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 the contents of this Draft Prospectus. <b>Specific attention of the investors is invited to the section titled “Risk Factors” beginning on page 17 of this Draft Prospectus.</b></p>	
COMPANY’S ABSOLUTE RESPONSIBILITY	
<p>The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Prospectus contains all information with regard to our Company and this Issue, which is material in the context of this 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 or inclusion 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 of our Company issued through this Draft Prospectus are proposed to be listed on the EMERGE Platform of National Stock Exchange of India Limited (“NSE EMERGE”). In terms of the Chapter XB of the SEBI ICDR Regulations, 2009 as amended from time to time, our Company has received “in-principle” approval letter dated [●] from National Stock Exchange of India Limited (“NSE”) for using its name in this issue document for listing of our Equity Shares on the EMERGE Platform of National Stock Exchange of India Limited. For the purpose of this Issue, EMERGE Platform of the National Stock Exchange of India Limited shall be the Designated Stock Exchange.</p>	
LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
 <p><b>SYSTEMATIX GROUP</b> Investments Re-defined</p>	 <p><b>LINKIntime</b></p>
<p><b>SYSTEMATIX CORPORATE SERVICES LIMITED</b>  A/603-606, The Capital, Plot No. C 70, G Block, Bandra-Kurla Complex,  Bandra (East), Mumbai 400 051, Maharashtra.  <b>Tel:</b> +91-22-6704 8000  <b>Fax:</b> +91-22-6704 8022  <b>Email:</b> brgipo@systematixgroup.in  <b>Website:</b> www.systematixgroup.in  <b>Contact Person:</b> Manish Tejwani/ Ritu Sharma  <b>SEBI Registration No:</b> INM 000004224  <b>Validity of Registration:</b> Permanent</p>	<p><b>LINKINTIME INDIA PRIVATE LIMITED</b>  C-101, 247 Park, L B S Marg, Vikhroli West,  Mumbai 400083, Maharashtra.  <b>Tel:</b> +91 22 4918 6200  <b>Fax:</b> +91 22 4918 6195  <b>Email:</b> brgoyal.ipo@linkintime.co.in  <b>Website:</b> www.linkintime.co.in  <b>Contact Person:</b> Shanti Gopalkrishnan  <b>SEBI Registration Number:</b> INR000004058  <b>Validity of Registration:</b> Permanent</p>
ISSUE PROGRAMME	
ISSUE OPENS ON [●]	ISSUE CLOSES ON [●]

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## SECTION I – GENERAL

### DEFINITION AND ABBREVIATION

*Unless the context otherwise indicates or implies, the following terms shall have the meanings provided below in this Draft Prospectus, and references to any statute, legislation, act, rules, regulations, guidelines, policies, circulars, notifications or clarifications will include any amendments or re-enactments thereto, from time to time. In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document (as defined below), the definitions given below shall prevail.*

*The words and expressions used but not defined in this Draft Prospectus will have the same meaning as assigned to such terms under the Companies Act, 2013 (together the “Companies Act, 2013”), the Securities and Exchange Board of India Act, 1992 (“SEBI Act”), the SEBI ICDR Regulations, the SCRA, the Depositories Act and the rules and regulations made thereunder.*

*Unless the context otherwise indicates, all references to “the Company”, “our Company” or “the Issuer” are references to B.R. Goyal Infrastructure Limited, a company incorporated in India under the Companies Act, 1956 with its registered office situated at 3-A, Agrawal Nagar, Indore 452001, Madhya Pradesh, India and references to “we”, “us” and “our” are references to our Company..*

#### General Terms

Term	Description
“Our Company”, “the Company”, “the Issuer” or “BRG”	B.R.Goyal Infrastructure Limited, a company incorporated under the Companies Act, 1956 and having its Registered Office at 3-A, Agrawal Nagar, Indore 452001, Madhya Pradesh, India
“we”, “us” or “our”	Unless the context otherwise indicates or implies, refers to our Company.

#### Company Related Terms

Term	Description
Articles or Articles of Association or AOA	The Articles of Association of our Company, as amended from time to time
Audit Committee	Audit committee of our Company constituted in accordance with Regulation 18 of the SEBI Listing Regulations and Section 177 of the Companies Act, 2013.
Auditor/ Statutory Auditor /Peer Review Auditor	The Statutory Auditor of our Company, being M/s. Mahesh C. Solanki & Co., Chartered Accountants who are also appointed as the Peer Review Auditor.
Banker to our Company	Such banks which are disclosed as Bankers to the Company in the chapter titled “General Information” on page 67 of this Draft Prospectus.
Board of Director(s)/the Board/ our Board/ Director(s)	The director(s) on our Board, unless otherwise specified. For further details of our Directors, please refer to section titled “Our Management” beginning on page 157 of this Draft Prospectus.
Chief Financial officer	The Chief Financial Officer of our Company, being Dasharath Tomar. For further details, please refer to section titled “Our Management” beginning on page 157 of this Draft Prospectus.
Company Secretary and Compliance Officer	The Company Secretary and Compliance Officer of our Company being Shweta Motwani. For further details, please refer to the chapter titled “Our Management” beginning on page 157 of this Draft Prospectus.
CSR Committee	The corporate social responsibility committee of our Board constituted in accordance with the Companies Act, 2013.
Director(s)	The Director(s) of our Company, unless otherwise specified.
Equity Shares	Equity Shares of our Company of face value of Rs. 10/- each fully

<b>Term</b>	<b>Description</b>
	paid up
Equity Shareholders	Persons / Entities holding Equity Shares of our Company.
Group Companies	The companies included under the definition of " <i>Group Companies</i> " under the SEBI (ICDR) Regulations and identified by the Company in its Materiality Policy. For further details, please refer to section titled " <i>Our Group Company</i> " beginning on page 181 of this Draft Prospectus.
Independent Director	A non-executive, independent Director as per the Companies Act, 2013 and the SEBI Listing Regulations.
Key Managerial Personnel/ KMP	The key management personnel of our Company in terms of the SEBI (ICDR) Regulations and the Companies Act disclosed in chapter titled " <i>Our Management</i> " beginning on page 157 of this Draft Prospectus.
KTIL	Kalyan Toll Infrastructure Limited
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board on, May 17, 2018, in accordance with the requirements of the SEBI (ICDR) Regulations.
Memorandum of Association or Memorandum or MOA	The Memorandum of Association of our Company, as amended from time to time.
Nomination and Remuneration Committee	The nomination and remuneration committee of our Board constituted in accordance with the Companies Act, 2013 and the SEBI Listing Regulations.
Non-Executive Director	A Director not being an Executive Director.
Promoter, Promoters or our Promoters or Individual Promoters	The Promoters of our Company being Brijkishore Goyal, Rajendra Kumar Goyal, Gopal Goyal. For further details, please refer to chapter titled " <i>Our Promoters and Promoter Group of our Company</i> " beginning on page 176 of this Draft Prospectus.
Promoter Group	Includes such persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(zb) of the SEBI (ICDR) Regulations and as disclosed in the chapter titled " <i>Our Promoters and Promoter Group</i> " beginning on page 176 of this Draft Prospectus.
Registered Office	The registered office of our Company situated at 3-A, Agrawal Nagar, Indore 452001, Madhya Pradesh, India
RoC/ Registrar of Companies	The Registrar of Companies, Gwalior situated Registrar of Companies situated at 3rd Floor, A Block, Sanjay Complex, Jayendra Ganj, Gwalior- 474009, Madhya Pradesh, India.
Restated Financial Statements	Financial Statements for the financial years ended March 31, 2017, 2016, 2015, 2014 and 2013 and the nine months ended December 31, 2017 as restated in accordance with SEBI (ICDR) Regulations and which comprises of (i) financial information as per Restated Financial Statements and (ii) other financial information.
Shareholders	Shareholders of our Company from time to time.
Stakeholders' Relationship Committee	The stakeholders' relationship committee of our Board constituted in accordance with the Companies Act, 2013 and the SEBI Listing Regulations.
Subsidiary	BRGIPL JV KTIL LLP For details regarding the subsidiaries refer the Chapter title " <i>Subsidiary and Joint Ventures</i> " beginning on page no. 155 of this Draft Prospectus.
Wilful Defaulter(s)	Wilful defaulter as defined under Regulation 2(zn) of the SEBI Regulations
"you", "your" or "yours"	Prospective investors in this Issue.

## Issue Related Terms

Term	Description
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application.
Allocation/ Allocation of Equity Shares	The Allocation of Equity Shares of our Company pursuant to Issue of Equity Shares to the successful Applicants.
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders/Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchange.
Allotment/ Allotted	Issue and allotment of Equity Shares of our Company pursuant to Issue of the Equity Shares to the successful Applicants.
Allottee(s)	Successful Applicant(s) to whom Equity Shares of our Company have been allotted.
Applicant/ASBA Applicant	Any prospective investor who makes an application for Equity Shares of our Company in terms of the Draft Prospectus. All the applicants should make application through ASBA only.
Application Amount	The amount at which the Applicant makes an application for Equity Shares of our Company in terms of the Prospectus.
Application Collecting Intermediaries	<ol style="list-style-type: none"> <li>1. an SCSB with whom the bank account to be blocked, is maintained</li> <li>2. a syndicate member (or sub-syndicate member), if any</li> <li>3. 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')</li> <li>4. a depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)</li> <li>5. a registrar to an issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)</li> </ol>
Application Form	The Form in terms of which the prospective investors shall apply for our Equity Shares in the Issue.
ASBA / Application Supported by Blocked Amount	An application, whether physical or electronic, used by Bidders, to make a Bid authorising an SCSB to block the Bid Amount in the ASBA Account.
ASBA Account	An account maintained with an SCSB and specified in the Application Form submitted by Applicant for blocking the Bid Amount mentioned in the Application Form.
ASBA Application Location(s) / Specified Cities	Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata, Ahmedabad.
Banker(s) to the Issue/ Public Issue Bank(s)	The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public Issue Account will be opened and in this case being HDFC Bank Limited.
Basis of Allotment	The basis on which Equity Shares will be Allotted to the successful Applicant under the Issue and which is described under chapter titled " <i>Issue Procedure</i> " beginning on page 248 of this Draft Prospectus.
Broker Centres	Broker centers notified by the Stock Exchange, where the applicants can submit the Application forms to a Registered Broker.
CAN/Confirmation of Allocation Note	The amount at which the bidder makes a bid for Equity Shares of our Company in terms of the Draft Prospectus.
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account.
Collecting Centres	Centres at which the Designated Intermediaries shall accept the Application Forms, being the Designated SCSB Branch for SCSBs, Specified Locations for Syndicate, Broker Centers for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP

<b>Term</b>	<b>Description</b>
	Locations for CDPs.
Controlling Branch of SCSBs	Such branch of the SCSBs which co-ordinate Applications under this Issue by the ASBA Applicants with the Lead Manager, 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.
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.
Depository/Depositories	Depositories registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time, being NSDL and CDSL.
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996.
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Application Form from the ASBA Applicant and a list of which is available on <a href="http://www.sebi.gov.in/sebiweb/home/detail/32791/no/List-of-SelfCertified-Syndicate-Banks-under-the-ASBA-facility">http://www.sebi.gov.in/sebiweb/home/detail/32791/no/List-of-SelfCertified-Syndicate-Banks-under-the-ASBA-facility</a> .
Designated CDP Locations	Such centres of the CDPs where Applicant can submit the Application Forms. 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 website of the Stock Exchange ( <a href="http://www.nseindia.com">www.nseindia.com</a> ) and updated from time to time
Designated Date	The date on which the amount blocked by the SCSBs is transferred from the ASBA Account to the Public Issue Account or the amount is unblocked in the ASBA Account, as appropriate, after the Issue is closed, following which the Equity Shares shall be allotted to the successful Applicants.
Designated RTA Locations	Such centres of the RTAs where Applicants can submit the Application Forms. The details of such Designated RTA Locations, along with the names and contact details of the RTAs are available on the website of the Stock Exchange ( <a href="http://www.nseindia.com/emerge">www.nseindia.com/emerge</a> ) and updated from time to time.
Designated Stock Exchange	National Stock Exchange of India Limited.
Draft Prospectus	The Draft Prospectus dated May 29, 2018 issued in accordance with section 26 of the Companies Act, 2013 and filed with the NSE EMERGE under SEBI (ICDR) Regulations.
Eligible NRIs	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom this Draft Prospectus constitutes an invitation to subscribe to the Equity Shares offered herein.
Emerge Platform of NSE/NSE Emerge	The Emerge Platform of NSE for listing of Equity Shares offered under Chapter XB of the SEBI (ICDR) Regulations which was approved by SEBI as an NSE Emerge on October 14, 2011.
Escrow Account(s)	Account(s) opened with the Escrow Collection Bank(s) for the Issue and in whose favour the Applicants (excluding ASBA Applicants) will issue cheques or drafts in respect of the Application Amount when submitting any Application(s) pursuant to this Issue
Escrow Agreement	Agreement entered into amongst the Company, Lead Manager, 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
FII / Foreign Institutional Investors	Foreign Institutional Investor (as defined under SEBI Foreign Institutional Investors) Regulations, 1995, as amended) registered with

<b>Term</b>	<b>Description</b>
	SEBI under applicable laws in India.
First/ Sole Applicant	The Applicant whose name appears first in the Application Form or Revision Form.
General Information Document	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 read with SEBI Circular dated November 10, 2015 and bearing Reference No. CIR/CFD/POLICYCELL/11/2015 which shall be applicable for all public issues opening on or after January 1, 2016, all the investors can apply through ASBA process.
Issue/ Issue Size/ Initial Public Issue/ IPO	Public Issue aggregating up to 33,45,600 Equity Shares of face value of Rs. 10 each fully paid of B.R.Goyal Infrastructure Limited for cash at a price of Rs. 91/- per Equity Share (including a premium of Rs. 81/- per Equity Share) aggregating Rs. 3,044.50 Lakhs.
Issue Agreement	The agreement dated May 25, 2018 between our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Closing date	[●], the date on which Issue Closes for Subscription
Issue Opening Date	[●], the date on which Issue Opens for Subscription
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both the days during which prospective Investors may submit their application.
Issue Price	The price at which the Equity Shares are being issued by our Company under this Draft Prospectus being Rs. 91/- per Equity Share of face value of Rs. 10/- each fully paid.
Issue Proceeds/Gross Proceeds	Proceeds from the Issue that will be available to our Company, being Rs. 3,044.50 Lakhs
Lead Manager / LM	Lead Manager to the Issue in this case being Systematix Corporate Services Limited.
Listing Agreement	The Equity Listing Agreement to be signed between our Company and the National Stock Exchange of India Limited.
Market Making Agreement	Market Making Agreement dated May 25, 2018 between our Company, Lead Manager and Market Maker.
Market Maker	Market Maker appointed by our Company from time to time, in this case being Systematix Shares & Stocks (India) Limited who 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
Mutual Fund(s)	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time.
Net Issue	The Issue excluding the Market Maker Reservation Portion of 31,77,600 Equity Shares of face value of Rs. 10 each fully paid for cash at a price of Rs 91/- per Equity Share aggregating Rs. 2,891.62 Lakhs by our Company.
Net Proceeds	The Issue Proceeds, less the Issue related expenses, received by the Company.
Non Institutional Investors	All Applicants that are not Qualified Institutional Buyers or Retail Individual Investors and who have applied for Equity Shares for an amount more than Rs. 2,00,000.
NSE/ NSE EMERGE/ NSE Ltd.	National Stock Exchange of India Limited
OCB/ Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from



<b>Term</b>	<b>Description</b>
	time to time. OCBs are not allowed to invest in this Issue.
Payment through electronic transfer of funds	Payment through NECS, NEFT or Direct Credit, as applicable.
Person/ 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 Date in accordance with Section 26 of the Companies Act, 2013, and the SEBI ICDR Regulations containing, inter alia, the Issue Price, the size of the Issue and certain other information.
Public Issue Account	Account opened with the Banker to the Issue i.e. HDFC Bank Limited under Section 40 of the Companies Act, 2013 to receive monies from the SCSBs from the bank accounts of the ASBA Applicants on the Designated Date.
Public Issue Account Agreement/Banker to issue agreement	Agreement entered on May 28, 2018 amongst our Company, Lead Manager, the Registrar to the Issue and Banker to the Issue for collection of the Application Amount on the terms and conditions thereof.
Qualified Institutional Buyers or QIBs	A Mutual Fund, Venture Capital Fund, Alternative Investment Fund and Foreign Venture Capital investor registered with the Board, foreign portfolio investor other than Category III foreign portfolio investor, registered with the Board; a public financial institution as defined in Section 2(72) of the Companies Act, 2013; a scheduled commercial bank; a multilateral and bilateral development financial institution; a state industrial development corporation; an insurance company registered with the Insurance Regulatory and Development Authority; a provident fund with minimum corpus of Rs. 25.00 Crore; a pension fund with minimum corpus of Rs. 25.00 Crore rupees; National Investment Fund set up by resolution No. F. No. 2/3/2005 - DDII dated November 23, 2005 of the Government of India published in the Gazette of India, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India.
Refund Account	Account to which Application monies to be refunded to the Applicants.
Refund Bank/ Refund Banker	Bank which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Account will be opened, in this case being HDFC Bank Limited.
Refund through electronic transfer of funds	Refund through ASBA process.
Registered Broker	Individuals or companies registered with SEBI as "Trading Members" (except Syndicate/Sub-Syndicate Members) who hold valid membership of NSE having right to trade in stocks listed on Stock Exchanges, through which investors can buy or sell securities listed on stock exchanges, a list of which is available on <a href="http://www.nseindia.com/membership/dynaContent/find_a_broker.htm">http://www.nseindia.com/membership/dynaContent/find_a_broker.htm</a> .
Registrar /Registrar to the Issue	Registrar to the Issue, in this case being Link Intime India Private Limited, C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai- 400 083, India.
Registrar Agreement	The agreement dated May 25, 2018 entered into by and 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.



<b>Term</b>	<b>Description</b>
Registrar and Share Transfer Agents or 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.
Resident Indian	A person resident in India, as defined under FEMA.
Retail Individual Investor	Individual Applicants, or minors applying through their natural guardians, including HUFs (applying through their Karta), who apply for an amount less than or equal to Rs 2,00,000.
Revision Form	The form used by the Applicants to modify the quantity of Equity Shares in any of their Application Forms or any previous Revision Form(s).
SCSB/ Self Certified Syndicate Banker	Shall mean a Banker to an Issue registered under SEBI (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which Issue the service of making Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a> or at such other website as may be prescribed by SEBI from time to time.
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and to the extent applicable.
SME Exchange	Emerge Platform of National Stock Exchange of India Limited.
Specified Locations	Collection centres where the SCSBs shall accept application form, a list of which is available on the website of the SEBI ( <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> ) and updated from time to time.
Underwriter	Systematix Corporate Services Limited.
Underwriting Agreement	The agreement dated May 25, 2018 entered into between the Underwriter and our Company.
US GAAP	Generally Accepted Accounting Principles in the United States of America.
Working Day	(i) Till Application / Issue closing date: All days other than a Saturday, Sunday or a public holiday; (ii) Post Application / Issue closing date and till the Listing of Equity Shares: All trading days of stock exchanges excluding Sundays and bank holidays in accordance with the SEBI circular no. SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016.

#### Technical and Industry Related Terms

<b>Term</b>	<b>Description</b>
AE	Advance Estimates
AIIB	Asian Infrastructure Investment Bank
ARR	Average revenue requirement
AVCC	Automatic Vehicle Counter-cum-Classifier System
BoP	Balance of Payments
BOT	Build, Operate and Transfer
BOT (Annuity)	Annuity based BOT projects
BOT (Toll)	Toll based BOT projects
BOO	Build, Own and Operate
BOOT	Build, Operate, Own and Transfer
BOQ	Bill of Quantities
BROT	Build, Rehabilitate, Operate and Transfer
BTKM	Billion tonne km
BTLO	Build, Transfer, Lease and Operate

<b>Term</b>	<b>Description</b>
CAD	Current Account Deficit
CLRA Act	Contract Labour, (Regulation and Abolition) Act, 1970
COD	Date of commencement of the commercial operation of project.
Construction Workers Act	The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996
CLSS	Credit Linked Subsidy Systems
CRF	Central Road Fund
CSO	Central Statistics Office
CV	Commercial vehicle
DBFO	Design, Build, Finance and Operate
DBFOT	Design, Build, Finance, Operate and Transfer
DFCs	Dedicated Freight Corridors
DFCCIL	Dedicated Freight Corridor Corporation of India Limited
DIPP	Department of Industrial Policy and Promotion
EIA Notification	EIA Notification S.O.1533, issued on September 14, 2006
EMBI	Emerging Market Bond Index
EMDEs	Emerging Market and Developing Economics
EPC	Engineering, Procurement and Construction
EPF	The Employees Provident Fund and Miscellaneous Provisions Act, 1952
ESI Act	The Employees State Insurance Act, 1948
FDI	Foreign Direct Investment
FEED	Front End Engineering and Design Contracts
GDP	Gross Domestic Product
GST	The Central Goods and Services Tax Act, 2017
GVA	Gross Value Added
HAM	Hybrid Annuity Model
ID Act	Industrial Dispute Act, 1947
IDC	Interest During Construction
InvITs	Infrastructure Investment Trusts
IMF	Indian Monetary Fund
IT	Income Tax Act, 1961
LCV	Light Commercial Vehicle
LOA	Letter of award
LSTC	Lump-sum turnkey contracts
LSTK	Lump-sum turnkey
MB Act	The Maternity Benefits Act, 1961
MDR	Major District Roads
MCLR	Marginal Cost-Based Lending Rates
Migrants Act	The Inter -State Migrants Workmen (Regulations of Employment and Conditions of Service) Act, 1979
MoEF	Ministry of Environment and Forest, GoI
MoRTH	Ministry of Road, Transport & Highways
MOSPI	Ministry of Statistics and Programme Implementation
MPRDC	Madhya Pradesh Road Development Corporation Limited
MPRRDA	Madhya Pradesh Rural Road Development Authority
MWA Act	The Minimum Wages Act, 1948
NBC	The National Building Code of India
NBFCs	Non Banking Financial Companies
NCAER	National Council of Applied Economic Research
NHAI	National Highway Authority of India
NHIDCL	National Highways and Infrastructure Development Corporation

Term	Description
	Limited
NIIB	National Infrastructure Investment Bank
NIIF	National Investment and Infrastructure Fund
NW	National Waterway
NHDP	National Highway Development Project
ODR	Other District Roads
OMO	Open Market Operations
O&M	Operation and Maintenance
OMT	Operate Maintain and Transfer
PB Act	The Payment of Bonus Act, 1965
PCBs	Pollution Control Board
PMGSY	Pradhan Mantri Gram Sadak Yojana
PPP	Public Private Partnership
Q's	Quarter
RDC	Road Development Corporations
RERA	Real Estate Regulatory Authority
RFQ	Request for qualification
RLT	Rehabilitate, Lease or Rent, and Transfer
ROW	Right of Way
SHWWA	The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
SPV	Special Purpose Vehicle
VGF	Viability Gap Funding
Wages Act	The Payment of Wages Act, 1936
WIM	Weigh-in-motion
WCA	Workmen's Compensation Act, 1923
WSS	Water supply and sanitation

#### Conventional and General Terms / Abbreviations

Term	Description
AIF(s)	The alternative investment funds, as defined in, and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012.
Category I foreign portfolio investor(s)	FPIs who are registered as "Category I foreign portfolio investor" under the SEBI FPI Regulations.
Category II foreign portfolio investor(s)	FPIs who are registered as "Category II foreign portfolio investor" under the SEBI FPI Regulations.
Category III foreign portfolio investor(s)	FPIs who are registered as "Category III foreign portfolio investor" under the SEBI FPI Regulations.
Client ID	The client identification number maintained with one of the Depositories in relation to demat account.
Companies Act, 1956	Companies Act, 1956 ( <i>without reference to the provisions thereof that have ceased to have effect upon notification of the sections of the Companies Act, 2013</i> ) along with the relevant rules made thereunder.
Companies Act/ Companies Act, 2013	Companies Act, 2013, to the extent in force pursuant to the notification of sections of the Companies Act, 2013, along with the relevant rules, regulations, clarifications, circulars and notifications made thereunder.
Competition Act	The Competition Act, 2002.
Consolidated FDI Policy	Consolidated FDI Policy (Circular 1 of 2015) dated August 28, 2017 issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to

<b>Term</b>	<b>Description</b>
	time.
CST Act	Central Sales Tax Act, 1956.
Demographic Details	Details of the Bidders including the Bidder's address, name of the Bidder's father/ husband, investor status, occupation and bank account details.
Depository	A depository registered with SEBI under the Depositories Act, 1996.
Depository Participant/ DP	A depository participant registered with SEBI under the Depositories Act.
Depositories	NSDL and CDSL.
Depositories Act	The Depositories Act, 1996.
DP/ Depository Participant	A depository participant as defined under the Depositories Act.
FCNR Account	Foreign currency non-resident account.
FEMA	Foreign Exchange Management Act, 1999 read with rules and regulations thereunder.
FII(s)	Foreign Institutional Investors as defined under the SEBI FPI Regulations.
Financial Year/ Fiscal/ Fiscal Year/ F.Y.	Period of twelve (12) months ended March 31 of that particular year, unless otherwise stated.
Foreign Portfolio Investor or FPI	Foreign Portfolio Investors, as defined under the SEBI FPI Regulations and registered with SEBI under applicable laws in India.
FVCI	Foreign Venture Capital Investor, registered under the FVCI Regulations.
FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended.
IT Act	The Income Tax Act, 1961, as amended.
IT Rules	The Income Tax Rules, 1962, as amended.
Indian GAAP	Generally Accepted Accounting Principles in India
Ind AS	New Indian Accounting Standards notified by Ministry of Corporate Affairs on February 16, 2015, applicable from Financial Year commencing April 1, 2016.
LLP Act	The Limited Liability Partnership Act, 2008.
Notified Sections	The sections of the Companies Act, 2013 that have been notified by the Government as having come into effect prior to the date of this Red Herring Prospectus.
NRE Account	Non-resident external account.
NRO Account	Non-resident ordinary account.
OCB/ Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date was eligible to undertake transactions pursuant to the general permission granted to OCBs under FEMA.
RBI Act	Reserve Bank of India Act, 1934.
RoC	The Registrar of Companies, Maharashtra.
SCRA	Securities Contracts (Regulation) Act, 1956, as amended.
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended.
SEBI	The Securities and Exchange Board of India, constituted under the SEBI Act.
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended.
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended.
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional

<b>Term</b>	<b>Description</b>
	Investors) Regulations, 1995, as amended.
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as amended.
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended.
SEBI (ICDR) Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended.
SEBI Listing Regulations / SEBI (LODR) Regulations	SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended.
SEBI VCF Regulations	The Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996.
Securities Act	U.S. Securities Act of 1933, as amended.
State Government	The government of a state of the Union of India.
Stock Exchange	Emerge Platform of National Stock Exchange of India Limited
Sub-account	Sub-accounts registered with SEBI under the SEBI FII Regulations other than sub-accounts which are foreign corporates or foreign individuals.
VCFs	Venture Capital Funds as defined and registered with SEBI under the SEBI VCF Regulations.
Wilful Defaulter	Wilful defaulter as defined under Regulation 2(zn) of the SEBI (ICDR) Regulations.

#### **General terms/ Abbreviations**

<b>Term</b>	<b>Description</b>
Rs. or Rupees or INR	Indian Rupees
ACIT	Assistant Commissioner of Income Tax
AGM	Annual General Meeting
APEDA	Agricultural and Processed Food Products Export Development Authority
AoA	Articles of Association
AS/Accounting Standards	Accounting Standards issued by the Institute of Chartered Accountants of India
ASBA	Application Supported by Blocked Amount
A.Y.	Assessment year
BPLR	Bank Prime Lending Rate
CARO	Companies (Auditor's Report) Order, 2003
CC	Cash Credit
CCI	Competition Commission of India
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CIN	Corporate Identity Number
CS	Company Secretary
CSR	Corporate Social Responsibility
DCIT	Deputy Commissioner of Income Tax
DCST	Deputy Commissioner of Sales Tax
DIN	Director Identification Number
DP ID	Depository participant's identification
DTC	Direct Taxes Code
ECS	Electronic Clearing System
EBITDA	Earnings before Interest, Tax Depreciation and Amortisation
EGM	Extraordinary General Meeting of the Shareholders of the Company
EPS	Earnings Per Share

Term	Description
FDI	Foreign direct investment
FIPB	Foreign Investment Promotion Board
FY	Financial Year
GAAR	General anti avoidance rules
GFSI	Global Food Safety Initiative
GIR	General index register
GoI/ Government	Government of India
GoM	Government of Maharashtra
GST	Goods and Services Tax Act
HNI	High Net worth Individual
HUF	Hindu Undivided Family
ICAI	Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
Indian GAAP	Generally Accepted Accounting Principles in India
IPO	Initial Public Offering
IRDA	Insurance Regulatory and Development Authority
Ltd.	Limited
MCA	Ministry of Corporate Affairs, Government of India
MD	Managing Director
MoU	Memorandum of understanding
N.A.	Not Applicable
NAV	Net asset value being paid up equity share capital plus free reserves ( <i>excluding reserves created out of revaluation</i> ) less deferred expenditure not written off ( <i>including miscellaneous expenses not written off</i> ) and debit balance of profit and loss account, divided by number of issued Equity Shares.
NCR	National Capital Region
NECS	National Electronic Clearing Services
NEFT	National Electronic Fund Transfer
No.	Number
NoC	No objection certificate
NR	Non-resident
NSDL	National Securities Depository Limited.
NSE EMERGE	EMERGE Platform of National Stock Exchange of India Limited
NTA	Net Tangible Assets
p.a.	Per annum
P/E Ratio	Price earnings ratio
PAN	Permanent account number allotted under the Income Tax Act, 1961
PAT	Profit after tax
PBT	Profit before tax
PCB	Pollution Control Board
Pvt.	Private
RBI	Reserve Bank of India
RoC	Registrar of Companies
RONW	Return on net worth
RPC	Ranbir Penal Code, 1989, as amended
RTGS	Real Time Gross Settlement
STT	Securities Transaction Tax
UIN	Unique identification number
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
VAT	Value added tax
YoY	Year on Year

Notwithstanding the following: -

- i. In the section titled "*Main Provisions of the Articles of Association*" beginning on page 295 of this, defined terms shall have the meaning given to such terms in that section;
- ii. In the chapter titled "*Financial Statements as Restated*" beginning on page 188 of this Draft Prospectus, defined terms shall have the meaning given to such terms in that chapter;
- iii. In the section titled "*Risk Factors*" beginning on page 17 of this Draft Prospectus, defined terms shall have the meaning given to such terms in that section;
- iv. In the chapter titled "*Statement of Possible Tax Benefits*" beginning on page 99 of this Draft Prospectus, defined terms shall have the meaning given to such terms in that chapter; and

In the chapter titled "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" beginning on page 189 of this Draft Prospectus, defined terms shall have the meaning given to such terms in that chapter.



## **PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA**

All references to India are to the Republic of India and all references to the "Government" are to the Government of India.

### **FINANCIAL DATA**

Unless stated otherwise, the financial data included in this Draft Prospectus are extracted from the Restated Financial Statements of our Company, prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and the SEBI (ICDR) Regulations, as stated in the report of our Peer Review Auditor, set out in the chapter titled *"Financial Information"* beginning on page 188 of this Draft Prospectus. Our Restated Financial Statements are based on our audited financial statements prepared in accordance with Indian GAAP and the Companies Act, and have been restated in accordance with the requirements of the SEBI (ICDR) Regulations.

Our fiscal year commences on April 1 of each year and ends on March 31 of the next year. All references to a particular fiscal year are to the 12 months' period ended March 31 of that year. In this Draft Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off. All decimals have been rounded off to two decimal points.

There are significant differences between Indian GAAP, IFRS and US GAAP. 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 to what extent, the 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 / Indian GAAP. Any reliance by persons not familiar with Indian Accounting Practices on the financial disclosures presented in this Draft Prospectus should accordingly be limited.

Any percentage amounts, as set forth in *"Risk Factors"*, *"Our Business"*, *"Management's Discussion and Analysis of Financial Condition and Results of Operations"* beginning on pages 17, 119 and 189 respectively and elsewhere in this Draft Prospectus unless otherwise indicated, have been calculated on the basis of the Company's Restated Financial Statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and the SEBI (ICDR) Regulations, as stated in the report of our Peer Review Auditor, and as set out in the chapter titled *"Financial Information"* beginning on page 188 of this Draft Prospectus.

### **CURRENCY OF PRESENTATION**

In this Draft Prospectus, references to Rupees or Rs. or INR are to Indian Rupees, the official currency of the Republic of India. All references to \$, US\$, USD, U.S. \$ or U.S. Dollars are to United States Dollars, the official currency of the United States of America.

All references to million / Million / Mn refer to one million, which is equivalent to ten lakhs or ten lacs, the word Lacs / Lakhs / Lakh means one hundred thousand and Crore means ten million and billion / bn./ Billions means one hundred crores.

### **INDUSTRY AND MARKET DATA**

Unless stated otherwise, Industry and Market data and various forecasts used throughout this Draft Prospectus have been obtained from publically available information at official website of India Brand Equity Foundation (IBEF-[www.ibef.org](http://www.ibef.org)) as well as Government Publications which 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.

Industry Sources and the sources stated are believed to be reliable but their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

Although we believe that industry data used in this Draft Prospectus is reliable, it has not been independently verified by the Lead Manager or our Company or by any of their affiliates or advisors. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in the section titled "*Risk Factors*" beginning on page 17 of this Draft Prospectus. Accordingly, investment decisions should not be based solely on such information.

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

## FORWARD LOOKING STATEMENTS

This Draft Prospectus contains certain forward-looking statements. These forward looking statements can generally be identified by words or phrases such as aim, anticipate, believe, expect, estimate, intend, objective, plan, project, shall, will, will continue, will pursue or other words or phrases of similar meaning. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results and property valuations to differ materially from those contemplated by the relevant forward looking statement.

Important factors that could cause actual results to differ materially from our expectations include, but are not limited to the following:

- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Changes in laws and regulations relating to the sectors/areas in which we operate;
- Increasing competition in the Industry which we operate;
- Factors affecting the Industry in which we operate;
- Our ability to meet our capital expenditure requirements;
- Fluctuations in operating costs;
- Recession in the real estate and infrastructure sector;
- Changes in political and social conditions in India, the monetary and interest rate policies of India and other countries;
- Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- The performance of the financial markets in India and globally;
- Any adverse outcome in the legal proceedings in which we are involved;
- Our failure to keep pace with rapid changes in technology;
- The occurrence of natural disasters or calamities;
- Our ability to manage risks that arise from these factors;
- Failure to obtain any applicable approvals, licenses, clearances, registrations and permit in a timely manner;
- Changes in government policies and regulatory actions that apply to or affect our business;
- Other factors beyond our control;

For a further discussion of factors that could cause our actual results to differ, refer to section titled "*Risk Factors*" and chapter titled "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" beginning on pages 17 and 189 respectively of this Draft Prospectus. By their nature, certain market 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.

Future looking statements speak only as of the date of this Draft Prospectus. Neither we, our Directors, Lead Manager, Underwriter, nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, the Lead Manager and our Company will ensure that investors in India are informed of material developments until the grant of listing and trading permission by the Stock Exchange.

## SECTION II – RISK FACTORS

*An investment in our Equity Shares involves a high degree of financial risk and you should carefully consider all information disclosed in this Draft Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. The risk factors set forth below are not exhaustive and 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. If any, or some combination, of the following risks actually occurs, our business, prospects, results of operations and financial condition could suffer, the trading price of our Equity Shares could decline and you may lose all or part of your investment. In making an investment decision, prospective investors must rely on their own examination of our Company and the Issue, including the merits and risks involved. 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. Unless specified or quantified 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. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. Investors should not invest in this Issue unless they are prepared to accept the risk of losing all or part of their investment, and they should consult their tax, financial and legal advisors about the particular consequences to you of an investment in the Equity Shares.*

*This Draft Prospectus also contains forward-looking statements that involve risks and uncertainties. We have described the risks and uncertainties that our management believes are material, but these risks and uncertainties may not be the only ones we face. Our actual 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 Statements of our Company for the Fiscals 2013, 2014, 2015, 2016, nine months period ended December 31, 2017 in each case prepared in accordance with Indian GAAP, including the schedules, annexure and notes thereto.*

*To obtain a better understanding of our business, you should read this section in conjunction with other chapters of the Draft Prospectus, including the chapters titled "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" and section titled "Financial Information of the Company" beginning on pages 119,189 and 188 respectively of this Draft Prospectus, together with all other financial information contained in the Draft Prospectus.*

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

1. *Some risks may not be material individually but may be material when considered collectively.*
2. *Some risks may have material impact qualitatively instead of quantitatively.*
3. *Some risks may not be material at present but may have a material impact in the future.*

### **INTERNAL RISK FACTORS**

1. ***Our EPC business is a major source of our revenue and our financial condition would be materially and adversely affected if we fail to obtain new contracts.***

Our Company's EPC business which is based on the projects we bid for is a major source of revenue for us and constituted 94.09%, 95.82%, 96.89%, 97.96%, 98.71 and 95.35% of our total revenue in Fiscals 2013, 2014, 2015, 2016, 2017 and nine months period ended December 31, 2017 respectively. As part of our business, we bid for projects on an ongoing basis. Infrastructure projects are typically awarded by the government following a competitive bidding process and satisfaction of prescribed pre-qualification criteria. While service quality, technological capacity and performance, health and safety records and personnel, as well as reputation and experience and sufficiency of financial resources are important considerations in final bid decisions, there can be no assurance that we would be able to meet such financial and technical qualification criteria, whether independently or together with other joint venture partners. Further, once the prospective bidders satisfy the pre-qualification requirements of the

tender, the project is usually awarded on the basis of price competitiveness of the bid. We generally incur significant costs in the preparation and submission of bids, which are one-time non-reimbursable costs. We cannot assure you that we would bid where we have been pre-qualified to submit a bid or that our bids, when submitted or if already submitted, would be accepted. We may also not be able to secure bids due to negligence or disqualification of our joint venture partners in cases of bids in a consortium as these factors are beyond our control.

The growth of our EPC business mainly depends on our ability to obtain new contracts in the sectors we operate. Generally, it is very difficult to predict whether and when we will be awarded a new contract. Our future results of operations and cash flows can fluctuate materially from period to period depending on the timely award of contracts, commencement of work and completion of projects in the scheduled time period. If we are unable to obtain new contracts for our EPC business, our business will be materially and adversely affected.

2. ***Our Company has diversified into the business of wind power generation in which it has limited experience.***

Our Company has diversified in wind power generation business and has installed a wind mill with a capacity of 1.25 MW at Jaisalmer (Rajasthan) to supply power to a third party. The wind mill has generated 11,35,798 KWh and 12,61,782 KWh in the nine months ended on December 31, 2017 and Fiscal 2017 respectively and has generated revenue of Rs. 38.16 lakhs and Rs. 42.40 lakhs in the nine months period ended December 31, 2017 and Fiscal 2017 respectively. The wind power generation business is located only in the state of Rajasthan at Jaisalmer. The experience that we have gained from our completed wind power generation plant in Rajasthan may not be fully relevant or applicable to the development of future wind energy projects in other states in the event our Company proposes to expand its business in other states. Our limited experience may give rise to unexpected difficulties in project implementation process in other states which could lead to delays and inefficiencies that could adversely impact our business, financial condition and results of operation. Further, the entire power produced through the wind power generation plant is supplied to a single customer under a power purchase agreement at a pre-determined tariff. Accordingly, if tariffs generally increase, we will not be able to renegotiate the terms of the power purchase agreement to increase our tariffs. We may also be exposed to increased competition, particularly that arising from changes in technology that may allow other power generation companies to offer power at lower rates. Risks associated with the structure of our power purchase agreement could have a material adverse impact on our business, prospects, financial condition and results of operations. Further, in the event our power purchase agreement entered into by the Company are terminated prematurely or otherwise, there can be no assurance that the Company will be able to enter into similar arrangements and the Company will be exposed to competition. Failure of the Company to compete effectively in this scenario could have a material adverse effect on its business and operations.

3. ***The viability and level of wind energy generation is dependent on wind patterns, which are not constant and vary over time.***

The viability of wind energy projects is primarily dependent on the wind patterns at project sites conforming to the patterns that had previously been recorded to determine the suitability of these sites for wind energy projects. Any changes in wind patterns at particular sites that have been previously identified as suitable for wind energy projects could affect our Company's ability to generate the electricity and could also damage our reputation and prospects. Any subsequent changes in the wind pattern could have a material adverse effect on our Company's business, financial condition, cash flows and results of operations.

4. ***Our business is substantially dependent on our key customers from whom we derive a significant portion of our revenues. The loss of any significant clients may have a material and adverse effect on our business and results of operations.***

We derive a significant portion of our revenues from a limited number of customers. For the nine months period ended December 31, 2017 our top five customers cumulatively accounted for approximately 68.95% of our total revenue from operations as per the Restated Financial Statements.

In the event any one or more customers cease to continue doing business with us, our business may be adversely affected. There may be factors other than our performance, which may not be predictable, which could cause loss of customers. Further, any significant reduction in demand for our projects from our key customers, any requirement to lower the price offered by these customers, or any loss or financial difficulties caused to these customers, change in relationship with the customers could have a material adverse effect on our business, result of operations, financial condition and cash flow. While we are constantly striving to increase our customer base and reduce dependence on any particular customer, there is no assurance that we will be able to broaden our customer base in any future periods, or that our business or results of operations will not be adversely affected by a reduction in demand or cessation of our relationship with any of our major customers.

5. ***All projects we operate have been awarded primarily through competitive bidding process. Our bids may not always be accepted. We may not be able to qualify for, compete and win projects, which could adversely affect our business and results of operations.***

As a part of our business and operations, we bid for projects on an on-going basis. Projects are awarded following competitive bidding processes and satisfaction of prescribed qualification criteria. While service quality, technological capacity and performance, health and safety records and personnel, as well as reputation and experience and sufficiency of financial resources are important considerations in authority decisions, there can be no assurance that we would be able to meet such qualification criteria, particularly for larger projects, whether independently or together with other joint venture partners. Further, once the prospective bidders satisfy the qualification requirements of the tender, the project is usually awarded based on the quote by the prospective bidder. We spend considerable time and resources in the preparation and submission of bids. We cannot assure you that our bids when submitted, would be accepted. If we are not able to qualify in our own right to bid for larger projects, we may be required to partner and collaborate with other companies in bids for such projects. If we are unable to partner with other companies or lack the credentials to be the partner-of-choice for other companies, we may lose the opportunity to bid for large EPC projects, which could affect our growth plans.

In addition, the government conducted tender processes may be subject to change in qualification criteria, unexpected delays and uncertainties. There can be no assurance that the projects for which we bid will be tendered within a reasonable time, or at all. In the event that new projects which have been announced and which we plan to bid for are not put up for tender within the announced timeframe, or qualification criteria are modified such that we are unable to qualify, our business, prospects, financial condition, cash flows and results of operations could be materially and adversely affected.

The growth of our business mainly depends on our ability to obtain new EPC projects. We are not in a position to predict whether and when we will be awarded a new contract. Our future results of operations and cash flows can fluctuate materially depending on the timing of contract awards. Further, all our ongoing projects have been awarded to us for a definite term and the relevant authorities may float tenders for such projects after expiry of the current term. There is no assurance that we will be awarded such projects at the end of the tender process.

Projects awarded to us may be subject to litigation by unsuccessful bidders. Legal proceedings may result in delay in award of the projects and/or notification of appointed dates, for the bids where we have been successful, which may result in us having to retain unallocated resources and as a result, it would adversely affect our results of operations and financial condition. Further, we may be required to incur substantial expenditure, time and resources in defending such litigation. Any unsuccessful outcome in any such proceedings may lead to termination of a contract awarded to us, which could have a material adverse effect on our future revenues and profits.

6. ***Our business is relatively concentrated in the state of Madhya Pradesh and may be affected by various factors associated with Madhya Pradesh.***

Although our geographical footprint has reached two states, our project portfolio has historically been concentrated in projects in the state of Madhya Pradesh. As of December 31, 2017, 12 projects in Madhya Pradesh accounted for approximately 60.10 % of our Order Book. This concentration of our

business in Madhya Pradesh subjects us to various risks, including but not limited to:

- regional slowdown in construction activities or reduction of infrastructure projects in Madhya Pradesh;
- vulnerability to change of policies, laws and regulations or the political and economic environment of Madhya Pradesh;
- perception by our potential clients that we are a regional construction company, which hampers us from competing for large and complex projects at the national level; and
- limitation on our ability to implement the strategy to cluster projects in the states where we intend to conduct business.

While we strive to diversify across states and reduce our concentration risk, there is no guarantee that the above factors associated with Madhya Pradesh will not continue to have a significant impact on our business. We have recently been awarded a project in Maharashtra and intend to expand in other states such as Uttar Pradesh and Bihar. If we are not able to mitigate this concentration risk, we may not be able to develop our business as we planned and our business, financial condition and results of operations could be materially and adversely affected.

7. ***We depend on forming joint ventures to qualify for the bidding process for and to implement large projects and our inability to enter into or successfully manage such joint ventures could impose additional financial and performance obligations resulting in reduced profits or in some cases, significant losses from the joint venture, which could have a material adverse effect on our business, financial condition and results of operation.***

In order to be able to bid for certain large scale infrastructure projects, where we do not suffice eligibility criteria independently, we enter into joint venture agreements with other companies to meet capital adequacy, technical or other requirements that may be required as part of the pre-qualification for bidding or execution of the contract. For instance, our Company entered into a joint venture agreement dated February 16, 2018 with Kalyan Toll Infrastructure Limited. ("KTIL"), to incorporate a partnership in the name and style of BRGIPL JV KTIL LLP for the purpose of "Upgradation of Kusumba to Malegaon section of Principally Approved NH from Ch:55+000 Km to Ch: 96+410 Km (Design CH: 54+155 Km to Ch: 95+500, Total Length 41.345 Km) to Two Lane with Paved Shoulder configuration (Package No. Nashik –II Dondaicha – Kusumba – Dongrale – Malegaon Road Approx. 96.00 Km) in the State Maharashtra- Package 2 (Nashik Division)". In the event that we are unable to forge an alliance with appropriate partners to meet such requirements, we may lose out on opportunities to bid for projects, which would adversely impact our future growth. For details, please refer to the chapter titled "Our Business" and "Our Subsidiary and Joint Ventures" beginning on pages 119 and 155, respectively. We anticipate that some of our future projects will continue to be developed and maintained through joint ventures, as we continue to bid jointly for contracts with suitable joint venture partners.

The success of these joint ventures depends significantly on the satisfactory performance by our joint venture partners and fulfilment of their obligations under the EPC contracts, including among others, the obligations relating to equity funding and debt risk. Delays in infusing equity contributions on the part of our joint venture partners may potentially adversely affect our ability to subscribe to equity in our incorporated joint ventures as the relevant shareholding percentages may be fixed under the relevant joint venture agreements. In such cases, any excess contributions made by us may be treated as loans and therefore, would not ensure returns equal to that of equity contributions.

If our joint venture partners fail to perform their obligations including under the terms of the EPC contracts, satisfactorily, or at all, the joint venture may be unable to perform adequately or deliver its contracted services which may adversely impact the completion of our projects and our business in general. In such cases we may be required to make additional investments and/ or provide additional services to ensure the adequate performance and delivery of the contracted services as we are subject to joint and several liabilities as a member of the joint venture. Such additional obligations could result in reduced profits or, in some cases, significant losses for us. The inability of a joint venture partner to continue with a project due to financial or legal difficulties could mean that we would bear increased and possibly sole responsibility for the completion of the project and bear a correspondingly greater



share of the financial risk of the project. Further, we may be more reliant on our joint venture partners in sectors where we have limited experience. In addition, we may also need the co-operation and consent of our various joint venture partners in connection with the operations of our joint ventures, which may not always be forthcoming. We may have disagreements with our joint venture partners regarding the business and operations of the joint ventures. We cannot assure you that we will be able to resolve such disputes in a manner that will be in our best interests. If we are unable to successfully manage relationships with our joint venture partners, our projects and our profitability may suffer.

Further, we may not have a controlling interest in some of our joint ventures in the future. As a result, our joint venture partners may take actions which may be in conflict with our and our shareholders' interests or take actions contrary to our instructions or requests or contrary to the joint ventures' policies and objectives. Our joint venture partners may have economic or business interests or goals that are inconsistent with ours. Any of these factors could adversely affect our business, financial condition, results of operations, cash flows and business prospects including obtaining work from Government entities in future.

8. ***Delays in availability of ROW through eviction of encroachments from Government owned lands and acquisition of private lands by the Government may adversely affect the timely performance of our contracts leading to disputes with the Government.***

Road and highway projects are dependent on the procurement of unencumbered contiguous land. Failure to acquire unencumbered contiguous land by the Central or State Governments or other concerned agencies under the agreements could result in us changing, delaying or abandoning entire projects, which in turn could adversely affect our business.

Pursuant to the terms of most of our agreements, Government entities are required to facilitate the acquisition or license of or secure rights of way over, tracts of land or to hand over unencumbered land, free of encroachments to us. Delays in any of the foregoing may result in the delay of project implementation prescribed by the relevant agreement and cause consequent delays in commencement of construction or termination of the agreement on account of a material default by the government authority. Additionally, a failure to acquire land may lead to a change of scope of the project or payment delays or disputes with the Government entity for claims in connection with a completed project's eligibility for an early completion bonus (if any). We will continue to face risks associated with implementation which could be due to reasons including those beyond our control which can include, among others, non-availability of environmental clearances, delay in acquisition of land by the Government, or joint venture partners with whom we have entered into contractual arrangements.

Any delays or inability to complete such land acquisitions may also result in increases in the price of construction materials from original estimates, which we may not be able to pass on to the users of roads. Further, we may be exposed to legal proceedings or claims by landowners objecting to the acquisition of their lands for our projects. These factors could have an adverse effect on our business, results of operations and financial condition.

9. ***Delays in the completion of construction of current and future projects could lead to termination of the EPC agreements or cost overruns, which could have an adverse effect on our cash flows, business, results of operations and financial condition.***

Our projects are required to achieve commercial operation no later than the scheduled commercial operation dates specified under the relevant EPC agreements, or by the end of the extension period, if any is granted by the employer in case of our EPC projects. We provide the employers of our EPC projects with performance securities for completion of the construction of our projects within a specified timeframe. Subject to certain customary exceptions such as (i) occurrence and continuance of *force majeure* events that are not within the control of the employer, or (ii) delays that are caused due to reasons solely attributable to the EPC employer, failure to adhere to contractually agreed timelines or extended timelines could require us to pay liquidated damages as stipulated in the EPC agreements or lead to encashment and appropriation of the bank guarantee or performance security. The client may also be entitled to terminate the EPC agreement in the event of delay in completion of the work if the delay is not on account of any of the agreed exceptions. With respect to some of our projects, in the

event of termination for any of the aforesaid reasons, we may only receive partial payments under such agreements and such payments may be less than our estimated cash flows from such projects. Further, we may not be able to obtain extensions for projects on which we face delays or time overruns.

In addition to the risk of termination by the employer, delays in completion of development may result in cost overruns, lower or no returns on capital and reduced revenue for the employer thus impacting the project's performance, as well as failure to meet scheduled debt service payment dates and increased interest costs from our financing agreements for the projects. We have faced delays in completion of our projects and may continue to face delays in completion for certain of our projects which are under construction. The scheduled completion targets for our projects are estimates and are subject to delays as a result of, among other things, unforeseen engineering problems, *force majeure* events, issues arising out of right of way, unavailability of financing, unanticipated cost increases or changes in scope and inability in obtaining certain property rights or government approvals. We cannot assure you that similar delays will not occur in the future. Such delays could have adverse effects on our cash flows, business, results of operations and financial condition.

10. ***We cannot assure you that we will be able to successfully execute our growth strategies, which could affect our business prospects and results of operations.***

As part of our growth strategy, we propose to expand our existing EPC business as well as diversify into sectors, other than road infrastructure construction that we are currently engaged in. Our growth strategies could place significant demand on our management and our administrative, technological, operational and financial infrastructure. As a result, we may be unable to maintain the quality of our services as our business grows. Our growth strategies are dependent on various circumstances, including business developments, new business(es) (including those incidental to our EPC business and road & highways business focused activities), investment opportunities or unforeseen contingencies. We could also encounter difficulties and delays in executing our growth strategies due to a number of factors, including, without limitation, delays in project execution resulting in significant time and cost overruns, delays or failure in receiving government and regulatory approvals, unavailability of human and capital resources, delayed payments or non-payments by clients, failure to implement bidding strategy, failure to correctly identify market trends, increase in cost of raw material, fuel, labour etc. or any other risks that we may or may not have foreseen. There can be no assurance that we will be able to execute our growth strategy on time and within the estimated costs, or that we will meet the expectations of our clients. In order to manage growth effectively, we must implement and improve operational systems, procedures and controls on a timely basis, which, as we grow and diversify, we may not be able to implement, manage or execute efficiently and in a timely manner or at all, which could result in delays, increased costs and diminished quality and may adversely affect our results of operations and our reputation. In addition, if we raise additional funds for our growth through incurrence of debt, our interest and debt repayment obligations will increase, and we may be subject to additional covenants, which could limit our ability to access cash flow from operations and/or other means of financing. Further, our ability to arrange financing and the costs of such financing are dependent on numerous factors, including general economic and financial market conditions, credit availability from banks, investor confidence, the continued success of our current projects and other laws that are conducive to our capital raising initiatives. Our attempts to consummate future financings may not be successful or be on terms favourable to us. Our management may also change its view on the desirability of current strategies, and any resultant change in our strategies could put significant strain on our resources. We may also be unable to achieve the targeted levels of operations from our future projects.

Additionally, expansion into new geographic regions within India will subject us to various challenges, including those relating to our lack of familiarity with the social, political, economic and cultural conditions of these new regions, language barriers, difficulties in staffing and managing such operations and the lack of brand recognition and reputation in such regions. We may also encounter other additional anticipated risks and significant competition in such markets. Due to our limited experience in undertaking certain types of projects or offering certain services, our entry into new business segments or new geographical areas may not be successful, which could hamper our growth and damage our reputation. We may be unable to compete effectively for projects in these segments or areas or execute the awarded projects efficiently. Further, our new business or projects may turn out to

be mutually disruptive and may cause an interruption to our business as a result. If we are unable to successfully execute our growth strategies, our business, prospects and results of operations could be materially and adversely affected.

11. ***We are required to furnish bank guarantees as part of our EPC business. Our inability to arrange such guarantees or the invocation of such guarantees may adversely affect our cash flows and financial condition.***

As part of our EPC business, we are required to provide financial and performance bank guarantees to secure our financial/performance obligations under the respective contracts for our projects. It is customary in the industry in which we operate to provide financial or performance bank guarantees in favour of clients to secure obligations under contracts. These guarantees are typically required to be furnished within a few days of the signing of a contract and remain valid up to ninety days after the defect liability period prescribed in that contract. We may not be able to continue obtaining new financial and performance bank guarantees in sufficient quantities to match our business requirements. If we are unable to provide sufficient collateral to secure the financial bank guarantees or performance bank guarantees, our ability to enter into new contracts or obtain adequate supplies could be limited. Providing security to obtain financial and performance bank guarantees also increases our working capital requirements. If we are not able to continue obtaining new bank guarantees in sufficient quantities to match our business requirements, it could have a material adverse effect on our business, results of operations and our financial condition.

As on December 31, 2017, we had issued bank guarantees amounting to Rs. 3876.16 lakhs towards securing our financial/performance obligations under our ongoing projects, based on the projects we have entered into. We may be unable to fulfil any or all of our obligations under the contracts entered into by us in relation to our ongoing projects due to unforeseen circumstances which may result in a default under our contracts resulting in invocation of the bank guarantees issued by us. If any or all the bank guarantees are invoked, it may result in a material adverse effect on our business and financial condition.

12. ***Failure to provide performance security may result in forfeiture of the bid security and termination of the contract.***

We are required to deliver a performance security or bank guarantee to the authority for each project and are also required to ensure that the performance security is valid and enforceable until we remedy any defects during the defect liability period under the relevant contract. Delay or inability in providing a performance security within the stipulated period with respect to the project may result in termination of the contract or enforcing of the bid security.

13. ***We may be subject to claims for defects arising out of our services.***

We may be subject to claims resulting from defects arising from engineering, procurement and/or construction services provided by us within the defect liability periods stipulated in our contracts, which typically range from 12 months to 60 months from the date of completion. Actual or claimed defects in construction quality could give rise to claims, liabilities, costs and expenses, relating to loss of life, personal injury, damage to property, damage to equipment and facilities, pollution, inefficient operating processes, loss of production or suspension of operations.

Any such defects may result in monetary claims and/or litigation, which would require us to expend considerable resources. Any product liability claims against us could generate adverse publicity, leading to a loss of reputation, customers and/or increase our costs, thereby materially and adversely affecting our business, results of operations and financial condition.

14. ***Our Company is required to take prior consent of our lenders under some of our financing agreements for undertaking certain actions, including the Issue. Our inability to meet our obligations, conditions and restrictions imposed by our financing agreements could adversely affect our ability to conduct our business and operations as well as to undertake and consummate the Issue.***

Our projects are capital intensive and require us to have significant amounts of long-term loans for capital expenditure and working capital. Our ability to borrow and the terms of our borrowings will depend on our financial condition, the stability of our cash flows, general market conditions for infrastructure companies, economic and political conditions in the markets where we operate and our capacity to service debt in what is expected to be a rising interest rate environment. We have had, and expect to continue to have, substantial liquidity and capital resource requirements that will require significant capital expenditure and working capital. Our level of indebtedness could have several important consequences, including the following:

- a substantial portion of our cash flows may be used towards repayment of our existing debt, which will reduce the availability of cash flows to fund working capital, capital expenditures, acquisitions and other general corporate requirements;
- our ability to obtain additional financing in the future or renegotiate or refinance our existing indebtedness on terms favorable to us may be limited;
- fluctuations in market interest rates may affect the cost of our borrowings, as certain of our indebtedness is subject to floating rates of interest;
- we may have difficulty in satisfying repayments and other restrictive covenants under our existing financing arrangements;
- current and future defaults of payment and other obligations under our financing arrangements may result in an event of default, acceleration of our repayment obligations and enforcement of related security interests over our receivables and other assets; and
- we may be limited in our ability to expand our business and therefore, we may be limited in our capability to withstand competitive pressures.

Given the nature of our business, we will continue to incur indebtedness even after the Issue, and we cannot assure you that the aforementioned risks will not have an adverse effect on our cash flows, results of operations and financial condition.

As at March 31, 2018 our Company, had (a) secured borrowings which comprised of working capital facilities aggregating to Rs. 3,000 lakhs, corporate loan of Rs. 100 lakhs, and certain non-fund based facilities aggregating to Rs. 12,228 lakhs; and (b) unsecured borrowings aggregating to Rs. 1,009.61 lakhs. Our secured borrowings are secured by our present and future receivables, movable and immovable assets. Many of our financing agreements also include various conditions and covenants that require us to obtain consents from lenders prior to carrying out certain activities and entering into certain transactions like, initiating and consummating the Issue, effecting any change in our Company's capital structure and issuing any fresh capital. For further details, please refer to the chapter titled "Financial Indebtedness" beginning on page 204 of this Draft Prospectus.

We have entered into a working capital consortium agreement dated June 6, 2016 with certain lenders pursuant to which we have availed our fund based facilities including working capital, cash credit and non fund based facilities including bank guarantees (the "Consortium Agreement"). As on the date of this Draft Prospectus, we have made applications for obtaining consents from our consortium lenders to permit the Issue. We are yet to receive this consent from certain lenders who are part of our working capital consortium. While our Company intends to obtain the necessary consents in relation to the Issue from such lenders prior to the filing of the Prospectus with the RoC, undertaking the Issue without obtaining such lender consents would be in contravention of the conditions contained in the Consortium Agreement and would constitute a default under this agreement. Any failure to comply with the requirement to obtain a consent, or other condition or covenant under our financing agreements that is not waived by our lenders or is not otherwise cured by us, may lead to a termination of our credit facilities, acceleration of all amounts due under such facilities and trigger cross-default provisions under certain of our other financing agreements, and may materially and adversely affect our ability to conduct our business and operations or implement our business plans. Further, we cannot assure that we will have adequate funds at all times to repay these credit facilities and may also be subject to demands for the payment of penal interest. Any default and the consequences thereof may also result in a decline in the trading price of our Equity Shares and you may lose all or part of your investment. Any action initiated by a lender may result in the price of the Equity Shares being adversely affected along with our ability to obtain further financing from banks and financial

institutions. Moreover, our ability to borrow and the terms of our borrowings depend on our financial condition, the stability of our cash flows and our capacity to service debt in a fluctuating interest rate environment. For details of our loans, please refer to the chapter titled "Financial Indebtedness" and "Restated Financial Statements" beginning on pages 204 and 188 of this Draft Prospectus, respectively.

15. ***There are certain outstanding legal processing involving our Company, Promoters, Directors and Group Companies. Any failure to defend these proceedings successfully may have an adverse effect on our business prospects, financial condition, result of ongoing operations and reputation.***

There are certain outstanding legal proceedings involving our Company and Directors. These legal proceedings are pending at different levels of adjudication before various courts and tribunals. A classification of these legal and other proceedings are given in the following table:

Entity	No. of cases	Total outstanding demand (In Rs.)
<b><i>Company</i></b>		
<b><i>Litigation against our Company</i></b>		
<b><i>Litigation involving criminal laws</i></b>		
	Nil	-
<b><i>Litigation Involving Actions by Statutory/Regulatory Authorities</i></b>		
	Nil	-
<b><i>Litigation involving tax liabilities</i></b>		
<b><i>(i) Direct Tax Liabilities</i></b>		
	1	5,77,89,852
<b><i>(ii) Indirect Tax Liabilities</i></b>		
	6	74,84,004
<b><i>Other material pending litigation</i></b>		
	Nil	-
<b><i>Litigation by our Company</i></b>		
<b><i>Litigation Involving Criminal Laws</i></b>		
	Nil	-
<b><i>Litigation Involving Actions by Statutory/Regulatory Authorities</i></b>		
	Nil	-
<b><i>Litigation Involving Tax Liabilities</i></b>		
<b><i>(i) Direct Tax Liabilities</i></b>		
	Nil	-
<b><i>(ii) Indirect Tax Liabilities</i></b>		
	Nil	-
<b><i>Other material pending litigation</i></b>		
	1	3,41,57,590
<b><i>Directors/Promoters</i></b>		
<b><i>Litigation against our Directors and Promoters</i></b>		
<b><i>Litigation involving criminal laws</i></b>		
	Nil	-
<b><i>Litigation Involving Actions by Statutory/Regulatory Authorities</i></b>		
	Nil	-
<b><i>Litigation involving tax liabilities</i></b>		
<b><i>(i) Direct Tax Liabilities</i></b>		
	3	2,06,321
<b><i>(ii) Indirect Tax Liabilities</i></b>		
	Nil	-
<b><i>Other material pending litigation</i></b>		

Entity	No. of cases	Total outstanding demand (In Rs.)
	Nil	-
<b><i>Litigation by our Directors/Promoters</i></b>		
<b><i>Litigation involving criminal laws</i></b>	Nil	-
<b><i>Litigation Involving Actions by Statutory/Regulatory Authorities</i></b>	Nil	-
<b><i>Litigation involving tax liabilities</i></b>		
<b><i>(i) Direct Tax Liabilities</i></b>	Nil	-
<b><i>(ii) Indirect Tax Liabilities</i></b>	Nil	-
<b><i>Other material pending litigation</i></b>	Nil	-
<b><i>Group Company</i></b>		
<b><i>Litigation against Group Company</i></b>		
<b><i>Litigation involving criminal laws</i></b>	Nil	-
<b><i>Litigation Involving Actions by Statutory/Regulatory Authorities</i></b>	Nil	-
<b><i>Litigation involving tax liabilities</i></b>		
<b><i>(i) DirectTax Liabilities</i></b>	5	2,65,77,640
<b><i>(ii) Indirect Tax Liability</i></b>	Nil	-
<b><i>Other material pending litigation</i></b>	Nil	-
<b><i>Litigation by our Group Company</i></b>		
<b><i>Litigation involving criminal laws</i></b>	Nil	-
<b><i>Litigation Involving Actions by Statutory/Regulatory Authorities</i></b>	Nil	-
<b><i>Litigation involving tax liabilities</i></b>		
<b><i>(i) DirectTax Liabilities</i></b>	Nil	-
<b><i>(ii) IndirectTax Liabilities</i></b>	Nil	-
<b><i>Other material pending litigation</i></b>	Nil	-

The amounts claimed in the proceeding have been disclosed to the extent ascertainable and include amounts claimed jointly and severally. We may incur significant expenses and management time in such legal proceeding. Any adverse ruling in any of the above proceedings or consequent levy of penalties by other statutory authorities may render our Company, Promoters, Directors liable to penalties and may have 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 further details, please refer to the chapter titled "Outstanding Litigations and Material Developments" beginning on 214 of this Draft Prospectus.

16. ***There is a discrepancy in our statement of account due to rounding off the share application money.***

Our Company has made a preferential allotment of Equity Shares upon conversion of certain unsecured loans as on October 21, 2005. The aforesaid allotment been made pursuant to conversion of an

unsecured loan lying in the books of accounts of the Company which was originally introduced due to restatement of the partner's current account of the partnership firm M/s. Balkrishna Goyal into unsecured loan. Due to rounding off the share application money there arises a discrepancy in the related accounts statement. For further details, please refer to the chapter titled "Capital Structure" beginning on page 76 of this Draft Prospectus.

17. ***If we are not successful in managing our growth, our business may be disrupted and our profitability may be reduced.***

We have experienced growth in recent years and expect our businesses to continue to grow significantly. Our future growth is subject to risks arising from a rapid increase in order volume, and skilled manpower.

Our future growth may place significant demands on our management and operations and require us to continuously evolve and improve our financial, operational and other internal controls within our Company. In particular, continued expansion may pose challenges in:

- maintaining high levels of project control and management, and client satisfaction;
- recruiting, training and retaining sufficient skilled management, technical and bidding personnel;
- developing and improving our internal administrative infrastructure, particularly our financial, operational, communications, internal control and other internal systems;
- making accurate assessments of the resources we will require;
- adhering to the standards of health, safety and environment and quality and process execution to meet clients' expectations;
- preserving a uniform culture, values and work environment;
- strengthening internal control and ensuring compliance with legal and contractual obligations;
- managing relationships with clients, suppliers, contractors, investors, lenders and service providers; and
- supporting infrastructure such as IT and HR management systems.

If we are not successful in managing our growth, our business may be disrupted and profitability may be reduced. Our business, prospects, financial condition and results of operations may be adversely affected.

18. ***Our Company is required to relocate our RMC manufacturing facility in terms of 'Indore Master Development Plan 2021'. Any unscheduled or prolonged disruption of our manufacturing operations could affect our business, financial condition and result of operations.***

Our Company has set up a manufacturing unit for RMC, an important material in road construction, with an installed capacity of 5.25 lakhs cubic meters per annum at Indore in 2008 to cater to our construction needs which reduces our costs considerably. In terms of the 'Indore Master Development Plan', the area occupied by the facility has now been recategorised as residential. Consequently, all industrial activities have to be discontinued in the said area in due course. For this purpose, our Company has identified suitable land and proposes to shift our RMC facilities eventually. While our Company will take all possible efforts to ensure such transition, we cannot assure you that there will not be any disruption in production of RMC due to such relocation. Any reduction in the production of RMC will lead to increased cost and have a material adverse effect on our business, results of operations and financial condition.

Any unscheduled or prolonged disruption of our manufacturing operations, including due to power failure, fire and unexpected mechanical failure of equipments, performance below expected levels of output or efficiency, obsolescence, labour disputes, strikes, lock-outs, earthquakes and other natural disasters, industrial accidents or any significant social, political or economic disturbances, could reduce our ability to produce the raw materials required for our projects and as a result, adversely affect our business and financial conditions. We may be subject to manufacturing disruptions due to contraventions by us of any of the conditions of our regulatory approvals, which may require our manufacturing facility to cease, or limit, production until the disputes concerning such approvals are



resolved. In the event of prolonged interruptions in the operations of our manufacturing facility, we may have to import various supplies and products in order to meet our project requirements, which could affect our profitability.

19. ***Our actual cost in executing an EPC contract may vary substantially from the assumptions underlying our bid. We may be unable to recover all or some of the additional expenses, which may have a material adverse effect on our results of operations, cash flows and financial condition.***

Under the terms and conditions of agreements for our EPC contracts, we generally agree to pay to, or receive from the client awarding the contract an agreed sum of money, subject to contract variations covering changes in the client's project requirements. We may enter into EPC contracts in the future which may not contain price escalation clauses covering increase in the cost of construction materials, fuel, labour and other inputs. Accordingly, our actual expense in executing an EPC contract may vary substantially from the assumptions underlying our bid for several reasons, including, but not limited to unanticipated increases in the cost of construction materials, fuel, labour or other inputs, unforeseen construction conditions, including the inability of the client to obtain requisite environmental and other approvals resulting in delays and increased costs, delays caused by local weather conditions and suppliers' failures to perform.

Our ability to pass on increases in the purchase price or manufacturing cost of raw materials and other inputs may be limited in the case of contracts with limited or no price escalation provisions and we cannot assure you that these variations in cost will not lead to financial losses to our Company. Further, other risks generally inherent to the development and construction industry may result in our profits from a project being less than as originally estimated or may result in us experiencing losses due to cost and time overruns, which could have a material adverse effect on our cash flows, business, financial condition and results of operations.

20. ***Due to the nature of our contracts, we may be subjected to claim and counter-claims to and from the government authorities, any adverse outcome of any such claim or counter claim may have an adverse effect on our profitability.***

Pursuant to the terms of our contracts, government entities are required to acquire or license or secure rights of way over, tracts of land or to hand over unencumbered land, free of encroachments to us. Delays in any of the foregoing may result in delay of project implementation prescribed by the relevant contract and cause consequent delays in commencement of construction or termination of the contract on account of a material default by the government authority. There may be events that lead to disputes and claims and counter claims for losses and damages between us and the relevant government entity. We will continue to face risks associated with implementation of our contracts which could be due to reasons including those beyond our control which can include, among others, non-availability of environmental clearances, delay in acquisition of land by the government, or other delays from the government authority. Such factors could have an adverse effect on our business, results of operations and financial condition.

21. ***Our business is working capital intensive. If we experience insufficient cash flows to meet required payments on our debt and working capital requirements, there may be an adverse effect on our operations.***

Our business requires a significant amount of working capital which is based on certain assumptions, and therefore, any change of such assumptions would result in changes to our working capital requirements. In many contracts, significant amounts of working capital are required to finance the purchase or manufacturing of materials, mobilization of resources and other work on projects before payment is received from clients. Our working capital requirements may increase due to an increase in the size of our operations and the number and size of projects that are required to be executed within a similar timeframe. Since the contracts we bid typically involve a lengthy and complex bidding and selection process which is affected by a number of factors, it is generally difficult to predict whether or when a particular contract we have bid for will be awarded to us and the time period within which we will be required to mobilize our resources for the execution of such contract. In addition, we may need to incur additional indebtedness in the future to satisfy our working capital requirements. While in

many of our EPC contracts awarded to us by the Government authorities, we are granted an interest bearing advance up to 10 percent of the contract value, which is secured by a financial bank guarantee, we cannot assure you that the said advance will be sufficient to fulfill our working capital requirement.

Our capital expenditure requirements and growth strategy thus require continued access to significant amounts of capital on acceptable terms. We cannot assure you that market conditions and other factors will permit future project and acquisition financings, debt or equity, on terms acceptable to us or at all. Our ability to arrange financing and the costs of such financing are dependent on numerous factors, including general economic and capital market conditions, credit availability from financial institutions, the amount and terms of our existing indebtedness, investor confidence, the continued success of current projects and laws that are conducive to our raising capital in this manner. Our attempts to consummate future financings may not be successful or be on terms favourable to us or at all. In addition, our ability to raise funds, either through equity or debt, is limited by certain restrictions imposed under Indian law. Further, if the demand for, or supply of, infrastructure financing at attractive rates or terms were to diminish or cease to exist, our business, prospects, financial condition and results of operation could be adversely affected.

We strive to maintain strong relationships with local and national banks, as well as non-banking financial institutions to increase our financing flexibility. Our credit profile often enables us to obtain financing on favourable terms from major financial institutions. However, we cannot assure you that our relationships with lenders will not change or that lenders will continue lending practices we are familiar with. Our lenders may implement new credit policies, adopt new pre-qualification criteria or procedures, raise interest rates or add restrictive covenants in loan agreements, some or all of which may significantly increase our financing costs, or prevent us from obtaining financings totally. Our lenders may change their lending policies or practices due to factors beyond our control and at a time when we need to finance our business operations or expansion. If we cannot meet any new requirements of our lenders or accept their new lending practices, we may lose them as sources to finance our projects. If we cannot find substitute financing sources at affordable costs, our financing costs may increase significantly and in the worst case, we may not be able to obtain finance for the working capital requirement for our projects at all. Our projects may be subject to significant delays and cost overruns, and our business, financial condition and results of operations may be materially and adversely affected.

In general, we may make provisions for doubtful debts, including those arising from progress payments, based primarily on ageing and other factors such as special circumstances relating to specific clients. There can be no assurance that the progress payments will be remitted by our clients to us on a timely basis or that we will be able to efficiently manage the level of doubtful debts arising from such payment practice. Our working capital position is therefore also dependent on the financial position of our clients. All of these factors may result in an increase in the amount of our receivables and short-term borrowings.

22. ***Our Company is required to provide our government clients a certain sum of money as retention money which is released only after the expiry of the defects liability period. Any delay in the release of the retention money may have a material adverse effect on our business, results of operations and financial condition.***

Our Company is required to keep our government clients a certain sum of money as retention money which is released only after the expiry of the defects liability period. In most cases, such defect liability period extends upto 60 months in various. Our Company meets the requirement of providing the retention money through the working capital facilities availed by it. Consequently, in most cases, for a period of five years our Company has no access to the said retention money. Banks are usually willing to allow our Company to draw up the amount for a period of 270 days, however the same also puts pressure on the interest. There can be no assurance that the retention money will be remitted by our clients to us on a timely basis or that we will be able to efficiently manage the level of bad debt arising from such payment practice. Our working capital position is therefore also dependent on the financial position of our clients. All of these factors may result in an increase in the amount of our receivables and short-term borrowings. Continued increase in working capital requirements may have an adverse effect on our financial condition and results of operations.

23. ***Increases in the prices of construction materials, fuel, labour and equipment, their availability, quality and cost overruns could have an adverse effect on us.***

The cost of construction materials, fuel, labour and equipment maintenance constitutes a significant part of our operating expenses. For e.g., the key raw material used in construction of roads is bitumen and ready mixing concrete. We are also vulnerable to the risk of rising/fluctuating steel and cement prices, which are determined by demand and supply conditions in the global and Indian markets as well as government policies. Any unexpected price fluctuations after placement of orders, shortage, delay in delivery, quality defects, or any factors beyond our control may result in an interruption in the supply of such materials which is critical to our business. In the event that we fail to secure sufficient quantities of such raw materials from our suppliers at acceptable quality and prices in a timely manner, our business, financial performance and cash flows may be adversely affected. The quality of raw materials delivered by suppliers engaged by us has a direct impact on the overall quality of our construction and the timeliness of our delivery to our clients. Although we generally ensure strict quality and process control measures for suppliers, we may be subject to potential claims against us by our clients in case of any sub-standard materials provided by our suppliers. In such circumstances, our reputation may suffer and our business may be adversely affected. In addition, our resources could be strained by any claim which proceeds to litigation. Further, if breakdowns of our equipment increase as business activities increase, the costs associated with maintaining such equipment may increase.

Our ability to pass on increased costs may be limited under our fixed price contracts, which may have limited or no price escalation provisions. Further, our customers may dispute the increased costs. If we are unable to pass on such unanticipated price increases to our clients in EPC projects we may have to absorb such increases and our business, financial condition and results of operations may be adversely affected.

Our contracts to provide EPC services are mostly on the basis of a fixed price or a lump sum for the project as a whole, which may not always include escalation clauses covering any increased costs we may incur. We may suffer significant cost overruns or even losses in these projects due to unanticipated cost increases resulted from a number of factors such as changes in assumptions underlying our contracts, unavailability or unanticipated increases in the cost of construction materials, fuel, labour and equipment, changes in applicable taxation structures or the scope of work, delays in obtaining requisite statutory clearances and approvals, delays in acquisition of land, procuring right of way, disruptions of the supply of raw materials due to factors beyond our control, unforeseen design or engineering challenges, inaccurate drawings or technical information provided by clients, severe weather conditions or force majeure events. Despite the escalation clauses in some of our construction contracts, we may experience difficulties in enforcing such clauses to recover the costs we incurred in relation to the additional work performed at the clients' requests or because of the change of scope of work. We may have to bear risks associated with any increase in actual costs for construction activities exceeding the agreed work. If any of these risks materialize, they could adversely affect our profitability, which may in turn have an adverse effect on our overall results of operation.

However, our Company manufactures Ready Mixing Concrete (RMC) as a means to bring down our raw material cost significantly by way of captive consumption.

24. ***Our business is substantially dependent on projects awarded or funded by the Central or State Governments and we derive substantial revenues from contracts with a limited number of government entities. Any changes in the Central or State Government policies or focus, or delay in payment may affect our business and results of operations.***

Our business increasingly relies on projects awarded or funded by the Government or State Governments. As of April 30, 2018 100% of our Order Book was derived from contracts awarded by various governmental departments. For further details, please refer to the heading "Order Book" on page 125 of this Draft Prospectus. These government clients include State Governments, Central Government Departments and local authorities. We provide EPC services both, on a fixed-sum turnkey basis and on an item rate basis. In relation to such contracts, we may be subject to additional regulatory scrutiny associated with commercial transactions with government owned or controlled entities and

agencies. Furthermore, in certain instances, we may face delays associated with collection of receivables from government owned or controlled entities. Our business is thus subject to risks relating to or arising from the Government or State Governments, including but not limited to:

- personnel, structural, or policy changes or any changes in practices or focus at the Government or State Government level;
- changes in government initiatives, agenda or budgetary allocations or fund deficiencies resulting in capital reduction in the infrastructure sector;
- non-payment by or delays in collection from the Government or State Governments, or the entities and financial institutions they control due to regulatory scrutiny and long procedural formalities including any audit by the Comptroller Auditor General of India;
- significant loss of business in the case of loss of a major client, particularly in the state of Madhya Pradesh, where our business concentration is the most significant;
- government clients' restrictive interpretation of the applicability of the escalation clauses in our construction contracts and difficulties in enforcing such clauses to recover the costs we incurred in relation to the additional work performed at the clients' requests or because of the change of scope of work; and
- termination of a contract by a government client; pursuant to the terms of some of our contracts, the government clients have the right to terminate these contracts for convenience, without any reason and at any time, after providing us with reasonable notice and compensation;

Further, Our EPC construction services contracts with government authorities are also subject to certain restrictions including technical audits by such government authorities which awarded that particular contract. If we fail to comply with a contractual or any other requirement or if there are any concerns that arise out of the audit conducted by a government entity, a variety of penalties can be imposed including monetary damages and criminal and civil penalties. As a result of this, any or all of our contracts entered into with government entities could be terminated and we could be suspended or debarred from all government contract work, or payment of our costs could be disallowed. The occurrence of any of these actions could harm our reputation and could have a material adverse effect on our business, results of operations and financial condition.

There can be no assurance that the Government or the State Governments will continue to place emphasis on the infrastructure sector. Our business, prospects, financial condition and results of operations may be materially and adversely affected, especially where the compensation from the government client or our insurance coverage is inadequate.

25. ***Our financial performance is dependent on our successful bidding for new projects and the non-cancellation of projects awarded to us.***

As most of our projects in the industry in which we operate are undertaken on a non-recurring basis, it is critical that we are able to continuously and consistently secure new projects of similar value and volume. There is no assurance that we will be able to do so or get projects where we have prior experience. In the event that we are not able to continually and consistently secure new projects of similar or higher value and on terms and conditions that are favourable to us, this would have an adverse impact on our financial performance. In addition, the scope of work in a project, which is dependent on its scale and complexity, will affect the profit margin of the project and our financial performance. In the event that we have to sub-contract a material portion of the project work to a third party subcontractor, our profit margins from such projects may be lower as compared to in-house execution of projects. Cancellation or delay in the commencement of secured projects due to factors such as changes in our customers' businesses, poor market conditions and lack of funds on the part of the project owners may adversely affect us. In addition, there may be a lapse of time between the completion of our projects and the commencement of our subsequent projects. Any cancellation or delay of projects could lead to idle or excess capacity, and in the event that we are unable to secure replacement projects on a timely basis, this may adversely affect our business operations and financial conditions.

26. ***In the past, we have incurred additional costs in order to complete some of our projects and have***

*also completed certain projects beyond the stipulated completion dates. There can be no assurance that we will be able to complete our projects under construction or development, or any of our future projects, according to schedule or without incurring cost overruns.*

The construction or development of our projects involves various implementation risks. Please refer to the risk entitled *"Our projects are exposed to various implementation and other risks and uncertainties which may adversely affect our business, results of operations and financial condition"*, for further details on events that could disrupt the anticipated schedule and costs of our projects.

Additionally, there were certain delays with respect to the implementation of certain projects due to time overrun which were beyond our control for which our Company has paid certain amounts of penalties till December 31, 2017, the details of which are as under:

<i>(Rs. In Lakhs)</i>			
<b>Sr. No.</b>	<b>Name of the Project</b>	<b>Year</b>	<b>Penalty</b>
1.	Construction of Strom Water Drain at Jabalpur	2014-2015	55.03
2.	Road work from Indira Chowk to Toll Plaza at Khandwa	2017-2018	29.57
<b>Total</b>			<b>84.60</b>

While our Company has always taken steps to comply with requirements to prevent any delays or complete the projects in a timely manner, we cannot assure you that our Company will be successful in preventing and delays or cost overrun in the implementation of the projects in future. Any delay or cost overruns in the development, construction or operation of any of our new projects or existing projects is likely to adversely affect our business, prospects, financial condition, cash flows and results of operations.

27. ***Our projects are exposed to various implementation and other risks and uncertainties which may adversely affect our business, results of operations and financial condition.***

Our projects in our EPC business are under construction or development. The construction or development of these new projects involves various implementation risks including construction delays, delay or disruption in supply of raw materials, delays in acquisition of land, unanticipated cost increases, *force majeure* events, cost overruns or disputes with our joint venture partners. We may be further subject to regulatory risks, financing risks and the risks that these projects may ultimately prove to be unprofitable. In particular:

- we may encounter unforeseen engineering problems, disputes with workers, *force majeure* events and unanticipated costs due to defective plans and specifications;
- we may not be able to obtain adequate capital or other financing at affordable costs or obtain any financing at all to complete construction of any of our projects;
- the projects that we are engaged in may not receive timely regulatory approvals and/or permits for development and operation of our projects, such as environmental clearances, mining, forestry or other approvals from the central or State environmental protection agencies, mining, forestry, railway or other regulatory authorities and may experience delays in land acquisition by the government and procuring right of way and other unanticipated delays;
- we may experience shortages of, and price increases in, materials and skilled and unskilled labour, and inflation in key supply markets;
- geological, construction, excavation, regulatory and equipment problems with respect to operating projects and projects under construction;
- delays in shifting of utilities or receipt of approvals from railways or other local bodies;
- delays in completion and commercial operation could increase the financing costs associated with the construction and cause our forecast budget to be exceeded;
- we may be subject to risk of equipment failure or industrial accidents that may cause injury and loss of life, and severe damage to and destruction of property and equipment; and
- other unanticipated circumstances or cost increases.

In addition, even where a project proceeds as scheduled, it is possible that contracting parties may default and fail to pay amounts owed on the receivables due. If any or all of these risks materialise, we may suffer significant cost overruns or even losses in these projects due to unanticipated increase in costs as a result of which our business, profits and results of operations will be materially and adversely affected.

28. ***We may be seriously affected by delays in the collection of receivables from our clients and may not be able to recover adequately on our claims.***

There may be delays in the collection of receivables from our clients or entities owned, controlled or funded by our clients or their related parties. As of December 31, 2017, Rs. 1279.66 lakhs or 61.46% of our total trade receivables had been outstanding for a period exceeding six months from their respective due dates. Additionally, we may claim for more payments from our clients for additional work and costs incurred in excess of the contract price or amounts not included in the contract price. These claims typically arise from changes in the initial scope of work or from delays caused by the clients. The costs associated with these changes or client caused delays include additional direct costs, such as labour and material costs associated with the performance of the additional work, as well as indirect costs that may arise due to delays in the completion of the project, such as increased labour costs resulting from changes in labour markets. We may not always have the protection of escalation clauses in our construction contracts or supplemental agreement in respect of the additional work to support our claims. Where we have escalation clauses in our agreements, we may seek to enforce our contractual rights. As we often need to fulfill significant working capital requirements in our operations, delayed collection of receivables or inadequate recovery on our claims could materially and adversely affect our business, cash flows, financial condition and results of operations.

29. ***Our Company operates in a highly competitive market. If we are unable to bid for and win construction projects, both large and small, or compete with larger competitors, we could fail to increase, or maintain, our volume of order intake and our results of operations may be materially adversely affected.***

Our Company faces competition from other market players, which is determined by size, nature, complexity and location of projects, proximity of materials to the local market, the availability of sub-contractors, construction workers and local economic conditions. Some of our competitors may be larger than us, may have more financial resources or a more experienced management team, or may have more engineering and construction experience in executing certain types of projects. Further, our ability to bid for and win projects is dependent on a number of factors including our ability to show experience in executing large projects and to demonstrate that we have strong engineering and construction capabilities. For many large construction contracts, we may not always meet the pre-qualification criteria on a standalone basis. We face competition from other bidders in a similar position to us looking for suitable joint venture partners with whom to partner in order to meet the pre-qualification requirements. If we are unable to partner with other players, we may lose the opportunity to bid for, and therefore fail to increase or maintain our volume of new construction contract orders or new projects.

Although there are numerous factors that could affect our ability to win projects, pricing plays an important role in most tender awards. While we have, in the past, been awarded a number of contracts in this segment, we cannot assure you that we will continue to be awarded such contracts. Some of the new entrants may also bid at lower margins in order to be awarded a contract. As a result, the nature of the bidding process may cause us and our competitors to accept lower margins in order to be awarded a contract. We may also decide not to participate in some projects as accepting such lower margins may not be financially viable and this may adversely affect our competitiveness to bid for and win future contracts. There can be no assurance that we can continue to effectively compete with our competitors in the future, and failure to compete effectively may have an adverse effect on our business, financial condition, cash flows and results of operations.

30. ***Our Order Book may not be representative of our future results and our actual income may be less than the estimates reflected in our Order Book, which could adversely affect our results of operations.***

As on April 30, 2017, our Order Book was Rs. 41607.81 lakhs comprising of 13 projects. Most of our projects are expected to be executed in Fiscals 2019, 2020 and 2021 respectively. There can be no assurance that we will be awarded the projects that we currently expect or that we will be able to execute agreements for these anticipated projects on terms that are favourable to us or at all. Our completed projects also include those projects for which we have been issued provisional completion certificates by the relevant authority but are operational.

We may also encounter problems executing the projects as ordered, or executing it on a timely basis. Moreover, factors beyond our control or the control of our clients may postpone a project or cause its cancellation, including delays or failure to obtain necessary permits, authorizations, permissions, right-of-way, and other types of difficulties or obstructions. Even relatively short delays or surmountable difficulties in the execution of a project could result in our failure to receive, on a timely basis or at all, all payments otherwise due to us on a project. In addition, even where a project proceeds as scheduled, it is possible that the contracting parties may default or otherwise fail to pay amounts owed. Any delay, reduction in scope, cancellation, execution difficulty, payment postponement or payment default in regard to our order book projects or any other uncompleted projects, or disputes with clients in respect of any of the foregoing, could affect our cash flow position, revenues and earnings.

31. ***We own a large fleet of construction equipment and plant & machinery, resulting in increased fixed costs to our Company. In the event we are not able to generate adequate cash flows it may have a material adverse impact on our operations.***

We own a large fleet of modern construction equipment, plant & machinery and minimally lease or hire equipment, resulting in increased fixed costs to our Company. As on April 30, 2018, our Company owns 206 construction equipment and vehicles. In the event, we are unable to maintain these equipment, we may not be successful in executing our projects in a timely manner or at all, which could affect our financial condition and operations. Further, if we do not receive future contract awards or if these awards are delayed or reduced, we may incur significant costs from maintaining the under-utilized equipment bank, and may further lack working capital to pay our equipment loan instalments on time or at all, which may result in reduced profitability for us or cause us to default under our equipment loans. As such, our financial condition and results of operation may be adversely affected. However, when our Company is not utilizing these equipment, our Company extends these equipment on rent to third parties which reduces the fixed cost of our Company.

32. ***Obsolescence, destruction, theft, breakdowns of our major plants or equipment or failures to repair or maintain the same may adversely affect our business, cash flows, financial condition and results of operations.***

As of December 31, 2017, we have a fleet of 206 construction equipment and vehicles. To maintain our capability to undertake large projects, we seek to purchase plants and equipment built with the latest technologies and knowhow and keep them readily available for our construction activities through careful and comprehensive repairs and maintenance. However, we cannot assure you that we will be immune from the associated operational risks such as the obsolescence of our plants or equipment, destruction, theft or major equipment breakdowns or failures to repair our major plants or equipment, which may result in their unavailability, project delays, cost overruns and even defaults under our construction contracts. The latest technologies used in newer models of construction equipment may improve productivity significantly and render our older equipment obsolete.

Obsolescence, destruction, theft or breakdowns of our major plants or equipment may significantly increase our equipment purchase cost and the depreciation of our plants and equipment, as well as change the way our management estimates the useful life of our plants and equipment. In such cases, we may not be able to acquire new plants or equipment or repair the damaged plants or equipment in time or at all, particularly where our plants or equipment are not readily available from the market or requires services from original equipment manufacturers. Some of our major equipment or parts may



be costly to replace or repair. We may experience significant price increases due to supply shortages, inflation, transportation difficulties or unavailability of bulk discounts. Such obsolescence, destruction, theft, breakdowns, repair or maintenance failures or price increases may not be adequately covered by the insurance policies availed by our Company and may have an adverse effect on our business, cash flows, financial condition and results of operations.

33. ***Construction faults may arise in our projects, which may result in delays in completion and revision in estimated costs, thereby affecting our business and results of operations.***

We may, in the course of our operations, encounter construction faults on account of factors including design related deficiencies arising in our projects. Such construction related faults typically result in revision/modification to our design and engineering thereby resulting in increased interest cost due to delay, increase in estimated cost of operations on account of additional work executed towards rehabilitation. We may not be able to recover such increased costs from our customers in part, or at all, and may further be subject to penalties, including liquidated damages on account of such construction faults arising in our projects. We may further face delays in the estimated project completion schedule in respect of such projects on account of additional works required to be undertaken towards rectifying such construction faults, and are dependent upon our clients permitting extension of time of completion of such projects. There can be no assurance that any cost escalation or additional liabilities in connection with the development of such projects would be fully offset by amounts due to us pursuant to the guarantees and indemnities, if any, provided by our contractors or insurance policies that we maintain. Delays in completion and commercial operation of our projects under construction could increase the financing costs associated with the construction and cause costs to exceed our forecasted budgets. We also cannot assure you that our clients will permit such revised completion schedule to be implemented to the necessary extent or at all, and we may be held in breach of the terms and conditions of the contracts in respect of such projects pertaining to completion schedule.

Further, such construction faults may result in loss of goodwill and reputation, and may furthermore have a material and adverse impact on our eligibility in respect of future bids made by us towards projects, thereby affecting our future operations and revenues.

34. ***Inadequate workloads may cause underutilization of our workforce and equipment bank.***

We estimate our future workload largely based on whether and when we will receive certain new contract awards. If our Company does not receive future contract awards or if these awards are delayed, it could incur significant costs in the interim. As on April 30, 2018, we had 335 permanent employees and also engaged contract labour at our project sites. Our estimate of the future performance depends on, among other things, whether and when we will be awarded new contracts. While our estimates are based upon our best judgment, these estimates can be unreliable and may frequently change based on newly available information. In a project where timing is uncertain, it is particularly difficult to predict whether or when we will receive a contract award. The uncertainty of contract awards and timing can present difficulties in matching our workforce size and equipment bank with our contract needs. If a contract, which we expect will be awarded, is delayed or not received, our Company could incur costs due to maintaining underutilized staff, which could have a material adverse effect on our profitability, financial condition and results of operations and financial condition. Alternatively, we may also be unable to hire or retain qualified engineers and workmen in line with the demand in our projects as well as our growth, which may have an impact on our reputation and results of operations. There can also be no assurance that we will not experience disruptions to our operations due to disputes or other problems with our work force such as work stoppages or increased wage demands, which may adversely affect our business.

35. ***Our operations are subject to physical hazards and similar risks that could expose us to material liabilities, loss in revenues and increased expenses.***

While construction companies, including us, conduct various scientific and site studies during the course of bidding for projects, there are always unanticipated or unforeseen risks that may come up due to adverse weather conditions, geological conditions, specification changes and other reasons. Additionally, our operations are subject to hazards inherent in providing engineering and construction

services, such as risk of equipment failure, work accidents, fire or explosion, including hazards that may cause injury and loss of life, severe damage to and destruction of property and equipment, and environmental damage. Our policy of covering these risks through contractual limitations of liability, indemnities and insurance may not always be effective and this may have an adverse effect on our reputation, business, financial condition and results of operation.

36. ***We rely on our information technology systems for our operations and its reliability and functionality is critical to the success of our business.***

We rely on our information technology systems for our operations and its reliability and functionality is critical to our business success. Our growing dependence on the IT infrastructure, applications, and data has caused us to have a vested interest in its reliability and functionality, which can be affected by a number of factors, including, the increasing complexity of the IT systems, frequent change and short life span due to technological advancements and data security. If our IT systems malfunction or experience extended periods of down time, we may not be able to run our operations safely or efficiently. We may suffer losses in revenue, reputation and volume of business and our financial condition and results of operation may be materially and adversely affected.

37. ***Our ability to complete our projects in a timely manner and operate, maintain and expand our EPC Projects is subject to performance of our sub-contractors.***

We engage sub-contractors to perform parts of our contract or provide services or manpower. Although our contractors are qualified, we do not have control over their day to day performance. We cannot ensure that there will be no delay in performance of duties by our sub-contractors, which may cause a delay in completion of construction of our projects. We may also be exposed to risks relating to the ability of the contractors to obtain requisite approvals for the operation and maintenance activities as well as the quality of their services, equipment and supplies.

Further, while we may sub-contract our construction work and may be indemnified by the sub-contractor for any loss or damage due to their default, we may still be liable for accidents on the projects due to defects in design and quality of construction of our projects during their construction and operation. In addition, we can make no assurance that such sub-contractors or their sub-contractors will continue to hold or renew valid registrations under the relevant labour laws in India or be able to obtain the requisite approvals for undertaking such construction and operation.

If our sub-contractors are unable to perform in accordance with their commitments on time or meet the quality standards required, our ability to complete projects on time or at all could be impaired. This may have an adverse effect on our reputation, cash flows, business, results of operations and financial condition.

38. ***Our contracts with government agencies usually contain terms that favour the government clients, who may terminate our contracts prematurely under various circumstances beyond our control and as such, we have limited ability to negotiate terms of these contracts and may have to accept onerous provisions.***

The counterparties to a number of our construction contracts are government entities and these contracts are usually based on forms chosen by the government entities. We thus have had only a limited ability to negotiate the terms of these contracts, which tend to favour our government clients.

The contractual terms may present risks to our business, including but not limited to:

- risks we have to assume and lack of recourse to our government client where defects in site or geological conditions were unforeseen or latent from our preliminary investigations, design and engineering prior to submitting a bid;
- liability for defects arising after the termination of the agreement;
- clients' discretion to grant time extensions, which may result in project delays and/or cost overruns;
- our liability as a contractor for consequential or economic loss to our clients;

- commitment of the government to secure encumbrance free land, utility shifting and delay in obtaining approvals; and
- the right of the government client to terminate our contracts for convenience at any time after providing us with the required written notice within the specified notice period.

Our ability to continue undertaking projects thus largely depends on our government clients, who may terminate the relevant construction agreements for reasons set forth in these agreements. If the government client terminates any of our construction agreements, under the relevant agreement it is generally required to compensate us for the amount of our unrecovered investment, unless the agreement is terminated pursuant to applicable law or our breach of the terms of the agreement is material. Such compensation process is likely to be time consuming and the amount paid to us may not fully compensate us. We are typically required to transfer the control and possession of the project and construction sites back to the government client, which may restrain us from clustering our projects on our desired terms and conditions. We cannot assure you that we would receive such compensation on a timely basis or in an amount equivalent to the value of our investment plus our lost profits.

39. ***Our Company has limited experience in successfully implementing our growth strategy to expand into new functional and geographic areas, which could have an adverse effect on our business, results of operations and financial condition.***

Our Company intends to expand the geographical and functional areas in which we undertake various projects. Our construction activities have, however, historically been focused in Madhya Pradesh and primarily in the areas of roads and highways. However, we propose to expand our presence across India and to diversify into various infrastructure related activity and continue to focus on roads and highways. Our Company has limited background and experience in these areas, and we may need to enter into strategic tie-ups, recruit additional skilled personnel and purchase additional equipment to support such activities. We cannot assure you that we will be able to successfully implement such expansion and diversification strategies, in a timely or cost-effective manner, or at all.

Further, as we seek to diversify our regional focus, we may face the risk that our competitors may be better known in other markets, enjoy better relationships with customers and joint venture partners, gain early access to information regarding attractive projects and be better placed to bid for and be awarded such projects. Increasing competition could result in price and supply volatility, which could cause our business to suffer. In addition, we may not have the required amount of experience in the new areas of business in which we propose to venture and therefore may not be able to compete effectively with established competitors in these businesses. There can be no guarantee that we will be able to effectively manage our entry into new functional and geographical areas, which may have a material adverse impact on our business, financial condition and results of operation.

40. ***Our revenues from our projects are difficult to predict.***

Revenue from a construction project may vary widely and is dependent on various factors such as the current stage and size of the project, the scheduled commencement date, the price and supply of raw materials and project delays. The scheduled commencement date for our projects are estimates based on current expectations and market conditions, which could change significantly. Our consolidated revenue may also differ significantly from period to period due to factors such as number of new projects, delays or difficulties in expanding our business, changes to our pricing structure or that of our competitors, seasonal variation, inaccurate estimates of resources and time required to complete ongoing contracts and currency fluctuations. These factors may make it difficult for us to prepare accurate internal financial forecasts. As a result, our revenues and profits may vary significantly during different financial periods, and certain periods are not indicative of our financial position for the year, and may be significantly below the expectations of the market, analysts and investors.

41. ***Our business may be affected by severe weather conditions and other natural disasters and our insurance coverage may not be adequate.***

Our business activities may be materially and adversely affected by severe weather conditions, which may force us to evacuate personnel or curtail services, replace damaged equipment and facilities or

suspend our operations or postpone delivery of materials to our worksites. Heavy or sustained rainfalls or other extreme weather conditions such as cyclones could result in delays or disruptions to our operations during the critical periods of our projects and cause severe damages to our premises and equipment. High temperatures during summer months and the monsoon season could limit our ability to carry on construction activities or to fully utilize our resources. Our business activities may also be adversely affected by other natural disasters, including earthquakes, floods and landslides, which may cause significant interruptions of our operations and damages to our properties and working environment which may not be adequately covered by the insurance policies availed by our Company. During periods of curtailed activity due to severe weather conditions or natural disasters, we may continue to incur operating expenses but our revenues from operations may be delayed or reduced.

42. ***We are subject to risks arising from interest rate fluctuations, which could adversely affect our business, financial condition and results of operations.***

Interest rates for borrowings have been volatile in India in recent periods. Our operations are funded to a significant extent by debt and increases in interest rate (and consequent increase in the cost of servicing such debt) may have an adverse effect on our results of operations and financial condition. Our current debt facilities carry interest at variable rates as well as fixed rates. Although we may in the future engage in interest rate hedging transactions or exercise any right available to us under our financing arrangements to terminate the existing debt financing arrangement on the respective reset dates and enter into new financing arrangements, there can be no assurance that we will be able to do so on commercially reasonable terms or that these agreements, if entered into, will protect us adequately against interest rate risks.

43. ***Our Registered Office is not owned by us. The same is occupied by us on rent/license basis. Disruption of our rights as licensee or termination of the agreements with our licensor would adversely impact our operations and consequently our business.***

Our Registered Office from where we operate is not owned by our Company. Our Company has been occupying the Registered Office on leasehold basis through a deed of lease entered into by our Company with our Mentor Balkrishna Goyal, who is the father of our Promoters, for a period of 2 years commencing from April 1, 2017 and ending on March 31, 2019 at a monthly rent of Rs. 4,000. Further, some of our joint ventures and Group Companies are also occupying our Registered Office as their registered office.

We cannot assure that our Company will be able to successfully renew the said rent agreement on expiry of the license period. Further, we cannot assure that we will not face any disruption in respect of our rights as a licensee and that such lease agreement will not be terminated prematurely by the licensor. Any such non-renewal or early termination or any disruption of our rights as licensee may require us to vacate the premises and relocate to a new premises on terms that may not be favourable to us thereby adversely affecting our business, financial conditions and results of operations.

44. ***Our Company has delayed and made errors in making certain required filings under the Companies Act, 2013 and under the applicable provisions of the Companies Act, 1956.***

Our Company is required to make filings under various rules and regulations as applicable under the Companies Act, 2013 and under the applicable provisions of the Companies Act, 1956, few of which have not been done within the stipulated time periods at some instances. Due to these delays in filings, our Company has on those occasions paid the requisite late fees. Further, there are errors in some of the form filings pertaining to certain allotments for which we have not made any rectified filings. Although our Company has not received any show cause notice in respect of such delays or errors, non-compliance may in the future render us liable to statutory penalties and could have serious consequences on our operations. While this could be attributed to technical lapses and human errors, our Company is in process of setting up a system to ensure that the requisite filings are done appropriately and within the timelines.

45. ***Our success depends largely upon the services of our Directors, Promoters and other Key***

***Managerial Personnel and our ability to attract and retain them. Demand for Key Managerial Personnel in the industry is intense and our inability to attract and retain Key Managerial Personnel may affect the operations of our Company.***

Our success is substantially dependent on the expertise and services of our Directors, Promoters and our Key Managerial Personnel. They provide expertise which enables us to make well informed decisions in relation to our business and our future prospects. The inputs and experience of our Key Managerial Personnel and other senior management are valuable for the development of our business and operations and the strategic directions taken by us. Our future performance will depend upon the continued services of these persons. Demand for Key Managerial Personnel in the industry is intense. We may require a long period of time to hire and train replacement personnel when skilled personnel terminate their employment with our Company. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting skilled employees that our business requires. We cannot assure you that we will be able to retain any or all, or that our succession planning will help to replace, the key members of our management. The loss of the services of such key members of our management team and the failure of any succession plans to replace such key members could have an adverse effect on our business and the results of our operations. For further details of our Directors and key managerial personnel, please refer to the chapter titled "Our Management" beginning on page 157 of this Draft Prospectus.

46. ***Our individual Promoters play a 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.***

We benefit from our relationship with our Promoters and our success depends upon the continuing services of our Promoters who have been responsible for the growth of our business and are closely involved in the overall strategy, direction and management of our business. Our Promoters and our Mentor Balkrishna Goyal have been actively involved in the day to day operations and management since the incorporation of the Company. Accordingly, our performance is heavily dependent upon the services of our Promoters. If our Promoters are unable or unwilling to continue in their present position, we may not be able to replace them easily or at all, which could adversely affect our business operations and affect our ability to continue to manage and expand our business. However, the second generation of our Promoters have become involved in day to day business transactions.

47. ***Our insurance may not be adequate to protect us against all potential losses to which we may be subject.***

We maintain insurance coverage with respect to each project we are undertaking. We generally maintain insurance for damage caused by severe weather conditions, floods, fires and earthquakes on our facilities including our equipment and vehicles, as well as third party liability insurance and business interruption insurance, which we believe is customary for the infrastructure industries in India and jurisdictions in which we operate. However, not all of our risks may be insurable or possible to insure on commercially reasonable terms. Our insurance may not provide adequate coverage in certain circumstances and is subject to certain deductibles, exclusions and limits on coverage. We cannot assure you that the operation of our projects or infrastructure assets will not be affected by any of the conditions above, or that the terms of our insurance policies will be adequate to cover any damage caused by any such incidents and hazards. Further, there can be no assurance that any claim under the insurance policies maintained by us will be honored fully, in part or on time. Should an uninsured loss or a loss in excess of insured limits occur, we would lose the anticipated revenue from the construction contract and, in the case of our projects, the loss of our investment in the relevant project company. Additionally, the insurance policies may not cover our losses, in part or at all. For further details on our insurance arrangements, please refer to the chapter titled "Our Business – Insurance" beginning on page 119 of this Draft Prospectus.

48. ***For supply of certain raw materials, we rely on a limited number of suppliers. Inadequate or interrupted supply or sub-standard quality of raw materials, could adversely affect our reputation, business and results of operations.***

Our business depends on the adequate supply of quality construction and other raw materials at reasonable prices on a timely basis. The principal raw materials used in our projects is bitumen, steel and cement which are procured from certain regular suppliers. Although, we manufacture certain of our raw materials at our own manufacturing facilities to reduce cost, we rely on a limited number of suppliers for other raw materials and any delays or stoppages by such raw material suppliers could adversely affect our operations and financial condition. While we have not experienced any significant disruptions to our operations due to the unavailability of raw materials, lack of long-term price contracts and the absence of an assured supply of raw materials in adequate quantities at competitive prices, could result in a disruption of our production schedule or result in our sourcing raw materials from other sources at prices that are less favorable to us, resulting in an increase in our operating costs and materially and adversely affecting our business, results of operations and financial condition.

Further, the quality of raw materials delivered by suppliers engaged by us has a direct impact on the overall quality of our construction and the timeliness of our delivery to our clients. Although we generally ensure strict quality and process control measures for suppliers, we may be subject to potential claims against us by our clients in case of any sub-standard materials provided by our suppliers. In such circumstances, our reputation may suffer and our resources could be strained.

49. ***An inability to adapt to the changing needs of the industry and specific requirements of our clients in the infrastructure sector and in the other industries we intend to diversify into may adversely affect our business prospects, results of operations and financial condition.***

Our future success will depend in part on our ability to address the changing needs of the industry and specific requirements of our clients in the infrastructure sector as well as the other industries that we seek to diversify into, including evolving engineering and construction technologies and processes. There can be no assurance that we will be able to address these requirements in a cost effective and timely manner, or at all. We may not have access to advanced construction technologies, processes or equipment and may not succeed in adopting emerging industry standards and processes in a cost-effective and timely manner. If we are unable, for technical, legal, financial or other reasons, to adapt in a timely and cost effective manner to changing market conditions, customer requirements or technological changes, our business operations and financial performance could be adversely affected.

50. ***A downgrade in our credit rating could adversely affect our ability to raise capital in the future.***

Our financing agreements require us to obtain a credit rating from an independent agency. Our credit ratings, which are intended to measure our ability to meet our debt obligations, are a significant factor in determining our finance costs. The interest rates of certain of our borrowings may be significantly dependent on our credit ratings. A downgrade of our credit ratings could lead to greater risk with respect to refinancing our debt and would likely increase our cost of borrowing and adversely affect our business, financial condition, results of operations and prospects.

51. ***Any destruction or breakdown of our RMC manufacturing facility may have an effect on our business, financial condition and results of operations.***

Ready Mixed Concrete (RMC) is manufactured under computer-controlled operations and transported and placed at site using sophisticated equipment and methods. The use of RMC is an environmental friendly practice that ensures a cleaner work place and causes minimal disturbance to its surroundings. This makes its utility more significant in crowded cities and sensitive localities. In contrast to this, conventional methods of making, transporting and placing concrete at most construction sites are somewhat labour-intensive and suffer from practices which may be erratic and not very systematic. Therefore the use of RMC can prove to be more cost effective in the longer term while ensuring that structures are built faster and using concrete that comes with higher levels of quality assurance. The

land on which our RMC facility is located is not owned by us. If we are unable to operate this facility and produce RMC for our captive consumption, we may have to incur additional costs to source the same which consequently will affect of business, financial condition and result of operations. Further, by the year 2021, our Company is required to shift our manufacturing facility for RMC from the current locality to another locality in terms of the housing plan approved by the state government..

52. ***Our business could be adversely affected if we fail to keep pace with technological developments in the construction industry.***

Our recent experience indicates that our clients are increasingly developing larger, more technically complex projects using more advanced technologies. Our future success will depend, in part, on our ability to respond to technological advances and emerging technology standards and practices on a cost-effective and timely basis. To meet our clients' needs, we must continuously update our existing systems and develop new technologies for our construction projects. If we fail to anticipate or respond adequately to our clients' changing requirements or keep pace with the latest technological developments, our business, prospects, financial condition and results of operations may be materially and adversely affected.

53. ***The nature of our construction business exposes us to liability claims and contract disputes, which are not all covered by our insurance.***

We are involved in large projects where design, construction or systems failures can result in substantial injury or damage to third parties. We could face significant claims for damages in respect of, among other things:

- defects in the quality of our or our subcontractors' design, construction, engineering or planning;
- latent defects in the structures we built;
- damage caused by our vendors' products; or
- our failure to manage projects.

We may be exposed to liabilities arising under our warranties or from defects during construction. We have executed a number of EPC contracts. A majority of these contracts specify a period (generally for a period of five years from the date of completion) as the defects liability period during which we would have to rectify any defects arising from construction services provided by us within the warranty periods stipulated in our contracts at our cost. Our contracts also usually include liquidated damages clauses with the liability amount ranging upto 10% of the relevant contract price, which may be enforced against us if we do not meet specified targets during the course of a contract.

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

As on April 30, 2018, we had 335 employees. Our operations depend upon the productivity of our workforce, which may be affected by labour disputes involving our employees. We may experience business disruptions due to strikes, work stoppages or demands for wage increases. Currently, we do not have any organized union activities. Construction activities at our worksites may be suspended and our projects may be significantly delayed if we fail to negotiate with the employees or if we do not find acceptable solutions in a timely manner. Any such labour disputes, or requirements to fund wage payments or recruit permanent employees could adversely affect the construction progress of our projects and have a material and adverse effect on our business, financial condition and results of operations.

55. ***Non-compliance with, and changes in, safety, health and environmental laws and regulations may adversely affect our business, financial condition and results of operations.***

Our operations are subject to various Central and State environmental laws and regulations relating to the control of pollution in the various locations in India where we operate. In particular, the discharge or emission of chemicals, dust or other pollutants into the air, soil or water that exceed permitted levels

and cause damage to others may give rise to liability to the Government and third parties, and may result in our incurring costs to remedy such discharge or emissions. There can be no assurance that compliance with such environmental laws and regulations will not result in a curtailment of operations, or a material increase in the costs of operations, or otherwise have a material adverse effect on the financial condition and results of our operations. Environmental laws and regulations in India have been increasing in stringency and it is possible that they will become significantly more stringent in the future. Stricter laws and regulations, or stricter interpretation of the existing laws and regulations, may impose new liabilities on us or result in the need for additional investment in pollution control equipment, either of which could adversely affect our business, financial condition or prospects. While as of the date of this Draft Prospectus, we are not subject to any environmental legal proceedings, we may be impleaded in such legal proceedings in the course of our business. Such legal proceedings could divert management time and attention, and consume financial resources in defense or prosecution of such legal proceedings or cause delays in the construction, development or commencement of operations of our projects. No assurance can be given that we will be successful in all, or any, of such proceedings.

56. ***We require various statutory and regulatory permits and approvals in the ordinary course of our business, and our failure to obtain, renew or maintain them in a timely manner may adversely affect our operations.***

We require certain statutory and regulatory permits and approvals for our business. For details of the key laws and regulations applicable to us, please refer to the chapter titled "*Key Regulations and Policies*" beginning on page 140 of this Draft Prospectus. We may need to apply for further approvals in the future including renewal of approvals that may expire from time to time. There can be no assurance that the relevant authorities will issue such permits or approvals in the timeframe anticipated by us or at all.

Failure by us to renew, maintain or obtain the required permits or approvals at the requisite time may result in the interruption of our operations and may have an adverse effect on our business, financial condition and results of operations. Further, we cannot assure that the approvals, licenses, registrations and permits issued to us would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. Any failure to renew the approvals that have expired or apply for and obtain the required approvals, licenses, registrations or permits, or any suspension or revocation of any of the approvals, licenses, registrations and permits that have been or may be issued to us, may impede our operations. We have applied for certain regulatory approvals that have not been received as on the date of this Draft Prospectus. In the past, our Company has delayed in filing for certain licenses and approvals. For instance, we have made an application for the registration of our logo and trade name that is still pending. For further details, please refer to the chapter titled "*Government and Other Approvals*" beginning on page 223 of this Draft Prospectus.

57. ***Our operations are subject to risks of mishaps or accidents that could cause damage or loss to life and property and could also result in loss in our business.***

Our business operations are subject to operating risks, including but not limited to, fatal accidents and mishaps or other *force majeure* conditions which are beyond our control. We have in the past also made compensation and related payments in relation to injuries that have occurred at our project sites and as such cannot assure you that such accidents will not happen in the future. During the construction and maintenance period, we may be exposed to various risks which we may not be able to foresee or may not have adequate insurance coverage.

Our insurance coverage may not be adequate to cover such loss or damage to life and property, and any consequential losses arising due to such events will affect our operations and financial condition. Further, in addition to the above, any such fatal accident or incident causing damage or loss to life and property, even if we are fully insured or held not to be liable, could negatively affect our reputation, thereby making it more difficult for us to conduct our business operations effectively, and could significantly affect our Order Book, availability of insurance coverage in the future and our results of



operations.

58. ***We have had negative net cash flow from investing and financing activities as per restated financial statements. Any negative cash flow in the future would adversely affect our business, results of operations and financial condition.***

We had negative net cash flow from investing and financing activities in the financial years 2015, 2016 and 2017 and December 31, 2017. Our cash flows from investing and financing activities are further detailed in the table below:

*(in Rs. Lakhs)*

		For the period ended				
		December 31, 2017	March 31, 2016	March 31, 2016	March 31, 2015	March 31, 2014
Net Cash from/ (used) in Investing Activities		340.80	(1,199.71)	(1,072.76)	(590.77)	(35.15)
Net Cash from/ (used) in Financing Activities		(1,830.70)	(116.60)	(875.12)	342.85	(184.90)
						6.99

Cash flow of our Company is a key indicator to show the extent of cash generated from operations to meet capital expenditure, pay dividends, repay loans and to make new investments without raising finance from external resources. There can be no assurance that our net cash flow from operating, investing activities will be positive in the future. Any negative cash flows from operating and investment activities in future would adversely affect our business, results of operations and financial condition. For more information regarding cash flows, please refer to the chapter titled "Restated Cash Flow Statements - Annexure 3" beginning on page F-9 of this Draft Prospectus.

59. ***Our Contingent Liability and Commitments could affect our financial position.***

We usually need to provide performance guarantees when we undertake construction projects, which are often demanded by our clients to protect them against potential defaults by us. We are also often required to have our lenders issue letters of credit in favour of our suppliers for purchases of equipment and raw materials. We thus may have substantial contingent liabilities from time to time depending on the projects we undertake and the amount of our purchases. As of December 31, 2017, the following contingent liabilities, on a standalone basis, were not provided for in our Restated Financial Statements:

*(In Rs. Lakhs)*

Sr. No.	Particulars	Amount
1.	Income tax & other tax demands	597.48
2.	Bank guarantee	3,876.16
	<b>Total</b>	<b>4,473.64</b>

If a project is not completed or the required payments are not made on time, the relevant performance guarantees or letters of credit may be enforced.

If any of these contingent liabilities materialize, we may have to fulfil our payment obligations, which may have an adverse impact on our cash flows, financial conditions and results of operations. For further details, please refer to the section titled "Financial Statements" beginning on page 188 of the Draft Prospectus.

60. ***We require substantial financing for our business operations and the failure to obtain additional financing on terms commercially acceptable to us may adversely affect our ability to grow and our future profitability.***

We operate in a capital-intensive industry, which requires substantial levels of funding. We will continue to incur significant expenditure in maintaining and growing our existing infrastructure. The actual amount and timing of our future capital requirements may differ from estimates as a result of, among other things, unforeseen delays or cost overruns in developing our services, changes in business plans due to prevailing economic conditions, unanticipated expenses and regulatory changes. To the extent our planned expenditure requirements exceed our available resources, we will be required to seek additional debt or equity financing. Additional debt financing could increase our interest costs and require us to comply with additional restrictive covenants in our financing agreements. Additional equity financing could dilute our earnings per Equity Share and your interest in the Company, and could adversely impact our Equity Share price.

Our ability to obtain additional financing on favorable terms, if at all, will depend on a number of factors, including our future financial condition, results of operations and cash flows, the amount and terms of our existing indebtedness, general market conditions and market conditions for financing activities and the economic, political and other conditions in the markets where we operate. We cannot assure you that we will be able to raise additional financing on acceptable terms in a timely manner or at all. Our failure to renew arrangements for existing funding or to obtain additional financing on acceptable terms and in a timely manner could adversely impact our planned capital expenditure, our business, results of operations and financial condition.

61. ***We do not have certain documents evidencing certain information in the biographies of some of our Directors and Key Managerial Personnel under the section "Our Management" of this Draft Prospectus.***

We do not have certain documents evidencing the biographies of our Directors, Brijkishore Goyal, Rajendra Kumar Goyal and Gopal Goyal under the chapter "Our Management" beginning on page 157 of this Draft Prospectus and have relied on affidavits furnished by these Directors to describe their profile. Further, details pertaining to most of our Key Managerial personnel is based on affidavit provided by them. The affidavit executed by them certifies the authenticity of the information provided. We cannot assure you that all information relating to them included in the chapter "Our Management" are true and accurate.

62. ***Our Company has availed certain unsecured loans from some of our Directors.***

Our Company has currently availed unsecured loans from our Director. As on April 30, 2018, the unsecured loan amounting Rs. 1,180.35 lakhs were due to lenders. In the event that lender seeks a repayment of any such loan, our Company would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. As a result, any such demand may affect our business, cash flows, financial condition and results of operations. For further details on financing arrangements entered into by our Company, please refer to the chapter titled "Statement of Financial Indebtedness" beginning on page 204 of Draft Prospectus.

63. ***Debt facilities availed by our Company have been secured on personal guarantees of our Directors and certain members of our Promoter Group. Our business, financial condition, results of operations, cash flows and prospects may be adversely affected in case of invocation of any personal guarantees or securities of the collateral provided by our Directors and certain members of our Promoter Group.***

Our Directors, Brijkishore Goyal, Gopal Goyal and Rajendra Kumar Goyal and certain members of our Promoter Group have provided personal guarantees to secure our existing borrowings from our consortium lenders and the personal guarantees provided by our Directors and members of our Promoter Group still continues to be in force as on the date of filing this Draft Prospectus. In case of a default under our loan agreements, the personal guarantees provided by our Directors and members of our Promoter Group may be invoked, which could negatively impact the reputation and net worth of

our Directors and the members of the Promoter Group. Also, we may face certain impediments in taking decisions in relation to our Company, which in turn would result in a material adverse effect on our financial condition, business, results of operations and prospects and would negatively impact our reputation. In addition, our Directors may be required to liquidate their shareholding in our Company to settle the claims of the lenders, thereby diluting his shareholding in our Company. We may also not be successful in procuring alternate guarantees/ alternate security satisfactory to the lenders, as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could affect our financial condition and cash flows. For further details regarding loans availed by our Company, please refer to the chapter titled "*Statement of Financial Indebtedness*" beginning on page 204 of this Draft Prospectus.

64. ***Our lenders have a charge over our movable and immoveable properties in respect of finance availed by us.***

Our Company has availed of secured loans from banks by creating a charge over our moveable and immoveable properties. The total amount outstanding and payable by us as for towards secured loans were Rs. 2,368 lakhs as on March 31, 2018. In the event we default in repayment of the loans / facilities availed by us and any interest thereof, our properties may be forfeited by lenders, which in turn could have significant adverse effect on our business, financial condition and results of operations. For further details, see chapter titled "*Financial Indebtedness*" beginning on page 204 of this Draft Prospectus.

65. ***Our Company has not completed the corporate filings with respect to the satisfaction of certain charges.***

Our Company paid off the certain equipment loans availed from ICICI Bank and HDFC Bank consequently leading to the release of the charge over the assets underlying the facilities availed. Our Company is yet to file the forms with respect to the satisfaction of the same and has consequently missed the stipulated time period for the said filings which amounts to non-compliance of certain provisions of the Companies Act. Further, these charges are still reflected as outstanding on the MCA portal. While our Company is in process of filing the requisite forms, we cannot assure you that no action will be taken by the concerned authority in this regard. Although our Company has not received any show cause notice in respect of the above, such delay, non-compliance may in the future render us liable to statutory penalties and could have some consequences on our operations. While this could be attributed to technical lapses and human errors, our Company is in process of setting up a system to ensure that the requisite filings are done appropriately and within the timelines.

66. ***Conflicts of interest may arise out of common business objects between our Company, Group Companies and certain entities forming part of our Promoter Group.***

Conflicts may arise in the ordinary course of decision-making by the Promoters or Board of Directors. Our Promoters have interests in other companies that may undertake the same business as our Company. Our Group Companies and some of the entities forming part of our Promoter Group are authorized to carry out, or engage in business similar to that of our Company. Conflicts of interests may arise in the Promoters' allocating or addressing business opportunities and strategies among our Company and the entities forming part of our Promoter Group in circumstances where our respective interests diverge. In cases of conflict, there can be no assurance that our Promoters will not favour their own interests over those of our Company. Our Promoters have not signed any non-compete agreement with our Company as of date. Any such present and future conflicts could have a material adverse effect on our business, reputation, financial condition and results of operations.

67. ***There is no monitoring agency appointed by Our Company to monitor the utilization of the Issue proceeds.***

As per SEBI (ICDR) Regulations as amended, appointment of monitoring agency is required only for Issue size above Rs.10,000 Lakhs. Hence, we have not appointed any monitoring agency to monitor the utilization of Issue proceeds. However, the audit committee of our Board will monitor the utilization of Issue proceeds in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Further, our Company shall inform about material deviations in the utilization of Issue proceeds to the stock exchange and shall also simultaneously make the material deviations / adverse comments of the audit committee public.

68. ***Our Promoter and members of the Promoter Group will continue jointly to retain majority control over our Company after the Issue, which will allow them to determine the outcome of matters submitted to shareholders for approval.***

After the completion of the Issue, our Promoters and Promoter Group will continue to hold a majority of our Equity Shares. Consequently, our Promoters and Promoter Group may exercise substantial control over us and may have the power to elect and remove a majority of our Directors and/or determine the outcome of proposals for corporate action requiring approval of our Board of Directors or shareholders, such as lending and investment policies, revenue budgets, capital expenditure, dividend policy and strategic acquisitions. Our Promoters and Promoter Group may be able to influence our major policy decisions, including our overall strategic and investment decisions, by controlling the election of our Directors and, in turn, indirectly controlling the selection of our senior management, determining the timing and amount of any dividend payments (if any), approving our annual budgets, deciding on increases or decreases in our share capital, determining our issuance of new securities, approving mergers, acquisitions and disposals of our assets or businesses, and amending our Articles of Association. This control could also delay, defer or prevent a change in control of our Company, impede a merger, consolidation, takeover or other business combination involving our Company, or discourage a potential acquirer from obtaining control of our Company. The interests of our Promoters and Promoter Group may conflict with the interests of our other shareholders, including the holders of our Equity Shares to be offered, and our Promoters and Promoter Group could make decisions that materially adversely affect investment in our Equity Shares to be offered. We cannot assure that our Promoters and Promoter Group will act to resolve any conflicts of interest in our Company's favour. For further information, see the chapters titled "*Capital Structure*" and "*Our Promoters and Promoter Group*" beginning on pages 76 and 176 respectively.

69. ***We have not made any dividend payments in the past and 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.***

In the past, we have not made dividend payments to the shareholders of our Company. The amount of our future dividend payments, if any, will depend upon various factors including our future earnings, financial condition, cash flows and requirement to fund operations and expansion of the business. There can be no assurance that we will be able to declare dividends. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors. For further details, please refer to the chapter titled "*Dividend Policy*" beginning on page 187 of this Draft Prospectus.

70. ***Our Directors (including Promoters) have interests in our Company other than the reimbursement of expenses and normal remuneration or benefits. Any such interests may result in a conflict of interest, which may have an adverse effect on our business.***

Our Directors (including Promoters) may be deemed to be interested in our Company, in addition to regular remuneration or benefits and reimbursements of expenses, to the extent of Equity Shares held by them, their relatives, their dividend or bonus entitlement, benefits arising from their directorship in our Company and to the extent of sitting fee payable to them for attending each of our Board and Committee meetings. Therefore, some of the above interests may conflict with the duties of these persons as Director of the Company. For further details, please refer to the chapter titled "*Our Management*" beginning on pages 157 of this Draft Prospectus.

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

Our Company has entered into various related party transactions with our Promoters, Directors and Group Companies. While we believe that all such transactions are conducted on an arms-length basis, there can be no assurance that we could not have achieved more favourable terms had such transactions

not been entered into with related parties. Furthermore, it is likely that we will enter into related party transactions in future. There can be no assurance that such transactions, individually or in aggregate, will not have an adverse effect on our financial condition and results of operations. For details of transactions entered by us, please refer to the chapter titled "*Related Party Transactions*" beginning on page 186 of this Draft Prospectus.

72. ***Our Company has during the preceding one year from the date of the Draft Prospectus have allotted Equity Shares at a price which is lower than the Issue Price.***

Our Company has in the last 12 months, prior to the filing of this Draft Prospectus, allotted Equity Shares pursuant to bonus issue of shares to our Promoters and Promoter Group, which could be lower than the Issue Price. For details relating to number of shares issued, date of allotment etc. please refer to the chapter titled "*Capital Structure*" beginning on page 76 of this Draft Prospectus. The Issue Price is not indicative of the price that will prevail in the open market following listing of the Equity Shares.

73. ***Some of the information disclosed in this Draft Prospectus is based on information from industry sources and publications which may be based on projections, forecasts and assumptions that may prove to be incorrect. Investors should not place undue reliance on, or base their investment decision on this information.***

The information disclosed in the "*Industry Overview*" chapter of this Draft Prospectus is based on information from publicly available industry, Government and research information, publications and websites and has not been verified by us independently and we do not make any representation as to the accuracy of the information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Accordingly, investors should not place undue reliance on, or base their investment decision on this information. Please refer to the chapter titled "*Industry Overview*" beginning on page 102 of this Draft Prospectus.

74. ***We have applied for registration of our name and logo but do not own the trademark legally as on date. We may be unable to adequately protect our intellectual property. Furthermore, we may be subject to claims alleging breach of third party intellectual property rights.***

We have applied for registration of our name and logo under the provisions of the Trademarks Act, 1999 and do not own the trademark as on date. We have filed an application dated May 08, 2018 and May 22, 2018 with the Trade Marks Registry, for registration of logo and corporate name along with certain other marks under Class 36 and 37 of the Trade Marks Act, 1999. The applications are currently pending before the Registrar of Trademarks at various stages. For further details, please refer chapter titled "*Government and Other Approvals*" beginning on page 223 of this Draft Prospectus. As such, we do not enjoy the statutory protections accorded to a registered trademark as on date. There can be no assurance that we will be able to register the trademark and the logo in future or that, third parties will not infringe our intellectual property, causing damage to our business prospects, reputation and goodwill. Further, we cannot assure you that any application for registration of our trademark in future by our Company will be granted by the relevant authorities in a timely manner or at all. Our efforts to protect our intellectual property may not be adequate and may lead to erosion of our business value and our operations could be adversely affected. We may need to litigate in order to determine the validity of such claims and the scope of the proprietary rights of others. Any such litigation could be time consuming and costly and the outcome cannot be guaranteed. We may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our intellectual property. For further details, please refer to the chapter titled "*Government and Other Approvals*" beginning on page 223 of this Draft Prospectus.

75. ***If we are unable to establish and maintain an effective internal controls and compliance system, our business and reputation could be materially and adversely affected.***

We take steps to establish and maintain compliance and disclosure procedures, systems and controls, and to maintain internal controls over financial reporting in order to produce reliable financial reports

and prevent financial fraud. However, internal controls over financial reporting must be reviewed on an ongoing basis as risks evolve, and the processes to maintain such internal controls involve human diligence and compliance and are subject to lapses in judgment and breakdowns resulting from human error. To the extent that there are lapses in judgment or breakdowns resulting from human error, the accuracy of our financial reporting could be affected which may adversely affect our business and financial position of our company.

**76. *The requirements of being a listed company may strain our resources.***

As a listed company, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur as an unlisted company. We will be subject to the SEBI Listing Regulations, which require us to file audited / unaudited reports periodically with respect to our business and financial condition. If we experience any delays, we may fail to satisfy our reporting obligations and/or we may not be able to readily determine and accordingly report any changes in our results of operations as timely as other listed companies. As a listed company, we will need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, for which significant resources and management overview will be required. As a result, management's attention may be diverted from other business concerns, which could adversely affect our business, prospects, financial condition and results of operations. Further, we may need to hire additional legal and accounting staff with appropriate and relevant experience and technical accounting knowledge and we cannot assure you that we will be able to do so in a timely manner or at all.

**77. *Our company has not carried out any independent appraisal of our working capital requirements. Therefore, if our estimation is not accurate or the assumptions we have taken prove to be not correct, we may be required to raise additional debt on terms that may not be totally favorable to us.***

Our working capital requirements have been assessed based on the management's estimates and the same have not been independently appraised or evaluated by any bank or financial institution. Further, the estimates of our working capital requirement are totally based on the experience of our management. We cannot assure that these estimates may be accurate. If these estimates prove to be wrong, we may be required to raise additional debt, on terms that may not be totally favorable to our Company, which may in turn adversely affect our profitability. For further details, please refer to the chapter titled "Objects of the Issue" beginning on page 90 of this Draft Prospectus.

**78. *Corrupt practices or improper conduct may delay the development of a project and materially and adversely affect our results of operations.***

The construction industry is not immune to the risks of corrupt practices. Large construction projects in all parts of the world provide opportunities for corruption. Such corruption may include bribery, deliberate poor workmanship or the deliberate supply of low quality materials. If we, or any other person involved in any of the projects is the victim of or involved in any such corruption, our ability to complete the relevant projects as planned may be disrupted thereby materially and adversely affect our business, financial condition and results of operations.

**79. *Information relating to the installed capacity of our manufacturing facilities included in this Draft Prospectus is based on various assumptions and estimates and future production may vary.***

Information relating to the installed capacity of our manufacturing facilities included in this Draft Prospectus is based on various assumptions and estimates of our management, including the period during which the manufacturing facility operate in a year, expected operations, availability of raw materials, downtime resulting from scheduled maintenance activities, unscheduled breakdowns, as well as expected operational efficiencies. Actual production levels may differ significantly from the estimated production capacities of our facility. Undue reliance should therefore not be placed on our production capacity for our existing facility included in this Draft Prospectus.

**Risks Relating to the Issue and Investments in our Equity Shares**

80. ***We may not declare dividends in the foreseeable future.***

We may retain all future earnings, if any, for use in the operations and expansion of the business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deems relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Accordingly, realization of a gain on shareholders' investments will depend on the appreciation of the price of the Equity Shares. There is no guarantee that our Equity Shares will appreciate in value.

81. ***We may require further equity issuance, which will lead to dilution of equity and may affect the market price of our Equity Shares or additional funds through incurring debt to satisfy our capital needs, which we may not be able to procure and any future equity offerings by us.***

Our growth is dependent on having a strong balance sheet to support our activities. In addition to the Issue proceeds and our internally generated cash flow, we may need other sources of financing to meet our capital needs which may include entering into new debt facilities with lending institutions or raising additional equity in the capital markets. We may need to raise additional capital from time to time, dependent on business conditions. The factors that would require us to raise additional capital could be business growth beyond what the current balance sheet can sustain; additional capital requirements imposed due to changes in regulatory regime or significant depletion in our existing capital base due to unusual operating losses. Any fresh issue of shares or convertible securities would dilute existing holders, and such issuance may not be done at terms and conditions, which are favourable to the then existing shareholders of our Company. If our Company decides to raise additional funds through the incurrence of debt, our interest obligations will increase, and we may be subject to additional covenants, which could further limit our ability to access cash flows from our operations. Such financings could cause our debt to equity ratio to increase or require us to create charges or liens on our assets in favour of lenders. We cannot assure you that we will be able to secure adequate financing in the future on acceptable terms, in time, or at all. Our failure to obtain sufficient financing could result in the delay or abandonment of our expansion plans. Our business and future results of operations may be adversely affected if we are unable to implement our expansion strategy.

Any future issuance of Equity Shares by our Company may dilute shareholding of investors in our Company; and hence adversely affect the trading price of our Company's Equity Shares and its ability to raise capital through an issue of its securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Company's Equity Shares. Additionally, the disposal, pledge or encumbrance of Equity Shares by any of our Company's major shareholders, or the perception that such transactions may occur may affect the trading price of the Equity Shares. No assurance may be given that our Company will not issue Equity Shares or that such shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

82. ***Investors can be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares. Recently, the Finance Act, 2018 levies taxes on such long-term capital gains exceeding Rs.100,000 arising from sale of Equity Shares on or after April 1, 2018, while continuing to exempt the unrealized capital gains earned up to January 31, 2018 on such Equity Shares.***

Under current Indian tax laws, capital gains arising from the sale of Equity Shares in an Indian company are generally taxable in India. However, any gain realized on the sale of listed equity shares on or before March 31, 2018 on a stock exchange held for more than 12 months will not be subject to long term capital gains tax in India if Securities Transaction Tax ("STT") is paid on the sale transaction and additionally, as stipulated by the Finance Act, 2017, STT had been paid at the time of acquisition of such equity shares on or after October 1, 2004, except in the case of such acquisitions of equity shares which are not subject to STT, as notified by the Central Government under notification no. 43/2017/F. No. 370142/09/2017-TPL on June 5, 2017. However, the Finance Act, 2018, has now levied taxes on such long-term capital gains exceeding Rs. 100,000 arising from sale of Equity Shares on or after April 1, 2018, while continuing to exempt the unrealized capital gains earned up to January

31, 2018 on such Equity Shares. Accordingly, you may be subject to payment of long term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares

83. ***A third party could be prevented from acquiring control of our Company because of anti-takeover provisions under Indian law.***

There are provisions in Indian law that may delay, deter or prevent a future takeover or change in control of our Company, even if a change in control would result in the purchase of your Equity Shares at a premium to the market price or would otherwise be beneficial to you. Such provisions may discourage or prevent certain types of transactions involving actual or threatened change in control of us. Under the takeover regulations in India, an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether individually or acting in concert with others. Although, these provisions have been formulated to ensure that interests of investors/shareholders are protected, these provisions may also discourage a third party from attempting to take control of our Company. Consequently, even if a potential takeover of our Company would result in the purchase of the Equity Shares at a premium to their market price or would otherwise be beneficial to its stakeholders, it is possible that such a takeover would not be attempted or consummated because of the Indian takeover regulations.

84. ***Fluctuations in currency exchange rates may have an adverse impact on the investment in our Equity Shares.***

The exchange rate between the Indian Rupee and the U.S. Dollar has changed substantially in recent years and may fluctuate substantially in the future. Fluctuations in the exchange rate between the U.S. Dollar and the Indian Rupee may affect the value of the investment in our Equity Shares of a person resident outside India. Specifically for persons resident outside India, if there is a change in relative value of the Indian Rupee to the U.S. Dollar, each of the following values will also be affected: the U.S. Dollar equivalent of the Indian Rupee trading price of our Equity Shares in India; the U.S. Dollar equivalent of the proceeds that you would receive upon the sale in India of any of our Equity Shares; and the U.S. Dollar equivalent of cash dividends, if any, on our Equity Shares, which will be paid only in Indian Rupee. You may be unable to convert Indian Rupee proceeds into U.S. Dollars or any other currency or the rate at which any such conversion could occur could fluctuate.

#### **Risks Relating to India /External Risk Factors**

85. ***The demand for our services is largely dependent on the level of investments and government's spending on civil infrastructure projects in India. Any economic downturn or other factors adversely affecting investments in this sector may result in a decrease in the demand for our services and adversely affect our business, results of operations and financial condition.***

Our business largely depends upon the continued spending by the relevant Government agencies on civil infrastructure projects such as public transportation infrastructure. Various factors would affect, including the nature, scale, location and timing of the Government's public investment plans in the civil infrastructure of India. These factors include the government's policy and priorities regarding different regional economies across India and the general condition and prospects of the overall economy of India. Any significant reduction in the Indian government's budget relating to infrastructure spending, particularly the transportation infrastructure sector, will lead to a decline in revenue arising from a smaller number of projects, lower contract value for our projects and/or a decline in profit margin due to increased competition for available projects. This could have a material and adverse effect on our business, financial position and results of operations.



86. ***Regional hostilities, terrorist attacks, communal disturbances, civil unrest and other acts of violence or war involving India and other countries may result in a loss of investor confidence and adversely affect the financial markets and our business.***

Terrorist attacks, civil unrest and other acts of violence or war may negatively affect the Indian markets on which our Equity Shares will trade and also adversely affect the worldwide financial markets. In addition, the Asian region has from time to time experienced instances of civil unrest and hostilities among neighboring countries. Hostilities and tensions may occur in the future and on a wider scale. Military activity or terrorist attacks in India may result in investor concern about stability in the region, which may adversely affect the price of our Equity Shares. Events of this nature in the future, as well as social and civil unrest within other countries in the world, could influence the Indian economy and could have an adverse effect on the market for securities of Indian companies, including our Equity Shares.

87. ***Changing laws, rules and regulations and legal uncertainties in India, including adverse application of corporate and tax laws, may adversely affect our business and financial results.***

Our business and financial performance could be adversely affected by any change in laws or interpretations of existing laws, or the promulgation of new laws, rules and regulations applicable to us and our business including those relating to the industry in which we operate. There can be no assurance that the Government of India or state governments will not introduce new laws, regulations and policies which will require us to obtain additional approvals and licenses or impose onerous requirements on our business. The regulatory and policy environment in which we operate is evolving and subject to change. Our business is subject to a significant number of state tax regimes and changes in legislations governing them, implementing them or the regulator enforcing them in any one of those jurisdictions could adversely affect our results of operations. The applicable categories of taxes and tax rates also vary significantly from state to state, which may be amended from time to time. The final determination of our tax liabilities involves the interpretation of local tax laws and related regulations in each jurisdiction as well as the significant use of estimates and assumptions regarding the scope of future operations and results achieved and the timing and nature of income earned and expenditures incurred. Changes in the operating environment, including changes in tax law, could impact the determination of our tax liabilities for any given tax year. Taxes and other levies imposed by the Government or State Governments that affect our industry include GST, income tax and other taxes, duties or surcharges introduced from time to time and any adverse changes in any of the taxes levied by the Government or State Governments could adversely affect our competitive position and profitability. Such changes, including the instances mentioned below, may adversely affect our business, results of operations, financial condition and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy.

The Goods and Services Tax ("GST") has been introduced and implemented on July 1, 2017 in the whole of India. GST is a unified and comprehensive indirect tax which would subsume the multiple indirect taxes currently levied by the central and state governments. India has adopted a dual model of GST. Therefore, under the GST regime, a tax called the Central Goods and Services Tax ("CGST") along with State Goods and Services Tax ("SGST") or Union Territory Goods and Services Tax ("UTGST") has been simultaneously levied on all intra-state supplies of goods and/or services at the rates specified in this regard. Further, Integrated Goods and Services Tax ("IGST") is levied on all supplies of goods and/or services made in the course of inter-State trade or commerce. Article 370 of the Constitution grants special autonomous status to the State of Jammu and Kashmir. However, the Parliament of India retains the power to make laws on defence, external affairs and communication-related matters of the state. This is one of the reasons why the Service Tax was levied to the whole of India since 1994 but not applicable to J&K. Nevertheless, the State of Jammu and Kashmir then passed the GST bill in their state assembly on July 5, 2017 stating that the two (2) laws viz. Central Goods and Services Tax (CGST) and Integrated Goods and Services Tax (IGST) are applicable to them. GST regime is an attempt to combine taxes and levies by the Central and State Governments into a unified rate structure.

Further, the General Anti Avoidance Rules ("GAAR") have been made effective from April 1, 2017.

The tax consequences of the GAAR provisions being applied to an arrangement could result in denial of tax benefit amongst other consequences which may have an adverse tax impact on us.

We have not determined the effect of such legislations on our business. In addition, unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment laws governing our business, operations and group structure could result in us being deemed to be in contravention of such laws or may require us to apply for additional approvals. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may affect the viability of our current business or restrict our ability to grow our business in the future.

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

The Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, especially in the United States of America or Europe, may have a negative impact on the Indian economy. Although economic conditions differ in each country, investors' reactions to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. A loss in investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets. The global financial turmoil, an outcome of the sub-prime mortgage crisis which originated in the United States of America, led to a loss of investor confidence in worldwide financial markets. Indian financial markets have also experienced the contagion effect of the global financial turmoil, evident from the sharp decline in SENSEX, BSE's benchmark index. Any prolonged financial crisis may have an adverse impact on the Indian economy and us, thereby resulting in a material and adverse effect on our business, operations, financial condition, profitability and price of our Equity Shares.

89. ***Natural calamities could have a negative impact on the Indian economy and cause Our Company's business to suffer.***

India has experienced natural calamities such as earthquakes, tsunamis, floods etc. In recent years, the extent and severity of these natural disasters determine their impact on the Indian economy. Prolonged spells of abnormal rainfall or other natural calamities could have a negative impact on the Indian economy, which could adversely affect our business, prospects, financial condition and results of operations as well as the price of the Equity Shares.

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

Foreign ownership of Indian securities is subject to government regulation. Under foreign exchange regulations currently in effect in India, transfer of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the rupees proceeds from the sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/ tax clearance certificate from the Income Tax authorities. There can be no assurance that any approval required from the RBI or any other government agency can be obtained.

91. ***Political, economic and social changes in India could adversely affect our business.***

Our business, and the market price and liquidity of our Company's shares, may be affected by changes in Government policies, including taxation, social, political, economic or other developments in or affecting India could also adversely affect our business. Since 1991, successive governments have pursued policies of economic liberalization and financial sector reforms including significantly relaxing restrictions on the private sector. In addition, any political instability in India may adversely affect the Indian economy and the Indian securities markets in general, which could also affect the trading price of our Equity Shares.

92. ***Our transition to Ind AS or IFRS reporting could have an adverse effect on our reported results of operations or financial condition.***

On January 2, 2015, the Ministry of Corporate Affairs, Government of India (MCA) announced the revised roadmap for the implementation of Ind AS for companies other than banking companies, insurance companies and non-banking finance companies through a press release. On February 16, 2015, the MCA issued the Companies (Indian Accounting Standards) Rules, 2015 (Indian Accounting Standard Rules) to be effective from April 1, 2015. The Indian Accounting Standard Rules provide for voluntary adoption of Ind AS by companies in financial year 2015 and, implementation of Ind AS will be applicable from April 1, 2016 to companies with a net worth of Rs.5,000 million or more. Additionally, Ind AS differs in certain respects from IFRS and therefore financial statements prepared under Ind AS may be substantially different from financial statements prepared under IFRS. There can be no assurance that the adoption of Ind AS by our Company will not adversely affect its results of operation or financial condition. Any failure to successfully adopt Ind AS in accordance with the prescribed timelines may have an adverse effect on the financial position and results of operation of our Company.

93. ***Our business is dependent on the Indian economy.***

The performance and growth of our business are necessarily dependent on economic conditions prevalent in India, which may be materially and adversely affected by center or state political instability or regional conflicts, a general rise in interest rates, inflation, and economic slowdown elsewhere in the world or otherwise. There have been periods of slowdown in the economic growth of India. India's economic growth is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports (oil and oil products), global economic uncertainty and liquidity crisis, volatility in exchange currency rates and annual rainfall which affects agricultural production. Any continued or future slowdown in the Indian economy or a further increase in inflation could have a material adverse effect on the price of our raw materials and demand for our products and, as a result, on our business and financial results. The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries, particularly in emerging market in Asian countries. Financial turmoil in Asia, Europe, the U.S. and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss in investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability, including the financial crisis and fluctuations in the stock markets in China and further deterioration of credit conditions in the U.S. or European markets, could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our business and financial results.

**Prominent Notes:**

1. Public Issue up to 33,45,600 Equity Shares of Face Value of Rs. 10 each of B.R. Goyal Infrastructure Limited ("BRG" or "Our Company" or "The Issuer") for cash at a price of Rs. 91 per Equity Share (Including a Share Premium of Rs. 81 per Equity Share) ("Issue Price") aggregating to 3,044.50 Lakhs, of which up to 1,68,000 Equity Shares of Face Value of Rs. 10 each at a price of Rs. 91 aggregating to Rs. 152.88 Lakhs will be reserved for subscription by Market Maker ("Market Maker Reservation Portion") and Net Issue to Public up to 31,77,600 Equity Shares of Face Value of Rs. 10 each at a price of Rs. 91 aggregating to Rs. 2,891.62 Lakhs (hereinafter referred to as the "Net Issue") The Issue and the Net Issue will constitute 27.78% and 26.39% respectively of the Post Issue paid up Equity Share Capital of our Company.
2. This Issue is being made for at least 25 % of the post- issue paid-up Equity Share capital of our Company, pursuant to Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957 as amended. This Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time. As per Regulation 43(4) of the SEBI (ICDR) Regulations, as amended, since our is a fixed price issue 'the allocation' is the net issue to the public category shall be made as follows:
  - 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
  - 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.

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.

3. The net worth of our Company as on nine months ended December 31, 2017, March 31, 2017, March 31, 2016 and March 31, 2015 and was Rs. 5,447.67 lakhs, Rs.4,942.95 lakhs and Rs. 4,333.97 lakhs and Rs. 4,038.33 lakhs respectively based on Restated Financial Statements. For more information, please refer to the chapter titled "*Financial Information*" beginning on page 188 of this Draft Prospectus.
4. The NAV / Book Value per Equity Share, based on Restated Financials of our Company as on nine months period ended December 31, 2017, March 31, 2017, March 31, 2016 and March 31, 2015 was Rs. 438.50, Rs. 397.88, Rs. 348.86 and Rs.325.06 per equity share respectively and the NAV / Book Value per Equity Share, based on Restated Financials of our Company as on nine months period ended December 31, 2017, March 31, 2017, March 31, 2016 and March 31, 2015 (Pre-Bonus) was Rs. 62.64, Rs. 56.84, Rs. 49.84 and Rs. 46.44 per Equity Shares respectively based on Restated Financial Statements. For more information, please refer to the chapter titled "*Financial Information of the Company*" beginning on page 188 of this Draft Prospectus.
5. The average cost of acquisition of Equity Shares by our Promoter is set out below:

Name of our Promoters	Number of Equity Shares Held	Average Cost of Acquisitions per shares (Rs.)
Brijkishore Goyal	24,56,216	8.90
Gopal Goyal	24,56,223	7.53
Rajendra Kumar Goyal	24,56,223	7.61

For further details, please refer to the chapter titled "*Capital Structure*" beginning on page 76 of this Draft Prospectus.

6. The details of transactions of our Company with related parties, nature of transactions and the cumulative value of transactions please refer to chapter titled "*Financial Information of the Company* –

*Annexure 37 Statement of Related Parties Transactions"* beginning on page F-57 of this Draft Prospectus.

7. None of our Group Companies have any business or other interest in our Company, except as stated in section V titled "Financial Information of the Company – Annexure 37 -Statement of Related Parties Transactions, as Restated" beginning on page F-57 and "Our Group Companies" beginning on page 181 of this Draft Prospectus and to the extent of any Equity Shares held by them and to the extent of the benefits arising out of such shareholding.
8. Our Company was originally set up as a partnership firm in 1986 in the name and style of M/s Balkrishna Goyal. Subsequently, the partnership firm was converted into private limited company in the year 2005 in the name of "B.R. Goyal Infrastructure Private Limited" vide fresh Certificate of Incorporation dated April 1, 2005 issued by the Registrar of Companies, Gwalior, Madhya Pradesh & Chattisgarh. Subsequently, our Company was converted into a public limited company and the name of our Company was changed to B.R. Goyal Infrastructure Limited and a fresh certificate of incorporation dated May 9, 2018 was issued to our Company. The registered office of our company is situated at 3-A, Agrawal Nagar, Indore - 452001, Madhya Pradesh, India. The corporate identity number of our Company is U04520MP2005PLC017479. For further details, please refer to the chapter titled "*History and Certain Corporate Matters*" beginning on page 151 of this Draft Prospectus.
9. None of our Promoter, Promoter Group, Directors and their relatives have entered into any financing arrangement or financed the purchase of the Equity Shares of our Company by any other person during the period of six months immediately preceding the date of filing of Draft Prospectus.
10. Our Company, Promoter, Directors, Promoter Group have not been prohibited from accessing the Capital Market under any order or direction passed by SEBI nor they have been declared as willful defaulters by RBI / Government authorities. Further, no violations of securities laws have been committed by them in the past or pending against them.
11. Investors are advised to refer to the chapter titled "*Basis for Issue Price*" beginning on page 96 of this Draft Prospectus.
12. The Lead Manager and our Company shall update this Draft Prospectus and keep the investors / public informed of any material changes till listing of the Equity Shares offered in terms of this Draft Prospectus and commencement of trading.
13. Investors are free to contact the Lead Manager i.e. Systematix Corporate Services Limited for any clarification, complaint or information pertaining to the Issue. The Lead Manager and our Company shall make all information available to the public and investors at large and no selective or additional information would be made available for a section of the investors in any manner whatsoever.
14. In the event of over-subscription, allotment shall be made as set out in paragraph titled "*Issue Procedure-Basis of Allotment*" beginning on page 248 of this Draft Prospectus and shall be made in consultation with the Designated Stock Exchange i.e. National Stock Exchange of India Limited. The Registrar to the Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner as set out therein.
15. The Directors / Promoters of our Company have no interest in our Company except to the extent of remuneration and reimbursement of expenses (if applicable) and to the extent of any Equity Shares of our Company held by them or their relatives and associates or held by the companies, firms and trusts in which they are interested as director, member, partner, and/or trustee, and to the extent of benefits arising out of such shareholding. For further details, please refer to the chapter titled "*Our Management*", "*Our Promoter and Promoter Group*", "*Financial Information of the Company*" beginning on pages 157, 176 and 188, respectively of this Draft Prospectus.
16. No loans and advances have been made to any person(s) / companies in which Directors are interested except as stated in the Auditors Report. For details, please refer to the section titled "*Financial Information of the Company*" beginning on page 188 of this Draft Prospectus.

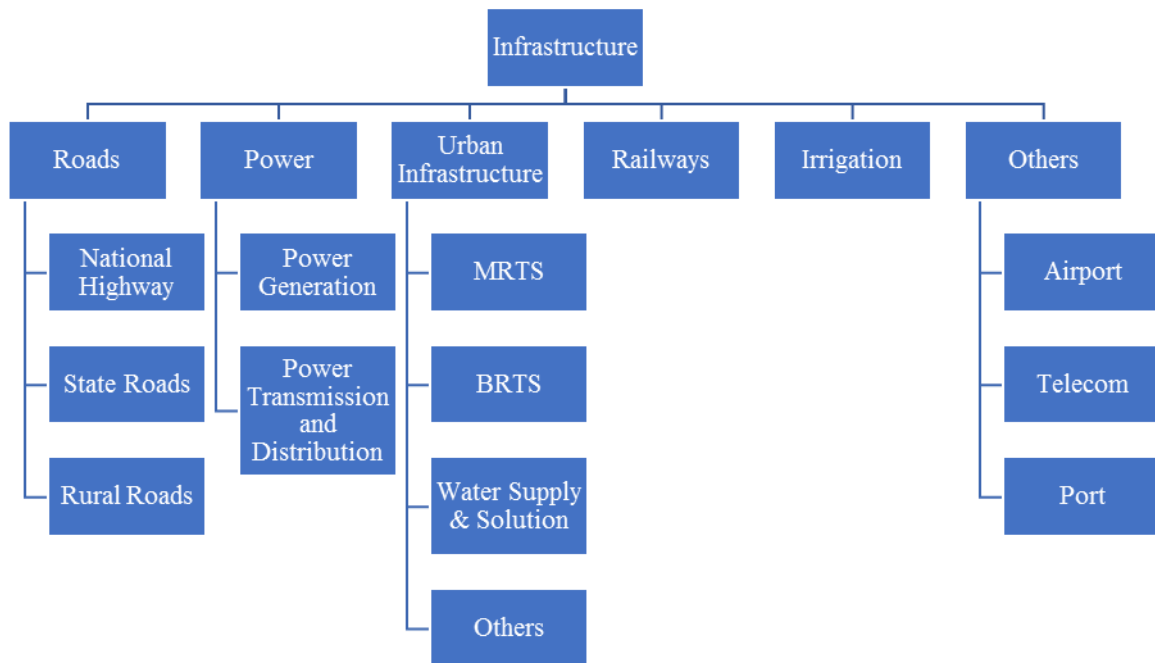
17. Trading in the Equity Shares for all investors shall be in dematerialized form only.
18. No part of the Issue proceeds will be paid as consideration to Promoters, Promoter Group, Directors, Key Managerial Personnel or Group Companies.

For information on the changes of the objects clause of the Memorandum of Association of our Company, please refer to the chapter titled "*History and Certain Corporate Matters*" beginning on page 151 of this Draft Prospectus.

## SECTION III – INTRODUCTION

### SUMMARY OF OUR INDUSTRY

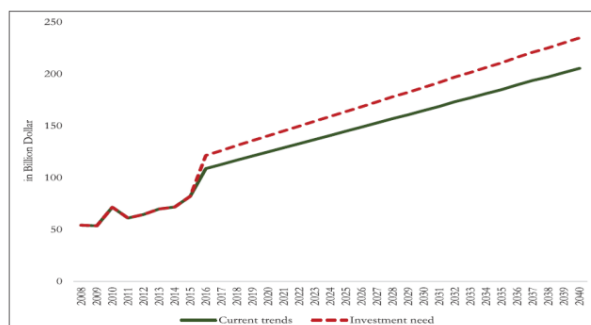
#### Indian Infrastructure Sector



In order to ensure high and sustainable growth, there has been a substantial step up of investment in infrastructure mostly on transportation, energy, communication, housing & sanitation and urban infrastructure sector. Enhanced investment on infrastructure sector will certainly help in creating jobs both directly and indirectly. As pointed out in Economic Survey, 2016-17 (Volume II, Chapter 8), India is far ahead of many emerging economies in terms of providing qualitative transportation Infrastructure Outlook reflects that rising income levels and economic prosperity is likely to further drive demand for infrastructure investment in India over the next 25 years. Around US\$ 4.5 trillion worth of investments is required by India till 2040 to develop infrastructure to improve economic growth and community wellbeing. The current trend shows that India can meet around US\$ 3.9 trillion infrastructure investment out of US\$ 4.5 trillion. The cumulative figure for India's infrastructure investment gap would be around US\$ 526 Billion by 2040.

The figure below shows year on year requirement of infrastructure investment forecasted by Global Infrastructure outlook and current investment trend in India. The Global infrastructure outlook shows that the gap between required infrastructure investment and current trend of investment is expected to be widened over the year.

#### Infrastructure Investment Forecast



Source : Global Infrastructure Outlook, G20

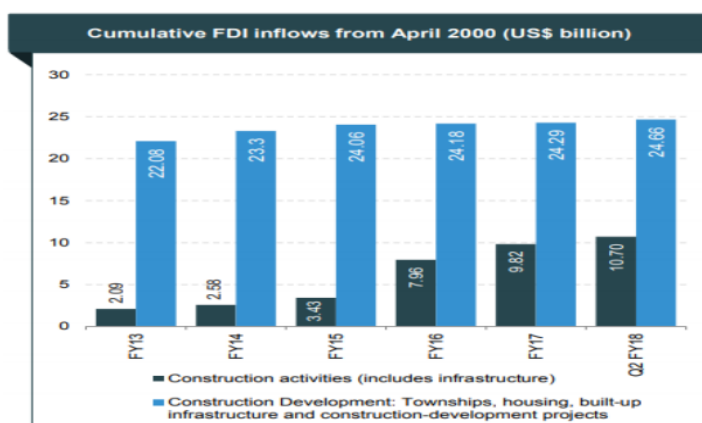
There was massive under-investment in infrastructure sector until the recent past when the focus shifted to invest more on infrastructure. The reasons behind the shortfall in investment were: collapse of Public Private Partnership (PPP) especially in power and telecom projects; stressed balance sheet of private companies; issues related to land & forest clearances. The need of the hour is to fill the infrastructure investment gap by financing from private investment, institutions dedicated for infrastructure financing like National Infrastructure Investment Bank (NIIB) and also global institutions like Asian Infrastructure Investment Bank (AIIB), New Development Bank (erstwhile BRICS Bank) which is focusing more on sustainable development projects and infrastructure projects.

In terms of future needs, the second largest infrastructure market in Asia after China is India. The country's GDP per head is forecast to rise to \$4,800 by 2040, which is still some way below the current level in China of \$8,000. As such, while population growth in India is expected to drive significant demand for infrastructure in India over the next 25 years, in absolute terms this infrastructure requirement will be substantially lower than in China, which is at a more advanced stage of development. As India develops, we estimate the country will need to invest \$3.9 trillion under current trends, increasing to \$4.5 trillion under the investment need scenario.

The high income countries in our sample already benefit from high quality infrastructure and, as such, there is a very small gap between the current trends and investment need forecasts. As might be expected, the gap is greater amongst low and middle income countries. The three Asian economies in our sample with the lowest levels of GDP per head also have amongst the largest gaps, relative to what would be spent under current trends: Bangladesh, Cambodia and Myanmar.

(Source: *Global Infrastructure Outlook, Infrastructure Investment needs 50 countries, 7 sectors to 2040*)

### Increasing FDI Inflows into the Sector



- Cumulative FDI inflows in the Construction Activities sector, which includes infrastructure, reached US\$ 10.70 billion between April 2000 – September 2017.
- Cumulative FDI inflows in the Construction Development sector, which includes townships, built-up infrastructure and construction development projects, reached US\$ 24.66 billion between April 2000 – September 2017.
- In January 2018, the National Investment and Infrastructure Fund (NIIF) partnered with UAE based DP World to create a platform that will mobilise investments worth US\$ 3 billion into ports, terminals, transportation, and logistics businesses in India.
- Squared Capital, a global infrastructure investment company, plans to raise up to US\$ 4 billion through its second infrastructure fund, which will be invested in infrastructure assets in India and across the globe.

### Investments

India will require investments of over US\$ 4.5 trillion by 2040 for the development of its infrastructure, according to the Economic Survey 2017-18. India is witnessing significant interest from international investors in the infrastructure space. Some key investments in the sector are listed below.



- IRB Infrastructure Developers has bagged a USD 511 mn road project from the NHAI in Uttar Pradesh to be developed on build, operate and transfer basis
- Sydney based infrastructure asset management company, Macquarie won the rights to manage 648 km of national highways for USD 1.45 bn.
- A total of five Namami Gange projects worth Rs 295.01 crore (US\$ 46.54 million) have been approved by the National Mission for Clean Ganga (NMCG), of which three projects in West Bengal and one in Uttarakhand involve sewage management and one project in Varanasi involves work related to ghat improvement.
- The Ministry of Road Transport and Highways, Government of India, invested Rs 14,916 crore (US\$ 2.32 billion) for the Special Accelerated Road Development Programme for North East (SARDP-NE) and Rs 4,095 crore (US\$ 635.6 million) for the National Highway (Original) over the past two years to improve the road infrastructure in India's north eastern region.

### **Government Initiatives**

The Road Transport & Highways Ministry has invested around Rs 3.17 trillion (US\$ 47.7 billion), while the Shipping Ministry has invested around Rs 80,000 crores (US\$ 12.0 billion) in the past two and a half years for building world class highways and shipping infrastructure in the country. The Government of India is expected to invest highly in the infrastructure sector, mainly highways, renewable energy and urban transport, prior to the general elections in 2019.

- The Government of India is taking every possible initiative to boost the infrastructure sector. Some of the steps taken in the recent past are being discussed hereafter.
- The 90 smart cities shortlisted by the Government of India have proposed projects with investments of Rs 191,155 crore (US\$ 30.02 billion) which include Projects Focusing on Revamping an Identified Area (Area Based Projects) with investment of Rs 152,500 crore (US\$ 23.95 billion).
- Contracts awarded under the Smart Cities Mission would show results by June 2018 as the work is already in full swing, according to Mr Hardeep Singh Puri, Minister of State (Independent Charge) for Housing and Urban Affairs, Government of India.
- The Government of India is working to ensure a good living habitat for the poor in the country and has launched new flagship urban missions like the Pradhan Mantri Awas Yojana (Urban), Atal Mission for Rejuvenation and Urban Transformation (AMRUT), and Swachh Bharat Mission (Urban) under the urban habitat model, according to Mr Hardeep Singh Puri, Minister of State (Independent Charge) for Housing.

### **Road Ahead**

India's national highway network is expected to cover 50,000 kilometres by 2019, with around 20,000 km of works scheduled for completion in the next couple of years, according to the Ministry of Road Transport and Highways.

The Government of India is devising a plan to provide wifi facility to 550,000 villages by March 2019 for an estimated cost of Rs 3,700 crore (US\$ 577.88 million), as per the Department of Telecommunications, Government of India.

India and Japan have joined hands for infrastructure development in India's north-eastern states and are also setting up an India-Japan Coordination Forum for Development of North East to undertake strategic infrastructure projects in the northeast.

Sweden is interested in smart cities development in India and has put forward a Common Plan of Action for developing sustainable and environment-friendly public transport solutions and solid waste management for the smart cities under development.

The Ambassador of Japan to India, Mr Kenji Hiramatsu, has conveyed Government of Japan's inclination to invest and offer any other feasible support for various ongoing as well as upcoming development and infrastructure projects in the North-Eastern region of India.

(Source: [www.ibef.org/industry/roads-india.aspx](http://www.ibef.org/industry/roads-india.aspx))

**Key Policy:**

1. **Monetization of Operational National Highways**

National Highways Authority of India (NHAI) is monetizing public funded National Highway (NH) projects which are operational and are generating toll revenues for at least two years after the Commercial Operations Date (COD) through the Toll Operate Transfer (TOT) Model. Around 75 operational NH projects completed under public funding have been preliminarily identified for potential monetization using the TOT Model.

2. **Bharatmala Pariyojana**

Bharatmala Pariyojana is a new umbrella program for the highways sector that focuses on optimizing efficiency of freight and passenger movement across the country by bridging critical infrastructure gaps through effective interventions like development of Economic Corridors, Inter Corridors and Feeder Routes, National Corridor Efficiency Improvement, Border and International connectivity roads, Coastal and Port connectivity roads and Green-field expressways. A total of around 24,800 km are being considered in Phase I. Estimated outlay for Phase I is Rs 5,35,000 crores spread over 5 years. The objective of the program is optimal resource allocation for a holistic highway development/improvement initiative.

3. **7-phased National Highway Development Project**

National Highways Development Project is being implemented in all phases except phase VI at present. The present phases improving more than 49,260 km of arterial routes of NH Network to international standards.

(Source: <https://www.investindia.gov.in/sector/roads-and-highways>)

## SUMMARY OF OUR BUSINESS

### OVERVIEW

Our Company was originally set as a partnership firm in 1986 in the name and style of M/s. Balkrishna Ramkaran Goyal. The partnership firm was founded by Balkrishna Goyal, Gopal Goyal and Sarla Goyal and was subsequently converted into a private limited company in 2005. Our Company is engaged in the construction and development of infrastructure projects such as roads, highways and bridges since inception and has a well-established presence in Indore, Madhya Pradesh.

Our business may be broadly divided into the following four categories:

- (i) Civil construction services, including Engineering Procurement Construction (EPC) services;
- (ii) Ready Mix Concrete (RMC) manufacturing; and
- (iii) Wind power generation.

We carry out EPC services for third parties (majorly for government departments), primarily in the roads & highways, commercial complex, industrial parks, and housing projects. Our Company has also set up an RMC manufacturing unit, an important material in road construction, with an installed capacity of 5.25 Lakhs cubic meters per annum at Indore in 2008 to cater to our construction needs which reduces our costs considerably.

Our Company has also forayed in the business of wind generation by installing a 1.25 MW Wind Power Turbine at Jaisalmer (Rajasthan) which was commissioned in 2005. Our Company has entered into Power Purchase Agreement with a State Electricity Board for a period of 20 years commencing from March 2005 at a pre-determined tariff.

Our Company seeks growth by investing in a variety of systematically identified businesses, making it a well-diversified conglomerate with interest in a range of projects such as asphaltic road construction, concrete road construction, buildings, bridges & culverts and all other civil works related to development of infrastructure.

We have successfully executed and are currently executing projects across various cities in Madhya Pradesh. After successful execution of various projects in Madhya Pradesh, we have now entered the state of Maharashtra and are currently executing a road construction project. During the last five years, our Company has completed 20 projects (contract value over and above of Rs. 1,000 lakh each) in roads & highways and building sector aggregating to a total contract value of 54,391.54 lakhs, which included construction, improving, widening, strengthening of two and four lane highways, construction of high level bridge and construction of earthen embankment, culverts and cart track underpasses.

The following table sets forth certain information on the revenue contributed by our business segments, for the periods indicated:

Particulars	December 31, 2017	2017	2016	2015	2014	2013
EPC	9396.39	13521.36	13446.76	10005.95	10978.74	11552.64
Power Generations	38.16	52.18	23.07	35.59	49.48	47.36
Others	531.08	277.15	282.95	224.45	188.53	316.41
<b>Total</b>	<b>9965.64</b>	<b>13850.69</b>	<b>13752.78</b>	<b>10265.99</b>	<b>11216.75</b>	<b>11916.41</b>

## SWOT ANALYSIS

### *Strengths*

- Strong Performance:- The Company is having a continuous past track record of growth in turnover and profitability.
- Well-Experienced Management:- The Promoters of the Company are qualified with more than 30 years of experience in the industry.
- Completion of jobs on time:- The Company has a track record of completing the work within the scheduled time thus avoiding the cost overrun. Moreover, projects of 9 months or more generally have an escalation clause to take care of cost variation.

### *Weakness*

- Dependence: The Company is engaged in a line of business with only the government departments as its major customer.
- Real estate scenario is not growing to support our RMC business.
- Increase in compliances for project execution.

### *Opportunity*

- Growth in infrastructure sector: Indian economy is growing with a rate of 7-8% and infrastructure facilities like roads are having a key role in its development. Thus the growth of this sector is sure even if there is a recession in the economy.
- Private sector participation: The Government of India is continuously taking policy decisions to attract foreign as well as domestic private investments. Many of the projects have already been awarded to the private sector and many more are in the pipeline. The emphasis on road projects, particularly the National Highway development initiatives and the incentives given to the road construction industry, has provided a fillip to the construction sector.
- Smart City and Bharat Mala initiatives by the Government of India.
- Industrial Township Development in Indore.

### *Threats*

- The raw material of the Company consists of cement, sand, steel, bitumen etc. which are having highly volatile market. The last two years' trend of the prices of these raw material has been quite dynamic. So any significant increase in the prices of raw material might affect the profitability of the Company adversely.
- The Company is engaged in such a line of business that its largest customer base is covered by Government departments. Thus, the Company is dependent upon the Government departments for further contracts. Any change in the Government and its policies might affect the profitability of the Company.

## Description of Our Business

- **Roads and Highways:** Design, engineering, procurement, construction, rehabilitation, upgradation, operation and maintenance of roads and highways and design, engineering and construction of bridges. Our business in the roads & highways segment spread mainly across Madhya Pradesh and Maharashtra where we carry out EPC services for various government departments and state highway authorities, State Government departments and private parties.
- **Building and other Civil Construction:** Construction of civil infrastructure for residential, government official buildings, commercial structures and civil works for other infrastructure projects. Currently, our EPC projects in the civil construction sector are primarily awarded to us by the *various* municipal and state authorities of Madhya Pradesh. EPC contracts are fixed-price contracts wherein the client provides conceptual information about the project. Technical parameters based on desired output are specified in the contract. We are required to prepare project specific architectural and/or structural designs that adhere to regulatory requirements, procure raw materials and equipment for the relevant project and effect the actual construction of the project. Based on these designs, we draw up cost estimates and accordingly bid for the project.

*Engineering* — Our engineering work normally includes work related to project layout, construction process, control systems and instrumentation, equipment usage planning, civil works, designing cost control measures and scheduling.

*Procurement* — Following the engineering stage, we arrange the equipment and place orders for the raw materials required for the project. We own a large fleet of modern construction equipment, which helps lower our procurement cost.

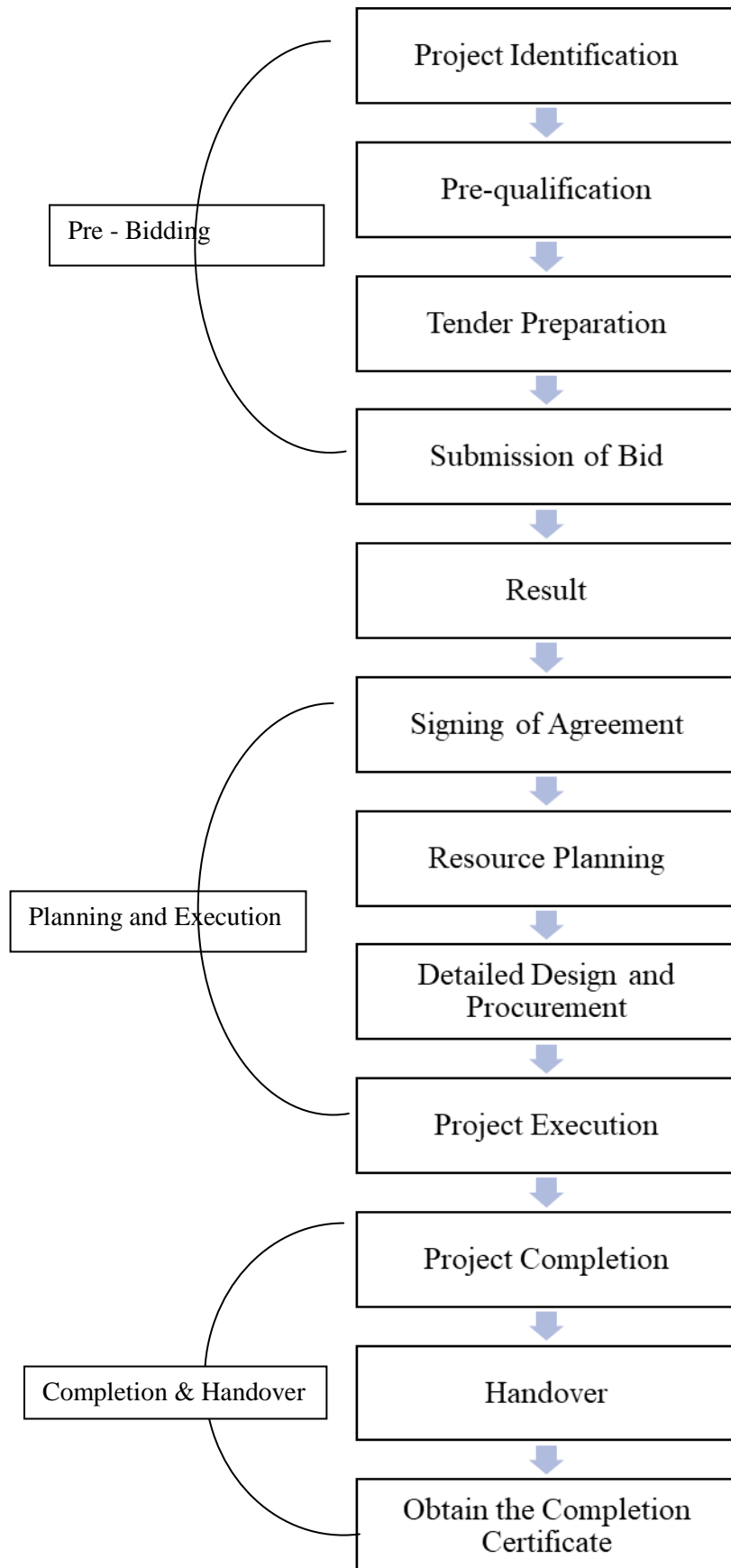
*Construction* — We commence construction after the engineering and design aspects are finalized and the required equipment and raw materials are purchased or arranged. We mobilize our workforce and construction machinery to the worksite according to the schedule in the contract. Our work also involves construction of different ancillary structures depending on the projects we undertake.

*Lump-sum turn-key contracts* — Lump-sum turn-key contracts provide for a single price for the total amount of work, subject to variations pursuant to changes in the client's project requirements. In lump-sum contracts, the client supplies all the information relating to the project, such as designs and drawings. Based on such information, we are required to estimate the quantities of various items, such as raw materials, and the amount of work that would be needed to complete the project, and then prepare our own bill of quantities to arrive at the price to be quoted. We are responsible for the execution of the project based on the information provided and technical stipulations laid down by the client at our quoted price. Escalation clauses might exist in some cases to cover, at least partially, cost overruns.

*Item rate contracts* – These contracts are also known as unit-price contracts or schedule contracts. For item rate contracts, we are required to quote rates for individual items of work on the basis of a schedule of quantities furnished by our client. The design and drawings are provided by the client. Typically, our risk is lower in item rate contracts as, other than escalation in the rates of items quoted by us to the client, we are paid according to the actual amount of work on the basis of the per-unit price quoted. Item rate contracts typically contain price variation or escalation clauses that provide for either reimbursement by the client in the event of a variation in the prices of key materials (e.g., steel and cement) or a formula that splits the contract into pre-defined components for materials, labour and fuel and links the escalation in amounts payable by the client.

## **Project Cycle**

The various steps involved in the life cycle of a project is described below:



## SUMMARY OF FINANCIAL INFORMATION

Particulars	Page No.
Summary of Financial Information	F-1 to F-3

(Amount in lakhs)

Particulars	Annexure	As at					
		31st December, 2017	31st March, 2017	31st March, 2016	31st March, 2015	31st March, 2014	31st March, 2013
<b>Equity and liabilities</b>							
<b>Shareholders' funds</b>							
Share capital	7	124.23	124.23	124.23	124.23	124.23	124.23
Reserves and surplus	8	5,323.43	4,818.72	4,209.73	3,914.09	3,653.74	3,307.15
Share Application Money Pending Allotment		-	-	-	-	-	-
		<b>5,447.67</b>	<b>4,942.95</b>	<b>4,333.97</b>	<b>4,038.33</b>	<b>3,777.97</b>	<b>3,431.38</b>
<b>Non-current liabilities</b>							
Long-term borrowings	9	1,199.02	2,353.66	2,196.91	2,810.01	1,857.35	2,324.51
Deferred tax liabilities (net)	11	283.28	358.69	304.74	321.07	364.47	277.79
Other long term liabilities	12	721.69	798.06	183.51	48.64	25.50	102.79
Long-term Provision	10	41.50	40.35	28.71	24.17	18.61	16.01
		<b>2,245.49</b>	<b>3,550.75</b>	<b>2,713.87</b>	<b>3,203.89</b>	<b>2,265.93</b>	<b>2,721.10</b>
<b>Current liabilities</b>							
Short term borrowings	13	2,900.00	3,219.14	2,792.45	2,376.55	2,344.35	1,372.20
Trade payables	14(a)	-	-	-	-	-	-
Dues to Micro, Small and Medium Enterprises		-	-	-	-	-	-
Dues to others		1,426.01	1,492.29	1,416.57	1,287.74	1,145.30	734.46
Other current liabilities	14(b)	2,025.90	1,821.00	1,842.43	1,268.10	1,124.20	1,612.81
Short-term provisions	10	129.95	34.19	23.27	24.25	55.14	36.74
		<b>6,481.86</b>	<b>6,566.62</b>	<b>6,074.73</b>	<b>4,956.64</b>	<b>4,668.99</b>	<b>3,756.21</b>
		<b>14,175.01</b>	<b>15,060.31</b>	<b>13,122.56</b>	<b>12,198.86</b>	<b>10,712.89</b>	<b>9,908.69</b>
<b>Assets</b>							
<b>Non-current assets</b>							
<b>Fixed assets</b>							
Property, Plant and Equipment							
-Tangible assets	15 (a)	4,702.64	5,339.71	4,371.02	3,691.36	3,111.35	3,430.44
-Intangible assets	16	1.05	1.71	3.84	5.95	7.33	7.74
-Capital work in progress	15 (b)	865.46	1,052.91	1,392.08	1,396.11	1,707.12	1,613.30
-Intangible assets under development		-	-	-	-	-	-
Long-term loans and advances	17	283.17	421.66	409.05	631.02	667.34	777.88
Other non-current assets	21	39.31	59.55	135.36	135.36	37.58	37.58
		<b>5,891.64</b>	<b>6,875.54</b>	<b>6,311.35</b>	<b>5,859.81</b>	<b>5,530.73</b>	<b>5,866.95</b>
<b>Current assets</b>							
Inventories	18	3,050.73	2,644.59	2,104.48	2,236.13	2,114.08	1,742.95
Trade receivables	19	2,082.07	1,747.51	1,608.97	1,763.69	1,465.77	858.60
Cash and bank balances	20	602.81	1,009.98	434.43	547.15	712.08	554.24
Short-term loans and advances	17	2,102.01	2,305.78	2,412.70	1,587.96	762.85	731.02
Other current assets	21	445.76	476.92	250.64	204.13	127.39	154.92
		<b>8,283.38</b>	<b>8,184.78</b>	<b>6,811.21</b>	<b>6,339.05</b>	<b>5,182.16</b>	<b>4,041.74</b>
		<b>14,175.01</b>	<b>15,060.31</b>	<b>13,122.56</b>	<b>12,198.86</b>	<b>10,712.89</b>	<b>9,908.69</b>

Note: The above Statement should be read with the Restated Statement of Significant Accounting Policies in Annexure 4, Restated Statement of Notes to Restated Statements of the Company in Annexure 6 and the Restated Statement of Reconciliation of Restated Profit to Profit as per Audited Financial Statements in Annexure 5.

This is the Restated Statement of Assets and Liabilities, referred to in our report of even date.

**For Mahesh C. Solanki & Co.**

ICAI firm registration number: 006228C  
Chartered Accountants

**For and on behalf of the board of directors of  
B.R. Goyal Infrastructure Limited**

**SD/-**

**CA. Rajat Jain**

Partner

Membership No.: 413515

Place: Indore

Date: 17<sup>th</sup> May, 2018

**SD/-**

**CA. Dasharath Tomar**

CFO

Place: Indore

Date: 17<sup>th</sup> May, 2018

**SD/-**

**Brij Kishore Goyal**

Director

DIN - 00012185

**SD/-**

**Gopal Goyal**

Director

DIN - 00012164



**B.R. Goyal Infrastructure Limited (CIN: U04520MP2005PLC017479)**  
**Restated Statement Of Profit & Loss Account**  
**Annexure 2**

(Amount in lakhs)

Particulars	Annexure	For the period ended					
		31st December, 2017	31st March, 2017	31st March, 2016	31st March, 2015	31st March, 2014	31st March, 2013
<b>Revenue:</b>							
Revenue from operations (gross)	22	9,439.66	13,598.59	13,500.88	10,079.45	11,075.20	11,605.69
Less: Excise duty		5.11	25.05	31.05	37.91	46.98	5.70
Revenue from operations (net)		9,434.56	13,573.54	13,469.82	10,041.54	11,028.22	11,599.99
Other income	23	531.08	277.15	282.95	224.45	188.53	316.41
<b>Total revenue</b>		<b>9,965.64</b>	<b>13,850.69</b>	<b>13,752.78</b>	<b>10,265.99</b>	<b>11,216.75</b>	<b>11,916.41</b>
<b>Expenses:</b>							
Cost of raw materials and components consumed	24	3,130.17	3,922.97	5,479.71	4,619.38	4,971.54	4,901.87
(Increase)/ Decrease in Inventory	25	(647.88)	(240.48)	25.79	(150.03)	(383.17)	702.92
Employee benefit expenses	26	639.56	833.41	491.02	453.14	441.05	398.06
Operating and Other expenses	27	5,303.68	7,034.70	6,080.96	3,857.81	4,523.34	4,559.80
<b>Total expenses</b>		<b>8,425.52</b>	<b>11,550.60</b>	<b>12,077.48</b>	<b>8,780.30</b>	<b>9,552.76</b>	<b>10,562.64</b>
<b>Profit before interest, tax, depreciation and amortisation, as restated</b>		<b>1,540.12</b>	<b>2,300.09</b>	<b>1,675.29</b>	<b>1,485.70</b>	<b>1,663.99</b>	<b>1,353.77</b>
Depreciation and amortization expense	28	502.34	631.66	491.42	435.22	332.32	326.75
Finance costs	29	428.27	774.61	738.96	683.93	742.75	568.33
<b>Profit before tax, as restated</b>		<b>609.50</b>	<b>893.82</b>	<b>444.92</b>	<b>366.55</b>	<b>588.92</b>	<b>458.69</b>
<b>Tax expense :</b>							
Current tax		180.19	230.89	165.61	149.59	155.65	147.41
Deferred tax expense		(75.41)	53.95	(16.33)	(43.40)	86.68	(76.01)
<b>Total Tax expense :</b>		<b>104.78</b>	<b>284.84</b>	<b>149.27</b>	<b>106.19</b>	<b>242.33</b>	<b>71.40</b>
<b>Net Profit, as restated</b>		<b>504.72</b>	<b>608.98</b>	<b>295.64</b>	<b>260.36</b>	<b>346.59</b>	<b>387.29</b>
Earning Per Share		40.63	49.02	23.80	20.96	27.90	31.17

Note: The above Statement should be read with the Restated Statement of Significant Accounting Policies in Annexure 4, Restated Statement of Notes to Restated Statements of the Company in Annexure 6 and the Restated Statement of Reconciliation of Restated Profit to Profit as per Audited Financial Statements in Annexure 5.

This is the Restated Statement of Profit and Loss, referred to in our report of even date.

**For Mahesh C. Solanki & Co.**

ICAI firm registration number: 006228C  
Chartered Accountants

**For and on behalf of the board of directors of  
B.R. Goyal Infrastructure Limited**

**SD/-**

**CA. Rajat Jain**

Partner

Membership No.: 413515

Place: Indore

Date: 17<sup>th</sup> May, 2018

**SD/-**

**CA. Dasharath Tomar**

CFO

Place: Indore

Date: 17<sup>th</sup> May, 2018

**SD/-**

**Brij Kishore Goyal**

Director

DIN - 00012185

**SD/-**

**Gopal Goyal**

Director

DIN - 00012164

**B.R. Goyal Infrastructure Limited (CIN: U04520MP2005PLC017479)**  
**Restated Statement Of Cash Flows**  
**Annexure 3**

(Amount in lakhs)

Particulars	For the period ended					
	31st December, 2017	31st March, 2017	31st March, 2016	31st March, 2015	31st March, 2014	31st March, 2013
<b>A. Cash Flow From Operating Activities</b>						
Profit after tax (net of prior period (income) / expense - net)	504.72	608.98	295.64	260.36	346.59	387.29
Adjustments for:						
Provision for Current Tax	180.19	230.89	165.61	149.59	155.65	147.41
Provision for Deferred Tax	(75.41)	53.95	(16.33)	(43.40)	86.68	(76.01)
Depreciation and amortisation expense	502.34	631.66	491.42	435.22	332.32	326.75
Interest income	(110.62)	(64.20)	(55.58)	(51.18)	(61.26)	(63.17)
Finance Cost	356.93	700.04	677.93	641.99	689.90	568.33
Profit on Sale of Investment	(0.50)	(0.62)	(50.22)	(66.20)	(19.02)	(5.90)
Loss on sale of fixed assets	93.16	5.48	13.63	5.30	8.78	1.79
<b>Operating profit before working capital changes</b>	<b>1,450.80</b>	<b>2,166.17</b>	<b>1,522.10</b>	<b>1,331.69</b>	<b>1,539.64</b>	<b>1,286.48</b>
<b>Movement in Working Capital</b>						
Decrease/(Increase) in trade receivables	(334.56)	(138.54)	154.72	(297.92)	(607.17)	(379.58)
Decrease/(Increase) in inventories	(406.14)	(540.11)	131.65	(122.05)	(371.12)	592.43
Decrease/(Increase) in other current assets	31.15	(226.28)	(46.51)	(76.74)	27.54	41.92
Decrease/(Increase) in loans and advances	203.77	106.92	(824.74)	(825.10)	(31.84)	188.11
Increase/(Decrease) in trade payables and current liabilities	138.62	54.28	703.16	286.34	(77.77)	209.19
Increase/(Decrease) in Short term provisions	95.76	10.92	(0.98)	(30.89)	18.40	42.12
Increase/(Decrease) in Short term borrowings	-	-	-	-	-	(4.57)
Change in other Long term liabilities	(76.37)	614.55	134.87	23.14	(77.29)	(60.46)
Increase/(Decrease) in Long term provisions	1.15	11.64	4.54	5.57	2.59	-
Change in Non Current Assets	158.72	63.21	221.97	(61.46)	110.54	(498.43)
<b>Cash generated from operating activities</b>	<b>1,262.92</b>	<b>2,122.76</b>	<b>2,000.77</b>	<b>232.58</b>	<b>533.53</b>	<b>1,417.21</b>
-Direct taxes paid (net)	180.19	230.89	165.61	149.59	155.65	147.41
<b>Net cash flow from/(used in) operating activities (A)</b>	<b>1,082.73</b>	<b>1,891.87</b>	<b>1,835.16</b>	<b>82.99</b>	<b>377.88</b>	<b>1,269.80</b>
<b>B. Cash Flow From Investing Activities</b>						
Purchase of fixed assets, including CWIP and capital advances	(254.63)	(2,242.57)	(2,021.56)	(1,574.06)	(298.29)	(1,990.15)
Proceeds from sale of fixed assets	484.81	978.66	893.22	932.11	201.88	591.54
Interest received	110.62	64.20	55.58	51.18	61.26	63.17
<b>Net cash used in investing activities (B)</b>	<b>340.80</b>	<b>(1,199.71)</b>	<b>(1,072.76)</b>	<b>(590.77)</b>	<b>(35.15)</b>	<b>(1,335.43)</b>
<b>C. Cash Flow From Financing Activities</b>						
Net of Borrowings	(1,473.78)	583.43	(197.19)	984.84	505.00	575.33
Interest Paid	(356.93)	(700.04)	(677.93)	(641.99)	(689.90)	(568.33)
<b>Net cash flow from/(used in) financing activities (C)</b>	<b>(1,830.70)</b>	<b>(116.60)</b>	<b>(875.12)</b>	<b>342.85</b>	<b>(184.90)</b>	<b>6.99</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>(407.17)</b>	<b>575.56</b>	<b>(112.72)</b>	<b>(164.93)</b>	<b>157.84</b>	<b>(58.64)</b>
<b>Opening cash and cash equivalents</b>	<b>1,009.98</b>	<b>434.43</b>	<b>547.15</b>	<b>712.08</b>	<b>554.24</b>	<b>612.89</b>
<b>Closing cash and cash equivalents</b>	<b>602.81</b>	<b>1,009.98</b>	<b>434.43</b>	<b>547.15</b>	<b>712.08</b>	<b>554.24</b>

**B.R. Goyal Infrastructure Limited (CIN: U04520MP2005PLC017479)**  
**Restated Statement Of Cash Flows**

Annexure 3 (Cont'd)

(Amount in lakhs)

Particulars	For the period ended					
	31st December, 2017	31st March, 2017	31st March, 2016	31st March, 2015	31st March, 2014	31st March, 2013
Reconciliation of cash and cash equivalents						
Cash in hand	15.52	10.77	18.99	19.94	8.37	20.38
Bank balances	587.29	999.22	415.43	527.20	703.71	533.86
<b>Total</b>	<b>602.81</b>	<b>1,009.98</b>	<b>434.43</b>	<b>547.15</b>	<b>712.08</b>	<b>554.24</b>

Note: The above Statement should be read with the Restated Statement of Significant Accounting Policies in Annexure 4, Restated Statement of Notes to Restated Statements of the Company in Annexure 6 and the Restated Statement of Reconciliation of Restated Profit to Profit as per Audited Financial Statements in Annexure 5.

This is the Restated Statement of Cash Flows, referred to in our report of even date.

**For Mahesh C. Solanki & Co.**  
ICA firm registration number: 006228C  
Chartered Accountants

**For and on behalf of the board of directors of**  
**B.R. Goyal Infrastructure Limited**

**SD/-**  
**CA. Rajat Jain**  
Partner  
Membership No.: 413515  
Place: Indore  
Date: 17<sup>th</sup> May, 2018

**SD/-**  
**CA. Dasharath Tomar**  
CFO  
Place: Indore  
Date: 17<sup>th</sup> May, 2018  
**F-3**

**SD/-**  
**Brij Kishore Goyal**  
Director  
DIN - 00012185

**SD/-**  
**Gopal Goyal**  
Director  
DIN - 00012164

## THE ISSUE

The following is the summary of the Issue.

<b>Issue of Equity Shares</b>	Upto 33,45,600 Equity Shares of Rs.10 each fully paid-up of our Company for cash at a price of Rs.91.00 each Equity Share aggregating to Rs.3,044.50 Lakhs.
<i>Out of which:</i>	
<b>Market Maker Reservation Portion</b>	Upto 1,68,000 Equity Shares of Rs.10 each fully paid-up of our Company for cash at a price of Rs.91.00 each Equity Share aggregating to Rs.152.88 Lakhs.
<b>Net Issue to the Public</b>	Upto 31,77,600 Equity Shares of Rs.10 each fully paid-up of our Company for cash at a price of Rs.91.00 each Equity Share aggregating to Rs.2,891.62 Lakhs.
<i>Out of which*:</i>	
<b>Allocation to Retail Individual Investors for upto Rs.2.00 lakh</b>	15,88,800 Equity Shares of Rs.10 each fully paid-up of our Company for cash at a price of Rs.91.00 each Equity Share aggregating to Rs.1,445.81 Lakhs.
<b>Allocation to other investors for above Rs.2.00 lakh</b>	15,88,800 Equity Shares of Rs.10 each fully paid-up of our Company for cash at a price of Rs.91.00 each Equity Share aggregating to Rs.1,445.81 Lakhs.
<b>Pre and Post-Issue Equity Shares</b>	
<b>Equity Shares outstanding prior to the Issue</b>	86,96,352 Equity Shares of Rs.10 each
<b>Equity Shares outstanding after the Issue</b>	1,20,41,952 Equity Shares of Rs.10 each
<b>Objects of the Issue</b>	Please refer to the section titled " <i>Objects of the Issue</i> " beginning on page 90 of this Draft Prospectus.

The present Issue of 33,45,600 Equity Shares in terms of Draft Prospectus has been authorized pursuant to a resolution of our Board of Directors dated May 17, 2018 and by special resolution passed under Section 62(1)(c) of the Companies Act, 2013 at the Extra-ordinary General Meeting of the members held on May 23, 2018.

*This Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, as amended from time to time.*

*The Issue is being made through the Fixed Price method and hence, as per regulation 43(4) of SEBI (ICDR) Regulations, the allocation in the net issue to public category shall be made as follow:*

- (a) *Minimum 50% to the 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;*
- (c) *the unsubscribed portion is either of the categories specified in clauses (a) and (b) may be allocated to applicants in the other category;*
- (d) *The lot size or the Issue is of 1,200 Equity Shares.*

*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 section titled "Issue Related Information" beginning on page 240 of this Draft Prospectus.*

## GENERAL INFORMATION

Our Company was converted from a partnership firm named "Balkrishna Ramkaran Goyal" formed *vide* a partnership deed dated August 4, 1986. The partners of the firm mutually settled their rights of accounts in the said partnership firm to form a joint-stock company. "Balkrishna Ramkaran Goyal" was thereafter converted from a partnership firm to a private limited company in the name of "B.R. Goyal Infrastructure Private Limited" under the provisions of Companies Act, 1956 *vide* certificate of incorporation dated April 1, 2005 at Indore, Madhya Pradesh bearing Corporate Identification Number (CIN) U04520MP2005PTC17479. Subsequently, our Company was converted into a public limited company and the name of our Company was changed to B.R. Goyal Infrastructure Limited and a fresh Certificate of Incorporation dated May 9, 2018 was issued to our Company. The Corporate Identification Number is U04520MP2005PLC017479.

For further details, please refer to the chapter titled "*History and Certain Corporate Matters*" beginning on page 151 of this Draft Prospectus.

### Registered Office of Our Company

#### **B.R. Goyal Infrastructure Limited**

3-A, Agrawal Nagar,

Indore – 452001,

Madhya Pradesh, India.

**Tel:** +91-731- 4096902

**Facsimile:** Not available

**Email:** cs@brginfra.in

**Website:** [www.brginfra.com](http://www.brginfra.com)

**Corporate Identification Number:** U04520MP2005PLC017479

### Registrar of Companies

#### **Registrar of Companies, Gwalior**

3<sup>rd</sup> Floor, 'A' Block, Sanjay Complex

Jayendra Ganj, Gwalior

**Website:** [www.mca.gov.in](http://www.mca.gov.in)

### Designated Stock Exchange

#### **EMERGE Platform of National Stock Exchange of India Limited**

Exchange Plaza, Plot No. C/1, G Block,

Bandra-Kurla Complex

Bandra (East), Mumbai - 400051,

Maharashtra, India

### Board of Directors of our Company

Our Board of Directors comprises of the following directors:

Sr. No.	Name	Age (in years)	DIN	Address	Designation
1.	Brijkishore Goyal	54	00012185	3-A, Agrawal Nagar, Sapna Sangeeta Road, Indore -452001, Madhya Pradesh.	Managing Director
2.	Gopal Goyal	56	00012164	3-A, Agrawal Nagar, Sapna Sangeeta Road, Indore-452001, Madhya Pradesh.	Whole-time Director
3.	Rajendra Kumar	59	00012150	3-A Agrawal Nagar,	Whole-time

Sr. No.	Name	Age (in years)	DIN	Address	Designation
	Goyal			Sapna Sangeeta Road, Indore-452001, Madhya Pradesh	Director
4.	Pramod Bhawsar	Kumar 64	07825119	House No. 361, FH, Scheme No.54, Indore-452010, Madhya Pradesh	Non Executive Independent Director
5.	Mohit Bhandari	37	08139828	609 Sai Sampada, Chhoti Khajrana Behind Lotus Showroom, A.B.Road Indore Madhya Pradesh India 452001	Non Executive Independent Director
6.	Shreya Bhargava	41	03373849	10/4, Film Colony South Tukoganj Indore Madhya Pradesh India 452001	Non Executive Independent Director

For further details of our Directors, please refer to the chapter titled "*Our Management*" beginning on page 157 of this Draft Prospectus.

#### Company Secretary & Compliance Officer

**Shweta Motwani**

**B.R. Goyal Infrastructure Limited**

3-A, Agrawal Nagar,  
Indore – 452001,  
Madhya Pradesh, India.

**Tel:** +91 -731- 4096902

**Facsimile:** Not Available

**Email:** cs@brginfra.in

**Website:** [www.brginfra.com](http://www.brginfra.com)

#### Chief Financial Officer

**Dasharath Tomar**

**B.R. Goyal Infrastructure Limited**

3-A, Agrawal Nagar,  
Indore – 452001,  
Madhya Pradesh, India.

**Tel:** +91 -731- 4096902

**Facsimile:** Not Available

**Email:** dasharath@brginfra.com

**Website:** [www.brginfra.com](http://www.brginfra.com)

#### Investor Grievances

Investors can contact the Company Secretary and Compliance Officer, the Lead Manager or the Registrar to the Issue in case of any pre- issue or post- issue related problems, such as non receipt of letters of Allotment, non credit of Allotted Equity Shares in the respective beneficiary account, non receipt of refund orders and non receipt of funds by electronic mode.

All grievances may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted. The Applicant should give full details such as name of the sole or first applicant, ASBA Form number, Applicant DP ID, Client ID, PAN, date of the ASBA Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the ASBA Form was submitted by the Applicant.

Further, the investor shall also enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

**For all issue related queries and for redressal of complaints, Applicants may also write to the Lead Manager. All complaints, queries or comments received by Stock Exchange/SEBI shall be forwarded to the Lead Manager, who shall respond to the same.**

LEAD MANAGER TO THE ISSUE	LEGAL COUNSEL TO THE ISSUE
<b>Systematix Corporate Services Limited</b> A/603-606, The Capital, Plot No. C 70, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400051, Maharashtra, India. <b>Telephone:</b> +91-22-67048000 <b>Facsimile:</b> +91-22-67048022 <b>Website:</b> <a href="http://www.systematixgroup.in">www.systematixgroup.in</a> <b>Email:</b> <a href="mailto:brgipo@systematixgroup.in">brgipo@systematixgroup.in</a> <b>Contact Persons:</b> Manish Tejawani/Ritu Sharma <b>SEBI Registration No:</b> INM 000004224 <b>Validity of Registration:</b> Permanent	<b>Rajani Associates</b> Advocates & Solicitors 204-207, Krishna Chambers, 59, New Marine Lines, Mumbai 400020 Maharashtra, India. <b>Telephone:</b> + 91-22-40961000 <b>Facsimile:</b> +91-22-40961010 <b>Website:</b> <a href="http://www.rajaniassociates.net">www.rajaniassociates.net</a> <b>Email:</b> <a href="mailto:sangeeta@rajaniassociates.net">sangeeta@rajaniassociates.net</a> <b>Contact Person:</b> Sangeeta Lakhi
REGISTRAR TO THE ISSUE	STATUTORY AUDITOR & PEER REVIEW AUDITOR
<b>Link Intime India Private Limited</b> C 101, 247 Park, L.B.S. Marg, Vikhroli (West) Mumbai 400 083, India <b>Telephone:</b> +91-22-4918 6200 <b>Facsimile:</b> +91 -22-4918 6195 <b>Email:</b> <a href="mailto:brgoyal ipo@linkintime.co.in">brgoyal ipo@linkintime.co.in</a> <b>Website:</b> <a href="http://www.linkintime.co.in">www.linkintime.co.in</a> <b>Contact Person:</b> Shanti Gopalkrishnan <b>SEBI Registration No:</b> INR000004058 <b>CIN:</b> U67190MH1999PTC118368	<b>Mahesh C. Solanki &amp; Co.</b> 803, Airen Heights, PU-3, Scheme No. 54 Opp. Malhar Mega Mall, A.B. Road, Indore 452010, Madhya Pradesh, India <b>Telephone:</b> +91-731-2576077 <b>Facsimile:</b> Not Available <b>Email:</b> <a href="mailto:rajat.jain@mcsca.com">rajat.jain@mcsca.com</a> <b>Website:</b> <a href="http://www.mcsca.com">www.mcsca.com</a> <b>Contact Person:</b> Rajat Jain <b>Firm Registration No:</b> 006228C
BANKERS TO THE COMPANY	
<b>Axis Bank Limited</b> 1, Yeswant Colony, Y. N. Road Indore- 452001, Madhya Pradesh, India <b>Telephone:</b> +91-731- 4295351 <b>Facsimile:</b> Not Available <b>Email:</b> <a href="mailto:neeraj.dudani@axisbank.com">neeraj.dudani@axisbank.com</a> <b>Website:</b> <a href="http://www.axisbank.com">www.axisbank.com</a> <b>Contact Person:</b> Neeraj Dudani	<b>HDFC Bank Limited</b> Bank House, Behind Bombay Hospital, Indore- 452010, Madhya Pradesh, India <b>Telephone:</b> +91-731- 3929700 <b>Facsimile:</b> Not Available <b>Email:</b> <a href="mailto:paresh.jain@hdfcbank.com">paresh.jain@hdfcbank.com</a> <b>Website:</b> <a href="http://www.hdfcbank.com">www.hdfcbank.com</a> <b>Contact Person:</b> Paresch Jain
<b>ICICI Bank Limited</b> Malava Parisar, A.B. Road, Indore- 452008, Madhya Pradesh, India <b>Telephone:</b> Not Available	

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**Facsimile:** Not Available  
**Email:** jai.ramani@icicibank.com  
**Website:** www.icicibank.com  
**Contact Person:** Jai Ramani

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#### **BANKER TO THE ISSUE**

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##### **HDFC Bank Limited**

HDFC Bank Limited, FIG-OPS Department, Lodha, I  
Think Techno Campus, O-3 Level, Next to  
Kanjurmarg, Railway Station, Kunjurmarg (East),  
Mumbai- 400042

**Telephone:** +91- 731-30752927

**Facsimile:** +91- 731- 25799801

**Email:** [Vincent.Dsouza@hdfcbank.com](mailto:Vincent.Dsouza@hdfcbank.com),

Prasanna.Uchil@hdfcbank.com,

Neerav.Desai@hdfcbank.com,

Siddharth.Jadhav@hdfcbank.com

**Website:** www.hdfcbank.com

**Contact Person:** Vincent Dsouza, Prasanna Uchil,  
Neerav Desai & Siddharth Jadhav

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**Mahesh C. Solanki & Co.,** Chartered Accountants, are appointed as peer review auditors of our Company in compliance with section IX of part A of Schedule VIII of SEBI (ICDR) Regulations and hold a valid peer reviewed certificate dated March 16, 2018 issued by the Institute of Chartered Accountants of India.

#### **Statement of *inter- se* allocation of Responsibilities for the Issue**

Systematix Corporate Services Limited is the sole Lead Manager to the Issue and all the responsibilities relating to co-ordination and other activities in relation to the Issue shall be performed by them and hence a statement of inter-se allocation of responsibilities is not required.

#### **Self Certified Syndicate Banks (SCSBs)**

The list of Designated Branches that have been notified by SEBI to act as SCSB for the ASBA process is <http://sebi.gov.in>. For more information on the Designated Branches of the SCSBs collecting the Application Forms, see the above mentioned SEBI link.

#### **Registered Brokers**

The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the websites of the National Stock Exchange of India Limited [www.nseindia.com](http://www.nseindia.com), as updated from time to time.

#### **Registrar to the Issue and Share Transfer Agents**

In terms of SEBI circular no. CIR/CFD/ POLICYCELL/11/2015 dated November 10, 2015, Applicants can submit Application Forms through Collecting RTAs who are registrars and transfer agents registered with SEBI and have furnished their details to Stock Exchange for acting in such capacity.

The list of the RTAs eligible to accept application forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the websites of Stock Exchange at [www.nseindia.com](http://www.nseindia.com), as updated from time to time.

#### **Collecting Depository Participants**

In terms of SEBI circular no. CIR/CFD/ POLICYCELL/11/2015 dated November 10, 2015, Applicants can

submit Application Forms through CDPs who are depository participants registered with SEBI and have furnished their details to Stock Exchanges for acting in such capacity.

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 websites of Stock Exchange at [www.nseindia.com](http://www.nseindia.com), as updated from time to time.

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

### **Experts**

Except for the reports the section titled "*Financial Information*" and the chapter titled "*Statement of Possible Tax Benefits*" available to our Company and its shareholders beginning on pages 188 and 99 respectively of this Draft Prospectus, our Company has not obtained any expert opinions under the Companies Act. The term expert as used in the Draft Prospectus is not intended to be considered "expert" within the meaning of Section 11 of the U.S. Securities Act.

### **Brokers to the Issue**

All members of the recognized stock exchanges would be eligible to act as Brokers to the Issue.

### **Credit Rating**

As the Issue is of Equity Shares, credit rating is not required.

### **Trustees**

As the Issue is of Equity Shares, the appointment of trustees is not required.

### **Debenture Trustees**

As the Issue is of Equity Shares, the appointment of Debenture trustees is not required.

### **IPO Grading**

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

### **Monitoring Agency**

In terms of Regulation 16(1) of the SEBI (ICDR) Regulations, since the size of the present Issue is less than Rs. 10,000 lakhs, our Company is not required to appoint a monitoring agency for the purposes of this Issue. Although in terms of the SEBI (LODR) Regulations, the Audit Committee of our Company would be monitoring the utilization of the proceeds of the Issue.

### **Appraising Entity**

None of the objects of the Issue for which the Net Proceeds will be utilised have been appraise by any banks or financial institutions.

### **Withdrawal of the Issue**

Our Company in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time before the Issue Opening Date without assigning any reason thereof.

If our Company withdraws the Issue anytime after the Issue Opening Date but before the allotment of Equity



Shares, a public notice within 2 (two) working days of the Issue Closing Date, providing reasons for not proceeding with the Issue shall be issued by our Company. The notice of withdrawal will be issued in the same newspapers where the pre- Issue advertisements have appeared and the Stock Exchange will also be informed promptly.

The Lead Manager, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within 1 (one) working Day from the day of receipt of such instruction. If our Company withdraws the Issue after the Issue Closing Date and subsequently decides to proceed with an Issue of the Equity Shares, our Company will have to file a fresh draft prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange with respect to the Equity Shares issued through the Prospectus, which our Company will apply for only after Allotment; and (ii) the final RoC approval of the Prospectus.

### Underwriting

The Company and the Lead Manager to the Issue hereby confirm that the Issue is 100% Underwritten.

The Issue is 100% underwritten by the Lead Manager in the capacity of Underwriter to the Issue. Pursuant to the terms of the Underwriting Agreement dated May 25, 2018, entered into by us with Underwriter, the obligations of the Underwriter are subject to certain conditions specified therein. The Underwriter is registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the National Stock Exchange of India Limited. The details of the Underwriting commitments are as under:

Name, Address, Telephone, Facsimile, and Email of the Underwriters	Indicated number of Equity Shares to be Underwritten	Amount Underwritten	(Rs in Lakhs) % of the total Issue size Underwritten
<b>Systematix Corporate Services Limited</b> A/603-606, The Capital, Plot No. C 70, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400051, Maharashtra, India. <b>Telephone:</b> +91-22-6704 8000 <b>Facsimile:</b> +91-22-6704 8022 <b>Website:</b> <a href="http://www.systematixgroup.in">www.systematixgroup.in</a> <b>Email:</b> <a href="mailto:underwriter@systematixgroup.in">underwriter@systematixgroup.in</a> <b>Contact Person:</b> Pari Vaya <b>SEBI Regn. No.:</b> INM 000004224	33,45,600 Equity Shares of Rs.10/- being Issued at Rs.91- each	3,044.50	100

*\*Includes 168,000 Equity shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker in its own account in order to claim compliance with the requirements of Regulation 106 V (4) of the SEBI (ICDR) Regulations.*

As per Regulation 106P (2) of SEBI (ICDR) Regulations, the Lead Manager has agreed to underwrite to a minimum extent of 15% of the Issue out of its own account. However, 100% of the Issue is underwritten by the Lead Manager.

In the opinion of the Board of Directors of our Company, the resources of the above mentioned Underwriter are sufficient to enable them to discharge their respective obligations in full.

### Details of Market Making Arrangement for the Issue

Our Company has entered into Market Making Agreement dated May 25, 2018 with the following Market Maker to fulfill the obligations of Market Making for this Issue:

**Systematix Shares & Stocks (India) Limited**

A/603-606, The Capital, Plot No. C 70, G Block,  
Bandra-Kurla Complex, Bandra (East), Mumbai 400051,  
Maharashtra, India.

**Telephone:** +91-22-6704 8000

**Facsimile:** +91-22-6704 8022

**E-mail:** [marketmaker@systematixgroup.in](mailto:marketmaker@systematixgroup.in)

**Website:** [www.systematixshares.com](http://www.systematixshares.com)

**Contact Person:** Rajkumar Gupta

**SEBI Registration No.:** INB231132730/ INF231132730/ INE231132730

**Market Maker** (EMERGE Platform of National Stock Exchange of India Limited)

The Market Maker shall fulfil the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations and the circulars issued by the National Stock Exchange of India Limited 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(s) (*individually or jointly*) 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(s) shall inform the exchange in advance for each and every black out period when the quotes are not being issued by the Market Maker(s).
2. The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of the NSE EMERGE Platform and SEBI from time to time.
3. The minimum depth of the quote shall be Rs.1,00,000. However, the investors with holdings of value less than Rs.1,00,000 shall be allowed to Issue their holding to the Market Maker(s) (*individually or jointly*) 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.
4. The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on the EMERGE Platform of National Stock Exchange of India Limited (in this case currently the minimum trading lot size is 1,200 equity shares; however the same may be changed by the EMERGE Platform of National Stock Exchange of India Limited from time to time).
5. After a period of three (3) months from the market making period, the Market Maker would be exempted to provide quote if the Shares of Market Maker in our company reaches to 25% of Issue Size. Any Equity Shares allotted to Market Maker under this Issue over and above 25% of Issue Size would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of Market Maker in our Company reduces to 24% of Issue Size, the Market Maker will resume providing 2 way quotes.
6. 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. The spread (difference between the sell and the buy quote) shall not be more than 10% or as specified by the Stock Exchange. Further, the Market Maker (s) shall inform the exchange in advance for each and every black out period when the quotes are not being issued by the Market Maker (s).
7. There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, National Stock Exchange of India Limited may intimate the same to SEBI after due verification.
8. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
9. There would not be more than five (5) 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.

10. On the first day of the listing, there will be pre the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.
11. The Marker maker may also be present in the opening call auction, but there is no obligation on him to do so.
12. 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, 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.
13. The Market Maker(s) shall have the right to terminate said arrangement by giving a three (3) months notice or on mutually acceptable terms to the Lead Manager, who shall then be responsible to appoint a replacement Market Maker(s). In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 106V of the SEBI (ICDR) Regulations. Further our 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 (5) or as specified by the relevant laws and regulations applicable at that particulars point of time. The Market Making Agreement is available for inspection at our registered office from 11.00 a.m. to 5.00 p.m. on Working Days.
14. **Risk containment measures and monitoring for Market Makers:**

EMERGE Platform of National Stock Exchange of India Limited will have all margins, which are applicable on the National Stock Exchange of India Limited main board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. National Stock Exchange of India Limited can impose any other margins as deemed necessary from time-to-time.
15. **Punitive Action in case of default by Market Makers:**

EMERGE Platform of National Stock Exchange of India Limited 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 (Issuing 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.
16. Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for market makers during market making process has been made applicable, based on the Issue size and as follows:

<b>Issue Size</b>	<b>Buy quote exemption threshold (including mandatory initial inventory of 5% of the Issue size)</b>	<b>Re-Entry threshold for buy quote (including mandatory initial inventory of 5% of the Issue size)</b>
Upto Rs.20 Crore	25%	24%
Rs.20 Crore to Rs.50 Crore	20%	19%
Rs.50 Crore to Rs.80 Crore	15%	14%
Above Rs.80 Crore	12%	11%

17. 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.
18. 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.

## CAPITAL STRUCTURE

The Equity Share capital of our Company, as on the date of this Draft Prospectus and after giving effect to the Issue is set forth below:

<i>Amount (Rs. In lakh except share data)</i>			
No.	Particular	Aggregate nominal value	Aggregate value at Issue Price
A.	<b>Authorized Share Capital</b>		
	1,30,00,000 Equity Shares of face value of Rs. 10/- each	1,300	-
B.	<b>Issued, Subscribed and Paid-up Share Capital before the Issue</b>		
	86,96,532 Equity Shares of face value of Rs. 10/- each	869.65	-
C.	<b>Present Issue in terms of this Draft Prospectus</b>		
	Issue of upto 33,45,600 Equity Shares of face value of Rs. 10 each at a price of Rs. 91/- per Equity Share.	334.56	3,044.50
	Consisting:		
	<b>Reservation for Market Maker-</b> 1,68,000 Equity Shares of face value of Rs. 10 each reserved as Market Maker portion at a price of Rs. 91/- per Equity Share	16.80	152.88
	<b>Net Issue to the Public</b> – 31,77,600 Equity Shares of face value of Rs. 10 each at a price of Rs. 91/- per Equity Share	317.76	2,891.62
	<b>Of the Net Issue to the public</b>		
	<b>Allocation to Retail Individual Investors-</b> Upto 15,88,800 Equity Shares of face value of Rs. 10 each at a price at Rs. 91/- per Equity Share will be available for allocation to Investors applying with application value of up to Rs. 2 Lakhs	158.88	1,445.81
	<b>Allocation to Other than Retail Individual Investors</b> - Upto 15,88,800 Equity Shares of face value of Rs. 10 each at Rs. 91/- per Equity Share will be available for allocation to Investors applying with application value of up to Rs. 2 Lakhs	158.88	1,445.81
D.	<b>Issued, Subscribed and Paid-Up Share Capital after the Issue</b>		
	Upto 1,20,41,952 Equity Shares of face value of Rs. 10/- each	1,204.20	
E.	<b>Securities Premium Account</b>		
	Before the Issue	600.70	
	After the Issue	3,310.64	

The Issue has been authorized by the Board of Directors of our Company *vide* a resolution passed at its meeting held on May 17, 2018 and by the shareholders of our Company *vide* special resolution passed at its meeting held on May 23, 2018 pursuant to section 62(1)(c) of Companies Act, 2013.

The Company has only one class of share capital i.e. Equity Shares of face value of Rs. 10 each only.

All Equity Shares issued are fully paid-up. Our Company has no outstanding convertible instruments as on the

date of this Draft Prospectus.

## NOTES TO THE CAPITAL STRUCTURE

### 1. Details of changes in Authorized Share Capital:

Since incorporation of our Company, the authorized share capital of our Company has been altered in the manner set forth below:

Particulars of change	Date of shareholders Meeting	AGM/EGM
<b>Increased from</b>	<b>Increased to</b>	
Rs. 1,00,00,000 consisting of 10,00,000 Equity Share of Rs. 10 each	On incorporation	-
Rs. 1,00,00,000 consisting of 10,00,000 Equity Shares of Rs. 10 each	October 20, 2005	EGM
Rs. 1,50,00,000 consisting of 15,00,000 Equity Shares of Rs. 10 each	May 2, 2018	EGM
Rs. 13,00,00,000 consisting of 1,30,00,000 Equity Shares of Rs. 10 each		

### 2. History of Equity Share Capital of our Company

Date of allotment /fully paid up	No. of Equity Shares allotted	Face value (Rs.)	Issue price (Rs.)	Nature of consideration	Nature of allotment	Cumulative no. of Equity Shares	Cumulative Paid-up capital(Rs.)	No. of Allottees
On Incorporation	9,00,000	10	40	Pursuant to the conversion of the capital account of partnership firm	Subscription to the MOA <sup>(1)</sup>	9,00,000	90,00,000	7
April 1, 2005	3,300	10	40	Cash	Conversion of unsecured loans into equity shares through preferential allotment <sup>(2)</sup>	9,03,300	90,33,000	33
October 21, 2005	1,32,436	10	40	Cash	Conversion of unsecured loans into equity shares through preferential allotment <sup>(3)</sup>	10,35,736	1,03,57,360	7
March 31, 2006	600	10	40	Cash	Further Allotment <sup>(4)</sup>	10,36,336	1,03,63,360	6
February 28, 2007	25,000	10	40	Cash	Further Allotment <sup>(5)</sup>	10,61,336	1,06,13,360	1
March 22, 2007	800	10	40	Cash	Further Allotment <sup>(6)</sup>	10,62,136	1,06,21,360	8
March 23, 2009	1,00,000	10	100	Cash	Further Allotment <sup>(7)</sup>	11,62,136	1,16,21,360	3
March 23, 2009	200	10	40	Cash	Further Allotment <sup>(8)</sup>	11,62,336	1,16,23,360	2
March 30, 2009	80,000	10	250	Cash	Further	12,42,336	1,24,23,360	1

Date of allotment /fully paid up	No. of Equity Shares allotted	Face value (Rs.)	Issue price (Rs.)	Nature of consideration	Nature of allotment	Cumulative no. of Equity Shares	Cumulative Paid-up capital(Rs.)	No. of Allottees
2012					Allotment <sup>(9)</sup>	6	0	
May 24, 2018*	74,54,016	10	-	Consideration other than cash	Bonus Issue <sup>(10)</sup>	86,96,352	8,69,63,520	11

\*PAS-3 form is yet to be filed with the ROC.

- (1) Initial Subscribers to Memorandum of Association subscribed 9,00,000 Equity Shares of face value of Rs. 10 each fully paid at par as per the details given below:

Sr. No.	Name of Allottees	No. of Shares Subscribed
1.	Rajendra Kumar Goyal	4,00,000
2.	Gopal Goyal	4,00,000
3.	Balkrishna Ramkaran Goyal	20,000
4.	Brijkishore Goyal	20,000
5.	Om Prakash Goyal	20,000
6.	Prem Kumar Goyal	20,000
7.	Nehal Goyal	20,000
	<b>Total</b>	<b>9,00,000</b>

- (2) Preferential Allotment by conversion of unsecured loans\*into equity shares of 3,300 Equity Shares of face value of Rs.10 each fully paid up as on April 1,2005 as per the details given below:

Sr. No	Name of Allottee	No. of Shares Allotted
1.	Vinod Kumar Agrawal	100
2.	Om Prakash Agrawal	100
3.	Amit Kumar Agrawal	100
4.	Ankit Garg	100
5.	Bikam Jain	100
6.	Manish Choudhary	100
7.	Gokul Agrawal	100
8.	Kamal Garg	100
9.	Arpita Mangal	100
10.	Mughda Agrawal	100
11.	Mahesh Mittal	100
12.	Manish Kedia	100
13.	Prabhat Agrawal	100
14.	Ramnarayan Agrawal HUF	100
15.	Ritu Shrivastava	100
16.	R.K. Shrivastav	100
17.	Sawalramji Mittal	100
18.	Shantibai Mittal	100
19.	Shrinivas Jhaver	100
20.	Babita Agrawal	100
21.	Dasha Garg	100
22.	Pushpa Agrawal	100
23.	Pusphabai Kailash Chandra	100
24.	Rachna Mittal	100
25.	Rekha Agrawal	100
26.	Sarita Shah	100
27.	Shashi Mittal	100
28.	Sonia Garg	100
29.	Sumedha Shrivastav	100

Sr. No	Name of Allottee	No. of Shares Allotted
30.	Surendra Agrawal	100
31.	Suresh Kumar Agrawal	100
32.	Sweeti Garg	100
33.	Vishal Mittal	100
<b>Total</b>		<b>3,300</b>

*\*The above allotment has been made pursuant to conversion of the unsecured loan taken in the erstwhile partnership firm M/S Balkrishna Ramkaran Goyal.*

- (3) Preferential Allotment by conversion of unsecured loans\*\* into equity shares of 1,32,436 Equity Shares of face value of Rs.10 each fully paid up as on October 21, 2005 as per the details given below:

Sr. No	Name of Allottee	No. of Shares Allotted
1.	Rajendra Kumar Goyal	67,262
2.	Gopal Goyal	62,349
3.	Balkrishna Ramkaran Goyal	440
4.	Brijkishore Goyal	440
5.	Om Prakash Goyal	440
6.	Prem Kumar Goyal	440
7.	Nehal Goyal	1,065
<b>Total</b>		<b>1,32,436</b>

*\*\*The allotment as stated above, has been made pursuant to conversion of unsecured loan lying in the books of accounts of the Company which was originally introduced due to restatement of the partner's current account of the partnership firm M/s. Balkrishna Ramkaran Goyal into unsecured loan. Further, due to rounding off the share application money there arises a discrepancy which is as follows-*

Name of Share holders	Unsecured Loan	Allotment subscription upon to dated October 21, 2005	Total amount	Difference
Rajendra Kumar Goyal	26,90,469.23	67,262	26,90,480.00	-10.77
Gopal Goyal	24,93,959.53	62,349	24,93,960.00	-0.47
Balkrishna Goyal	17,599.64	440	17,600.00	-0.36
Brijkishore Goyal	17,599.64	440	17,600.00	-0.36
Prem Goyal	17,599.64	440	17,600.00	-0.36
Omprakash Goyal	17,599.64	440	17,600.00	-0.36
Nehal Goyal	42,599.64	1,065	42,600.00	-0.36
<b>Total</b>	<b>52,97,426.96</b>	<b>1,32,436</b>	<b>52,97,440.00</b>	<b>-13.04</b>

*However the securities premium account has been credited with Rs. 52,97,427 which was the original balance of the unsecured loan account.*

- (4) Further Allotment of 600 Equity Shares of face value of Rs. 10 each fully paid up as on March 31, 2006 as per the details given below:

Sr. No	Name of Allottee	No. of Shares Allotted
1.	Dinesh Agrawal	100
2.	Dhanvanti Goyal	100
3.	Indra Goyal	100
4.	Parmeshwari Devi Goyal	100
5.	Anoop Agrawal	100
6.	Suresh Agrawal	100
<b>Total</b>		<b>600</b>



- (5) Further Allotment of 25,000 Equity Shares of face value of 10 each fully paid up as on February 28, 2007 as per the details given below:

Sr. No	Name of Allottee	No. of Shares Allotted
1.	Super Tech Leathers Private Limited	25,000
	<b>Total</b>	<b>25,000</b>

- (6) Further Allotment of 800 Equity Shares of face value of Rs. 10 each fully paid up as on March 22, 2007 as per the details given below:

Sr. No	Name of Allottee	No. of Shares Allotted
1.	GopalGoyal HUF	100
2.	BalkrishnaGoyal HUF	100
3.	Rajendra Kumar Goyal HUF	100
4.	BrijkishoreGoyal HUF	100
5.	Om PrakashGoyal HUF	100
6.	Prem Kumar Goyal HUF	100
7.	BholaramGoyal HUF	100
8.	SantoshAgrawal	100
	<b>Total</b>	<b>800</b>

- (7) Further Allotment of 1,00,000 Equity Shares of face value of Rs. 10 each fully paid up as on March 23, 2009 as per the details given below:

Sr. No	Name of Allottee	No. of Shares Allotted
1.	Arcade Dealcom Private Limited	25,000
2.	Outlook Tracom Private Limited	25,000
3.	VanilaVinimay Private Limited	50,000
	<b>Total</b>	<b>1,00,000</b>

- (8) Further Allotment of 200 Equity Shares of face value of Rs. 10 each fully paid up as on March 23, 2009 as per the details given below:

Sr. No	Name of Allottee	No. of Shares Allotted
1.	SatyanarayanAgrawal	100
2.	PramodAgrawal	100
	<b>Total</b>	<b>200</b>

- (9) Further Allotment of 80,000 Equity Shares of face value of Rs. 10 each fully paid up as on March 30, 2012 as per the details given below:

Sr. No	Name of Allottee	No. of Shares Allotted
1	BrijkishoreGoyal	80,000
	<b>Total</b>	<b>80,000</b>

- (10) Bonus Issue of 74,54,016 Equity Shares of face value of Rs.10 in the ratio of 6:1as on May 24, 2018 as per the details given below:

Sr. No	Name of Allottee	No. of Shares Allotted
1	Rajendra Kumar Goyal	21,05,334
2	Gopal Goyal	21,05,334
3	Balkrishna Ramkaran Goyal	3,84,420
4	Brijkishore Goyal	21,05,382

Sr. No	Name of Allottee	No. of Shares Allotted
5	Gopal Goyal HUF	600
6	Balkrishnamkaran Goyal HUF	600
7	Brijkishore Goyal HUF	600
8	Rajendra Kumar Goyal	600
9	Satyanarayan Agrawal	600
10	Pramod Agrawal	600
11	BRG Holdings Private Limited	7,50,000
	<b>Total</b>	<b>74,54,016</b>

3. Except as mentioned below, our Company has not issued any Equity Shares for consideration other than cash.

Sr. No	Date of allotment	Number of equity shares	Face Value (Rs.)	Issue Price (Rs.)	Reasons for allotment	No. of allottees
1.	May 24, 2018	74,54,016	10	-	Bonus Issue	11

4. No Equity Shares have been allotted pursuant to any scheme approved under Section 230-240 of the Companies Act, 2013.
5. Our Company has not issued any shares pursuant to an Employee Stock Option Scheme.
6. Our Company has not revalued its assets since inception and have not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.
7. We have not issued any shares at price below issue price within last one year from the date of this Draft Prospectus except as given below:

Sr. No	Date of allotment	Number of equity shares	Face Value (Rs.)	Issue Price (Rs.)	Reasons for allotment	No. of allottees
1.	May 24, 2018	74,54,016	10	-	Bonus Issue	11

8. As on the date of this Draft Prospectus, our Company does not have any preference Share Capital.

9. **Build-up of Promoters' shareholding, Promoters' contribution and lock-in**

(i) **Built up of Promoter's shareholdings:**

As on the date of this Draft Prospectus, our Promoters, Brijkishore Goyal, Gopal Goyal and Rajendra Goyal hold 73,68,662, Equity Shares of our Company which is 84.72% of our Paid-up Capital. None of the Equity shares held by our promoters are subject to any pledge.

1) **Brijkishore Goyal**

Date of Allotment	No. of Equity Shares	Face value per share (Rs.)	Issue/ Acquisition/ Transfer price (Rs.)	Nature of transaction	Pre-issue shareholding	Post-issue shareholding
On incorporation	20,000	10	40	Subscription to MOA	0.22	0.17
October 21, 2005	440	10	40	Further Allotment	0.01	Negligible
June 27, 2006	1500	10	40	Transfer of shares from 15	0.02	0.01

Date of Allotment	No. of Equity Shares	Face value per share (Rs.)	Issue/ Acquisition/ Transfer price (Rs.)	Nature of transaction	Pre-issue shareholding	Post-issue shareholding
				shareholders		
August 24, 2006	50	10	40	Transfer of Share from Suresh kumar (folio no. 38)	Negligible	Negligible
March 23, 2009	21,065	10	47	Transfer of Shares nehalGoyal (folio no. 7)	0.24	0.17
March 30, 2012	80,000	10	250	Further Allotment	0.92	0.66
June 30, 2012	1,16,373	10	-	Transferred through a gift deed executed on June 30, 2012 by Rajendra Goyal	1.34	0.97
June 30, 2012	1,11,460	10	-	Transferred through a gift deed executed on June 30, 2012 by Gopal Goyal	1.28	0.93
May 24, 2018	21,05,328	10	-	Bonus Issue	24.21	17.48
<b>Total</b>	<b>24,56,216</b>				<b>28.24</b>	<b>20.40</b>

2) Gopal Goyal

Date of Allotment	No. of Equity Shares	Face value per share (Rs.)	Issue/ Acquisition/ Transfer price (Rs.)	Nature of transaction	Pre-issue shareholding	Post-issue shareholding
On incorporation	4,00,000	10	40	Subscription to MOA	4.60	3.32
October 21, 2005	62,349	10	40	Further Allotment	0.71	0.52
June 30, 2012	(1,11,460)	10	-	Transferred shares through a gift deed executed on June 30, 2012 to Brijkishore Goyal	(1.28)	(0.93)
May 24, 2018	21,05,334	10	-	Bonus issue	24.21	17.48
<b>Total</b>	<b>24,56,223</b>				<b>28.24</b>	<b>20.40</b>

3) Rajendra Kumar Goyal

Date Allotment	of	No. of Equity Shares	of	Face value per share (Rs.)	Issue/ Acquisition/ Transfer price (Rs.)	Nature of transaction	Pre-issue shareholding	Post-issue shareholding
On incorporation		4,00,000		10	40	Subscription to MOA	4.60	3.32
October 21, 2005		67,262		10	40	Further Allotment	0.77	0.56
June 30, 2012		1,16,373		10	-	Transferred through a gift deed executed on June 30, 2012 to Brijkishore Goyal	(1.34)	(0.97)
May 24, 2018		21,05,334		10	-	Bonus issue	24.21	17.48
<b>Total</b>		<b>24,56,223</b>					<b>28.24</b>	<b>20.34</b>

(ii) **Details of Promoters Contribution locked in for three years**

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

Our Promoters have given written consent to include such number of Equity Shares held by them and subscribed by them as a part of Promoters' Contribution constituting 20% of the post issue Equity Shares of our Company and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters Contribution, for a period of three years from the date of allotment in the Issue.

The Minimum Promoters' Contribution has been brought in to the extent of not less than the specified minimum lot and from the persons defined as 'promoter' under the SEBI (ICDR) Regulations. The Equity Shares that are being locked in are not ineligible for computation of Promoters' Contribution in terms of Regulation 33 of the SEBI (ICDR) Regulations. In connection, we confirm the following:

Name of promoter	No. of Shares locked in	As a % of Post Issue Share Capital
Brijkishore Goyal	8,05,251	6.67
Gopal Goyal	8,05,250	6.67
Rajendra Kumar Goyal	8,05,250	6.67
<b>Total</b>	<b>24,15,751</b>	<b>20.01</b>

- The Equity Shares offered for minimum 20% Promoters' Contribution have not been acquired in the three years preceding the date of this Draft Prospectus for consideration other than cash and revaluation of assets or capitalization of intangible assets nor resulted from a bonus issue out of the revaluation reserves or unrealized profits of the Company or against Equity Shares which are otherwise ineligible for computation of Promoters' contribution;
- The minimum Promoters' Contribution does not include Equity Shares acquired during the one year preceding the date of this Draft Prospectus at a price lower than the Issue Price;

- (c) No equity shares have been issued to our promoter upon conversion of a partnership firm during the preceding one year at a price less than the issue price.
- (d) The Equity Shares held by the Promoters and offered for minimum Promoters' contribution are not pledged;
- (e) All the Equity Shares of our Company held by the Promoters are in the process of being dematerialized; and
- (f) The Equity Shares offered for Promoter's Contribution do not consist of Equity Shares for which specific written consent has not been obtained from the Promoter for inclusion of its subscription in the Promoter's Contribution subject to lock-in.

(iii) **Details of Share Capital locked in for one year**

Other than the above Equity Shares that are locked in for three years, the entire pre-Issue Equity Share capital of our Company shall be locked-in for a period of one year from the date of allotment in the Public Issue.

(iv) **Other requirements in respect of lock-in:**

Pursuant to Regulation 39 of the SEBI (ICDR) Regulations, the locked-in Equity Shares held by the Promoters, as specified above, can be pledged only with scheduled commercial banks or public financial institutions as collateral security for loans granted by such scheduled commercial banks or public financial institution, provided that the pledge of the Equity Shares is one of the terms of the sanction of the loan.

Provided that securities locked in as Promoters' Contribution for 3 years under Regulation 36(a) of the SEBI (ICDR) Regulations may be pledged only if, in addition to fulfilling the above requirement, the loan has been granted by such scheduled commercial bank or public financial institution for the purpose of financing one or more of the objects of the Issue.

Further, pursuant to Regulation 40 of the SEBI (ICDR) Regulations, the Equity Shares held by persons other than the Promoters prior to the Issue may be transferred to any other person holding the Equity Shares which are locked-in as per Regulation 37 of the SEBI (ICDR) Regulations, along with the Equity Shares proposed to be transferred, provided that lock-in on such Equity Shares will continue for the remaining period with the transferee and such transferee shall not be eligible to transfer such Equity Shares till the lock-in period stipulated under the SEBI (ICDR) Regulations has ended, subject to compliance with the Takeover Code, as applicable.

We further confirm that our Promoters' Contribution of 20% of the post Issue Equity Share capital does not include any contribution from Alternative Investment Fund.

10. There have been no shares purchased/sold by the Promoter and Promoter Group, Directors and their immediate relatives during last 6 months.

11. **Our Shareholding Pattern**

The table below presents the shareholding pattern of our Company

- (i) Summary of shareholding pattern as on the date of this Draft Prospectus:

Category	Category of Shareholder	Nos. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities*		No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) As a % of (A+B+C2)	Number of Locked shares**		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form***
								No of Voting Rights	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)	
I	II	III	IV	V	VI	VII = IV + V + VI	VIII	IX		X	XI = VII + X	XII		XIII		XIV
A	Promoter and Promoter Group	11	86,96,352	-	-	86,96,352	100	86,96,352	100	-	100	86,96,352	100	-	-	-
B	Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total</b>	<b>11</b>	<b>86,96,352</b>	<b>-</b>	<b>-</b>	<b>86,96,352</b>	<b>100</b>	<b>86,96,352</b>	<b>100</b>	<b>-</b>	<b>100</b>	<b>86,96,352</b>	<b>100</b>	<b>-</b>	<b>-</b>	<b>-</b>

\* As on the date of this Draft Prospectus one Equity Shares holds one vote.

\*\* Shall be locked-in on or before the date of allotment in this Issue.

All Pre-IPO Equity Shares of our Company will be locked in as mentioned above prior to listing of Equity Shares on EMERGE Platform of National Stock Exchange of India Limited.

Note: PAN of shareholders will be provided to the Stock Exchange by our Company prior to listing of its Equity Shares on the Stock Exchange. Our Company will file the shareholding pattern of our Company, in the form prescribed under Regulation 31 of the SEBI (LODR) Regulations, one day prior to the listing of the Equity shares. The Shareholding pattern will be uploaded on the website of National Stock Exchange of India Limited before commencement of trading of such Equity Shares.

In terms of SEBI (LODR) Regulations, our Company shall ensure that the Equity Shares held by the Promoters / members of the Promoter Group shall be dematerialized prior to filing of Prospectus with RoC.

12. **The details of the holding of securities (including shares, warrants, convertible securities) of persons belonging to the category Promoter and Promoter Group are as under:**

Sr. No.	Name of Shareholder	Pre-Issue		Post Issue	
		No of Equity Shares	% of Pre-Issue Capital	No of Equity Shares	% of Post-Issue Capital
(I)	(II)	(III)	(IV)	(V)	(VI)
	<b>Promoter</b>				
1.	BrijkishoreGoyal	24,56,216	28.24	24,56,216	20.40
2.	GopalGoyal	24,56,223	28.24	24,56,223	20.40
3.	Rajendra Kumar Goyal	24,56,223	28.24	24,56,223	20.40
	<b>Subtotal (A)</b>	<b>73,68,662</b>	<b>84.72</b>	<b>73,68,662</b>	<b>61.20</b>
	<b>Promoter Group</b>				
1.	BalkrishnaRamakaranGoyal	4,48,490	5.16	4,48,490	3.72
2.	BrijkishoreGoyal HUF	700	0.01	700	0.01
3.	GopalGoyal HUF	700	0.01	700	0.01
4.	Rajendra Kumar Goyal HUF	700	0.01	700	0.01
5.	BalkrishnaRamakaranGoyal HUF	700	0.01	700	0.01
6.	SatyanarayanAgrawal	700	0.01	700	0.01
7.	PramodAgrawal	700	0.01	700	0.01
8.	BRG Holding Private Limited	8,75,000	10.06	8,75,000	7.26
	<b>Subtotal (B)</b>	<b>13,27,690</b>	<b>15.28</b>	<b>13,27,690</b>	<b>11.02</b>
	<b>Total (A+B)</b>	<b>86,96,352</b>	<b>100</b>	<b>86,96,352</b>	<b>72.22</b>

13. **The average cost of acquisition of or subscription to Equity Shares by our Promoter is set forth in the table below:**

Name of promoter	No. of Shares held	Average Cost of Acquisition
BrijkishoreGoyal	24,56,216	8.90
GopalGoyal	24,56,223	7.53
Rajendra Kumar Goyal	24,56,223	7.61

14. None of the persons belonging to the category "Public" hold securities (including shares, warrants, convertible securities) of more than 1% of the total number of shares.
15. The lists of top shareholders of our Company and the number of Equity Shares held by them as on the date of filing, ten days before the date of filing and two years before the date of filing of this Draft Prospectus are set forth below:

(a) Particulars of top eleven\* shareholders as on the date of filing of this Draft Prospectus:

Sr. No.	Name of Shareholder	Number of Equity Shares	% of total Paid-up Share Capital
1.	BrijkishoreGoyal	24,56,216	28.24
2.	GopalGoyal	24,56,223	28.24
3.	Rajendra Kumar Goyal	24,56,223	28.24
4.	B.R.Goyal Holding Private Limited	8,75,000	10.06
5.	BalkrishnaRamkaranGoyal	4,48,490	5.16
6.	BrijkishoreGoyal HUF	700	0.01
7.	GopalGoyal HUF	700	0.01
8.	Rajendra Kumar Goyal HUF	700	0.01
9.	BalkrishnaRamkaranGoyal HUF	700	0.01
10.	SatyanarayanAgrawal	700	0.01
11.	Pramod Agrawal	700	0.01
<b>Total</b>		<b>86,96,352</b>	<b>100.00</b>

*\*Since the shareholding of 6,7,8,9,10 and 11 hold the equal number of shares, we have considered top eleven shareholders.*

(b) Particulars of the top eleven\* shareholders as at ten days prior to the date of filing of this Draft Prospectus:

Sr. No.	Name of Shareholder	Number of Equity Shares	% of total Paid-up Share Capital
1.	BrijkishoreGoyal	24,56,216	28.24
2.	GopalGoyal	24,56,223	28.24
3.	Rajendra Kumar Goyal	24,56,223	28.24
4.	B.R.Goyal Holding Private Limited	8,75,000	10.06
5.	BalkrishnaRamkaranGoyal	4,48,490	5.16
6.	BrijkishoreGoyal HUF	700	0.01
7.	GopalGoyal HUF	700	0.01
8.	Rajendra Kumar Goyal HUF	700	0.01
9.	BalkrishnaRamkaranGoyal HUF	700	0.01
10.	SatyanarayanAgrawal	700	0.01
11.	Pramod Agrawal	700	0.01
<b>Total</b>		<b>86,96,352</b>	<b>100.00</b>

*\*Since the shareholding of 6,7,8,9,10 and 11 hold the equal number of shares, we have considered top eleven shareholders.*

(c) Particulars of the top ten shareholders two years prior to the date of filing of this Draft Prospectus:

Sr. No.	Name of Shareholder	Number of Equity Shares	% of total Paid-up Share Capital
1.	Rajendra Kumar Goyal	3,50,889	28.24
2.	GopalGoyal	3,50,889	28.24
3.	BrijkishoreGoyal	3,50,888	28.24
4.	B.R.Goyal Holding Private Limited	1,25,000	10.06
5.	Om PrakashGoyal	21,990	1.77
6.	PiyushGoyal	20,440	1.65
7.	BalkrishnaGoyal	20,440	1.65



Sr. No.	Name of Shareholder	Number of Equity Shares	% of total Paid-up Share Capital
8.	Dinesh Agrawal	100	0.01
9.	Dhanwanti Goyal	100	0.01
10.	Indra Goyal	100	0.01
<b>Total</b>		<b>12,40,836</b>	<b>99.89</b>

16. Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Plan for our employees and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Plan from the proposed issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014.
17. Neither the Lead Manager viz Systematix Corporate Services Limited, nor their associates hold any Equity Shares of our Company as on the date of this Draft Prospectus.
18. Under-subscription in the net issue, if any, in any category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the Lead Manager and the EMERGE Platform of National Stock Exchange of India Limited.
19. The unsubscribed portion in any reserved category (if any) may be added to any other reserved category.
20. The unsubscribed portion if any, after such inter se adjustments among the reserved categories shall be added back to the net issue to the public portion.
21. There are no Equity Shares against which depository receipts have been issued.
22. Other than the Equity Shares, there is no other class of securities issued by our Company.
23. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, right issue or in any other manner during the period commencing from the date of the Draft Prospectus until the Equity Shares have been listed. Further, our Company does not intend to alter its capital structure within six months from the date of opening of the Issue, by way of split / consolidation of the denomination of Equity Shares. However, our Company may further issue Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the listing of equity shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board may deem fit, if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company.
24. None of the persons/entities comprising our Promoter Group, or our Directors or their relatives have financed the purchase by any other person of securities of our Company other than in the normal course of the business of any such entity/individual or otherwise during the period of six months immediately preceding the date of filing of this Draft Prospectus.
25. Our Company, our Promoters, our Directors and the Lead Manager have not entered into any buy back or standby or similar arrangements for the purchase of Equity Shares being offered through the Issue from any person..
26. There are no safety net arrangements for this public issue.
27. As on date of this Draft Prospectus there are no outstanding warrants, options or rights to convert debentures loans or other financial instruments into our Equity Shares.
28. All the Equity Shares of our Company are fully paid up as on the date of the Draft Prospectus. Further, since the entire issue price in respect of the Issue is payable on application, all the successful applicants will be issued fully paid-up equity shares and thus all shares offered through this issue shall be fully paid-up.

29. As per RBI regulations, OCBs are not allowed to participate in this Issue.
30. Our Company has not raised any bridge loans against the proceeds of the Issue.
31. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
32. Our Company shall comply with such accounting and disclosure norms as specified by SEBI from time to time.
33. An applicant cannot make an application for more than the number of Equity Shares being issued through this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors.
34. No payment, direct or indirect in the nature of discount, commission, and allowance or otherwise shall be made either by us or our Promoters to the persons who receive allotments, if any, in this Issue.
35. Our Company has 11 shareholders as on the date of filing of this Draft Prospectus.
36. Our Promoters and the members of our Promoter Group will not participate in this Issue.
37. Our Company has not made any public issue since its incorporation.
38. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group between the date of filing the Draft Prospectus and the Issue Closing Date shall be reported to the Stock Exchange within twenty-four hours of such transaction.
39. For the details of transactions by our Company with our Promoter Group, Group Companies during the financial years ended March 31, 2017, 2016, 2015, 2014 and 2013 and for nine months ending December 31, 2017 please refer to paragraph titled *Details of Related Parties Transactions* as restated in the chapter titled *Financial Statements* as restated on page 188 of this Draft Prospectus.
40. None of our Directors or Key Managerial Personnel holds Equity Shares in our Company, except as stated in the chapter titled *Our Management* beginning on page 157 of this Draft Prospectus.

## OBJECT OF THE ISSUE

The Issue includes a fresh Issue of 33,45,600 Equity Shares of our Company at an Issue Price of Rs. 91/- (Rupees Ninety One) per Equity Share.

Our Company proposes to utilize the funds which are being raised through this Issue towards the below mentioned objects and gain benefits of listing on EMERGE platform of National Stock Exchange of India Limited:

### The Objects of the Issue are:

- a) To Meet working capital requirement;
- b) To meet General Corporate Purposes

### *(Collectively referred as the “Objects”)*

We believe that listing will enhance our corporate image and brand name and create a public market for Equity Share of our Company in India and will further enable us to avail future growth opportunities. Our Company is primarily engaged in and development of infrastructure projects such as roads, highways and bridges. The main object clause and the ancillary object clause of the Memorandum of Association of our Company enable us to undertake our existing activities and the activities for which we are raising funds through the Issue. The existing activities of our Company are within the object clause of our Memorandum. The Fund requirement and deployment is based on internal management estimates and has not been appraised by any bank and financial institution.

The details of the Net Proceeds are set forth in the following table:

Particulars	Amount (Rs. in Lakhs)
<b>Gross Proceeds from the Issue</b>	<b>3,044.50</b>
Less: Issue related expenses	2,43.56
<b>Net Proceeds</b>	<b>2,800.94</b>

### Requirements of Funds:

The proposed requirement of funds to be used in accordance with the details provided in the following table:

Particulars	Amount (Rs. in Lakhs)
Incremental Working Capital Requirement	3,287.18
General Corporate Purpose	600.00
<b>Total Requirement</b>	<b>3,887.18</b>

### Means of Finance:

The above-mentioned fund requirement will be met from the proceeds of the Issue. We intend to fund the shortfall, if any, from internal accruals and/ or debt. Set forth below are the means of finance for the above-mentioned fund requirement:

Sl. No.	Particulars	Amount (Rs. in Lakhs)
1.	Net Issue Proceeds	2,800.94
2.	Internal Accruals	1,086.24
	<b>Total</b>	<b>3,887.18</b>

*Since the entire fund requirements are to be funded from the proceeds of the Issue and Internal Accruals. Accordingly, there is no requirement to make firm arrangements of finance under Regulation 4(2)(g) of the*

***SEBI (ICDR) Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the proposed Issue.***

The fund requirements are based on internal management estimates and have not been appraised by any bank or financial institution or any other independent agency. These are based on current conditions and are subject to change in the light of changes in external circumstances or costs or other financial conditions and other external factors.

In case of any increase in the actual utilization of funds earmarked for the Objects, such additional funds for a particular activity will be met by way of means available to our Company, including from internal accruals. If the actual utilization towards any of the Objects is lower than the proposed deployment such balance will be used for future growth opportunities including funding existing objects, if required. In case of delays in raising funds from the Issue, our company may deploy certain amounts towards any of the above mentioned Objects through a combination of Internal Accruals or Unsecured Loans.

As we operate in competitive environment, our Company may have to revise its business plan from time to time and consequently our fund requirements may also change. Our Company's historical expenditure may not be reflective of our future expenditure plans. Our Company may have to revise its estimated costs, fund allocation and fund requirements owing to various factors such as economic and business conditions, increased competition and other external factors which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of the Company's management.

For further details on the risks involved in our business plans and executing our business strategies, please see this section titled "*Risk Factors*" beginning on page no. 17 of this Draft Prospectus.

#### **Details of the use of the proceeds**

##### **1. To Meet Working Capital Requirement**

Our business is working capital intensive. We finance our working capital requirement from our internal accruals and bank borrowings. Considering the existing and future growth, the total working capital needs of our Company, as assessed based on the internal workings of our Company is expected to reach Rs. 8,036.19 Lakhs for FY 2018- 2019. We intend to meet our working capital requirements to the extent of Rs. 2,200.94 Lakhs from the Net Proceeds of this Issue and the balance will be met from internal accruals and borrowings at an appropriate time as per the requirement.

##### ***Basis of estimation of working capital***

The details of our Company's composition of working capital as at March 31, 2017, December 31, 2017, March 31, 2018 and March 31, 2019 based on the Restated Financial Statements of the Company and the Prospective Financial Statements (Projections). Further the source of funding of the same are as set out in the table below:

Particulars	FY 2017	Dec 2017	FY 2018	FY 2019
	Audited	Audited	Provisional	Estimated
<b>A: Current Assets</b>				
Current Investments				
Inventories	2,644.59	3,050.73	2,960.02	4,667.99
Trade Receivables	1,654.19	1,767.07	2,387.79	3,350.11
Cash and Cash Equivalents	1,009.98	602.81	770.75	1,942.35
Other Current Assets	2,934.16	2,862.77	1,918.96	1,700.00
<b>Total (A)</b>	<b>8,242.92</b>	<b>8,283.38</b>	<b>8,037.52</b>	<b>11,660.45</b>

(Rs. in Lakhs)

Particulars	FY 2017	Dec 2017	FY 2018	FY 2019
	Audited	Audited	Provisional	Estimated
<b>B: Current Liabilities</b>				
Trade Payables	1,492.29	1,426.01	1,179.02	1,807.77
Other Current Liabilities	763.76	916.17	716.49	816.49
Other Short Term Advances	1,401.57	1,100.00	1,393.00	1,000.00
<b>Total (B)</b>	<b>3,657.63</b>	<b>3,442.18</b>	<b>3,288.51</b>	<b>3,624.26</b>
<b>Working Capital (A-B)</b>	<b>4,585.29</b>	<b>4,841.20</b>	<b>4,749.01</b>	<b>8,036.19</b>
<b>Proposed Funding Pattern</b>				
Incremental Working Capital Gap for the Financial Year 2019				<b>3,287.18</b>
Less: From Proceeds of the Issue				2,200.94
<b>Balance from Internal Accruals of the Company</b>				<b>1,086.24</b>

The details of our Company's expected working capital requirements for the Financial Year 2018-19 and funding of the same have not been audited by the Statutory Auditor. M/s. Mahesh C. Solanki & Co., Chartered Accountants however the same has been certified by a certificate dated May 17, 2018, in relation to the working capital estimate, by the statutory auditors of the company.

**Assumptions for working capital requirement**

Assumptions for Holding Levels\*

(In days)

Particulars	March 31, 2017	December 31, 2017	March 31, 2018	March 31, 2019
<b>Current Assets</b>				
Inventories				
- Work In Progress	69	88	77	80
Trade Receivables	44	51	62	60
<b>Current Liabilities</b>				
Trade Payables	129	135	95	90

**Justification for Holding Period Levels**

Particulars	Detail
Inventories: Work in Progress	We intend to maintain inventory of work in progress at level of 80 days in financial year 2018-19 which is in line with our Industry trend.
Trade Receivables	Our Company shall give credit facility of around 60 days to our debtors. We have estimated this level based upon our past experience & industry trend.
Trade Payables	We intend to reduce creditor's days to 90 days for financial year 2018-19 as compared to last year levels, as we intend to purchase materials on strict payment terms to avail discounts.

## 2. General Corporate Purpose:

Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. We intend to deploy the balance Net Issue proceeds aggregating Rs.600.00 Lakhs towards the general corporate purposes to drive our business growth. In accordance with the policies set up by our Board, we have flexibility in applying the remaining Net Proceeds, for general corporate purpose including but not restricted to, meeting operating expenses, initial development costs for projects other than the identified projects, and the strengthening of our business development and marketing capabilities, meeting exigencies, which the Company in the ordinary course of business may not foresee or any other purposes as approved by our Board of Directors, subject to compliance with the necessary provisions of the Companies Act.

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

## 3. Proposed year-wise Deployment of Funds and Schedule of Implementation:

The proposed year wise break up of deployment of funds and Schedule of Implementation of Net Issue Proceeds is as under:

(Rs. in Lakhs)		
Sl. No.	Particulars	Amount to be deployed in F.Y. 2018-19
1.	Working Capital Requirement	2,200.94
2.	General Corporate Purpose	600.00
	<b>Total</b>	<b>2,800.94</b>

## 4. Public Issue Expense

The estimated Issue related expenses includes Issue Management Fee, Underwriting and Selling Commissions, Printing and Distribution Expenses, Legal Fee, Advertisement Expenses, Registrar's Fees, Depository Fee and Market Maker Fee. The total expenses for this Issue are estimated to be approximately Rs. 243.56 Lakhs. All the Issue related expenses shall be met out of the proceeds of the Issue and the break-up of the same is as follows:

Particulars	Rs. in Lakh	% of Issue Size
Towards Merchant Banking and other Intermediaries fees including RTA, Legal Counsel, Mandatory Advertisements, NSE Processing & Software charges, Offer Document Printing & Dispatch Cost	75.00	2.46%
Towards Market Making for 3 years	10.00	0.33%
Towards Subscription/Underwriting	158.56	5.21%
<b>Total</b>	<b>243.56</b>	<b>8.00%</b>

*\*SCSBs will be entitled to a processing fee of Rs. 5/- per Application Form for processing of the Application Forms procured by other Application Collecting Intermediary and submitted to them on successful allotment.*

*Selling commission payable to registered broker, SCSBs, RTAs, CDPs on the portion directly procured from Retail Individual Applicants and Non Institutional Applicants, would be 0.30% on the Allotment Amount.*

*The commissions and processing fees shall be payable within 30 working days post the date of receipt of final invoices of the respective intermediaries.*

*Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price.*

## 5. Funds Deployed and Sources of Funds Deployed:

Our Statutory Auditors, M/s. Mahesh C. Solanki & Co., Chartered Accountants, vide their certificate dated May 24, 2018 have confirmed that as on May 24, 2018, the following funds have been deployed for the proposed object of the Issue:

(Rs. in Lakhs)		
Sl. No.	Particulars	Amount deployed
1.	Issue Expenses (Excluding GST)	10.00
	<b>Total</b>	<b>10.00</b>

## 6. Sources of Financing for the Funds Deployed

Our Statutory Auditors, M/s. Mahesh C. Solanki & Co., Chartered Accountants, vide their certificate dated May 24, 2018 have also confirmed the amount deployed so far towards part of the Issue expenses has been financed through internal sources.

(Rs. in Lakhs)		
Sl. No.	Particulars	Amount deployed
1.	Internal Accruals	10.00
	<b>Total</b>	<b>10.00</b>

## Appraisal

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

## Shortfall of Funds

Any shortfall in meeting the fund requirements will be met by way of internal accruals and/or unsecured Loans.

## Bridge Financing Facilities

As on the date of this Draft Prospectus, we have not raised any bridge loans which are proposed to be repaid from the Net Proceeds. However, we may draw down such amounts, as may be required, from an overdraft arrangement/ cash credit facility with our lenders, to finance additional working capital needs until the completion of the Issue.

## Monitoring Utilization of Funds

As the Issue size is less than Rs.10,000 Lakh, under the SEBI (ICDR) Regulations it is not mandatory for us to appoint a monitoring agency.

The Audit committee and the Board of Directors of our Company will monitor the utilization of funds raised through this public issue. Pursuant to Regulation 32 of SEBI Listing Regulations, 2015, our Company shall on a half yearly basis disclose to the Audit Committee the Applications of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in this Draft Prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full. The statement of funds utilized will be certified by the Statutory Auditors of our Company.

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

### **Interim Use of Proceeds**

Pending utilization of the Issue proceeds of the Issue 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 or investing in any real estate product or real estate linked products.

### **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 and shall be published in accordance with the Companies Act and the rules thereunder. As per the current provisions of the Companies Act, our Promoters or controlling Shareholders would be required to provide an exit opportunity to such shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

### **Other Confirmations**

There is no material existing or anticipated transactions with our Promoters, our Directors, our Company's Key Managerial Personnel, director of promoters in relation to the utilisation of the Net Proceeds. No part of the Net Proceeds will be paid by us as consideration to our Promoters, our Directors or Key Managerial Personnel, director of promoters except in the normal course of business and in compliance with the applicable laws.



## BASIS FOR ISSUE PRICE

*Investors should read the following summary with the section titled "Risk Factors", the details about our Company under the chapter titled "Our Business" and its financial statements under the section titled "Financial Information" beginning on pages 119, and page 188 respectively of the Draft Prospectus. The trading price of the Equity Shares of Our Company could decline due to these risks and the investor may lose all or part of his investment.*

The Issue Price has been determined by the Company in consultation with the Lead Manager on the basis of the key business strengths of our Company. The face value of the Equity Shares is Rs. 10.00 each and the Issue Price is Rs. 91/- which is 9.1 times of the face value.

### QUALITATIVE FACTORS

1. Established Roads & Highways sector focused on construction developer
2. Effective business model
3. Strong order book with growing project portfolio
4. Technology enabled project management capabilities
5. Experienced management team
6. Strong financial performance and credit ratings

For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to chapter titled "**Our Business**" beginning on page 119 of this Draft Prospectus.

### QUANTITATIVE FACTORS

Information presented in this section is derived from our Company's restated financial statements prepared in accordance with Indian GAAP. Some of the quantitative factors, which form the basis for computing the price, are as follows:

#### 1. Basic & Diluted Earnings per share (EPS), as adjusted:

##### On Restated Basis:

Period	Basic & Diluted (Rs.)	Weights
FY 2015	2.99	1
FY 2016	3.40	2
FY 2017	7.00	3
<b>Weighted Average</b>	<b>5.13</b>	
December 31, 2017	5.80*	

\* Not Annualised

##### Notes:

- (i) The figures disclosed above are based on the restated financial statements of the Company.
- (ii) Earnings per Share has been calculated in accordance with **Accounting Standard 20 "Earnings per Share"** issued by the Institute of Chartered Accountants of India.
- (iii) The above statement should be read with Significant Accounting Policies and the Notes to the Restated Financial Statements as appearing in the chapter Section "Financial Information" beginning on page 188.

#### 2. Price Earning (P/E) Ratio in relation to the Issue Price of Rs. 91/-:

S. No	Particulars	P/E
1	P/E ratio based on the Basic & Diluted EPS, as adjusted for FY 2017	12.99
2	P/E ratio based on the Weighted Average EPS, as adjusted for FY	17.73

**Industry P/E Ratio:**

- a. Highest: 257.90  
 b. Lowest: 3.80  
 c. Industry Composite: 36.30  
 Source: Capital Markets (May 7-20, 2018) Volume XXXIII/06

3. **Peer Group P/ E**

Sr. No.	Name of the company	Face Value	Total Revenue* (In Lakh)	Basic EPS	P/E^	RONW(%)\$	NAV\$
1.	B. R. Goyal Infrastructure Limited	10.00	13,850.69#	7.00	12.99	12.32	56.84
2.	KNR Construction	2.00	1,57,132.83	11.18	25.54	17.62	63.68
3.	H G Infra	10.00	97,397.00	27.36	11.96	28.03	97.61
4.	PNC Infratech	2.00	1,73,566.87	8.17	20.12	13.35	30.64
5.	RPP Infra Projects	10.00	36,945.00	10.56	23.44	13.75	76.77
6.	RKEC Projects	10.00	20,012.15	6.69	17.94	35.69	18.75

\*total revenue for the FY ended March 31, 2017 has been taken into consideration.

#based on restated financial information.

^P/E figures for the peer is computed based on closing market price as on May 23, 2018, of relevant peer companies as available at BSE, (available at [www.bseindia.com](http://www.bseindia.com)) The EPS for the FY 2017 has been considered.

\$ computed for the FY ended March 31, 2017

4. **Return on Net worth (RoNW):****As per Restated Financial Statements:**

Period	RONW (%)	Weights
F.Y. 2015	6.45	1
F.Y. 2016	6.82	2
F.Y. 2017	12.32	3
<b>Weighted Average</b>	9.51	
December 31, 2017	9.26*	

\* Not Annualised

5. **Minimum Return on Net Worth after Issue to maintain Pre-Issue EPS for the financial year 2016-17:**

S. No	Particulars	(%)
1	March 31, 2017	10.56

\* Not Annualised

6. **Net Asset Value (NAV) per Equity Share:****As per restated financial statements:**

Sr. No.	As at	NAV (Rs.)	
		Pre Bonus	Post Bonus
1	March 31, 2015	325.06	46.44
2	March 31, 2016	348.86	49.84

Sr.	As at	NAV (Rs.)	
3	March 31, 2017	397.88	56.84
4	September 30, 2017	438.50	62.64
5	NAV after Issue	70.52	
6	<b>Issue Price</b>	91.00	

7. The face value of our shares is. Rs. 10.00 per share and the Issue Price is of Rs 91 per share is 9.1 times of the face value.
8. Our Company in consultation with the Lead Manager believes that the Issue Price of Rs. 91 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 Auditors' Report in the Issue Document to have more informed view about the investment.

Investors should read the above mentioned information along with Sections titled **"Our Business", "Risk Factors" and "Financial Information"** beginning on pages 119,17 and 188 respectively including important profitability and return ratios, as set out in the Auditors' Report under the Section titled the Financial Information beginning on page 188 of this Draft Prospectus to have a more informed view.

## STATEMENT OF POSSIBLE TAX BENEFITS

To,  
The Board of Directors  
**B.R. Goyal Infrastructure Limited**  
3-A, Agrawal Nagar Sapna Sangeeta,  
Main Road, Indore (M.P.)

Dear Sirs,

**Sub: Statement of possible Special tax benefit ('the Statement') available to B.R. Goyal Infrastructure Ltd. and its shareholders prepared in accordance with the requirements under Schedule VIII Part A Clause (VII) (L) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended (the 'Regulations')**

We hereby confirm that the enclosed annexure, prepared by B.R.Goyal Infrastructure Limited states the possible special tax benefits available to the Company and the shareholders of the Company under the Income – tax Act, 1961 ('Act'), the Wealth Tax Act, 1957 and the Gift Tax Act, 1958, presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the company may or may not choose to fulfill.

The amendments in Finance Act 2018 have been incorporated to the extent relevant in the enclosed annexure.

The benefits discussed in the enclosed Annexure cover special and general tax benefits available to the Company. Further, these benefits are not exhaustive and the preparation of the contents stated is the responsibility of the Company's management. We are informed that this statement is only intended to provide general information to the investors and hence is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue.

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

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

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

The enclosed annexure is intended solely for your information and for inclusion in the Draft Prospectus/ Prospectus or any other issue related material in connection with the proposed issue of equity shares and is not to be used, referred to or distributed for any other purpose without our prior written consent.

**For Mahesh C Solanki & Co.**  
Firm Registration No.: 006288C

Sd/-  
Partner: CA. Rajat Jain  
Membership No.: 413515  
Peer Review Certificate No.: 010868  
Place: Indore  
Date: 24<sup>th</sup> May, 2018

Cert. No.: M/May/18/38

Encl: Annexure

**CC:**

**Systematix Corporate Services Limited**

The Capital, A-Wing, No. 603-606, 6<sup>th</sup> Floor,

Plot No. C-70, G-Block,

Bandra-Kurla Complex, Bandra (East),

Mumbai 400 051, India.

**Enclosure to the above certificate :-**

**Statement of possible tax benefits available to B.R. Goyal Infrastructure Limited ('the company') and its shareholders**

The tax benefits listed below are the possible benefits available under the current direct tax laws presently in force in India. Several of these benefits are dependent on the company or its shareholders fulfilling specified conditions prescribed under the relevant tax laws. Hence, the ability of the company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on business imperative it faces in the future, it may or may not choose to fulfill. This Statement is only intended to provide the tax benefits to the company and its shareholders in a general and summary manner and does not purport to be a complete analysis or listing of all the provisions or possible tax consequences of the subscription, purchase, ownership or disposal etc. of shares. In respect of non-residents, the tax rates and the consequent taxation mentioned above will be further subject to any benefits available under the relevant DTAA, if any, between India and the country in which the non-resident has Fiscal domicile. In view of the individual nature of tax consequences and the changing tax laws, each investor is advised to consult his/her own tax adviser with respect to specific tax implications arising out of their participation in the issue.

The following key tax benefits are available to the company and the prospective shareholders under the current direct tax laws in India for the financial year ('FY') 2018-19.

**1. Statement of special tax benefits:**

Under section 80-IA of the Acts, the company is eligible to claim 100 % deduction in respect of profits and gains derived by the undertaking engaged in infrastructure development or starts providing telecommunication service or develops an industrial park or develops a special economic zone or **generates power** or commences transmission or distribution of power or undertakes substantial renovation and modernisation of the existing transmission or distribution lines. The deduction specified in sub-section (1) may, at the option of the assessee, be claimed by him for any ten consecutive assessment years out of fifteen years beginning from the year in which the undertaking or the enterprise develops and begins to operate any infrastructure facility or starts providing telecommunication service or develops an industrial park or develops a special economic zone referred to in clause (iii) of sub-section (4) or generates power or commences transmission or distribution of power or undertakes substantial renovation and modernisation of the existing transmission or distribution lines. This deduction can be claimed by the company subject to fulfilment of specific conditions as specified in the section. **Company has claimed deduction u/s. 80IA from A.Y. 2010-11 in respect of generation, transmission & distribution of power and it will continue till the A.Y. 2019-20.**

## SECTION IV – ABOUT THE COMPANY

### INDUSTRY OVERVIEW

*The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and other industry sources. Neither we nor any other person connected with this Issue have verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and, accordingly investment decisions should not be based on such information.*

#### Overview of Indian Economy

After registering GDP growth of over 7 per cent for the third year in succession in 2016-17, the Indian economy is headed for somewhat slower growth, estimated to be 6.5 per cent in 2017-18, as per first Advance Estimates released by CSO. This is slightly lower than the range of 6.5 per cent to 6.75 per cent being currently projected based on recent developments. Even with this lower growth for 2017-18, GDP growth has averaged 7.3 per cent for the period from 2014-15 to 2017-18, which is the highest among the major economies of the world. That this growth has been achieved in a milieu of lower inflation, improved current account balance and notable reduction in the fiscal deficit to GDP ratio makes it all the more creditable. In addition to the introduction of GST, the year also witnessed significant steps being undertaken towards resolution of problems associated with non-performing assets of the banks, further liberalization of FDI, etc., thus strengthening the momentum of reforms. After remaining in negative territory for a couple of years, growth of exports rebounded into positive one during 2016-17 and strengthened further in 2017-18. There was an augmentation in the spot levels of foreign exchange reserves to close to US\$ 414 billion, as on 12th January 2018.

Concerns have been expressed about growing protectionist tendencies in some countries and it remains to be seen as to how the situation unfolds. Additionally, average crude oil (Indian basket) prices have risen by around 14 per cent so far in 2017-18 (mid January 2018) vis-à-vis 2016-17. Going by the recent trends, the average crude oil prices could be in the vicinity of US\$ 56-57 per barrel in the current financial year and could rise further by another 10-15 per cent in 2018-19. Some of these factors could have dampening effect on GDP growth in the coming year. However, with world growth likely to witness moderate improvement in 2018, expectation of greater stability in GST, likely recovery in investment levels, and ongoing structural reforms, among others, should be supporting higher growth. On balance, country's economic performance should witness an improvement in 2018-19.

#### GDP Growth in 2017-2018

With Gross Domestic Product (GDP) growth averaging 7.5 per cent between 2014-15 and 2016-17, India can be rated as among the best performing economies in the world on this parameter. Although growth is expected to decline to 6.5 per cent in 2017-18, bringing the 4-year average to 7.3 per cent, the broad story of India's GDP growth to be significantly higher than most economies of the world does not alter. The growth is around 4 percentage points higher than global growth average of last 3 years and nearly 3 percentage points more than the average growth achieved by emerging market & developing economies (EMDE).

As per the first Advance Estimates (1<sup>st</sup> AE), released by Central Statistics Office (CSO), growth rate of Gross Value of Added (GVA) at constant basic prices is estimated at 6.1 per cent in 2017-18, as compared to 6.6 per cent in 2016-17. This is on account of lower growth in 'Agriculture & allied', and 'Industry' sector, which are expected to grow at 2.1 per cent and 4.4 per cent respectively. In 2017-18, service sector is expected to grow at 8.3 per cent, as compared to 7.7 per cent in 2016-17. Within the services sector, only the growth of 'Public administration, defence & other services' sector is expected to decline in 2017-18.

From a low of 5.5 per cent in 2012-13, growth in GDP steadily improved for 3 years and peaked in 2015-16, particularly in fourth quarter (Q4) when it printed 9.1 per cent (GVA growth also peaked in Q4 of 2015-16). However, growth started slowing down from first quarter (Q1) of 2016-17. GDP and GVA growth slowed to 6.1 per cent and 5.6 per cent respectively in Q4 of 2016-17. GDP growth further declined to 5.7 per cent in Q1 of 2017-

18. However, the second quarter (Q2) of 2017-18 witnessed reversal of declining trend of GDP growth, with growth increasing to 6.3 per cent. The nominal GDP and GVA growth also picked up to 9.4 per cent and 8.6 per cent respectively in Q2 of 2017-18.

As per the 1st AE, the real GDP growth is expected to be 6.5 per cent in 2017-18, while the real GVA at basic prices is expected to register a growth of 6.1 per cent. With GDP and GVA growth of 6.0 per cent and 5.8 per cent respectively in the first half (H1) of the current financial year, the implicit growth for the second half (H2) of the year works out to be 7.0 per cent and 6.4 per cent respectively, indicating further recovery of the economy that began in the Q2 of 2017-18. Major macro indicators viz. gross fixed investment and exports are also expected to grow at a faster pace in H2 vis-à-vis H1 of 2017-18.

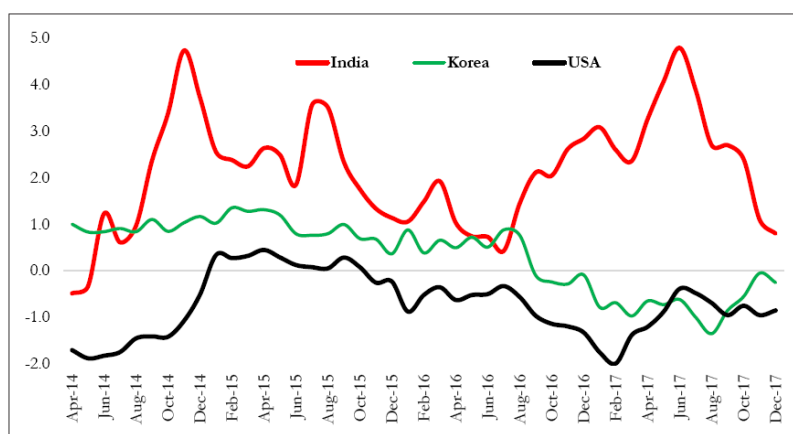
In the recent years, the wedge between the real and nominal GDP growth has narrowed significantly. While real GDP growth averaged 6.4 per cent between 2012-13 and 2014-15, the nominal growth was 12.5 per cent in this period. In comparison, during the three-year period from 2015-16 to 2017-18, the real and nominal GDP average growth is estimated to be 7.2 per cent and 10.1 per cent respectively, pointing to higher differences in the former period than latter. This is not surprising given that the fact that inflation in the earlier period (particularly in 2012-13 and 2013-14) was significantly higher than the latter.

The growth in nominal GDP in 2016-17 is estimated to be 11 per cent and it is expected at 9.5 per cent in 2017-18 on account of both lower real growth as well as lower value of deflator in 2017-18. The growth of nominal GVA in these two years is estimated to be 9.7 per cent and 9.0 per cent respectively. The differences in the nominal growth between GVA and GDP have also increased in the last few years. This is indicative of an increase in the share of net indirect taxes in GDP.

## **REVIEW DEVELOPMENTS IN INDIAN ECONOMY**

Until early 2016, India's growth had been accelerating when growth in other countries was decelerating. But then the converse happened. The world economy embarked on a synchronous recovery, but India's GDP growth and indeed a number of other indicators such as industrial production, credit, and investment decelerated. Any explanation would need to explain this change in fortunes, this "decoupling" of Indian growth from global growth, identifying the factors that caused India to forge its unique path. Five explanations suggest themselves First, India's monetary conditions decoupled from the rest of the world (Figure 9) shows that until the middle of 2016, real policy interest rates were following the global trend downwards. Since then, the downward drift has continued in most other countries, with rates falling on an average by 1 percentage point between July and December 2016 in the US. But in India, for the same period, average real interest rates increased by about 2.5 percentage points.

Figure 9. Real Policy Interest Rates in India and Selected Economies, Apr. 2016-Dec. 2017



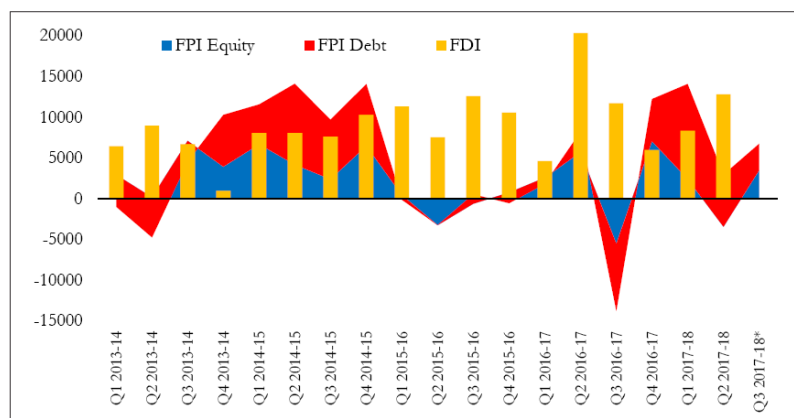
Source: Survey calculations.

This tightening of monetary conditions contributed to the divergence in economic activity in two ways. First, it depressed consumption and investment compared to that in other countries. Second, it attracted capital inflows (Figure 10), especially into debt instruments, which caused the rupee to strengthen dampening both net services



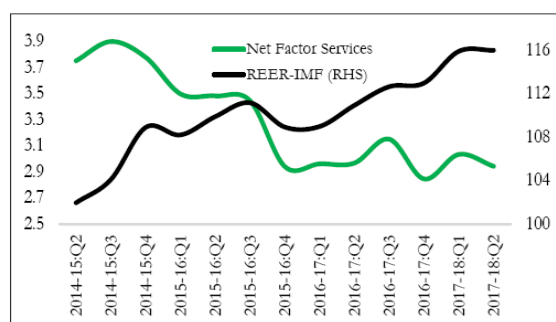
exports (Figure 11) and the manufacturing trade balance (Figure 12). Between early-2016 and November 2017, the rupee appreciated by another 9 percent in real terms against a basket of currencies.

Figure 10. Net Capital Inflows (US\$ million)



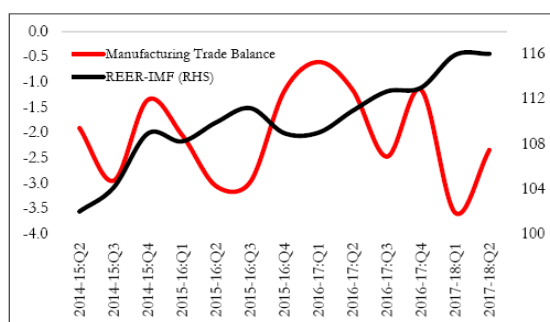
Source: RBI, Survey calculations.\*-Data for FDI is not available for Q3.

Figure 11. Services Balance (in percent of GDP) and REER (3MMA, April 2014=100)



Source: RBI, CSO, Survey calculations.

Figure 12. Manufacturing Trade Balance (in percent of GDP) and REER (3MMA, April 2014=100)



The second and third factors were one off policy actions: demonetization and GST. Demonetization temporarily reduced demand and hampered production, especially in the informal sector, which transacts mainly in cash. This shock largely faded away by mid-2017, when the cash-GDP ratio stabilized. But at that point GST was introduced, affecting supply chains, especially those in which small traders (who found it difficult to comply with the paper work demands) were suppliers of intermediates to larger manufacturing companies.

(Source: Economic Survey 2017-18 <http://iksa.in/upsc/economic-survey-2018-download-free-pdf/5697/-> Volume I)

## External Sector

The global economy has been gathering pace and is expected to accelerate from 3.2 percent in 2016 to 3.7 per cent in 2018. World trade volume growth is projected to increase from 2.4 per cent in 2016 to 4.2 per cent and 4.0 per cent respectively in 2017 and 2018. Commodity prices (fuel and nonfuel) are also expected to grow in contrast to decline in the last few years. India's external sector has continued to be resilient and strong in 2017-18 so far and the balance of payments (BoP) situation continued to be comfortable. Current account deficit (CAD) was 1.8 per cent of GDP, merchandise exports grew by 12 per cent, net services receipts grew by 14.6 per cent, net foreign investment grew by 17.4 percent, and external debt indicators improved in H1 of 2017-18.

(Source: Economic Survey 2017-18 <http://iksa.in/upsc/economic-survey-2018-download-free-pdf/5697/-> Volume II)

## **OUTLOOK FOR 2017-2018**

The key question going forward is whether the economy has troughed, and if so at what pace it will recover toward its medium term trend. High frequency indicators do suggest that a robust recovery is taking hold as reflected in a variety of indicators, including overall GVA, manufacturing GVA, the IIP, gross capital formation and exports.

Similarly, real non-food credit growth has rebounded to 4 percent in November 2017 on a year-on-year basis, while the squeeze on real credit to industry is abating. Moreover, the flow of nonbank resources to the corporate sector, such as bond market borrowing and lending by NBFCs, has increased by 43 percent (April-December 2017 compared to the same period a year ago), substituting in part for weak bank credit. Rural demand, proxied by motorcycle sales, and auto sales, while not yet back to its pre-demonetization trend, are recovering.

Perhaps most significantly, the behavior of manufacturing exports and imports in the second and third quarters of this fiscal year has started to reverse. The re-acceleration of export growth to 13.6 percent in the third quarter of FY2018 and deceleration of import growth to 13.1 percent in line with global trends, suggest that the demonetization and GST effects are receding. Services export and private remittances are also rebounding.

On demonetization specifically, the cash to-GDP ratio has stabilized, suggesting a return to equilibrium. The evidence is that since about June 2017 the trend in currency is identical to that pre-demonetization. The stabilization also permits estimation of the impact of demonetization: about Rs. 2.8 lakh crores less cash (1.8 percent of GDP) and about Rs. 3.8 lakh crores less high denomination notes (2.5 percent of GDP).

A final, important factor explaining the growth recovery is fiscal, which is providing a boost to aggregate demand. For reasons related to smoothening the transition, GST revenues will only be collected for 11 months, which is akin to a tax cut for consumers. Meanwhile, overall revenue expenditure growth by the central and state governments at remains strong at 11.7 percent (April to November). Cyclical conditions may also lead to lower tax and non-tax revenues, which act as an automatic stabilizer.

All this said, while the direction of the indicators is positive, their level remains below potential. IIP growth (April-November 2017 over same period in the previous year) is 3.2 percent, real credit growth to industry is still in negative territory, and the growth in world trade remains less than half its level of a decade ago. Moreover, even though the cost of equity has fallen to low levels, corporate have not raised commensurate amounts of capital, suggesting that their investment plans remain modest. In other words, the twin engines that propelled the economy's take-off in the mid-2000s – exports and investment – are continuing to run below take-off speed.

Meanwhile, developments in the agriculture sector bear monitoring. The trend acceleration in rural wages (agriculture and non-agriculture), which had occurred through much of 2016 because of increased activity on the back of a strong monsoon, seems to have decelerated beginning just before the kharif season of 2017-18 but it is still greater than much of the last three years. Three crop-specific developments are evident. Sowing has been lower in both kharif and rabi, reducing the demand for labor. The acreage for kharif and rabi for 2017-18 is estimated to have declined by 6.1 percent and 0.5 percent, respectively. Pulses and oilseeds have seen an increase in sowing, but this has translated into unusually low farm gate prices (below their minimum support price, MSP), again affecting farm revenues. The so-called TOP perishables (tomatoes, onions, and potatoes) have meanwhile fluctuated between high and low prices, engendering income uncertainty for farmers.

The CSO has forecast real GDP growth for 2017-18 at 6.5 percent. However, this estimate has not fully factored in the latest developments in the third quarter, especially the greater-than-CSO forecast exports and government contributions to demand. Accordingly, real GDP growth for 2017-18 as a whole is expected to be close to 6.3/4 percent. Given real GDP growth of 6 percent in the first half, this implies that growth in the second half would rebound to 7.5 percent, aided by favorable base effects, especially in the fourth quarter.

Average CPI inflation for the first nine months has averaged 3.2 percent and is projected to reach 3.7 percent for the year as a whole. This implies average CPI inflation in the last quarter of 5 percent, in line with the RBI's forecast. Therefore, the GDP deflator is expected to grow by 3.6 percent for 2017-18, somewhat higher than the CSO's forecast of 2.8 percent. Consequentially, nominal GDP growth is estimated at 10.5 percent, compared with the CSO's 9.5 percent estimate.

## **OUTLOOK FOR 2018-19**

The outlook for 2018-19 will be determined by economic policy in the run-up to the next national election. If macro-economic stability is kept under control, the ongoing reforms are stabilized, and the world economy remains buoyant as today, growth could start recovering towards its medium term economic potential of at least 8 percent.

Consider the components of demand that will influence the growth outlook. The acceleration of global growth should in principle provide a solid boost to export demand. Certainly, it has done so in the past, particularly in the mid-2000s when the booming global economy allowed India to increase its exports by more than 26 percent per annum. This time, the export response to world growth has been in line with the long-term average, but below the response in the mid-2000s. Perhaps it is only a matter of time until exports start to grow at a healthy rate. Remittances are already perking up, and may revive further due to higher oil prices.

Private investment seems poised to rebound, as many of the factors exerting a drag on growth over the past year finally ease off. Translating this potential into an actual investment rebound will depend on the resolution and recapitalization process. If this process moves ahead expeditiously, stressed firms will be put in the hands of stronger ownership, allowing them to resume spending. But if resolution is delayed, so too will the return of the private capex cycle. And if this occurs public investment will not be able to step into the breach, since it will be constrained by the need to maintain a modicum of fiscal consolidation to head off market anxieties.

Consumption demand, meanwhile, will encounter different tugs. On the positive side, it will be helped by the likely reduction in real interest rates in 2018-19 compared to the 2017-18 average. At the same time, average oil prices are forecast by the IMF to be about 12 percent higher in 2018-19, which will crimp real incomes and spending assuming the increase is passed on into higher prices, rather than absorbed by the budget through excise tax reductions or by the oil marketing companies. And if higher oil prices requires tighter monetary policy to meet the inflation target, real interest rates could exert a drag on consumption.

Putting all these factors together, a pick-up in growth to between 7 and 7.5 percent in 2018-19 can be forecasted, reinstating India as the world's fastest growing major economy. This forecast is subject to upside potential and downside risks. The biggest source of upside potential will be exports. If the relationship between India's exports and world growth returns to that in the boom phase, and if world growth in 2018 is as projected by the IMF, then that could add another  $\frac{1}{2}$  percentage point to growth.

Another key determinant of growth will be the implementation of the IBC process. Here timeliness in resolution and acceptance of the IBC solutions must be a priority to kick-start private investment. The greater the delays in the early cases, the greater the risk that uncertainty will soon shroud the entire IBC process. It is also possible that expeditious resolution may require the government to provide more resources to PSBs, especially if the haircuts required are greater than previously expected, the ongoing process of asset quality recognition uncovers more stressed assets, and if new accounting standards are implemented.

Persistently high oil prices (at current levels) remain a key risk. They would affect inflation, the current account, the fiscal position and growth, and force macroeconomic policies to be tighter than otherwise.

One eventuality to guard against is a classic emerging market "sudden stall" induced by sharp corrections to elevated stock prices suggests that India's stock price surge is different from that in other countries but does not warrants an unguineness about its sustainability.) Savers, already smarting from reduced opportunities in the wake of demonetization, from depressed gold prices, and from lower nominal interest rates, would feel aggrieved, leading to calls for action. Stock price corrections could also trigger capital outflows, especially if monetary policy unwinds less hesitantly in advanced countries and if oil prices remain high. Policy might then have to respond with higher interest rates, which could choke off the nascent recovery. The classic emerging market dilemma of reconciling the trade-off between macro-stability and growth could then play itself out.

A key policy question will be the fiscal path for the coming year. Given the imperative of establishing credibility after this year, given the improved outlook for growth (and hence narrowing of the output gap), and given the urgency of price pressures, fiscal policy should ideally have targeted a reasonable fiscal consolidation. However, setting overly ambitious targets for consolidation especially in a pre-election year based on optimistic forecasts that carry a high risk of not being realized will not garner credibility either. Pragmatically steering between these extremes would suggest the following: a modest consolidation that credibly signals a return to the path of gradual but steady fiscal deficit reductions.

Against this overall economic and political background, economic management will be challenging in the coming year. If the obvious pitfalls (such as fiscal expansion) are avoided and the looming risks are averted that would be no mean achievement.

(Source: *Economic Survey 2017-18* <http://iksa.in/upsc/economic-survey-2018-download-free-pdf/5697/-Volume I>)

## **Fiscal development**

Bond yields have increased sharply since August 2017, reflecting a variety of factors, including concerns that the fiscal deficit might be greater-than-budgeted, expectations of higher inflation, a rebound in activity that would narrow the output gap, and expectations of rate increases in the US. As a result, the yield curve has become unusually steep.

The fiscal deficit for the first eight months of 2017-18 reached 112 percent of the total for the year, far above the 89 percent norm (average of last 5 years), largely because of a shortfall in non-tax revenue, reflecting reduced dividends from government agencies and enterprises. Expenditure also progressed at a fast pace, reflecting the advancing of the budget cycle by a month which gave considerable leeway to the spending agencies to plan in advance and start implementation early in the financial year. Partially offsetting these trends will be disinvestment receipts which are likely to exceed budget targets.

GST revenue collections are surprisingly robust given that these are early days of such a disruptive change. Government measures to curb black money and encourage tax formalization, including demonetization and the GST, have increased personal income tax collections substantially (excluding the securities transactions tax). From about 2 percent of GDP between 2013-14 and 2015-16, they are likely to rise to 2.3 percent of GDP in 2017-18, a historic high. Precise estimates of the government's contribution to this improvement vary depending on the methodology used. An econometric exercise yields an estimate of Rs. 40,000 crores over the two fiscal years of 2016-17 and 2017-18. Another based on comparing the difference in actual tax buoyancy in 2016-17 and 2017-18 over the previous seven-years' average buoyancy, yields an estimate of about Rs. 65,000 crores (both exclude the 25,000 crores collected under the Income Disclosure Scheme and Pradhan Mantri Garib Kalyaan Yojana). Thus, the sum of all government efforts increased income tax collections, thus far, between Rs. 65,000 and Rs. 90,000 crores. These numbers imply a substantial increase in reported incomes (and hence in formalization) of about 1.5 percent to 2.3 percent of GDP.

As a result of the budget overruns, the central government's fiscal deficit until November 2017 was Rs. 6.1 lakh crore compared to the budgeted Rs. 5.5 lakh crore. In contrast, state governments seem to be hewing closely to their targeted fiscal consolidation – in part because the center has guaranteed them a large increase in their indirect tax take, as part of the GST agreement.

Reflecting largely fiscal developments at the center, a pause in general government fiscal consolidation relative to 2016-17 cannot be ruled out. In addition, the measured deficit for 2017-18 will include Rs. 80,000 crore (0.5 percent of GDP) in capital provided to public sector banks. But this will not affect aggregate demand, as reflected in international accounting practice which deems such operations as financing ("below-the-line") rather than expenditure.

In the case of borrowing by the states, markets have perhaps inadequately taken into account the fact that higher market borrowings by them does not reflect higher deficits; rather about Rs. 50,000 crore or 0.3 percent of GDP of market borrowings is due to changes in the composition of financing, away from higher cost NSSF borrowings toward lower cost market borrowings. This lack of strict correspondence between the deficit and borrowings at the

central and state levels is discussed in greater detail. For general government, about Rs. 40,000 crores represents greater market borrowings that are not due to deficits a fact which markets apparently have not internalized.

Another factor contributing to the rise in bond yields has been stepped-up Open Market Operations (OMO) by the RBI. This amounted to a net sale of about Rs. 90,000 crores during April-December 2017-18 (compared to a net redemption of Rs. 1.1 lakh crores during the same period in 2016-17) to sterilize the impact of foreign flows, themselves induced by high interest rates.

(Source: *Economic Survey 2017-18* <http://iksa.in/upsc/economic-survey-2018-download-free-pdf/5697/-Volume I>)

### The macroeconomic indicators

After 13 months of continuously under shooting the inflation target by an average of 130 basis points, headline inflation for the first time crossed the RBI's 4 percent target in November, posting a rate of 5.2 percent in December 2017. The recent upswing in inflation stems from rising global oil prices (not all of which has been passed on to consumers), unseasonal increases in the prices of fruits and vegetables, and the 7th Pay Commission housing rent allowances, which mechanically increase inflation. Stripped of all these factors, underlying inflation has been increasing at a more modest pace, reaching 4.3 percent at end-December in part because firms are passing the incidence of GST on to final consumers only gradually.

The current account deficit has also widened in 2017-18 and is expected to average about 1.5-2 percent of GDP for the year as a whole. The current account deficit can be split into a manufacturing trade deficit, an oil and old deficit, a services deficit, and a remittances deficit (Figure 25). In the first half of 2017-18, the oil and gold balance has improved (smaller deficit of \$47 billion) but this has been offset by a higher trade deficit (\$18 billion) and a reduced services surplus (\$37 billion), the latter two reflecting a deterioration in the economy's competitiveness.

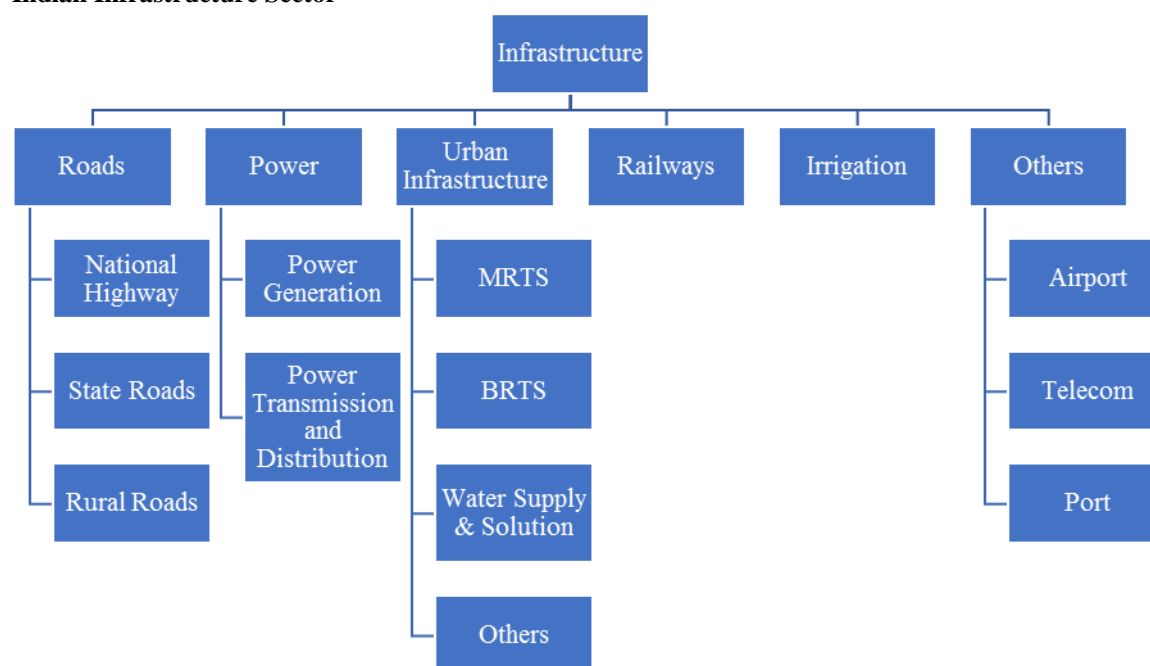
Despite these developments, the overall external position remains solid. The current account deficit is well below the 3 percent of GDP threshold beyond which vulnerability emerges. Meanwhile, foreign exchange reserves have reached a record level of about \$432 billion (spot and forward) at end-December 2017, well above prudent norms.

(Source: *Economic Survey 2017-18* <http://iksa.in/upsc/economic-survey-2018-download-free-pdf/5697/-Volume I>)

Production growth (per cent) in Core Infrastructure-Supportive Industries				
Industry	April-January 2016-17	April-January 2017-18	January -2017	January -2018
Coal	1.8	1.5	3.5	3.0
Crude oil	-2.8	-0.7	1.3	-3.2
Natural Gas	-1.9	3.5	11.6	-1.0
Refinery Products	6.0	4.7	0.0	11.0
Fertilizers	0.9	-0.7	-1.2	-1.6
Steel	10.9	6.4	11.3	3.7
Cement	1.0	4.4	-13.3	20.7
Electricity	6.2	5.4	5.2	8.2
Overall growth	5.1	4.3	3.4	6.7

Source: Monthly Economic Report February 2018

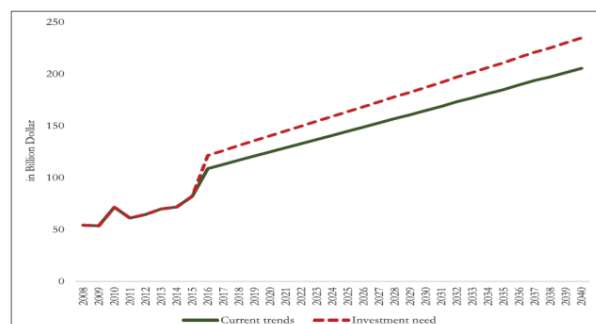
## Indian Infrastructure Sector



In order to ensure high and sustainable growth, there has been a substantial step up of investment in infrastructure mostly on transportation, energy, communication, housing & sanitation and urban infrastructure sector. Enhanced investment on infrastructure sector will certainly help in creating jobs both directly and indirectly. As pointed out in Economic Survey, 2016-17 (Volume II, Chapter 8), India is far ahead of many emerging economies in terms of providing qualitative transportation Infrastructure Outlook reflects that rising income levels and economic prosperity is likely to further drive demand for infrastructure investment in India over the next 25 years. Around US\$ 4.5 trillion worth of investments is required by India till 2040 to develop infrastructure to improve economic growth and community wellbeing. The current trend shows that India can meet around US\$ 3.9 trillion infrastructure investment out of US\$ 4.5 trillion. The cumulative figure for India's infrastructure investment gap would be around US\$ 526 Billion by 2040.

The figure below shows year on year requirement of infrastructure investment forecasted by Global Infrastructure outlook and current investment trend in India. The Global infrastructure outlook shows that the gap between required infrastructure investment and current trend of investment is expected to be widened over the year.

### Infrastructure Investment Forecast



Source : Global Infrastructure Outlook, G20

There was massive under-investment in infrastructure sector until the recent past when the focus shifted to invest more on infrastructure. The reasons behind the shortfall in investment were: collapse of Public Private Partnership (PPP) especially in power and telecom projects; stressed balance sheet of private companies; issues related to land &

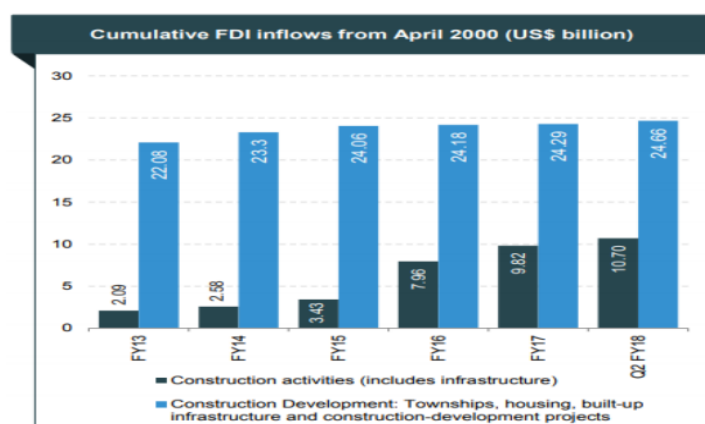
forest clearances. The need of the hour is to fill the infrastructure investment gap by financing from private investment, institutions dedicated for infrastructure financing like National Infrastructure Investment Bank (NIIB) and also global institutions like Asian Infrastructure Investment Bank (AIIB), New Development Bank (erstwhile BRICS Bank) which is focusing more on sustainable development projects and infrastructure projects.

In terms of future needs, the second largest infrastructure market in Asia after China is India. The country's GDP per head is forecast to rise to \$4,800 by 2040, which is still some way below the current level in China of \$8,000. As such, while population growth in India is expected to drive significant demand for infrastructure in India over the next 25 years, in absolute terms this infrastructure requirement will be substantially lower than in China, which is at a more advanced stage of development. As India develops, we estimate the country will need to invest \$3.9 trillion under current trends, increasing to \$4.5 trillion under the investment need scenario.

The high income countries in our sample already benefit from high quality infrastructure and, as such, there is a very small gap between the current trends and investment need forecasts. As might be expected, the gap is greater amongst low and middle income countries. The three Asian economies in our sample with the lowest levels of GDP per head also have amongst the largest gaps, relative to what would be spent under current trends: Bangladesh, Cambodia and Myanmar.

(Source: *Global Infrastructure Outlook, Infrastructure Investment needs 50 countries, 7 sectors to 2040*)

### Increasing FDI Inflows into the Sector



- Cumulative FDI inflows in the Construction Activities sector, which includes infrastructure, reached US\$ 10.70 billion between April 2000 – September 2017.
- Cumulative FDI inflows in the Construction Development sector, which includes townships, built-up infrastructure and construction development projects, reached US\$ 24.66 billion between April 2000 – September 2017.
- In January 2018, the National Investment and Infrastructure Fund (NIIF) partnered with UAE based DP World to create a platform that will mobilise investments worth US\$ 3 billion into ports, terminals, transportation, and logistics businesses in India.
- Squared Capital, a global infrastructure investment company, plans to raise up to US\$ 4 billion through its second infrastructure fund, which will be invested in infrastructure assets in India and across the globe.

### Investments

India will require investments of over US\$ 4.5 trillion by 2040 for the development of its infrastructure, according to the Economic Survey 2017-18. India is witnessing significant interest from international investors in the infrastructure space. Some key investments in the sector are listed below.

- IRB Infrastructure Developers has bagged a USD 511 mn road project from the NHAI in Uttar Pradesh to be developed on build, operate and transfer basis

- Sydney based infrastructure asset management company, Macquarie won the rights to manage 648 km of national highways for USD 1.45 bn.
- A total of five Namami Gange projects worth Rs 295.01 crore (US\$ 46.54 million) have been approved by the National Mission for Clean Ganga (NMCG), of which three projects in West Bengal and one in Uttarakhand involve sewage management and one project in Varanasi involves work related to ghat improvement.
- The Ministry of Road Transport and Highways, Government of India, invested Rs 14,916 crore (US\$ 2.32 billion) for the Special Accelerated Road Development Programme for North East (SARDP-NE) and Rs 4,095 crore (US\$ 635.6 million) for the National Highway (Original) over the past two years to improve the road infrastructure in India's north eastern region.

### **Government Initiatives**

The Road Transport & Highways Ministry has invested around Rs 3.17 trillion (US\$ 47.7 billion), while the Shipping Ministry has invested around Rs 80,000 crores (US\$ 12.0 billion) in the past two and a half years for building world class highways and shipping infrastructure in the country. The Government of India is expected to invest highly in the infrastructure sector, mainly highways, renewable energy and urban transport, prior to the general elections in 2019.

- The Government of India is taking every possible initiative to boost the infrastructure sector. Some of the steps taken in the recent past are being discussed hereafter.
- The 90 smart cities shortlisted by the Government of India have proposed projects with investments of Rs 191,155 crore (US\$ 30.02 billion) which include Projects Focusing on Revamping an Identified Area (Area Based Projects) with investment of Rs 152,500 crore (US\$ 23.95 billion).
- Contracts awarded under the Smart Cities Mission would show results by June 2018 as the work is already in full swing, according to Mr Hardeep Singh Puri, Minister of State (Independent Charge) for Housing and Urban Affairs, Government of India.
- The Government of India is working to ensure a good living habitat for the poor in the country and has launched new flagship urban missions like the Pradhan Mantri Awas Yojana (Urban), Atal Mission for Rejuvenation and Urban Transformation (AMRUT), and Swachh Bharat Mission (Urban) under the urban habitat model, according to Mr Hardeep Singh Puri, Minister of State (Independent Charge) for Housing.

### **Road Ahead**

India's national highway network is expected to cover 50,000 kilometres by 2019, with around 20,000 km of works scheduled for completion in the next couple of years, according to the Ministry of Road Transport and Highways.

The Government of India is devising a plan to provide wifi facility to 550,000 villages by March 2019 for an estimated cost of Rs 3,700 crore (US\$ 577.88 million), as per the Department of Telecommunications, Government of India.

India and Japan have joined hands for infrastructure development in India's north-eastern states and are also setting up an India-Japan Coordination Forum for Development of North East to undertake strategic infrastructure projects in the northeast.

Sweden is interested in smart cities development in India and has put forward a Common Plan of Action for developing sustainable and environment-friendly public transport solutions and solid waste management for the smart cities under development.

The Ambassador of Japan to India, Mr Kenji Hiramatsu, has conveyed Government of Japan's inclination to invest and offer any other feasible support for various ongoing as well as upcoming development and infrastructure projects in the North-Eastern region of India.

### **Road Sector**

India's road infrastructure has seen consistent improvement in the last few years. Connectivity has improved and



road transportation has become a focus of rapid development. Roads are providing better access to services, ease of transportation and freedom of movement to people. Recognizing the significance of a reliable and swift road network in the country and the role it plays in influencing its economic development, the Ministry of Road Transport and Highways (MORTH) and National Highways Authority of India (NHAI) has taken up the responsibility of building quality roads and highways across the country.

Road transport is the dominant mode of transport in India, both in terms of traffic share and in terms of contribution to the national economy. Apart from facilitating the movement of goods and passengers, road transport plays a key role in promoting equitable socio-economic development across regions of the country. Easy accessibility, flexibility of operation, door-to-door service and reliability have earned road transport a greater significance in both passenger and freight traffic vis-à-vis other modes of transport. India has one of the largest road networks of over 56.17 lakh km comprising National Highways, Expressways, State Highways, Major District Roads, Other District Roads and Village Roads. Table below shows the length distribution as on September, 2017:

### Length of National & State Highways and Other Roads

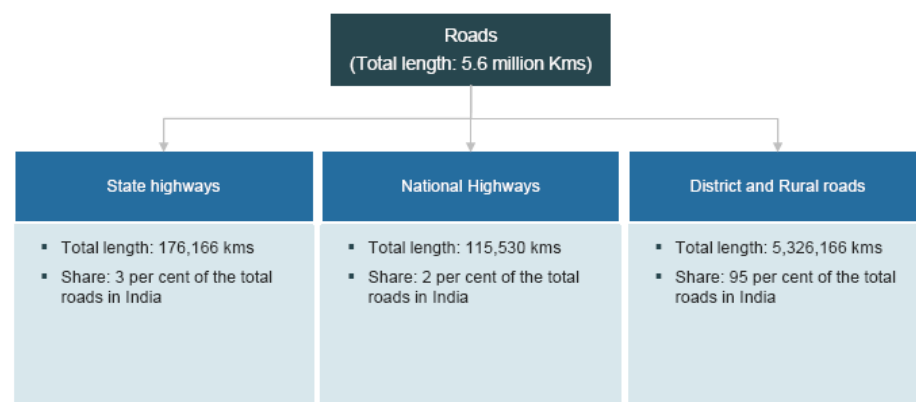
Road Network	Length (km)
National Highways/Express Way	1,15,530
State Highways*	1,76,166
Other Roads*	53,26,166
Total	56,17,812

Source: Ministry of Road Transport and Highways

Note : \*As on 2015-16

(Source: *Economic Survey 2017-18* <http://iksa.in/upsc/economic-survey-2018-download-free-pdf/5697/-Volume II>)

### Road Network in India is Sub-Divided into three Categories

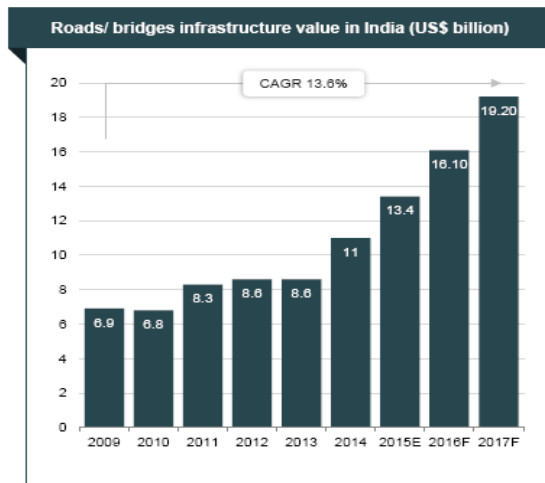


### Expansion of Roadways

In April 2017, the National Highways and Infrastructure Development Corp. bagged a project to build 5 tunnels worth US\$3.42 billion. These tunnels, namely, Zojila tunnel at Zojila Pass (14 kms), Vailoo Tunnel at Sinthan Pass (8-10 kms), Z-Morah tunnel (6.5 kms), Pir-Ki-Gali Tunnel on National Highway-244 (8.5 kms) and Daranga Tunnel at Shudh Mahadev (4.5 kms), will help in avoiding road accidents because of avalanches.

Increasing industrial activity, increasing number of 2 and 4 wheelers would support the growth in the road transport infrastructure projects. In January 2017, the government proposed to lay down cycle tracks on all highways and major roads pan India, to promote the use of electric cars and public transport.

In April 2017, Chenani-Nashri tunnels that links Kashmir valley with Jammu was inaugurated. It is the longest road tunnel in the country and US\$371.86 million were invested in this project. Targeted pace of road construction has been increased to 23 km a day. The first phase of construction work of Mumbai's 29.2 km long coastal road is expected to begin in April 2018, after bids are finalised in March 2018.



### Rising Development of National Highways

Double-lane highways constitute the largest share of highways in India (40658 kms). Double-lane highways are followed by single/intermediate-lane (19330 kms) and 4/6/8-lane (19128 kms) highway. The Government has proposed to upgrade 2 lane national highways into 4 lane national highways for which US\$ 65 billion has been allocated. This step is expected to reduce the passenger car units (PCU) to 10000 per day. In January 2017, Government of Assam announced investment of US\$ 2.23 billion for developing 1253 kms of roads in the state, into national highways. In response from institutional investors from Canada, Middle East and the US, in February 2017 NHAI floated bids to monetise 10 national highway projects in the country. The National Democratic Alliance (NDA) decided to bring all future road projects such as economic corridors and coastal roads under its aegis, with an aim to give a boost to its Bharatmala Plan. This flagship programme is estimated to cost around US\$148.74 billion. Mr Narendra Modi, Prime Minister of India, has proposed an investment of Rs 30,000 crore (US\$ 4.67 billion) for development of national highways in the northeast under the Bharatmala Project.

The government is planning to monetise 105 highway projects, worth US\$21.57 billion as a part of new innovative models of financing. Mr Narendra Modi, inaugurated road and highway projects worth Rs 15,000 crore (US\$ 2.34 billion) in Udaipur, Rajasthan on August 29, 2017. Road projects worth Rs 34,000 crore (US\$ 5.32 billion) are being undertaken by the central government to decongest the road network connecting the National Capital Territory of Delhi, according to Mr Harsh Vardhan, Minister of Environment, Forests and Climate Change, Government of India. India's national highway network is expected to cover 50,000 kilometres by 2019, with around 20,000 km of works scheduled for completion in the next couple of years, according to the Ministry of Road Transport and Highways.

(Source: [www.ibef.org/industry/roads-india.aspx](http://www.ibef.org/industry/roads-india.aspx))

As of October 2017, the land acquisition process and detailed project reports (DPR's) for the Bharatmala Pariyojana are underway and the first project is expected to be awarded before the end of 2018. The state government of Kerala plans to raise Rs 10,000 crore (US\$ 1.54 billion) from non-resident Keralites (NRKs) to finance the development of two highways in the state and support NRKs in the long-term. In February 2018, the Cabinet Committee on Economic Affairs (CCEA), Government of India, approved the six-laning of the 61 km long Nidagatta - Mysuru Section of NH-275 on Hybrid Annuity Mode in Karnataka for an estimated cost of Rs 2,919.81 crore (US\$ 452.01 million).

The year 2017-18, witnessed a considerable push being given to expand the road network in the country. 17,055 kilometres road length was awarded in the year, against 15,948 kilometres in 2016-17. 9,829 kilometers were constructed during 2017-18. This represents 20 per cent growth over the last year, when 8231 kilometres were constructed. Of the total within 2017-18, NHAI has awarded 150 road projects of 7,400 km worth Rs. 1,22,000 crore. In last 5 years, the average length of road projects awarded by NHAI was 2,860 km with 4,335 Km awarded in 2016-17. In comparison, the length of projects awarded in FY 2017-18 is an all-time high and a record achievement by NHAI since its inception in 1995.

Budget 2017-18 also spelt optimism for the roads and highways sector with a total of outlay of USD 14 billion. Out of this, USD 10 billion has been earmarked for National Highways while the remaining is allocated towards the rural roads programme Pradhan Mantri Gram Sadak Yojana (PMGSY). The pace of construction of PMGSY roads reached an 8 year high of 134 kms per day in 2017-18 as against an average of 73 kms during the period 2011 to 2014. A total of 48,751 kms of PMGSY roads, connecting 11,499 eligible habitations have been constructed in 2017-18 at an average rate of 134 kms per day.

Tendering and awarding projects picked up only after the sanction of ambitious Bharatmala programme and subsequent new procedure for sanction being put in place in November 2017. Under the new protocol, the NHAI board was delegated full powers for sanctioning EPC projects. Following that high powered Projects Appraisal Committee and Cost Committee were put in place in NHAI.

The Cabinet has accorded approval to the investment proposal for the programme Bharatmala Pariyojana (BMP) Phase-I for development/upgradation of 34,800 km of National Highways (NHs) with approved outlay of Rs.5,35,000 crore. In addition, 48,877 kms of projects under other ongoing schemes like NH(O), Special Accelerated Road Development Programme in North East (SARDP-NE), Externally Aided Projects (EAP) and Roads Projects in left Wing Extremism Affected Areas (LWE) are also to be implemented during the same period at an approved outlay of Rs1,57,324 crore.

Sl. No.	Components	Length -km	Outlay -Rs crore
a.	Economic corridors development	9,000	1,20,000
b.	Inter-corridor & feeder roads	6,000	80,000
c.	National Corridors Efficiency improvements:	5,000	100,000
d.	Border & International connectivity roads	2,000	25,000
e.	Coastal & port connectivity roads	2,000	20,000
f.	Expressways	800	40,000
	<b>Total:</b>	<b>24,800</b>	<b>385,000</b>
	Balance road works under NHDP	<b>10,000</b>	<b>1,50,000</b>
	<b>Total</b>		<b>5,35,000</b>

Source: PIB

Under the new protocol, the NHAI board was delegated powers across various levels. Following that high powered Projects Appraisal Committee and Cost Committee were put in place in NHAI.

For EPC projects, NHAI Board (Authority) has been authorized to appraise and approve the projects irrespective of cost. For all BOT (Toll) projects of NHAI Where no grant is required to be given to concessionaires, the Authority has been authorized to appraise and approve the projects irrespective of cost. NHAI Projects under Hybrid Annuity and BOT(Annuity) modes with cost (TPC excluding Land Cost) up to Rs 2000 crore are to be appraised and approved by Ministry and Hon'ble Minister RTH respectively. In March 2018, NHAI awarded GKC Projects, 4 laning of 39.98 km on NH-161 from Kandi to Ramsanpalle of Rs 1,201.62 crore (US\$ 185.61 million). In March 2018, NHAI awarded KNR Constructions Pvt Ltd, 4 laning of 46.60 km on NH-161 from Ramsanpalle village to Mangloor village of Rs 1,220.83 crore (US\$ 188.57). In March 2018, NHAI awarded Dilip Buildcon, 4 laning of 48.96 km on NH-161 from Mangloor village to Telangana /Maharashtra Border of Rs 1,082.65 (US\$ 167.23 million). In March 2018, NHAI awarded GKC Projects Limited, 4 laning of 52.60 km on NH-363 Repallewada to Telangana /Maharashtra Border of Rs 988.47 crore (US\$ 152.68 million).

In March 2018, NHAI awarded Inderjit Mehta Constructions Pvt Ltd (JV) , 4 laning of 47.492 km on Ramdas to Gurdaspur of Rs 149.49 crore (US\$ 23.09 million). In March 2018, awarded Oriental Structural Engineers highway projects in Tamil Nadu worth Rs 1,294.47 crore (US\$ 199.95 million). In March 2018, NHAI awarded Rs 6,212.76 crore (US\$ 959.65) contract to Dilip Buildcon Ltd for widening the Bangalore-Mysore section of NH-275 in Karnataka. In March 2018, NHAI awarded Rs 1047.007 crore (US\$ 161.72 million) contract to M/s Larsen and Tubro Ltd for development of 8 lane Expressway NH-248 BB.

### **Trends in the Road Sector**

The government's policy to increase private sector participation has proved to be a boon for the infrastructure industry with a large number of private players entering the business through the Public Private Partnership (PPP) model. The type of PPP models used in road projects is Build Operate Transfer (BOT) toll and BOT annuity. During the next 5 years, investment through PPP is expected to be US\$ 31 billion.

NHAI is taking revolutionary steps, like facilitating Online sale of FASTags and offline sale through Common Services Centre (CSC) near toll plazas, to ensure availability of FASTags for Electronic Toll Collection. Paytm Payments Bank has launched Paytm FASTag to enable electronic toll-fee collection on highways across the country.

Infrastructure is the key to supporting double-digit GDP growth in India during the medium to long term. Cumulative FDI inflows into the construction development sector, including roads and highways, stood at US\$ 24.67 billion till December 2017.

Programmes like "Bharat Nirman", JNNURM are designed to pursue nationwide rural connectivity, linking all the unconnected villages with fair weather roads.

Ministry of Road Transport and Highways has signed an MOU with IL&FS Transportation Networks for construction of 14.15 km bi-directional Zojila tunnel which will be India's longest road tunnel and the longest bi-directional tunnel in Asia.

(Source: [www.ibef.org/industry/roads-india.aspx](http://www.ibef.org/industry/roads-india.aspx))

### **Civil Aviation**

India is the 3rd largest and the fastest growing domestic aviation market in the world in terms of number of domestic tickets sold. In 2016-17, annual growth in domestic passenger departures was 23.5 per cent as compared to 3.3 per cent in the US and 10.7 per cent in China.

Domestic passenger traffic registered a compound annual growth rate (CAGR) of 9.89 per cent during 2007-08 to 2016-17. In 2017-18 (April - September), domestic airlines carried 57.5 million passengers, with a growth rate of 16 per cent over the corresponding previous year period. Scheduled Indian and foreign carriers carried 29.2 million passengers to and from India, and showed a growth rate of 9 per cent in 2017-18 (April - September) over the corresponding previous year period. During this period, the domestic air cargo handled was 0.61 million MT showing a growth of 10.27 per cent over the corresponding previous year time period, and international air cargo handled was 1.07 million MT showing a growth of 19.02 per cent.

### **Airport Development**

Provision of Rs.4,500 crore for revival of 50 unserved and underserved airports/air strips has been taken up with budgetary support of Government to be completed by December 2018. Revival of airstrips/airports will be 'demand driven', depending upon firm commitment from airline operators as well as from the State Governments.

Government has granted in-principle approval for setting up 18 Greenfield airports in the country, which include Mopa in Goa, Navi Mumbai, Shirdi and Sindhudurg in Maharashtra Bijapur, Gulbarga, Hasan and Shimoga in Karnataka, Kannur in Kerala, Durgapur in West Bengal, Dabra in Madhya Pradesh, Pakyong in Sikkim, Karaikal in Puducherry, Kushinagar in Uttar Pradesh, Dholera in Gujarat, and Dagadharthi Mendal, Bhogapuram, and Oravakallu

in Andhra

Pradesh. Government has granted “site clearance” for 5 Greenfield airports: Machiwara in Punjab, Itanagar in Arunachal Pradesh, Jamshedpur in Jharkhand, Alwar in Rajasthan and Kothagudem in Telangana.

(Source: *Economic Survey 2017-18* <http://iksa.in/upsc/economic-survey-2018-download-free-pdf/5697/-Volume II>)

## **Market size**

The transport infrastructure sector in India is expected to grow at 6.1 per cent in real terms in 2017 and at a Compounded Annual Growth Rate (CAGR) of 5.9 per cent through the year 2021, thereby becoming the fastest-expanding component of the country's infrastructure sector.

The construction of highways reached 8,142 km during FY 2016-17, with an all-time high average pace of 22.3 km per day. In the first two months of FY2017-18, 1,627 km of highway was constructed at an average of 26.3 km per day.

Total length of roads constructed under Prime Minister's Gram Sadak Yojana (PMGSY) was 47,447 km in 2017-18.

## **Investments**

The Union Minister of State for Road, Transport and Shipping has stated that the Government aims to boost corporate investment in roads and shipping sector, along with introducing business-friendly strategies that will balance profitability with effective project execution.

Some of the key investments and developments in the Indian roads sector are as follows:

- The National Highways and Infrastructure Development Corporation (NHIDCL) has been awarded a contract to build five all-weather access tunnels worth Rs 23,000 crore (US\$ 3.57 billion) in Jammu and Kashmir by 2024.
- The first phase of construction work of Mumbai's 29.2 km long coastal road is expected to begin in April 2018, after bids are finalised in March.

## **Government Initiatives**

Some of the recent government initiatives are as follows:

- The Cabinet Committee on Economic Affairs (CCEA), Government of India, has approved the construction of Zoji La tunnel which is a strategic transport project for all-weather connectivity in Srinagar, Kargil and Leh.
- The Ministry of Road Transport and Highways, Government of India has sanctioned projects worth Rs 13,411 crore (US\$ 2.1 billion) for development of national highways in Assam between 2014-15 and 2017-18.
- The Central Road Fund (Amendment) Bill, 2017 has been passed by Lok Sabha, Government of India which would result in revenues of Rs 2,300 crore (US\$ 358.7 million) for national waterways in the country.
- The Government of India has succeeded in providing road connectivity to 85 per cent of the 178,184 eligible rural habitations in the country under its Pradhan Mantri Gram Sadak Yojana (PMGSY) since its launch in 2014.
- The land acquisition process and detailed project reports (DPR's) for the Bharatmala Pariyojana are underway and the first project is expected to be awarded before the end of 2018, according to Mr Nitin Gadkari, Minister for Road Transport and Highways.
- The state government of Kerala plans to raise Rs 10,000 crore (US\$ 1.54 billion) from non-resident Keralites (NRKs) to finance the development of two highways in the state and support NRKs in the long-term.
- The Ministry of Road Transport and Highways, Government of India plans to implement 'Value Engineering Programme' in order to promote use of new technologies and material in highway projects being executed in India.

- The seven phased NHDP is being implemented by the National Highways Authority of India (NHAI) with a total estimated expenditure of USD 92 billion. As the largest highway development project in the country since 2000, more than 49,260 km of the roads are being upgraded to match international standards.
- NHIDCL was founded in July 2014 by MORTH to speed up the road construction in strategic areas along the international border and North Eastern Region.<sup>18</sup> It carries the responsibility of developing and improving road connectivity for 10,000 km long roads in the North Eastern region. NHIDCL is spearheading the construction of 142 National Highways for development of 8,100 km of roads with the budget of USD 15.3 billion. On the lines of fortune 500 companies, NHIDCL has adopted the use of e-tendering, e-office and e-governance tools.
- The programme envisages new initiatives like development of Border and International connectivity roads, Coastal & port connectivity roads and improvements in National Corridors Efficiency Economic corridors.<sup>21</sup> The “mega-plan” which is the second highest highway project after NHDP will provide further boost to the ongoing road/highway development projects and will witness a construction of 20,000 km of highways in its first phase.<sup>22</sup>
- Development of Roads and Highways is one of the priority areas for the government and an ambitious target has been set to increase the length of national highways to 200,000 km. The government aims to build at least 90,000 km of highway network in its 5-year tenure. For this, it plans to build 25,000 km of highway in current fiscal and another 30,000 km in the next. NHAI plans to raise USD 770 million for construction of highways, tunnels and economic corridors in the country, and the ministry plans to monetize projects worth USD 2.2 billion. Top priority has been assigned to correction of black spots on National Highways and significant thrust is being laid on road safety with USD 169 million being made available for this purpose. Several road connectivity projects with neighbouring countries have been identified and innovative initiatives such as “electric taxi project”, and “closed toll policy” (where the toll will be charged) on basis of distance covered on the toll road are also underway.

Source: ([www.makeinindia.com/article/-/v/connecting-the-country-road-infrastructure](http://www.makeinindia.com/article/-/v/connecting-the-country-road-infrastructure))

## Road Ahead

The government, through a series of initiatives, is working on policies to attract significant investor interest. The Indian government plans to develop a total of 66,117 km of roads under different programmes such as National Highways Development Project (NHDP), Special Accelerated Road Development Programme in North East (SARDP-NE) and Left Wing Extremism (LWE). The government has identified development of 2,000 km of coastal roads to improve the connectivity between ports and remote villages.

The National Highways Authority of India (NHAI) plans to build 50,000 km of roads worth US\$ 250 billion by 2022 as part of a long-term goal of doubling the length of the national highway network to 200,000 km.

The Government of India will spend around Rs 1 lakh crore (US\$ 15.26 billion) during FY 18-20 to build roads in the country under Pradhan Mantri Gram Sadak Yojana (PMGSY).

The Government of India has decided to invest Rs 7 trillion (US\$ 107.82 billion) for construction of new roads and highways over the next five years.

(Source: [www.ibef.org/industry/roads-india.aspx](http://www.ibef.org/industry/roads-india.aspx))

### Growth Drivers:

Key Government Priority	USD 100 bn allotted for Infrastructure in 2018-19
Infrastructure Development	Length of National Highways to reach 200,000 km
Growing Demand	Production of Passenger Vehicles, commercial vehicles, 3& 2 wheelers reached 26 mn
Policy Support	Standardised process for tolling & bidding

Source: <https://www.investindia.gov.in/sector/roads-and-highways>

**Key Policy:****1. Monetization of Operational National Highways**

National Highways Authority of India (NHAI) is monetizing public funded National Highway (NH) projects which are operational and are generating toll revenues for at least two years after the Commercial Operations Date (COD) through the Toll Operate Transfer (TOT) Model. Around 75 operational NH projects completed under public funding have been preliminarily identified for potential monetization using the TOT Model.

**2. Bharatmala Pariyojana**

Bharatmala Pariyojana is a new umbrella program for the highways sector that focuses on optimizing efficiency of freight and passenger movement across the country by bridging critical infrastructure gaps through effective interventions like development of Economic Corridors, Inter Corridors and Feeder Routes, National Corridor Efficiency Improvement, Border and International connectivity roads, Coastal and Port connectivity roads and Green-field expressways. A total of around 24,800 km are being considered in Phase I. Estimated outlay for Phase I is Rs 5,35,000 crores spread over 5 years. The objective of the program is optimal resource allocation for a holistic highway development/improvement initiative.

**3. 7-phased National Highway Development Project**

National Highways Development Project is being implemented in all phases except phase VI at present. The present phases improving more than 49,260 km of arterial routes of NH Network to international standards.

Source: <https://www.investindia.gov.in/sector/roads-and-highways>

## OUR BUSINESS

*This chapter should be read in conjunction with, and is qualified in its entirety by, the more detailed information about our Company and its financial statements, including the notes thereto, in the sections titled 'Risk Factors' and 'Financial Information' and the chapter titled 'Management Discussion and Analysis of Financial Condition and Results of Operations' beginning on page nos. 17, 188 and 189 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 B.R. Goyal Infrastructure Limited as the case may be.*

*Our fiscal year ends on March 31 of each year, and references to a particular fiscal are to the twelve months ended March 31 of that year. Unless otherwise indicated, the financial information included herein is based on our Restated Consolidated Financial Statements included in this Draft Prospectus. For further details, see "Financial Statements" on page 188.*

## OVERVIEW

Our Company was originally set as a partnership firm in 1986 in the name and style of M/s. Balkrishna Ramkaran Goyal. The partnership firm was founded by Balkrishna Goyal, Gopal Goyal and Sarla Goyal and was subsequently converted into a private limited company in 2005. Our Company is engaged in the construction and development of infrastructure projects such as roads, highways and bridges since inception and has a well-established presence in Indore, Madhya Pradesh.

Our business may be broadly divided into the following four categories:

- (i) Civil construction services, including Engineering Procurement Construction (EPC) services;
- (ii) Ready Mix Concrete (RMC) manufacturing; and
- (iii) Wind power generation.

We carry out EPC services for third parties (majorly for government departments), primarily in the roads & highways, commercial complex, industrial parks, and housing projects. Our Company has also set up an RMC manufacturing unit, an important material in road construction, with an installed capacity of 5.25 Lakhs cubic meters per annum at Indore in 2008 to cater to our construction needs which reduces our costs considerably.

Our Company has also forayed in the business of wind generation by installing a 1.25 MW Wind Power Turbine at Jaisalmer (Rajasthan) which was commissioned in 2005. Our Company has entered into Power Purchase Agreement with a State Electricity Board for a period of 20 years commencing from March 2005 at a pre-determined tariff.

Our Company seeks growth by investing in a variety of systematically identified businesses, making it a well-diversified conglomerate with interest in a range of projects such as asphaltic road construction, concrete road construction, buildings, bridges & culverts and all other civil works related to development of infrastructure.

We have successfully executed and are currently executing projects across various cities in Madhya Pradesh. After successful execution of various projects in Madhya Pradesh, we have now entered the state of Maharashtra and are currently executing a road construction project. During the last five years, our Company has completed 20 projects (contract value over and above of Rs. 1,000 lakh each) in roads & highways and building sector aggregating to a total contract value of 54,391.54 lakhs, which included construction, improving, widening, strengthening of two and four lane highways, construction of high level bridge and construction of earthen embankment, culverts and cart track underpasses.

As on April 30, 2018 our Company has 9 ongoing projects in the roads & bridges sector which includes construction, improving, widening, strengthening, upgradation and rehabilitation of two and four lane highways construction of high level bridge and construction of road network and Order Book of Rs. 41,607.81 lakhs that comprises 13 EPC projects. For further details on our Order Book, see "Order Book" on page 125 of this Draft Prospectus.



We have made maximum bid for the project by government departments of contract value of Rs. 13,100 lakhs independently based on our technical and financial capacity till April 30, 2018. While we independently execute projects where we are pre-qualified to bid on an independent basis, we form joint ventures and consortiums, from time to time with other infrastructure and construction companies, where a project requires us to meet specific eligibility requirements to be met through the joint venture or consortium as the case may be.

We have a track record in executing projects of different sizes particularly in the roads & highways sector. We believe that over the years, our Company has become an established construction developer in the roads & highways sector with strong execution capabilities and with a reputation of delivering quality projects. For instance, we have been awarded "Captain of Industry" in the year 2014 from the Chief Minister of Madhya Pradesh for being the most quality consciousness contractor.

Execution of projects from government departments and other private parties accounted for approximately Rs.8,212.33 Lakh, Rs.12,004.16 Lakh and Rs.11, 279.54 Lakh of our total revenue for the period ended December 31, 2017 and for Fiscals 2017 and 2016, respectively. We have also executed road construction contracts as a sub-contractor for private parties. We believe that our quality of work and project execution skills have allowed us to enhance our relationships with our existing private sector clients and to secure projects from new private parties.

Over a period of time, we have added a fleet of modern construction equipments and employed manpower to supplement the growth of our operations. As on April 30, 2018, our equipment base comprised 206 construction equipment assets of gross block worth Rs. 4926.47 lakhs, which included equipment such as fix form paver, transit concrete mixer, cone crusher plant, sener paver for bitumen pavement, vibratory asphalt compactor, loader (baco loader), tipper/dumper, water tanker truck mounted, air breaker compressor tractor with trolley and others. We primarily use our own fleet of equipment, which provides us with a competitive advantage allowing us to utilize our machines and equipment at their optimal levels.

Our mentor and founder, Balkrishna Goyal who is the father of our promoters has been connected with infrastructure and construction industry for over 32 years. He along with our qualified management team of professionals focuses on timely completion of the projects undertaken by our Company and acknowledges that projects are critical to the continued growth and success of our Company. Under his leadership, our Company has expanded its operation considerably over a period of time.

In Fiscals 2015, 2016 and 2017 and the nine months ended December 31, 2017, our revenue from operation, as per our Restated Financial Information were Rs. 10,041.54 lakhs, Rs. 13,469.82 lakhs, Rs. 13,573.54 lakhs and Rs. 9,434.56 lakhs, respectively. In Fiscals 2015, 2016 and 2017 and the nine months ended December 31, 2017, our profit after tax, as per our Restated Financial Information was Rs. 260.36 lakhs, Rs. 295.64 lakhs, Rs. 608.98 lakhs and Rs. 504.72 lakhs, respectively. We have been able to increase our total revenue from Fiscal 2015 to Fiscal 2017 at a CAGR of 16.26% and our profit after tax at a CAGR of 52.94% over the same period.

The following table sets forth certain information on the total revenue contributed by our business segments, for the periods indicated:

Particulars	December 31, 2017	2017	2016	2015	2014	2013
EPC	9396.39	13521.36	13446.76	10005.95	10978.74	11552.64
Power Generations	38.16	52.18	23.07	35.59	49.48	47.36
Others	531.08	277.15	282.95	224.45	188.53	316.41
<b>Total</b>	<b>9965.64</b>	<b>13850.69</b>	<b>13752.78</b>	<b>10265.99</b>	<b>11216.75</b>	<b>11916.41</b>

## OUR STRENGTHS

*Established roads and highways sector focused construction developer*

We are an established construction, development and maintenance service company, with a track record of over 30 years of experience and expertise in execution of various road focused EPC projects. We provide EPC services on a lump sum basis as well as on an item rate basis, primarily in the road sector including bridges and highways, and building and other civil construction projects. During the last five Fiscals, we have completed 20 roads & highways and buildings projects (Value over & above Rs. 1,000 lakh), aggregating to a total contract value of 54,391.54 lakh.

Our primary focus on providing EPC services on the roads and highways projects has helped us in gaining technical expertise in undertaking projects of different sizes and involving varying degree of complexity while simultaneously helping us to also develop quality control systems, acquire a fleet of modern construction equipment and employ manpower to supplement the growth of our operations.

Our credentials and pre-qualifications have allowed us to increase our target market size and Order Book. Some of our key completed projects in the roads and highways segment include the four laneing of Rau to Pithampur Road, Indore-Betul Road section of NH-59 A, and the four laneing of the CC Road at Indore from Marimata Junction to Ujjain Road ROB on Indore Ujjain Roa , road and infrastructure development in township developed in Indore by local authority. For details of completed projects, please refer to the heading “***Our completed projects (value over and above 1,000 Lakhs) in last 5 years***” page 134 of this Draft Prospectus.

We constantly liaise with regulatory and local authorities in order to ensure that our projects are not stalled due to non-availability of any statutory or regulatory clearances, non-availability of land, human resources, plant and machinery etc., or other instances of cost-overrun which allows us to complete projects in a timely manner.

Further, we undertake majority of our projects through our own employees and appoint sub-contractors for only noncore portions of our projects. Our experience and established track record of executing road and other civil infrastructure projects allows us to meet the necessary pre-qualification requirements and helps us identify and mitigate certain development and operational risks.

### ***Efficient business model***

Our growth is largely attributable to our efficient business model which involves careful identification of our projects and cost optimisation which is a result of executing our projects with careful planning and strategy. This model has facilitated us in maximising our efficiency and increasing our profit margins. Additionally, our fleet of modern construction equipment ensures better control over execution and timely completion of projects.

Our Company follows a strategic approach during the pre-bidding stage, which involves undertaking technical surveys and feasibility studies and analysing the technical and design parameters and the cost involved in undertaking the project. We believe that our strategic approach during the pre-bidding stage enables us to bid at competitive prices and helps us to successfully win projects. Once we win a bid, our focus is to ensure high quality of construction during the execution stage of the project, as a result of which, we believe, we are able reduce maintenance and repair costs and therefore realize higher margins during the operation and maintenance stage of the project.

Through our experience of executing projects of varying sizes, we believe that we have developed internal systems and processes which help us in effective execution of our projects. Our experienced engineering and management teams are responsible for ensuring that we execute the project in a systematic and cost effective manner by monitoring operational, administrative and finance costs at every stage of the project cycle and applying checks and controls to avoid any cost and time overruns.

### ***Strong Order Book with growing project portfolio.***

In the infrastructure industry, an order book is considered an indicator of future performance since it represents a portion of anticipated future revenue. Our Order Book as on a particular date consists of an estimated revenue from unexecuted or uncompleted portions of our ongoing projects, i.e., the total contract value of such ongoing projects as reduced by the value of construction work billed until such date.

Our Order Book has grown significantly from 20,400 lakh as on January 31, 2017 to 41,607.81 lakhs as on April 30,

2018, an increase by 103.96% in 15 months. As on April 30, 2018 our Company has 9 ongoing projects in the roads and bridges sector which includes construction, improving, widening, strengthening, upgradation and rehabilitation of two, four and six lane highways construction of high level bridge and construction of road network and an Order Book of Rs.41,607.81 lakhs that comprises 13 EPC projects.

Our EPC projects are spread across Madhya Pradesh and Maharashtra. Diversifying our skill set and Order Book across different business enables us to pursue a broader range of project tenders and therefore maximizes our business volume and contract profit margins. The consistent growth in our Order Book is a result of our past experience, our focus on maintaining quality standards in our construction and project execution skills.

Driven by our execution track record, we have exhibited strong financial performance and credit profile over the last few years. Our strong financial performance and substantial assets, helps us present a strong credit profile to our lenders and keeps alternative sources of financing available to us. Our credit rating from CARE Ratings Limited for long-term bank facilities, long/short term bank facilities and Short-term Bank Facilities is CARE BBB (Triple B; Outlook: Stable), CARE BBB (Triple B; Outlook: Stable/A Three) and CARE A3 (A Three), respectively, in Fiscal 2018.

Our strong financial position, including our better credit ratings, has helped us in being pre-qualified by various government departments and other state authorities. The increase in pre-qualifications has helped us maintain the momentum of our Order Book growth.

#### ***Technology enabled project management capabilities.***

We have in-house capabilities for design, engineering, bid surveys, tendering for projects, preparing financial models, construction and maintenance of our projects.

*Project management:* Through our experienced design and engineering teams, we plan every step of a project and over time, have developed strong project management and execution expertise and capabilities. Our project execution capabilities enable us to exercise greater control over the costs of our projects, quality and timely execution of construction, operation and maintenance allowing us to capture a significant portion of the economic value chain in projects that we execute.

We have a robust inventory management system which enables us to efficiently manage our inventory and monitor the supply of equipment and mobilisation of resources in a cost effective and timely manner. We are in the process of implementing a customized ERP system to maintain greater control over our operations. The following modules of ERP system has been completed as on date: (i) HR and payroll; (ii) Purchase / Material Module; (iii) Machinery Module; and (iv) repair and maintenance;

Our head office is ERP configured and raw material which is procured at our sites is accounted for at our site offices and then verified at our head office. Our ERP system helps us to ensure effective monitoring and optimum utilisation of resources situated at construction sites. We aggregate our orders of major raw materials such as bitumen and cement across construction sites and centralize our procurement to negotiate bulk discounts. Additionally, we also produce certain of our raw materials such as bitumen emulsion and grit, which gives us a cost advantage. Through our centralized procurement process, we are able to leverage our scale and achieve a high degree of efficiency in procurement.

*Equipment ownership:* As on March 31, 2018, our equipment base comprised 206 construction equipment assets of gross block worth Rs.4926.47 lakhs. We primarily use our own fleet of equipment, which provides us with a competitive advantage allowing us to utilize our machines and equipment at their optimal levels. With multiple projects in progress at any given time, ready access to such equipment is essential to our ability to execute existing projects on time and bid for additional projects. We maintain our equipment to ensure high availability and reduce equipment cost. We carefully select our equipment suppliers and the equipment that we procure to help reduce equipment down time and maintenance cost. With multiple projects in progress at any given time, ready access to such equipment is essential to our ability to execute existing projects on time and bid for additional projects.

*Strong Workforce:* As on April 30, 2018, we had 335 employees. We also hire contract labourers from various

agencies from time to time. We undertake selective and need-based recruitment every year to maintain the size of our workforce which may otherwise decline as a result of attrition and retirement of employees. Since a majority of our employees are on our rolls, we have minimal reliance on contract workers, which helps us exercise greater control over the quality and costs of our project and achieve execution of our projects in a timely manner.

### ***Experienced management team***

Our management team is well qualified and experienced in the construction industry and has been in many ways responsible for the growth of our operations. Our mentor and founder, Balkrishna Goyal who is the father of our promoters has been connected with infrastructure and construction industry for over 32 years. In particular, our Promoters and Directors, Rajendra Kumar Goyal, Gopal Goyal and Brijkishore Goyal have about 30 years of experience in the infrastructure development sector, and have been instrumental in driving our growth since inception of our business. We believe that our motivated team of management and key managerial personnel along with our internal systems and processes complement each other to enable us to deliver high levels of client satisfaction. For details on the qualifications and experience of our senior management team, please refer to the chapter titled "*Our Management*" beginning on page 157 of this Draft Prospectus. We believe the strength and entrepreneurial vision of our Promoters and management has been instrumental in driving our growth and implementing our strategies.

### ***Strong Credit Rating***

As of December 31, 2017, our total long term borrowings (including current maturities) were ₹ 2436.37 lakhs, while our net worth was ₹ 5447.67 lakhs. Please refer to the chapter titled "*Financial Indebtedness*" beginning on page 204 of this Draft Prospectus. We have received the following credit ratings from CARE issued pursuant to letters dated January 08, 2018:

<b>Facilities</b>	<b>Rating</b>
Long-term Bank Facilities	CARE BBB; Stable (Triple B, Outlook: Stable)
Long-term/Short-term Bank Facilities	CARE BBB; Stable/CARE A3 (Triple B, Outlook: Stable/ A Three)
Short-term Bank Facilities	CARE A3 (A Three)

## **OUR STRATEGIES**

### ***Continue focusing on the roads and highways sector***

As on April 30, 2018, our Order Book included 12 roads & highways and building projects across Madhya Pradesh and 1 project across Maharashtra amounting to 25,007.81 lakhs and 16,600.00 lakhs respectively, accounting for 60.10% and 39.90% respectively of our Order Book. Over the next few years, we will continue to focus on the development of our existing projects while seeking opportunities to expand our portfolio of projects. Our strategy is to continue to focus on strengthening our market position and developing and executing EPC and HAM projects in the roads & highways and building sector, while seeking opportunities to bid for additional projects. We intend to draw on our experience, effectively use our assets, market position and our ability to execute and manage multiple projects across geographies, to grow our project portfolio. We will continue to leverage our existing technology and adopt new technologies, designs and project management tools to increase productivity and maximize asset utilization in capital intensive activities.

### ***Enhancing execution efficiency***

We intend to continue to focus on efficient project execution by adopting industry's best practices and advanced technologies to deliver quality projects to the satisfaction of our clients. We intend to continue to invest in modern construction equipment to ensure continuous and timely availability of equipment critical to our business, which will help us in exercising better control over the execution of our projects. We seek to attract, train and retain qualified personnel and skilled laborers and further strengthen our workforce through more comprehensive training and

provide adequate and skilled manpower to our clients. We also seek to offer our engineering and technical personnel a wide range of work experience, in-house training and learning opportunities by providing them with an opportunity to work on a variety of large, complex construction projects.

We will continue focusing on improving our internal systems and processes and upgrade our IT systems to reduce manual intervention and improve reliability and efficiency of our business and operations. We also intend to utilize advanced technologies, designs, engineering and project management tools to increase productivity and maximize asset utilization in construction activities.

#### ***Selectively expand our geographical footprint***

Our Company started its operations in Madhya Pradesh and has recently expanded in Maharashtra. We plan to continue our strategy of diversifying and expanding our presence in different states for the growth of our business. We are selective when we expand in a new location and typically look to geographies where we can deliver high-quality services without experiencing significant delays and interruptions on account of adverse climatic conditions or regulatory delays.

We believe that our strategy of selective expansion helps us in mitigating diversification related risks. We currently expect that a significant portion of our geographic expansion will be in states such as Maharashtra, Uttar Pradesh, Rajasthan and Bihar which have favorable geographic and climatic conditions. Through further diversification of our operations geographically, we hope to hedge against risks in specific areas or projects and protect us from fluctuations resulting from business concentration in limited geographical areas.

#### ***Develop relationship with our clients and optimize our client mix***

We will further develop our client relationships by providing high quality services to our clients with the same amount of dedication as we did in the past. Through our strong operating systems, we will keep monitoring our clients' needs and requests and be responsive to them. We believe that completing our clients' projects on time and with quality is an effective way to develop and maintain strong relationships with our clients and thus will strive to deliver our best performance in every stage of the projects we undertake. Government contracts accounted for the largest portion of our total Order Book during the last five audited financials. We intend to continue focusing on securing bids for government contracts in the near future.

#### ***Promotion of our brand recognition***

We propose to increase the brand recognition through various brand building efforts, communication and various promotional initiatives. Such promotion would enhance the visibility of our brand and also enhance our business positioning.

#### ***Diversify beyond projects in the roads and highways sector by leveraging existing capabilities***

While our primary focus is on development and execution of EPC projects in the roads and highways sector, as part of our business growth strategy, we have also diversified in wind power generation and our Company has installed a wind mill with a capacity of 1.25 MW at Jaisalmer (Rajasthan). The wind mill has generated the wind power of 1135798 KWh in the nine months ended on December 31, 2017 and 1261782 KWh in the Fiscal 2017. Further, the Company has also set up an RMC manufacturing unit with an installed capacity of 5.25 lakhs cubic meters per annum. The RMC manufacturing unit has produced for sale to third parties 17797.81 cubic mtr in the nine months ended on December 31, 2017 and 30158.15 cubic mtr in the Fiscal 2017. The wind mill is operating at 45.06 % of the installed capacity in the Fiscal 2017 and RMC unit is operating at 5.74% of installed capacity.

We believe that, due to the increasing levels of the Government's focus and investment in infrastructure in India, certain segments such as irrigation, airport runways, waterways and development of smart cities provide us with exciting opportunities to further develop our business and achieve higher profitability. The Government has initiated Bharat Mala project in 2016 to link all India.

We seek to capitalise on opportunities in new functional areas of infrastructure development by leveraging on our

established project execution track record in our civil construction business. As part of our business growth strategy, we intend to diversify into, and shall consider bidding for, projects related to construction and maintenance of airport runways, projects related to railways and metros including earthwork and water treatment and sewerage related projects. In order to mitigate the risk of over-diversification, we seek to expand in businesses that require execution skills that are similar to our roads and highways construction business and allow us to leverage our past experience and maximize the use of our manpower, equipment and new materials in our expansion and avoid additional investment in new equipment wherever possible. We believe that with this strategy, we will be able to develop into a full EPC service company capable of undertaking projects in multiple businesses while adhering to financial discipline and mitigating associated risks. Further, in new areas where we may lack experience or expertise, we may also enter into strategic alliances and joint ventures with other developers.

## **SWOT ANALYSIS**

### ***Strengths***

- Strong Performance-: The Company is having a continuous past track record of growth in turnover and profitability.
- Well-Experienced Management-: The Promoters of the Company are qualified with more than 30 years of experience in the industry.
- Completion of jobs on time-: The Company has a track record of completing the work within the scheduled time thus avoiding the cost overrun. Moreover, projects of 9 months or more generally have an escalation clause to take care of cost variation.

### ***Weakness***

- Dependence: The Company is engaged in a line of business with only the government departments as its major customer.
- Real estate scenario is not growing to support our RMC business.
- Increase in compliances for project execution.

### ***Opportunity***

- Growth in infrastructure sector: Indian economy is growing with a rate of 7-8% and infrastructure facilities like roads are having a key role in its development. Thus the growth of this sector is sure even if there is a recession in the economy.
- Private sector participation: The Government of India is continuously taking policy decisions to attract foreign as well as domestic private investments. Many of the projects have already been awarded to the private sector and many more are in the pipeline. The emphasis on road projects, particularly the National Highway development initiatives and the incentives given to the road construction industry, has provided a fillip to the construction sector.
- Smart City and Bharat Mala initiatives by the Government of India.
- Industrial Township Development in Indore.

### ***Threats***

- The raw material of the Company consists of cement, sand, steel, bitumen etc. which are having highly volatile market. The last two years' trend of the prices of these raw material has been quite dynamic. So any significant increase in the prices of raw material might affect the profitability of the Company adversely.
- The Company is engaged in such a line of business that its largest customer base is covered by Government departments. Thus, the Company is dependent upon the Government departments for further contracts. Any change in the Government and its policies might affect the profitability of the Company.

## **OUR ORDER BOOK**

Our Order Book as on a particular date consists of estimated revenue from unexecuted or uncompleted portions of our ongoing projects, i.e., the total contract value of such ongoing projects as reduced by the value of construction work billed until such date.

Our Order Book was Rs. 41,607.81 lakhs as on April 30, 2018. The following table sets forth the breakdown of our Order Book as on April 30, 2018 by type of clients:

Client	Number of Contracts	Total contract value (₹ in lakh)	Outstanding order value (₹ in lakh)	Percentage of outstanding order value (%)
<b>Government clients</b>				
State NH Division, State PWDs and Municipal Corporations	13	59,663.70	41,607.81	100
<b>Total</b>	<b>13</b>	<b>59,663.70</b>	<b>41,607.81</b>	<b>100</b>

The following table sets forth the breakdown of our Order Book as on April 30, 2018, by geographical areas:

State	Number of contracts	Total contract value (₹ in lakh)	Outstanding order value (₹ in lakh)	Percentage of outstanding order value (%)
Madhya Pradesh	12	43,063.70	25,007.81	60.10
Maharashtra	1	16,600.00	16,600.00	39.90
<b>Total</b>	<b>13</b>	<b>59,663.70</b>	<b>41,607.81</b>	<b>100.00</b>

#### Order Book –Details of our Projects

The following table sets forth certain details of projects in our Order Book as on April 30, 2018:

S. No.	Project Description	Client	State	Total Project Value (₹ in lakh)	Project Start Date	Role (contractor/ Subcontractor)	Independent/ Joint Venture
1	Widening of Two Lane with Paved Shoulder from KM 129 to 147 NH-59(A)	PWD (NH) Div., Hoshangabad	MP	3,395.22	Sep-15	Contractor	Independent
2	Upgradation of Seoni Malwa – Babrihat Road	PWD Div. No.1, Hoshangabad	MP	3,987.98	Mar-16	Contractor	Independent
3	Rehabilitation & Up-gradation of Kannod-Satwas-Punasa (SH-41) Road on EPC Mode	MPRDC, Bhopal (Kalyan Toll)	MP	8,477.00	Mar-16	Contractor	Independent
4	Construction of Widening to Four Lane Rigid Pavement on KM 5.00 to 9.50 KM (Length 4.50 KM) of Indore – Ahmedabad Road NH-59 on EPC Mode the State of M.P.	PWD (N.H.) Division, Bhopal	MP	3,165.00	Dec-16	Contractor	Independent
5	Construction of Kanya Shiksha Parisar Tribal Welfare Department	PWD (PIU) Barwani	MP	2,381.25	Mar-17	Contractor	Independent

S. No.	Project Description	Client	State	Total Project Value (₹ in lakh)	Project Start Date	Role (contractor/Subcontractor)	Independent/Joint Venture
	At Rajpur Distt. Barwani						
6	Construction of Buranakhedi – Jagmal Piplia – Bisakhedi – Kadwali Khurd (MDR) Length 10.75 Km.	PWD Div. 01 Indore	MP	1,511.00	Dec-17	Contractor	Independent
7	Improvement of bypassed sections of NH – 12 A between km ¾ to 12/6 and km 15/6 to 18/8 Jabalpur and Barela bypass 12.20 km length in the state of Madhya Pradesh	PWD NH Division Bhopal	MP	4,484.00	Feb-18	Contractor	Independent
8	Construction of 12NGO 48 Constable Qrts At DRP Line District Harda	MP Police Housing & Infrs. Development Corp. Ltd, Bhopal Div. 03	MP	752.00	Apr-18	Contractor	Independent
9	Ghat Nirman Karya on village Jait, Anwli, Chhipaner, Village Nilkanth, Joint Venture, Share of BRGIPL is 51%	PIU, Narmada Development Authority	MP	3,911.70	Yet to Start	Contractor	Joint Venture
10	Up-gradation of Kusumba to Malegaon section of Principally Approved NH from Ch: 55+000 Km to Ch: 96+410 Km (Design Ch: 54+155 Km to Ch: 95+500, Total Length 41.345 KM) to Two Lane with Paved Shoulder configuration (Package No. Nashik – II Dondaicha – Kusumba – Dongrale – Malegaon Road Approx. 96.00 Km) in the State Maharashtra– PACKAGE 2 (Nashik Division), Joint Venture, Share of	NH PWD, Nasik, MH	MH	16,600.00	Apr-18	Contractor	Joint Venture



S. No.	Project Description	Client	State	Total Project Value (₹ in lakh)	Project Start Date	Role (contractor/Subcontractor)	Independent/Joint Venture
	BRGIPL is 70%, but 100% work will be executed by BRGIPL.						
11	Construction of EWS, LIG and MIG houses including Development of Infrastructure work under AHP component of PMAY near Tilhari – Package A //2 <sup>nd</sup> call//	JMC, Jabalpur	MP	9,884.75	Yet to Start	Contractor	Independent
12	Construction of Roads / CDs with maintenance for 5 year after construction under State Mandi Funds Roads (Package No. MP10 SM01)	PMGSY, PIU-2, Dewas	MP	309.70	Yet to Start	Contractor	Independent
13	Construction of High Level Bridge across chooti tawa river in km. 17/10 of Ashapure-Betual Road state highway-26,	PWD Bridge Const. Div. Indore	MP	804.10	Yet to Start	Contractor	Independent

### Description of Our Business

- **Roads and Highways:** Design, engineering, procurement, construction, rehabilitation, upgradation, operation and maintenance of roads and highways and design, engineering and construction of bridges. Our business in the roads & highways segment spread mainly across Madhya Pradesh and Maharashtra where we carry out EPC services for various government departments and state highway authorities, State Government departments and private parties.
- **Building and other Civil Construction:** Construction of civil infrastructure for residential, government official buildings, commercial structures and civil works for other infrastructure projects. Currently, our EPC projects in the civil construction sector are primarily awarded to us by the *various* municipal and state authorities of Madhya Pradesh. EPC contracts are fixed-price contracts wherein the client provides conceptual information about the project. Technical parameters based on desired output are specified in the contract. We are required to prepare project specific architectural and/or structural designs that adhere to regulatory requirements, procure raw materials and equipment for the relevant project and effect the actual construction of the project. Based on these designs, we draw up cost estimates and accordingly bid for the project.

*Engineering* — Our engineering work normally includes work related to project layout, construction process, control systems and instrumentation, equipment usage planning, civil works, designing cost control measures and scheduling.

*Procurement* — Following the engineering stage, we arrange the equipment and place orders for the raw materials required for the project. We own a large fleet of modern construction equipment, which helps lower our procurement cost.

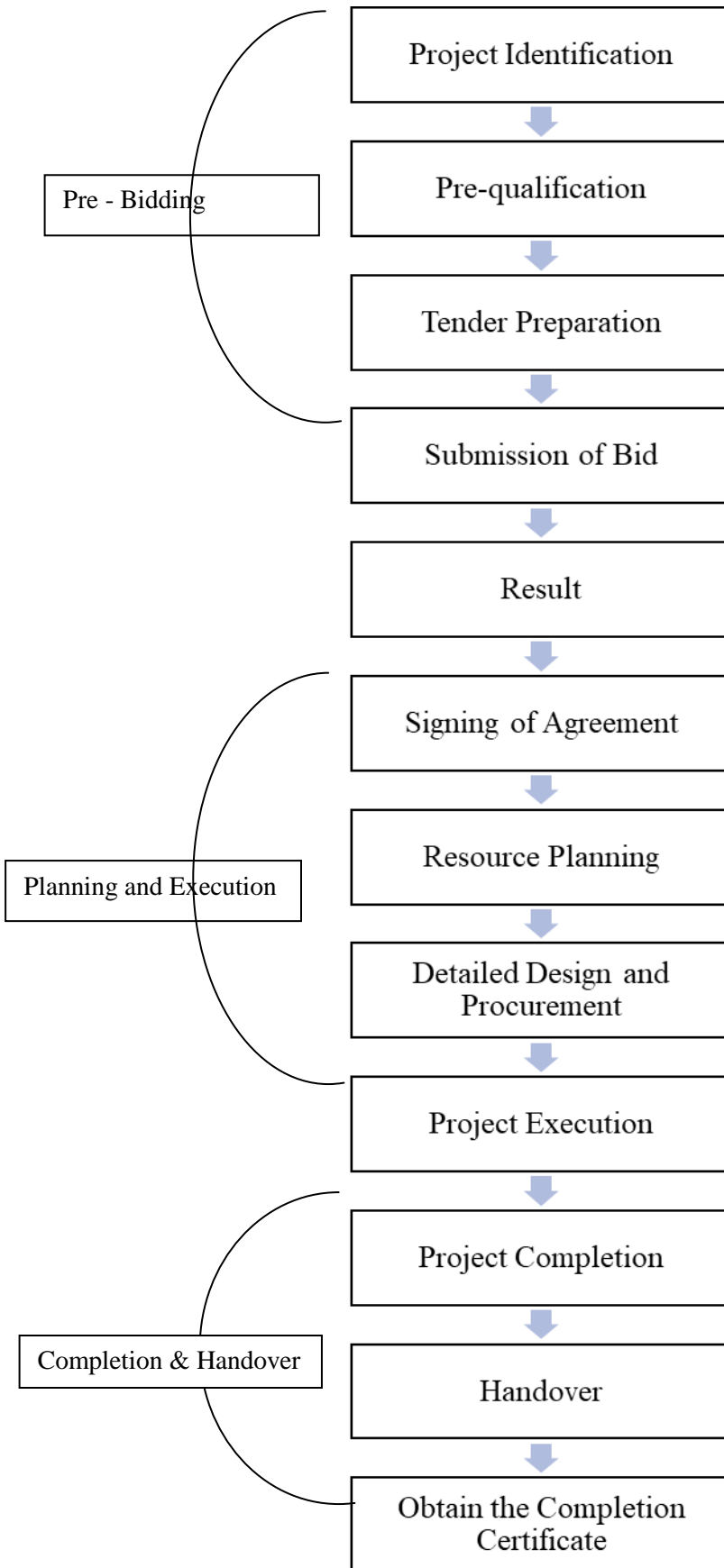
*Construction* — We commence construction after the engineering and design aspects are finalized and the required equipment and raw materials are purchased or arranged. We mobilize our workforce and construction machinery to the worksite according to the schedule in the contract. Our work also involves construction of different ancillary structures depending on the projects we undertake.

*Lump-sum turn-key contracts* — Lump-sum turn-key contracts provide for a single price for the total amount of work, subject to variations pursuant to changes in the client's project requirements. In lump-sum contracts, the client supplies all the information relating to the project, such as designs and drawings. Based on such information, we are required to estimate the quantities of various items, such as raw materials, and the amount of work that would be needed to complete the project, and then prepare our own bill of quantities to arrive at the price to be quoted. We are responsible for the execution of the project based on the information provided and technical stipulations laid down by the client at our quoted price. Escalation clauses might exist in some cases to cover, at least partially, cost overruns.

*Item rate contracts* – These contracts are also known as unit-price contracts or schedule contracts. For item rate contracts, we are required to quote rates for individual items of work on the basis of a schedule of quantities furnished by our client. The design and drawings are provided by the client. Typically, our risk is lower in item rate contracts as, other than escalation in the rates of items quoted by us to the client, we are paid according to the actual amount of work on the basis of the per-unit price quoted. Item rate contracts typically contain price variation or escalation clauses that provide for either reimbursement by the client in the event of a variation in the prices of key materials (e.g., steel and cement) or a formula that splits the contract into pre-defined components for materials, labour and fuel and links the escalation in amounts payable by the client.

## **Project Cycle**

The various steps involved in the life cycle of a project is described below:



## I. Pre-Bidding Stage

Initial Evaluation	Initial Survey and Design	Technical and financial Bid
<ul style="list-style-type: none"> <li>• Study of the RFP</li> <li>• Size of the Project</li> <li>• Evaluation of Credential and Eligibility Criteria</li> <li>• Geographical Location proximity to other projects</li> <li>• Potential Bottlenecks: Environmental, Terrain Issue etc.</li> </ul>	<ul style="list-style-type: none"> <li>• Site Visit to assess: <ul style="list-style-type: none"> <li>• Topography</li> <li>• Equipment requirement based in terrain</li> <li>• Raw Material availability and Prices</li> <li>• Local Working Environment</li> </ul> </li> <li>• Our Past Experience in the area</li> <li>• Local Laws and Taxes</li> <li>• Attending the pre bid meetings</li> <li>• Attending the local bid meetings</li> <li>• Basic Design of the project</li> </ul>	<ul style="list-style-type: none"> <li>• Technical and Financial Bid Team Assess: <ul style="list-style-type: none"> <li>• Costing of raw material</li> <li>• Equipment Estimation</li> <li>• Labour Requirement</li> <li>• Overhead Cost</li> <li>• Quality Assessment</li> </ul> </li> <li>• Total bid price assessment after accounting for the profitability and contingency buffer</li> <li>• Inviting quotation from vendors to get BOQ</li> <li>• Mark up is done based on our profitability benchmark for a project and contingency buffer</li> <li>• Bid Submission</li> </ul>

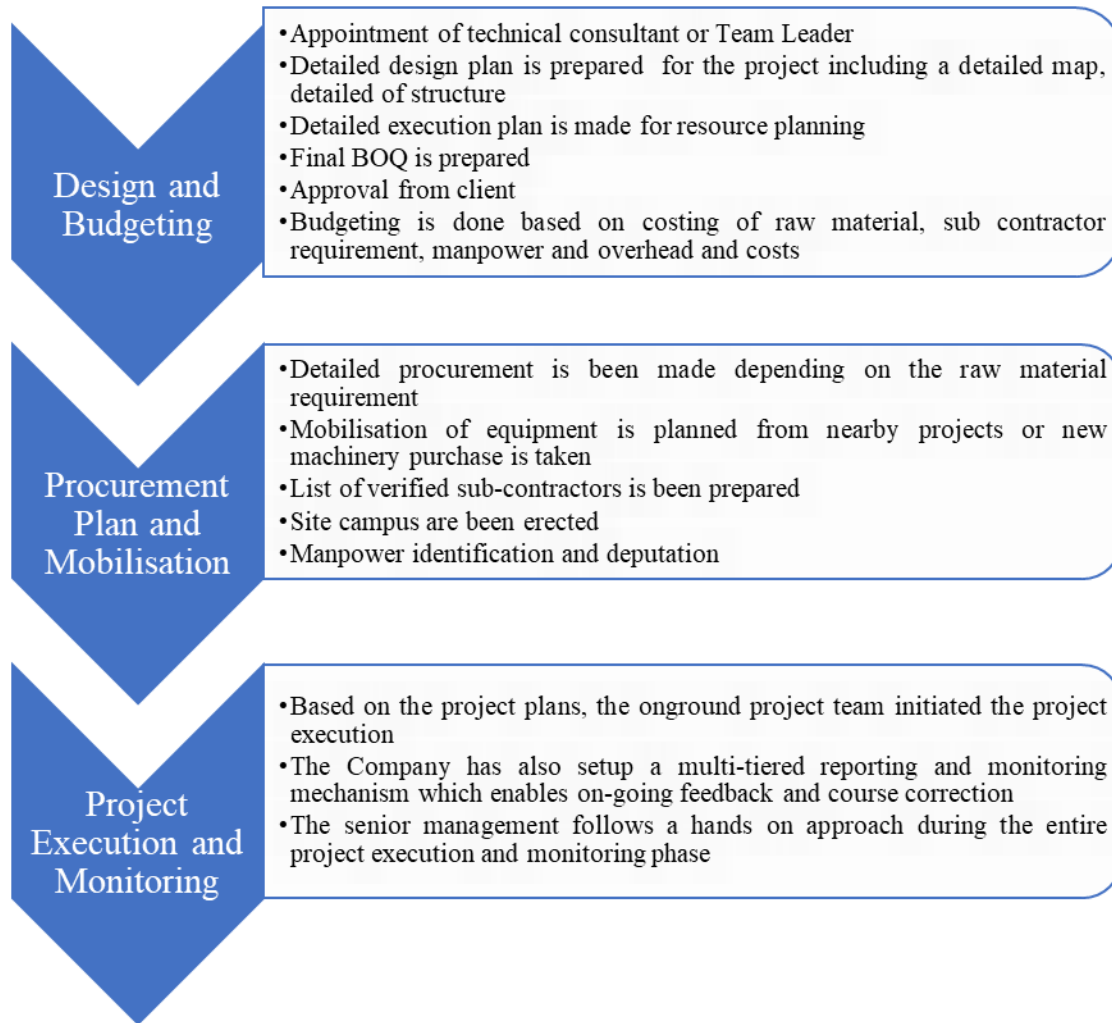
We enter into contracts primarily through a competitive bidding process. Our clients typically advertise for potential projects on their websites and in leading national newspapers. Accordingly, our tender department does a regular review of the leading national newspapers and relevant websites to identify projects that could be potentially viable for us. After such projects are identified, the tender department seeks approval of the management in order to determine if the identified projects are to be pursued. These discussions are based on various factors which include the geographic location of the project and the degree of complexity in executing the project in such location, our current and projected workload, the likelihood of additional work, the project cost and profitability estimates and our competitive advantage relative to other likely bidders. Thereafter, we submit bids for the projects that have been identified.

Our Company has a dedicated tender department that is responsible for bidding and pre-qualifications. The tender department evaluates our Company's credentials in light of the stipulated eligibility criteria. While we analyse to meet eligibility criteria for projects on our own, in the event we are unable to meet the criteria, we look to form project specific joint ventures with other qualified contractors and strengthen our chances of pre-qualifying and winning the bid for the project. Notices inviting bids may either involve pre-qualification, or short listing of contractors, or a post qualification process. Pre-qualification generally requires us to analyse details about our organizational set-up, financial parameters (such as turnover, net worth and profit and loss history), employee information, plant and equipment owned, portfolio of executed and ongoing projects. In selecting contractors for major projects, clients generally limit the submission of tenders to contractors they have qualified based on several criteria, including experience, technical ability and performance, reputation for quality, safety record, financial strength, bonding capacity and size of previous contracts in similar projects. However, price competitiveness still is a significant selection criterion.

After we qualify for a bid, we are required to submit a technical and financial bid. In order to submit a technical and financial bid, our Company conducts an in-depth study of the proposed project, which inter alia includes, (i) study of the technical and commercial conditions and requirements of the project; (ii) a site visit to determine the site conditions by studying the terrain and access to the site; (iii) local market survey to determine availability and prices of key construction material, labour, and specialist sub-contractors, as the need may arise; and (iv) analysis of the incidence and rates of local taxes and levies (if any) at the project site. Further, the tender department invites quotations from vendors, sub-contractors and specialist agencies for various items or activities in respect of the tender. This, in addition to the

information gathered from the local market survey, is utilized to arrive at the cost of items in the Bill of Quantities (“**BOQ**”). This estimate is then marked-up to arrive at the bid price to the client. The basis of determination of the mark-up is based on overheads, expenditure and profitability benchmark as per our policies.

## II. Planning and Execution



We provide engineering and design services, as per the requirements of the clients, for the projects we undertake. In such projects, the client typically provides scope of the project and specifications, based on which, we are required to provide detailed project plans, structural/architectural designs for the conceptual requirements of the client.

Materials cost form a major part of the total project cost. Therefore, the ability of our procurement department to ensure adequate and timely supply of the required materials at competitive prices during the tenure of the contract, plays a very important role in overall execution of the contract. The issuance of a letter of acceptance or letter of intent by the client signifies that we have been awarded the contract. Upon award of a contract, the procurement department is provided with the project details along with the budgeted rates for material, services and equipment. The material, services and equipment required for projects are estimated by the engineering personnel from the individual project sites and then passed on to the procurement department along with the schedule of requirements.

Upon receipt of the letter, we begin mobilizing manpower and equipment resources and the setting up of site offices, stores and other ancillary facilities. Construction activity typically commences once the client approves working designs and issues drawings. The project team immediately identifies and works with the procurement department to procure the key construction materials and services required to commence construction. Based on the contract documents, a detailed schedule of construction activities is prepared. We have a multi-tiered project management system that helps us track the physical and financial progress of work vis-à-vis the project schedule. Additionally, the senior management of our Company follows a hands-on approach with respect to the project execution.

Each project site has a billing department that is responsible for preparing and dispatching periodic invoices to the clients. Joint measurements with the client's representative are taken on a periodic basis and interim invoice prepared on the basis of such measurements are sent to the Team Leader for certification and thereafter to the client for release of interim payments. The billing department is also responsible for certifying the bills prepared by our vendors and sub-contractors for particular projects and forwarding the same to our head office for further processing.

### **III. Completion**

Upon completion of construction of a project, Team Leader/ Technical Consultant of the project certifies the work completed and a completion certificate is issued by the client. Depending on the scope of work for a project, maintenance may be required to be carried out by us upon completion of construction. The retention money, which is typically 5% of the contract value in the form of bank guarantee/ cash, is returned by the client upon completion of the defect liability period.

#### ***Indemnities***

We are usually required to indemnify the client against all actions, proceedings, claims, liabilities, damages, losses and expenses due to failure on our part to perform our obligations under the contract.

#### ***Performance Security and Defect Liability***

We are usually required to provide a guarantee equal to a fixed percentage of the contract price as the performance security. During the construction period as well as the warranty period after the completion of construction, we are usually required to cure construction defects, except usual wear and tear, at our own risk and costs. We are usually responsible for curing the defects during the defect liability period, which is usually for a period of 12 to 60 months after completion of work. In the event we are unable to cure the defects, our clients usually has the right to get the defect rectified by a third party at our cost.

#### ***Retention money***

Our contracts specify a certain percentage of the value of work executed to be withheld by the client as retention money. Our clients have the right to appropriate the retention money upon any default by us as per the terms and conditions of the contract. However, the retention money can be replaced with an irrevocable and unconditional bank guarantee provided to our client.

#### ***Liquidated Damages***

We are usually required to pay liquidated damages for delays in completion of project milestones, which are often specified as a fixed percentage of the contract price. Our clients are entitled to deduct the amount of damages from the payments due to us.

***Our completed projects (value over and above 1,000 Lakhs) in last 5 years:***

<b>S. No.</b>	<b>Projects Executed*</b>	<b>Nature of Work</b>	<b>Date of Completion</b>	<b>Amount (Rs.in Lakhs)</b>
1	EPC work of Rau Pithampur Road Annuity Project involving four laning from Km 0.000 to Km. 13.826	Road & Bridge Work	24/06/2016	7,561.07
2	Development Work at Scheme No. 136, Indore	Development work	30/06/2011	7,076.39
3	Rehabilitation & Up-gradation of Kannod-Satwas-Punasa (SH-41) Road on EPC Mode	Road & Bridge Work	Partly completed	6,344.49
4	Construction of Houses and Development of Infrastructure for Slum Localities in INDORE under JNNURM at Nainod Village near Airport	Construction of Houses and Development	19/09/2012	3,510.78
5	Construction of Storm Water Drains for Adhartal and Cherital Areas in Jabalpur	Storm Water Drains Work	30/06/2014	3,115.40
6	Execution of the Road work Khandaphod – Nachalbhor road from Km 30.00 to Km 60.38	Road & Bridge Work	07-07-2014	2,889.51
7	Construction of Distt. Court Building at Ujjain	Building & Development Work	05-03-2015	2,706.29
8	Strengthening of 59A, Indore-Betul Road in km 93 to 123 & km 126/8 to 128	Strengthening Work	09/06/2014	2,501.88
9	Development Work at Scheme No. 140 'Piplyahana', Indore	Development work	09-09-2009	961.69
	Group- I			
	Group-II		30/11/2009	1,234.56
10	Construction of 4 lane CC Road at Indore from Marimata Junction to Ujjain Road ROB on Indore Ujjain Road (Length-2.04 km)	Road & Bridge Work	30/06/2015	1,962.51
11	B T Renewal and upgradation of Ujjain city roads under Simhashta-2016 North part of Ujjain first call	Road Work	20/04/2016	1,842.74
12	Construction of GP Mall	Building Work	30-06-2017	1,801.96
13	Widening of Road alongwith Median in Khandwa City (Indira Chowk to Toll Plaza) Km 0 to 10 on Khandwa- Harda-Hoshangabad Road (SH-26)	Road & Bridge work	15/07/2015	1,740.16
14	Development Work of Scheme No. 134, Khajrana, Indore	Development work	19/09/2009	1,642.64
15	Widening and Strengthening of Chainpura Charanpura – Bhaura Road	Widening and Strengthening of Road	29/03/2017	1,539.00
16	Construction & Strengthening of 30 M wide Road joining MR-10 to MR-11	Construction & strengthening	08-12-2010	1,446.81

S. No.	Projects Executed*	Nature of Work	Date of Completion	Amount (Rs.in Lakhs)
		work		
17	Widening to Two lane in Km 93 to 123 on NH 59 'A' under NH Division, Indore	Widening of Road	02-07-2009	1,227.65
18	Periodic Renewal work in length of 33 km. and Short-term improvement and routine maintenance work in length of 78.45 km. of Biaora-Dewas Section from Km. 428 to 566.45 of NH-3 in the state of MP (Package MP/NH-3/03)	Improvement & Routine Maintenance work	30/06/2014	1,189.92
19	Construction of Sonkatch Highway to Kamlapur NH 59A Road length 16.70 km	Road & Bridge Work	31/05/2015	1,087.92
20	Development of MR 10 in full section from new Sukliya bridge to Ring road i/c Supplementary work	Development work	30/11/2010	1,008.17
<b>Total</b>				<b>54,391.54</b>

- **Industrial Park**

Our Company has recently completed a prestigious project of constructing and developing an industrial park named as BRG Industrial Park, Malikhedi, Indore where we cater the needs of customers who are looking for industrial plots, sheds, godowns, warehousing, build to suit at affordable price. It is situated just 4.75 km from bypass on Nemawar Road and has close proximity to all Indore nearby cities.

- In BRG Industrial Park plots are available in various sizes according to need with all the facilities embedded like wider cemented roads.
- BRG Industrial Park has been designed and constructed by our Company, a team of professional architects and engineers with in-depth knowledge and experience in Industrial Infrastructure domain. It is consisting of Industrial Plots with common infrastructure facility and other amenities.

- **RMC Manufacturing Unit**

Ready Mixed Concrete (RMC) is manufactured under computer-controlled operations and transported and placed at site using sophisticated equipment and methods. The use of RMC is an environmental friendly practice that ensures a cleaner work place and causes minimal disturbance to its surroundings. This makes its utility more significant in crowded cities and sensitive localities.

In contrast to this, conventional methods of making, transporting and placing concrete at most construction sites are somewhat labour-intensive and suffer from practices which may be erratic and not very systematic. Therefore the use of Ready Mixed Concrete can prove to more cost effective in the longer term while ensuring that structures are built faster and using concrete that comes with higher levels of quality assurance.

Sr. No.	Manufacturing Facility and Location	Products Manufactured	Installed Capacity	Key Raw Materials Used
1.	Plant Khasra no. 375/1 to 375/4 village musakhedi, nemavar rd, Indore.	RMC	5.25 lakhs cubic meter per annum	Cement, Sand, Grit and Chemical



## Power and Water

Our manufacturing facilities source power from their respective state grids to meet their power requirements. Additionally, to ensure uninterrupted power supply, our manufacturing facilities have diesel generators installed as back-up. The water for the manufacturing facilities is procured using bore wells at the respective sites, or procured from the relevant state authority.

- **Wind Power Generation**

Our Company owns the wind mill situated in Jaisalmer (Rajasthan) having total capacity of 1.25 MW commissioned in 2007. The Wind power and revenue generated by the windmill in the last 5 fiscal and stub period are as follows:

Sr. No.	2017	2016	2015	2014	2013
Revenue	42,39,587.52	23,07,379.00	35,58,818.00	49,48,072.00	47,35,510.00
Units generated	12,61,782.00	6,86,720.00	10,59,172.00	14,72,640.00	14,32,661.00

## EQUIPMENT

We own a large fleet of sophisticated and modern construction equipment. As our projects have diversified and our Order Book has grown, our investment in our equipment has increased. A designated department is responsible for identifying the need to procure or hire, deploy, maintain and monitor the plant, equipment and accessories. Machinery deployed to a specific site is monitored by an activity log to track the capacity utilization, fuel consumption, idleness, cost effectiveness and other operational details.

As the owner of a modern fleet of construction equipment, we are able to dispatch our construction vehicles or machinery to worksites where they can be utilized at an efficient level without delay. With high control and availability of our construction equipment, we can take measures to use and maintain our equipment to improve our efficiency and profitability and decide the use of our equipment pursuant to the needs of our projects. In order to do so, a qualified and experienced team works around the clock, to execute our projects in an efficient manner while avoiding high rental costs, risks of renting wrong equipment, delays and use restrictions by third-party equipment owners. To ensure high quality, low cost and timely completion of projects, we have an in-house repair and maintenance team, which carries out scheduled preventive maintenance, breakdown maintenance, proactive maintenance and other activities. Fast running items are stored at project sites in order to minimize the time spent in repair.

For equipment under warranty, we typically seek authorized services under the supervision of the respective manufacturer dealerships.

The following table provides a list of the key equipment owned by us as on April 30, 2018:

S.no.	Name of the plant & equipment	Make	Capacity	Nos
1	Computerised Automatic concrete batching plant	Schwing Stetter	90 Cum/Hr	1
			75 Cum/Hr	1
			60 Cum/Hr	2
		Singh Electrolytic	30 Cum/Hr	2
2	Slip Form Paver GP 2600 (2-Track)	Gomaco	5.83 Mtr	1
3	Slip Form Paver	Wirtgen	6 Mtr	1
4	Fix Form Paver	Multiquip	20 Cum/Hr	1
5	Motor Grader	Volvo	-	1
		Case	-	2
		Gmmco	-	1
6	Pokelane	-	-	5
7	Transit Concrete Mixer	Schwing Stetter	6 Cum/Hr	23

S.no.	Name of the plant & equipment	Make	Capacity	Nos
8	PnumaticTyred Roller	-		1
	Concrete Pump	Schwing Stetter	30 Cum/Hr	5
9	· BP 350 DXT			
	· BP 1800 HDR		60 Cum/Hr	4
10	Hydrostatic sensor Paver finisher with dual application & electronic control	Apollo	Paving width upto5.5 M.	2
11	Senser Paver for bitumen pavement	Vogele	Paving width upto9.0 M.	1
12	Mechanical Paver Finishers	-	-	2
13	Hot Mix (Bitumen) Plant	Apollo	60/45 Ton/Hr	3
14	Wet Mix Plant	Apollo	100 Ton/Hr	2
		Puzzolana Machinaries	200 Ton/Hr	3
15	Cone Crusher Plant	Fabricators		
		Terex india		1
16	Mini Stone Crusher	Techno crate	100 Ton/Hr	1
17	Bitumen Sprayer Truck Mounted	Apollo	1250 Sqm/Hr	3
18	Mechanical Hydraulic Broom	X – Act Road Equipment	1250 Sqm/Hr	2
19	Kerb Laying Machine	Apollo	100 Rm/Hr	1
20	Crane	Escorts Const. Equipment Ltd.	Hydra-14	1
21	Electric Generator Set	Various Brands	Various capacity	10
		Ingersoll Rand (India) Ltd.	SD – 110	1
22	Vibrator Soil Compactor		SD – 110	1
		case		1
		hamm		2
		Volvo	SD – 110	3
		Ingersoll Rand (India) Ltd.	IDD – 90	1
23	Vibratory Asphalt Compactor	L & T	450 Tandem	1
		Volvo	DD – 90	2
24	Loader (Baco Loader)	Escort/ J.C.B. Ltd.	0.24 Cum.Excavator Bucket	5
25	Excavator	Escort/ J.C.B. Ltd.	0.24 Cum. Excavator Bucket	10
26	Air Breaker Compressor	S. R. Enterprises	100 PSI	2
27	Concrete mixture machine	-	-	5
28	Wet Dust Collector	Apollo	1 Cum/Hr	1
29	Vibrators	Various Brands	Various capacity	15
30	Tractor with Trolley	Ford/Punjab Tractors	3 Cum.	16
31	Water Tanker Truck Mounted	Ashok Leyland/ TATA	12000 Ltr.	16
32	Tipper/Dumper	Ashok Leyland/ TATA	16 Cum.	37
33	Tralla	Ashok Leyland/ TATA	-	4
<b>Total</b>				<b>206</b>

## HUMAN RESOURCES

As on April 30, 2018, we had 335 permanent employees. Since a majority of our employees are on our rolls, we have minimal reliance on contract workers, which helps us in exercising a greater control over the quality and costs of our project and achieve execution of our projects in a timely manner.

We undertake selective and need-based recruitment every year to maintain the size of our workforce, which may otherwise decline as a result of attrition and retirement of employees. None of our employees are part of any trade union or covered by collective bargaining agreement. We believe that we have a satisfactory working relationship with our employees. As on date of this Draft Prospectus, we have not experienced any significant labour disputes in the past.

The following table sets forth the number of persons employed in various roles in our Company as on April 30, 2018:

Department	Number of employees
Projects and operations	205
Inventory and logistics	86
Human resource and administration	10
Accounts and finance	26
Information technology	1
Business development	2
Legal and secretarial	5
<b>Total</b>	<b>335</b>

## INFORMATION TECHNOLOGY

Information technology at our project sites allow accessibility and communication among on-site project managers and each site office. Management Information Systems (“MIS”) help us plan and monitor progress of project execution in terms of time, cost, quality parameters, efficiency, utilization and deployment of plant, equipment and manpower resources across locations.

We are in the process of implementing ERP system to systemize the whole internal control system of the Company. The ERP system enables us to track the progress and status of our projects, monitor the efficiency of our workers and allocate work among our construction teams. The ERP system enables us to monitor the daily operation of our business, compile, store and transmit data on supply and production within our organization and for our clients, and maintain up-to-date operating and financial data for the compilation of management accounts.

We have back up hard disk devices for all corporate offices and location based Servers. We also use antivirus software to protect our data from cyber risk.

We are focusing on improving our internal systems and processes and upgrading our IT systems to reduce manual intervention and improve the productivity, reliability and efficiency of our business and operations, and maximize asset utilization in construction activities.

## INSURANCE

We maintain a number of insurance policies to cover different risks related to our projects in accordance with the terms of our agreements and best industry practices. We have insurance policies such as Standard Fire & Special Perils, Contractor Plant & Machinery Floater Policy, Contractor All Risk Insurance Policy. Furthermore, our motor insurance policies insures all motor vehicles, while the Special Contingency Policy and commercial vehicle policies protect our non-motor equipment against hazards inherent to the road development business, such as risks of terror attacks, riots, work accidents, explosions, fires, earthquakes, floods and other force majeure events. These insurance policies insure us against all foreseen hazards that may cause injury and loss of life, damage and destruction of property, equipment and environmental damage. However, our insurance coverage may not adequately protect us against all material hazards as the policies may not be sufficient to cover all our economic losses.

## HEALTH, SAFETY AND ENVIRONMENT

We are committed to complying with applicable health, safety and environmental regulations and other requirements in our operations. To help ensure effective implementation of our safety policies and practices, at the beginning of

every property development, we identify potential material hazards, evaluate material risks and institute, implement and monitor appropriate risk mitigation measures. We have also adopted good practices, including undertaking mock drills and safety orientation programmes to promote a safe working environment. Typically, in EPC contracts entered into by us, most of the necessary approvals and environmental clearances for the construction of the project are to be procured by our clients.

## **COMPETITION**

We operate in a competitive atmosphere. We compete against various domestic engineering, construction and infrastructure companies such as H.G. Infra Engineering Limited, Sadbhav Engineering Limited, and Giriraj Civil Developers Limited for infrastructure projects.

Our competition depends on various factors, such as the type of project, total contract value, potential margins, the complexity, location of the project and risks relating to revenue generation. While service quality, technical ability, performance record, experience, health and safety records and the availability of skilled personnel are key factors in client decisions among competitors, price often is the deciding factor in most tender awards. Some of our competitors may have larger financial resources or access to lower cost funds, or may have stronger engineering or technical capabilities in executing complex projects, or projects with certain specifications or in certain geographies. They may also benefit from greater economies of scale and operating efficiencies. Further, the premium placed on having experience may cause some of the new entrants to accept lower margins in order to be awarded a contract. The nature of the bidding process may cause us to accept lower margins in order to be awarded the contract. In certain instances, certain competitors may choose to under-bid, which may adversely impact our market share, margins, revenues and financial condition.

## **INTELLECTUAL PROPERTY**

Our Company has applied to register our trademark under Trade Marks Act, 1991 under class 36 and 37 in India. For further details, see “*Government and Other Approvals*” on page 223.

## **PROPERTY**

Our Registered Office, situated at 3-A, Agrawal Nagar, Indore - 452001, Madhya Pradesh, India, is occupied by us on license pursuant to a rent agreement dated April 02, 2017 with Balkrishna Goyal for a period of two years commencing from April 01, 2017 and ending on March 31, 2019. Additionally our Company also enters into short term leases, leave and license agreements for lands and buildings for setting up site offices storage of raw materials and machinery and equipment, as required at project sites. Further, our Company owns properties for furtherance of our business.

## KEY INDUSTRY REGULATIONS AND POLICIES

The following is an overview of the relevant regulations and policies as prescribed by the Government of India or other regulatory bodies which are applicable to our business and operations in India. The information detailed below has been obtained from publications available in the public domain. The regulations set out below are not exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to substitute for professional legal advice. The statements below are based on the current provisions of Indian law, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

### I. Business related Laws

#### *The Micro, Small and Medium Enterprise Act, 2006*

The Micro, Small and Medium Enterprise Act ("MSMED Act"), seeks to provide for the promotion and development along with facilitating and enhancing competition among micro, small and medium enterprises. The MSMED Act inter-alia empowers the Central Government to classify by notification, any class of enterprises including a company, a partnership, firm or any other undertaking engaged in the manufacture or production as specified in the first schedule to the Industries (Development and Regulation) Act, 1951, as follows:

- (i) A micro enterprise, where the investment in plant and machinery does not exceed Rs. 25,00,000/- (Rupees Twenty Five Lakhs Only);
- (ii) A small enterprise, where the investment in plant and machinery is more than Rs. 25,00,000/- (Rupees Twenty Five Lakh Only) but does not exceed Rs. 5,00,00,000/- (Rupees Five Crores Only); or
- (iii) A medium enterprise, where the investment in plant and machinery is more than Rs. 5,00,00,000/- (Rupees Five Crores Only) but does not exceed Rs. 10,00,00,000/- (Rupees Ten Crores Only).

The MSMED Act also stipulates that any person who intends to establish, a micro or small enterprise or a medium enterprise engaged in rendering of services, may at his discretion and a medium enterprise engaged in the manufacture or production of goods as specified hereinabove, file a memorandum of micro, small or medium enterprise, as the case may be, with the prescribed authority.

The Government has proposed an amendment to the Act whereby , it proposes to define units producing goods and rendering services in terms of the annual turnover as follows:

- A micro enterprise will be defined as a unit where the annual turnover does not exceed five crore rupees;
- A small enterprise will be defined as a unit where the annual turnover is more than five crore rupees but does not exceed Rs 75 crore;
- A medium enterprise will be defined as a unit where the annual turnover is more than seventy five crore rupees but does not exceed Rs 250 crore.

Additionally, the Central Government may, by notification, vary turnover limits, which shall not exceed thrice the limits specified in Section 7 of the MSMED Act. This proposal has been approved by the Cabinet and is pending the approval of the Lok Sabha.

#### *Ministry of Road, Transport & Highways (MoRTH)*

An apex organisation under the Central Government, is entrusted with the task of formulating and administering, in consultation with other Central Ministries/Departments, State Governments/UT Administrations, organisations and individuals, policies for Road Transport, National Highways and Transport Research with a view to increasing the mobility and efficiency of the road transport system in the country. Ministry has two wings: Roads Wing and Transport Wing. Road Wing deals with development and maintenance of National Highway in the country. The main responsibilities of road wing include:

- Planning, development and maintenance of National Highways in the country;

- Extends technical and financial support to State Governments for the development of state roads and the roads of inter-state connectivity and economic importance;
- Evolves standard specifications for roads and bridges in the country;
- Serves as a repository of technical knowledge on roads and bridges.

Transport Wing deals with matters relating to Road Transport. The main responsibility of the Transport Wing include:

- Motor Vehicle legislation;
- Administration of the Motor Vehicles Act, 1988;
- Taxation of motor vehicles;
- Compulsory insurance of motor vehicles;
- Administration of the Road Transport Corporations Act, 1950;
- And promotion of Transport co-operatives in the field of motor transport;
- Evolves road safety standards in the form of a National Policy on Road Safety and by preparing and implementing the Annual Road Safety Plan;
- Collects, compiles and analyses road accident statistics and takes steps for developing a Road Safety Culture in the country by involving the members of public and organising various awareness campaigns; and
- Provides grants-in-aid to Non-Governmental Organisations in accordance with the laid down guidelines.

#### ***National Highways Act, 1956***

The Central Government is responsible for the development and maintenance of 'National Highways' and may delegate any function relating to development of 'National Highways' to the relevant state government in whose jurisdiction the 'National Highway' falls, or to any officer or authority subordinate to the central or the concerned state government. The Central Government may also enter into an agreement with any person (being, either an individual, a partnership firm, a company, a joint venture, a consortium or any other form of legal entity, Indian or foreign, capable of financing from own resources or funds raised from financial institutions, banks or open market) in relation to the development and maintenance of the whole or any part of a 'National Highway'. Such agreement may provide for designing and building a project and operating and maintaining it, collecting fees from users during an agreed period, which period together with construction period is usually referred to as the 'concession period'. Upon expiry of the 'concession period', the right of the person to collect fees and his obligation to operate and maintain the project ceases and the facility stands transferred to the central government.

Under the National Highways Act (the "**NH Act**"), the GoI is vested with the power to declare a highway as a national highway and also to acquire land for this purpose. The GoI may, by notification, declare its intention to acquire any land when it is satisfied that for a public purpose such land is required to be acquired for the building, maintenance, management or operation of a national highway or part thereof. The NH Act prescribes the procedure for such land acquisition which inter alia includes entering and inspecting such land, hearing of objections, declaration of acquisition and the mode of taking possession. The NH Act also provides for payment of compensation to owners and any other person whose right of enjoyment in that land has been affected.

#### ***National Highways Authority of India Act, 1988***

The National Highways Authority of India Act, 1988 (the "**NHAI Act**") provides for the constitution of an authority for the development, maintenance and management of National Highways. Pursuant to the same, the National Highways Authority of India ("**NHAI**"), was constituted as an autonomous body in 1989 and operationalised in 1995. Under the NHAI Act, GoI carries out development and maintenance of the national highways system, through NHAI. The NHAI has the power to enter into and perform any contract necessary for the discharge of its functions under the NHAI Act. The NHAI Act prescribes a limit in relation to the value of the contracts that may be entered into by NHAI. However, the NHAI may enter into contracts exceeding the value so specified, on obtaining prior approval of the GoI. NHAI Act provides that

the contracts for acquisition, sale or lease of immovable property on behalf of the NHAI cannot exceed a term of 30 years unless previously approved by the GoI. The National Highways Authority of India (Amendment) Act, 2013 which received the assent of the President on September 10, 2013, aimed at increasing the institutional capacity of NHAI to help execute the powers delegated to it.

### ***National Highways Development Project***

The Government of India, under the Central Road Fund Act, 2000 created a dedicated fund for National Highway Development Project (the "**NHDP**"). Certain sources for financing of NHDP are through securitization of cess as well as involving the private sector and encouraging Public Private Partnership (PPP). The NHDP is also being financed through long-term external loans from the World Bank, the ADB and the JBIC as well as through tolling of roads.

### ***Control of National Highways (Land and Traffic) Act, 2002***

The Control of National Highways (Land and Traffic) Act, 2002 (the "**Control of NH Act**") provides for control of land within national highways, right of way and traffic moving on national highways and also for removal of unauthorised occupation thereon. In accordance with the provisions of the Control of NH Act, the Central Government has established Highway Administrations. Under the Control of NH Act, all land that forms part of a highway which vests in the Central Government, or that which does not already vest in the Central Government but has been acquired for the purpose of highways shall be deemed to be the property of the Central Government. The Control of NH Act prohibits any person from occupying any highway land or discharging any material through on such land without the permission of the Highway Administration. The Control of NH Act permits the grant of lease and license for use of highway land for temporary use.

### ***Other legislations relevant to the road sector***

In addition to the above, there are also certain other legislations that are relevant to the road sector which include the Road Transport Corporation Act, 1950, National Highways Rules, 1957, National Highways (Temporary Bridges) Rules, 1964, National Highways (Fees for the Use of National Highways Section and Permanent Bridge Public Funded Project) Rules, 1997, National Highways Tribunal (Procedure) Rules, 2003, Central Road Fund Act, 2000, Central Road Fund (State Roads) Rules 2007 and Green Highways (Plantation, Transplantation, Beautification & Maintenance) Policy, 2015.

### ***Electricity Act, 2003***

The Electricity Act, 2003 ("**Electricity Act**") is the central legislation which covers, amongst others, generation, transmission, distribution, trading and use of electricity and prescribes technical standards in relation to the connectivity of generating companies with the grid. As per provisions of the Electricity Act, generating companies are required to establish, operate and maintain generating stations, sub-stations and dedicated transmission lines. Further, the generating companies may supply electricity to any licensee or even directly to consumers, subject to availing open access to the transmission and distribution systems and payment of transmission charges, including wheeling charges and open access charges, as may be determined by the concerned electricity regulatory commission. Under the Electricity Act, the transmission, distribution and trade of electricity are licensed activities that require licenses from Central Electricity Regulatory Commission ("**CERC**"), concerned State Electricity Regulatory Commissions ("**SERCs**") or a joint commission (constituted by an agreement entered into by two or more state governments or the central government in relation to one or more state governments, as the case may be). In accordance with Section 7 of the Electricity Act, a generating company may establish, operate and maintain a generating station without obtaining a licence under the Electricity Act if it complies with the technical standards relating to connectivity with the grid prescribed under clause (b) of Section 73 of the Electricity Act. Under the Electricity Act, the SERCs are required to promote co-generation and generation of electricity from renewable sources of energy and sale of electricity to any person. The Electricity Act further requires the SERCs to specify, for the purchase of electricity from renewable sources, a percentage of the total consumption of electricity within the area of a distribution licensee, which are known as renewable

purchase obligations ("**RPOs**"). Additionally, the Electricity Rules, 2005 (the "**Electricity Rules**") also prescribe a regulatory framework for developing captive generating plants. Pursuant to the Electricity Rules, a power plant shall qualify as a captive power plant only if not less than 26% of ownership is held by captive users and not less than 51% of the aggregate electricity generated in such plant, determined on an annual basis, is consumed for captive use. In case of a generating station owned by a company formed as a special purpose vehicle, the equity shares of such special purpose vehicle required to be held by the captive user(s) are to be determined with reference to such unit or units identified for captive use and not with reference to the generating station as a whole, and the electricity required to be consumed by the captive user(s) must not be less than 51% of the proportionate equity interest of the company related to the generating unit or units identified as the captive generating plant.

### ***The National Electricity Policy, 2005 ("Electricity Policy")***

In compliance with section 3 of the Electricity Act, the Ministry of Power has on February 12, 2005 notified the Electricity Policy. The Electricity Policy sets out the guidelines for development of the power sector including renewable energy. The Electricity Policy aims to accelerate the development of power sector by providing supply of electricity to all areas, protecting interests of consumers and other stakeholders. The Electricity Policy seeks to address, inter alia, the following issues viz. rural electrification, generation, transmission, distribution, technology development, and research and development, financing power sector programmes including private sector participation, environmental issues, and cogeneration and non-conventional energy sources. The Electricity Policy calls for utilizing the potential of non-conventional energy resources, mainly small hydro, wind and bio-mass. The aim is to ensure that these resources can be exploited fully to create additional power generation capacity. With a view to increase the overall share of non-conventional energy sources in the electricity mix, the Electricity Policy seeks to make efforts to encourage private sector participation through suitable promotional measures.

The Electricity Policy states that non-conventional sources of energy being the most environment friendly there is an urgent need to promote generation of electricity based on such sources of energy. For this purpose, it further states that efforts need to be made to reduce the capital cost of projects based on non-conventional and renewable sources of energy. Cost of energy can also be reduced by promoting competition within such projects. At the same time, adequate promotional measures would also have to be taken for development of technologies and a sustained growth of these sources.

The Electricity Policy requires SERCs to promote arrangements between the co-generator and the concerned distribution licensee for purchase of surplus power from such generating power plants. The regulation also provides for encouragement of co-generation system in the overall interest of energy efficiency and grid stability.

### ***The National Tariff Policy, 2006 ("Tariff Policy")***

The National Tariff Policy, 2006 ("**Tariff Policy**") sets out various parameters to be followed by CERC or relevant SERC, as the case may be, for fixing the tariff, which among others, are:

- (i) Return on investment to the project developer;
- (ii) Equity norms for financing of future capital cost of projects;
- (iii) Rates of depreciation in respect of generation and transmission assets;
- (iv) Structuring of debt, including its tenure, with a view to reducing the tariff;
- (v) Cost of management of foreign exchange risk;
- (vi) Suitable performance norms for operations along with arrangement for sharing the gains of efficient operations with the consumers;
- (vii) Renovation for higher efficiency levels to be encouraged;
- (viii) For tariff determining multi-year tariff principles to be followed.
- (ix) Tariff fixation for all electricity projects that result in lower greenhouse gas emissions should take into account the benefits obtained from such clean development mechanism in a manner so as to provide adequate incentive to the project developers.



***Central Electricity Regulatory Commission (Terms and Conditions for Tariff Determination from Renewable Energy Sources) Regulations, 2017***

CERC has announced the Central Electricity Regulatory Commission (Terms and Conditions for Tariff Determination from Renewable Energy Sources) Regulations, 2017 (the "**Tariff Regulations**") which supersede the regulations issued in 2012. The Tariff Regulations govern the determination of tariff, for a generating station or a unit commissioned during the 'Control Period' (being a period of three years specified in the Tariff Regulations starting from the Fiscal 2018). The tariff period under the Tariff Regulations is required to be considered from the date of commercial operations of the renewable energy stations. The Tariff Regulations further lay down the criteria which should be taken into consideration by CERC while determining the tariff for the sale of electricity generated from renewable sources. CERC will determine the generic tariff on the basis of *suo motu* petition at least six months in advance at the beginning of each year of the Control Period. The Tariff Regulations also provide the mechanism for sharing of carbon credits from approved clean development mechanism projects between REPPs and the concerned beneficiaries.

***Revised Guidelines for Wind Power Projects***

In order to ensure quality of wind farm projects and equipment, MNRE introduced the Revised Guidelines for Wind Power Projects ("**Wind Power Guidelines**") which were revised and addressed to the erstwhile State Electricity Boards, state nodal agencies and financial institutions such as IREDA. The Wind Power Guidelines provide for, *inter alia*, proper planning, selection of quality equipment and implementation, performance and monitoring of wind power projects.

## **II. Labour Laws**

***Industrial (Development and Regulation) Act, 1951***

The Industrial (Development and Regulation) Act, 1951 has been liberalized under the New Industrial Policy dated July 24, 1991, and all industrial undertakings have been made exempt from licensing except for certain industries such as distillation and brewing of alcoholic drinks, cigars and cigarettes of tobacco and manufactured tobacco substitutes, all types of electronic aerospace and defense equipment, industrial explosives including detonating fuses, safety fuses, gun powder, nitrocellulose and matches and hazardous chemicals and those reserved for the small scale sector. An industrial undertaking, which is exempt from licensing, is required to file an Industrial Entrepreneurs Memorandum with the Secretariat for Industrial Assistance, Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and no further approvals are required.

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

The Industrial Disputes Act, 1947 ("**ID Act**") was enacted to make provision for investigation and settlement of industrial disputes and for other purposes specified therein. Workmen under the ID Act have been provided with several benefits and are protected under various labour legislations, whilst those persons who have been classified as managerial employees and earning salary beyond a prescribed amount may not generally be afforded statutory benefits or protection, except in certain cases. Employees may also be subject to the terms of their employment contracts with their employer, which contracts are regulated by the provisions of the Indian Contract Act, 1872. The ID Act also sets out certain requirements in relation to the termination of the services of the workman's services. This includes detailed procedure prescribed for resolution of disputes with labour, removal and certain financial obligations up on retrenchment. The Industrial Dispute (Central) Rules, 1957 specify procedural guidelines for lock outs, closures, lay-offs and retrenchment.

***The Employees' Compensation Act, 1923***

The Employees' Compensation Act, 1923 ("**EC Act**") has been enacted with the objective to provide for the payment of compensation to workmen by employers for injuries caused by accident(s) arising out of

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

### ***Equal Remuneration Act, 1976***

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

### ***Maternity Benefit Act, 1961***

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

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

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

### ***The Minimum Wages Act, 1948***

The Minimum Wages Act, 1948 (“**MW Act**”) came in to force with the objective to provide for the fixation of a minimum wage payable by the employer to the employee. Under the MW Act, the appropriate government is authorised to fix the minimum wages to be paid to the persons employed in scheduled or non scheduled employment. Every employer is required to pay not less than the minimum wages to all employees engaged to do any work whether skilled, unskilled, and manual or clerical (including out-workers) in any employment listed in the schedule to the MW Act, in respect of which minimum rates of wages have been fixed or revised under the MW Act.

### ***The Payment of Gratuity Act, 1972***

The Payment of Gratuity Act, 1972 (“**PG Act**”) applies to every factory and shop or establishment in which 10 (ten) or more employees are employed. Gratuity is payable to an employee on the termination of his employment after he has rendered continuous service for not less than 5 (five) years:

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

### ***The Payment of Wages Act, 1936***

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

## **III. Tax Laws**

### ***Income Tax Act, 1961***

The Income Tax Act, 1961 (“**IT Act**”) deals with the taxation of individuals, corporate, partnership firms and others. As per the provisions of the IT Act the rates at which they are required to pay tax is calculated on the income declared by them or assessed by the authorities, after availing the deductions and concessions accorded under the IT Act. The maintenance of books of Accounts and relevant supporting documents and registers are mandatory under the IT Act. Filing of returns of Income is compulsory for all assesses.

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

The Government of India proposed a comprehensive national goods and services tax (“**GST**”) regime that would combine taxes and levies by the Central and State Governments into a unified rate structure. In this regard, the Constitution (101 Amendment) Act 2016, which received presidential assent on September 8, 2016, enabled the Government of India and State Government to introduce GST. Accordingly, GST was enacted to make a provision for levy and collection of tax on supply of goods or services or both and was made effective from July 1, 2017.

GST is a destination based tax levied on supply of goods and services. GST is levied on all transactions such as sale, transfer, purchase, barter, lease, or import of goods and/or services. India adopted a dual GST model, meaning that taxation is administered by both the Union and State Governments. Transactions made within a single state are levied with Central GST (CGST) by the Central Government and State GST (SGST) by the Government of that State. For inter-State transactions and imported goods or services, an Integrated GST (IGST) is levied by the Central Government. GST will be levied on all stages of the supply chain till the final sale to consumers, providing ITC the supply chain. There will 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.

### ***Professional Tax***

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

## **IV. Environment Laws**

The three major statutes in India which seek to regulate and protect the environment against pollution and

related activities in India are the Water (Prevention and Control of Pollution) Act 1974, the Air (Prevention and Control of Pollution) Act, 1981 and the Environment (Protection) Act, 1986. The basic purpose of these statutes is to control, abate and prevent pollution. In order to achieve these objectives, Pollution Control Boards ("**PCB**") which are vested with diverse powers to deal with water and air pollution, have been set up in each state. The PCBs are responsible for setting the standards for maintenance of clean air and water, directing the installation of pollution control devices in industries and undertaking investigations to ensure that industries are functioning in compliance with the standards prescribed.

#### ***The Environment (Protection) Act, 1986***

The Environment Protection Act ("**EPA**") has been enacted with the objective of protecting and improving the environment and for matters connected therewith. As per the EPA, the Central Government has been given the power to take all such measures for the purpose of protecting and improving the quality of the environment and to prevent environmental pollution. Further, the Central Government has been given the power to give directions in writing to any person or officer or any authority for any of the purposes of the EPA, including the power to direct the closure, prohibition or regulation of any industry, operation or process.

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

The Water (Prevention and Control of Pollution) Act ("**Water Act**") prohibits the use of any stream or well for the disposal of polluting matter, in violation of the standards set out by the concerned PCB. The Water Act also provides that the consent of the concerned PCB must be obtained prior to opening of any new outlets or discharges, which are likely to discharge sewage or effluent. The Water (Prevention and Control of Pollution) Cess Act, 1977 ("**Water Cess Act**") and Water (Prevention and Control of Pollution) Cess Rules, 1978 ("**Water Cess Rules**").

The Water Cess Act has been enacted to provide for the levy and collection of a cess on water consumed by persons carrying on certain industries by local authorities constituted under the Water Act, with a view to augment the resources of the central and State PCBs for the prevention and control of water pollution. The Water Cess Rules have been notified under Section 17 of the Water Cess Act and provide, inter alia, for the standards of the meters and places where they are to be affixed and the furnishing of returns by consumers.

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

The Air (Prevention and Control of Pollution) Act ("**Air Act**") requires that any industry or institution emitting smoke or gases must apply in a prescribed form and obtain consent from the state PCB prior to commencing any activity. The state PCB is required to grant, or refuse, consent within four months of receipt of the application. The consent may contain conditions relating to specifications of pollution control equipment to be installed.

#### ***Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016***

Under the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 ("**Rules**") an "occupier" has been defined as any person who has control over the affairs of a factory or premises or any person in possession of hazardous waste. In terms of the Rules, occupiers have been, inter alia, made responsible for safe and environmentally sound handling of hazardous and other wastes generated in their establishments and are required to obtain license/ authorisation from concerned PCBs, for handling, generating, collecting, processing, treating, packaging, storing, transporting, using, recycling, recovering, pre-processing, co- processing, offering for sale, or the like of the hazardous and other wastes.

## **V. Intellectual Property Laws**

#### ***The Copyright Act, 1957***

The Copyright Act, 1957 ("**Copyright Act**") governs copyright protection in India. Under the Copyright

Act, a copyright may subsist in original literary, dramatic, musical or artistic works, cinematograph films, and sound recordings. While copyright registration is not a prerequisite for acquiring or enforcing a copyright in an otherwise copyrightable work, registration constitutes *prima facie* evidence of the particulars entered therein and may expedite infringement proceedings. Once registered, copyright protection of a work lasts for a period of sixty years from the demise of the author. Reproduction of a copyrighted work for sale or hire, issuing of copies to the public, performance or exhibition in public, making a translation of the work, making an adaptation of the work and making a cinematograph film of the work without consent of the owner of the copyright are all acts which amounts to an infringement of copyright.

#### ***The Trade Marks Act, 1999***

Indian trademark law permits the registration of trademarks for goods and services. The Trade Marks Act, 1999 ("**Trademark Act**") governs the statutory protection of trademarks and for the prevention of the use of fraudulent marks in India. An application for trademark registration may be made by individual or joint applicants and can be made on the basis of either use or intention to use a trademark in the future. Once granted, trademark registration is valid for ten years, unless cancelled. If not renewed after ten years, the mark lapses and the registration have to be restored. The Trademark (Amendment) Act, 2010 has been enacted by the government to amend the Trademark Act to enable Indian nationals as well as foreign nationals to secure simultaneous protection of trademark in other countries. It also seeks to simplify the law relating to transfer of ownership of trademarks by assignment or transmission and to align the law with international practice.

#### ***The Patents Act, 1970***

The Patents Act, 1970 ("**Patents Act**") governs the patent regime in India. Being a signatory to the Agreement on Trade Related Aspects of Intellectual Property Rights, India is required to recognise product patents as well as process patents. In addition to broad requirement that an invention satisfy the requirements of novelty, utility and non-obviousness in order for it to avail patent protection, the Patents Act further provides that patent protection may not be granted to certain specified types of inventions and materials even if they satisfy the above criteria.

### **VI. Other laws**

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

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

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

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

#### ***The Companies Act, 2013***

The Companies Act, 2013 ("**CA 2013**") has been introduced to replace the existing Companies Act, 1956 in a phased manner. The Act primarily regulates the formation, financing, functioning and winding up of

companies. The CA 2013 prescribes regulatory mechanism regarding all relevant aspects, including organizational, financial and managerial aspects of the company. It plays a fundamental role in protecting the investors and the shareholders and balances it with different aspects of company autonomy. The Ministry of Corporate Affairs has also issued Rules complementary to the Act, establishing the procedure to be followed by the companies in order to comply with the substantive provisions of the CA 2013.

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

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

The Consumer Protection Act ("**COPRA**") aims at providing better protection to the interests of consumers and for that purpose makes provisions for the establishment of authorities for the settlement of consumer disputes. The COPRA provides a mechanism for the consumer to file a complaint against a trader or service provider in cases of unfair trade practices, restrictive trade practices, defects in goods, deficiency in services; price charged being unlawful and goods being hazardous to life and safety when used. The COPRA provided for a three tier consumer grievance redressal mechanism at the national, state and district levels.

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

The Transfer of Property Act, 1882 ("**TP Act**") as amended, establishes the general principles relating to transfer of property in India. It forms a basis for 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 contingencies and vested interest in the property. It also provides for the rights and liabilities of the vendor and purchaser in a transaction of sale of land.

#### ***Shops and Establishments Legislation***

The provisions of shops and establishments legislations, as may be applicable in a state in which establishments are set up, regulate the conditions of work and employment and generally prescribe obligations in respect of inter alia registration, opening and closing hours, daily and weekly working hours, holidays, leave, health and safety measures and wages for overtime work. Our Company has its registered office in the state of Madhya Pradesh. Accordingly, the provisions of the The Madhya Shops and Establishments Act, 1958 are applicable to our Company. The Madhya Shops and Establishments Act, 1958, as amended, regulates the conditions of work in shops, commercial establishments, restaurants, theatres and other establishments in Madhya Pradesh and makes provisions for the opening and closing of shops, daily and weekly hours of work, employment of children and young persons, health and safety measures, wages etc.

#### ***The Registration Act, 1908***

The Registration Act, 1908, as amended, has been enacted with the objective of providing public notice of the execution of documents affecting, *inter alia*, the transfer of interest in immovable property. The purpose of the Registration Act is the conservation of evidence, assurances, title and publication of documents and prevention of fraud. It details the formalities for registering an instrument. Section 17 of the

Registration Act identifies documents for which registration is compulsory to bring the transaction to effect and includes, among other things, any non-testamentary instrument which purports or operates to create, declare, assign, limit or extinguish, whether in present or in future, any right, title or interest, whether vested or contingent, in any immovable property of the value of one hundred rupees or more, and a lease of immovable property for any term exceeding one year or reserving a yearly rent.

***The Indian Stamp Act, 1899***

Under the Indian Stamp Act, ("**Stamp Act**") 1899, as amended stamp duty is payable on instruments evidencing a transfer or creation or extinguishment of any right, title or interest in immovable property. Stamp duty must be paid on all instruments specified under the Stamp Act at the rates specified in the schedules to the Stamp Act. The applicable rates for stamp duty on instruments chargeable with duty vary from State to State.

## OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS

### Brief History of our Company

Our Company was converted from a partnership firm named "Balkrishna Ramkaran Goyal" formed *vide* a partnership deed dated August 4, 1986. The partners of the firm mutually settled their rights of accounts in the said partnership firm to form a joint-stock company. "Balkrishna Ramkaran Goyal" was thereafter converted from a partnership firm to a private limited company in the name of "B.R. Goyal Infrastructure Private Limited" under the provisions of Companies Act, 1956 *vide* certificate of incorporation dated April 1, 2005 at Indore, Madhya Pradesh bearing Corporate Identification Number (CIN) U04520MP2005PTC17479. Subsequently, our Company was converted into a public limited company and the name of our Company was changed to B.R. Goyal Infrastructure Limited and a fresh Certificate of Incorporation dated May 9, 2018 was issued to our Company. The Corporate Identification Number is U04520MP2005PLC017479.

### Conversion of a Partnership Firm into our Company

Our Company was formed pursuant to the conversion of a partnership firm, M/s Balkrishna Ramkaran Goyal (the "Partnership Firm") into our Company, a joint stock company under Part IX of the Companies Act, 1956 on April 1, 2005. The Partnership Firm was constituted pursuant to a partnership deed dated August 4, 1986, initially entered into amongst the original partners, Balkrishna Goyal, Gopal Goyal and Sarla Goyal for the purpose of carrying out the business of roads, building and drainage contractorship. Pursuant to the changes in the constitution of the partnership and the business to be carried out, the partnership deed was subsequently amended from time to time.

The business of the Partnership Firm was taken over by our Company pursuant to the conversion and Rajendra Kumar Goyal, Gopal Goyal, Bal Krishna Goyal, Brij Kishore Goyal, Om Prakash Goyal, Prem Kumar Goyal, Nehal Goyal, the erstwhile partners of the Partnership Firm were issued and allotted 4,00,000 Equity Shares, 4,00,000 Equity Shares, 20,000 Equity Shares, 20,000 Equity Shares, 20,000 Equity Shares, 20,000 Equity Shares, 20,000 Equity Shares, respectively. For details, please refer to the "*Capital Structure*" beginning on page 76 of this Draft Prospectus.

The balance of partners current account and certain unsecured loans which were lying in the books of accounts of the partnership firm M/s. Balkrishna Ramkaran Goyal were converted into unsecured loans in the books of the Company. Subsequently, shares have been allotted *vide* allotment dated October 21, 2005. For further details please refer to the chapter titled "Capital Structure" beginning on page 76 of this Draft Prospectus.

### Business and management

For a description of our activities, technological and managerial competence, market segments, the growth of our Company, the standing of our Company with reference to prominent competitors in connection with our products, management, major suppliers and customers, environmental issues, regional geographical segment etc., please refer to the chapters titled "*Our Business*", "*Industry Overview*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" beginning on pages 119, 102 and 189, respectively. For details of the management of our Company and its managerial competence, please refer to the chapter titled "*Our Management*" beginning on page 157 of this Draft Prospectus.

### Changes in the Registered Office

The Registered Office of our Company is situated at 3-A, Agrawal Nagar, Indore - 452001, Madhya Pradesh, India. There has been no change in the Registered Office of our Company since inception.

### Main Objects of the Company

The main objects of our Company as contained in our Memorandum of Association are as follows:

1. *To carry on business of contractor, colonizers, developers, and to undertake all types of civil constructions*



activities and to acquire by purchase, lease, exchange or otherwise deal in India or abroad in land, estates, buildings, hereditaments, flats, garages, houses, halls, godowns, mills, factories, chawls, dwelling houses, bridges, flyovers, roads, colonies, shopping complex, stores, ware housing complex, cold storage, tin shades or other landed properties of any description and any estate or interest therein or rights connected therewith and to turn the same to account as may be expedient and in particular by laying out and preparing building site by planting, paving, draining and cultivating land and by demolishing, constructing, reconstructing, altering, improving, decorating, furnishing, maintaining, administering, equipping the same and to do construction jobs, works, conveniences of all kinds and by consolidation and connecting and subdividing properties and to enter into contracts and agreements of lands with builders, tenants, occupiers and others, and to provide services as designer, technical advisor, consultant, labour provider and allied services independently or together with any other party for construction activities in India or abroad. And to deal in all type of material required for construction e.g bricks, sand, stone, cement, iron rods, machines, tools, etc. and to carry on business for development and maintenance of all types of infrastructure for industrial infrastructure, industrial area, industrial parks, civil infrastructure, transportation facilities, constructions of road, sheds, bridges, dams, canal, industrial sheds, colonies, sites, fire fighting systems, lifts, and to operate tralls, dumpers, trucks, lorries, storage, cultivation, supply and distribution of water.

2. To carry on business to generate, control, supply, distribute all types of power, power systems, and to run, maintain operate wind, solar energy systems, hydropower system, thermal power systems, their machineries, plants and to provide Consultancy, expert services, advises, designs, drawings for development of infrastructure and power in India and abroad.
3. To purchase, take on lease or otherwise acquire any mines, mining rights and to acquire Certificate of approval from the Union of India and any interest therein, and to prospect, explore, work, exercise, develop and to prospect, explore, work, exercise, develop and turn to account same.
4. To carry on the business of manufacturer, purchaser, seller of bricks, tiles, wood works, empty cement bags, boards, plywood, aluminum all other building materials.

#### Changes in the Memorandum of Association

Except as stated below there has been no change in the Memorandum of Association of our Company since its Incorporation:

Sr. No.	Particulars of Changes in Memorandum of Association	Date of Meeting	AGM / EGM
1.	<u>Increase in the Authorised Share Capital</u>  The authorized share capital of the Company increased from Rs. 1,00,00,000 consisting of 10,00,000 Equity Shares of Rs. 10 each to Rs. 1,50,00,000 consisting of 15,00,000 Equity Shares of Rs. 10 each.	October 20, 2005	EGM
2..	<u>Increase in the Authorised Share Capital</u>  The authorized share capital of the Company increased from Rs. 1,50,00,000 consisting of 15,00,000 Equity Shares of Rs. 10 each to Rs. 13,00,00,000 consisting of 1,30,00,000 Equity Shares of Rs. 10 each.	May 2, 2018	EGM
3.	<u>Change in the name</u>  The name of the Company was changed from B.R. Goyal Infrastructure Private Limited to B.R. Goyal Infrastructure Limited upon conversion from a private Company to a public company.	May 2, 2018	EGM

### Total Number of shareholders of our Company

As on the date of this Draft Prospectus, our Company has 11 (eleven) shareholders. For further details on the shareholding of our Company, please refer to the chapter titled "*Capital Structure*" beginning on page 76 of this Draft Prospectus.

### Major events and milestones of our Company

The table below sets forth the key events in the history of our Company:

Year	Details
2005	Incorporation of our Company
2011	Completed development work(roads and drainage) at Scheme No. 136, Indore
2012	Completed construction of Houses and Development of Infrastructure for Slum Localities in INDORE under JNNURM at Nainod Village near Airport
2014	Completed construction of Storm Water Drains for Adhartal and Cherital Areas in Jabalpur
2016	Completed EPC work of Rau Pithampur Road Annuity Project involving four laning from Km 0.000 to Km. 13.826
2016	Commenced Rehabilitation & Up-gradation of Kannod-Satwas-Punasa (SH-41) Road on EPC Mode
2018	Awarded work order for Upgradation of Kusumba to Malegaon section in Joint Venture with KTEL
2018	Awarded work order for Construction of EWS, LIG and MIG houses including Development of Infrastructure work under AHP component of PMAY near Tilhari
2018	The name of the Company was changed from B.R. Goyal Infrastructure Private Limited to B.R. Goyal Infrastructure Limited

For further details with respect to the work orders, please refer to the chapter titled "*Our Business*" beginning on page 119 of this Draft Prospectus.

### Accreditations and Certifications

Year	Details
2014	"Captain of Industry" from the Chief Minister of Madhya Pradesh for being the most quality consciousness contractor.

### Strike and lock-outs

We have not experienced any strikes, lock-outs or labour unrest in the past.

### Time/cost overruns

We have, in the past, experienced delays in completion of construction of certain of our projects from our initial estimated date/ period of completion, on account of, *inter alia*, (i) delays in receiving relevant construction related approvals, and (ii) compliance with certain conditions in such regulatory approvals that require us to make changes in our project designs and obtain other clearances. As a result of such time delays, we have also experienced overruns in terms of cost, with respect to certain such projects. Such time and cost overruns are in the ordinary course of our business. Such time/ cost overruns involve risks and uncertainties, including those discussed in "Risk Factors" beginning on page 17 of this Draft Prospectus.

### Changes in activities of our Company during the last five years

There has been no change in the activities of our Company during the last five years prior to the date of this Draft Prospectus, which may have had a material effect on our profits or loss, including discontinuance of our lines of business, loss of agencies or markets and similar factors.

**Defaults or rescheduling of borrowings with financial institutions/banks, conversion of loans into equity by our Company**

There have been no defaults or rescheduling of borrowings with financial institutions, banks or conversion of loans into equity in relation to our Company.

**Capital raising activities through equity or debt**

Our equity issuances in the past have been provided in "*Capital Structure*" beginning on page 76 of this Draft Prospectus. Further, our Company has not undertaken any public offering of debt instruments since its incorporation.

**Injunctions or restraining order against our Company**

Our Company is not operating under any injunction or restraining order as of the date of this Draft Prospectus.

**Revaluation of assets by the Company**

Our Company has not revalued its assets since its incorporation.

**Details regarding acquisition of business/undertakings, mergers, amalgamations**

Our Company has not acquired any business or undertaking, or entered into any scheme of merger or amalgamation since incorporation.

**Other Material Agreements**

As on the date of this Draft Prospectus, our Company has not entered into any material agreement.

**Other Agreements**

Our Company has not entered into any material contract other than in the ordinary course of business carried on or intended to be carried on by our Company in the two years preceding this Draft Prospectus.

**Our Holding Company**

Our company does not have any other holding company as on the date of this Draft Prospectus.

**Subsidiaries and Joint Ventures**

As on the date of this Draft Prospectus, our Company has one Subsidiary in the form of LLP and one unincorporated joint venture. For details regarding the Subsidiary, please refer to the chapter titled "*Subsidiary and Joint Venture*" beginning on page 155 of this Draft Prospectus.

**Financial and Strategic Partners**

Our Company does not have any financial and strategic partners as on the date of filing this Draft Prospectus.

## SUBSIDIARY AND JOINT VENTURES

### SUBSIDIARY

#### ***BRGIPL JV KTIL LLP***

BRGIPL JV KTIL LLP was incorporated as a limited liability partnership on April 23, 2018 under the Limited Liability Partnership Act, 2008. The registered office of BRGIPL JV KTIL LLP is situated at 3-A Agrawal Nagar, Indore, Madhya Pradesh, 452001, India. BRGIPL JV KTIL LLP is involved in the business of civil construction and allied activities and any other business in any other manner as may be decided by the majority of partners.

The contribution of BRGIPL JV KTIL LLP is Rs. 1,00,000. The following is the partner profit sharing ratio indicated below:

Sr. No.	Name of Partners	Capital Contribution (Rs.)	Profit sharing (%)
1.	Brijkishore Goyal	1	0.001
2.	Rajesh Kumar Garg	1	0.001
3.	Our Company	69,999	69.999
4.	KTIL	29,999	29.999
	<b>Total</b>	<b>1,00,000</b>	<b>100</b>

### JOINT VENTURES

As on the date of this Draft Prospectus, our Company has entered into two joint venture agreements pursuant to which, our Company has two joint ventures ("Joint Ventures"). Set for the below are the details of our Joint Ventures.

#### **1. *KTIL JV***

Our Company has entered into a joint venture agreement dated February 16, 2016 with KTIL to incorporate a partnership in the name and style of BRGIPL JV KTIL LLP for the purpose of "*Upgradation of Kusumba to Malegaon section of Principally Approved NH from Ch:55+000 Km to Ch: 96+410 Km (Design CH: 54+155 Km to Ch: 95+500, Total Length 41.345 Km) to Two Lane with Paved Shoulder configuration (Package No. Nashik –II Dondaicha – Kusumba – Dongrale – Malegaon Road Approx. 96.00 Km) in the State Maharashtra- Package 2 (Nashik Division)*" ("Project") against the bids invited by Ministry of Road Transport & Highways. The parties have entered into the joint venture agreement to be able to bid jointly for the Project in terms of the request for proposal (RFP). The participation of our Company and KTIL in this Joint Venture in proportion of construction in the EPC contract is in the ratio of 70% and 30%, respectively. The parties are jointly and severally responsible for all obligations and liabilities relating to the Project and in accordance with the terms of the RFP and the EPC contract till such time the completion of the Project is achieved under and in accordance with the EPC contract. Our Company being the lead member of the Joint Venture shall have the power of attorney for both parties for conducting all business for and on behalf of the Joint Venture during the bidding process until the appointed date in terms of the EPC contract among certain other terms and conditions.

#### **2. *B.R. Goyal Infrastructure Private Limited, M/s S.C. Agrawal, M/s Romit Infrastructure "JV"***

Our Company has entered into a joint venture agreement dated December 15, 2017 with M/s Suresh Chandra Agrawal ("S.C. Agrawal") and M/s Romit Infrastructure ("Romit Infra") to participate in the tender from the Chief Engineer, Indira Sagar Project (Canal) Sanawad District Khargone (M.P) of the Water Resources Department, Government of Madhya Pradesh ("Employer") for execution of flood protection work, to check erosion along the right bank of Narmada river, to protect jait, anwali chhippaner, and Neekanth villages of sehore, district and protection of left bank of Narmada river Neelkund Ghat near village Sokalpur, Gadawara of Narsinghpur Dist. of M.P. including construction of ghats and other ancillary work including planning, survey and investigation structural and architectural design and drawing

preparation the case for obtaining all statutory clearance supplying and fixing of all miscellaneous accessories and all other miscellaneous work requires to complete entries work for 36 months ("Works").

Our Company being the lead member of the Joint Venture is authorized to incur liabilities and receive instructions for and all behalf of all partners and the entire execution of the contract. All partners of the Joint Venture shall be liable jointly and severally for the execution of the contract in accordance with the terms of the contract. The participation of our Company, S.C. Agrawal, and Romit Infra in this Joint Venture to share responsibilities and burden of completing the contract is in the ratio of 51%, 25% and 24%, respectively. Further, our Company shall provide any bank surety, company or parent company guarantee to the Employer in the event such a need arises among certain other terms and conditions.

## OUR MANAGEMENT

### BOARD OF DIRECTORS

Under our Articles of Association, our Company is required to have not less than 3 directors and not more than 15 directors, subject to the applicable provisions of the Companies Act. Our Company currently has 6 directors on our Board.

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

Sr. no.	Name, Father's/Husband's Name, Designation, Residential Address, Appointment/Re-appointment, Term, Occupation, and DIN	Nationality	Age	Other Directorships as on the date of this Prospectus
1.	<b>Name:</b> Brijkishore Goyal  <b>Father's Name:</b> Balkrishna Goyal  <b>Nature of Directorship:</b> Managing Director  <b>Date of Appointment:</b> March 25, 2005  <b>Date of Re-appointment:</b> May 17, 2018  <b>Residential Address:</b> Sapna Sangeeta Road, 3-A, Agrawal Nagar, Indore - 452001, Madhya Pradesh.  <b>Term:</b> 5 years  <b>Occupation:</b> Business  <b>DIN:</b> 00012185	Indian	54	<b>Public Companies</b>  NIL  <b>Private Companies</b> 1. B.R. Goyal Construction Private Limited 2. Sarthak Innovations Private Limited 3. B.R. Goyal Holding Private Limited 4. Samarpit Agritech Private Limited  <b>Firm/Limited Liability Partnership</b> 1. BRGIPL JV KTIL LLP 2. Super Agro 3. Sagar Ventures 4. Srujan Constructions 5. Sikhar Constructions & Developers 6. Samarth Developers 7. Shanti Constructions
2.	<b>Name:</b> Gopal Goyal  <b>Father's Name:</b> Balkrishna Goyal  <b>Nature of Directorship:</b> Whole-time Director  <b>Date of Appointment:</b> March 25, 2005  <b>Date of Re-appointment:</b> May 17, 2018  <b>Residential Address:</b> 3-A New Agrawal Nagar, Indore-452001, Madhya Pradesh.	Indian	56	<b>Public Companies</b>  NIL  <b>Private Companies</b> 1. B.R. Goyal Construction Private Limited 2. Sarthak Innovations Private Limited 3. B.R. Goyal Holding Private Limited  <b>Firm/ Limited Liability</b>

Sr. no.	Name, Father's/Husband's Name, Designation, Residential Address, Appointment/Re-appointment, Term, Occupation, and DIN	Nationality	Age	Other Directorships as on the date of this Prospectus
	<b>Term:</b> Liable to retire by rotation			<b>partnership</b>
	<b>Occupation:</b> Business			1. Super Agro 2. Geeta Shree Toll Kanta
	<b>DIN:</b> 00012164			
3.	<b>Name:</b> Rajendra Kumar Goyal	Indian	59	<b>Public Companies</b>
	<b>Father's Name:</b> Balkrishna Goyal			NIL
	<b>Nature of Directorship:</b> Whole-time Director			<b>Private Companies</b> NIL
	<b>Date of Appointment:</b> March 25, 2005			<b>Limited Liability partnership</b>
	<b>Date of Re-appointment:</b> May 17, 2018			NIL
	<b>Residential Address:</b> 3-A New Agrawal Nagar, Indore-452001, Madhya Pradesh.			
	<b>Term:</b> Liable to retire by rotation			
	<b>Occupation:</b> Business			
	<b>DIN:</b> 00012150			
4.	<b>Name:</b> Pramod Kumar Bhawsar	Indian	64	<b>Public Companies</b>
	<b>Father's Name:</b> Krishna Raj Bhavsar			Shakti Pumps (India) Limited
	<b>Nature of Directorship:</b> Independent Director			<b>Private Companies</b>
	<b>Date of Appointment:</b> May 17, 2018			NIL
	<b>Residential Address:</b> House no. 361FH, Scheme no 54, Indore-452010, Madhya Pradesh.			<b>Firm/ Limited Liability partnership</b>
	<b>Term:</b> 5 years			NIL
	<b>Occupation:</b> Professional/Service			
	<b>DIN:</b> 07825119			
5.	<b>Name:</b> Shreya Bhargava	Indian	41	<b>Public Companies</b>
	<b>Father's Name:</b> Shekhar Bhargava			NIL
	<b>Nature of Directorship:</b> Independent Director			<b>Private Companies</b>
	<b>Date of Appointment:</b> May 23, 2018			1. V K Agro Industries Private Limited 2. VK Art & Design Private Limited
	<b>Residential Address:</b> 10/4, Film Colony			

Sr. no.	Name, Father's/Husband's Name, Designation, Residential Address, Appointment/Re-appointment, Term, Occupation, and DIN	Nationality	Age	Other Directorships as on the date of this Prospectus
	South Tukoganj Indore 452001, Madhya Pradesh.  <b>Term:</b> 5 years  <b>Occupation:</b> Professional  <b>DIN:</b> 03373849			<b>Firm/ Limited Liability partnership</b>  NIL
6.	<b>Name:</b> Mohit Bhandari  <b>Father's Name:</b> Padam Bhandari  <b>Nature of Directorship:</b> Independent Director  <b>Date of Appointment:</b> May 23, 2018  <b>Residential Address:</b> 609, Sai Sampada, Chhoti Khajrana, behind Lotus showroom, A.B. Road, Indore, 452001, Madhya Pradesh.  <b>Term:</b> 5 years  <b>Occupation:</b> Professional  <b>DIN:</b> 08139828	Indian	37	<b>Public Companies</b>  NIL  <b>Private Companies</b>  NIL  <b>Firm/ Limited Liability partnership</b>  NIL

## BRIEF BIOGRAPHIES OF OUR DIRECTORS

### Brijkishore Goyal

Brijkishore Goyal, aged 54 years is the Managing Director and one of the Promoters of our Company. He has been associated with our Company since incorporation. He holds a bachelor's degree in Commerce from DAVV Indore. He has 25 years of experience in business of civil construction. He has played a vital role in business development and financing of our Company. He is responsible for liasoning and negotiations with various departments of the Government and also overlooks processes including tendering, bidding and planning the projects. He looks after quality checks in respect of the various projects undertaken by our Company. His strong leader ship skills and ability to maintain amicable relation with clients are an assest to our Company.

### Gopal Goyal

Gopal Goyal, aged 56 years, is the Whole-time Director and one of the Promoters of our Company. He has been associated with our Company since incorporation. He has around 32 years of experience in the business of construction industry. He has played a vital role in office administration and human resource management of our Company.

### Rajendra Kumar Goyal

Rajendra Kumar Goyal, aged 59 years is the Whole-time Director of our Company. He has been associated with our Company since incorporation. He has 26 years of experience in Road Construction Projects. He has played a vital role in execution of projects of our Company. He is responsible for purchase and maintenance of our technical



equipment. He also overlooks site management and is responsible for the smooth functioning of on-site work including employee management.

### **Shreya Bhargava**

Shreya Bhargava, aged 41 years is the Independent Director of our Company. She has been associated with our Company since May 23, 2018. She holds a graduate degree in architecture from Institute of Environmental design, Gujarat. She has an overall experience of 23year in the architecture and planning industry.

### **Pramod Kumar Bhawsar**

Pramod Kumar Bhawsar, aged 64 years is the Independent Director of our Company. He has been associated with our Company since May 23, 2018. He holds a bachelor's degree in science from University of Indore, Indore. He has an overall experience of 35 years and has been previously associated with State Bank of India at various places such as Gujarat, Mumbai, Delhi, Indore & Hyderabad and has handled project/corporate finance, SME, Forex, restructuring/CDR accounts and non-performing assets management.

### **Mohit Bhandari**

Mohit Bhandari, aged 37 years is the Independent Director of our Company. He has been associated with our Company since May 23, 2018. He holds a membership with the Institute of Chartered Accounts Of India bearing registration number 407123. He has an overall experience of 7 years and has been previously associated with PWC, Welspun Corp Limited and UltraTech Cement Limited.

## **NATURE OF ANY FAMILY RELATIONSHIP BETWEEN OUR DIRECTORS**

Except as disclosed herein, our Promoters are not related to any of our Company's directors within the meaning of Section 2(77) of the Companies Act, 2013.

<b>DIRECTOR</b>	<b>RELATIONSHIP</b>
BrijkishoreGoyal	Brother of GopalGoyal
	Brother of Rajendra Goyal
GopalGoyal	Brother ofBrijkishoreGoyal
	Brother of Rajendra Goyal
Rajendra Goyal	Brother ofGopalGoyal
	Brother ofBrijkishoreGoyal

### **We also confirm that:**

1. There are no arrangements or understanding with major shareholders, customers, suppliers or any other entity, pursuant to which any of the Directors or Key Management Personnel were selected as a Director or member of the senior management.
2. The Directors of our Company have not entered into any service contracts with our Company which provides for benefits upon termination of employment.
3. None of our Directors are on the RBI List of willful defaulters.
4. Further, none of our Directors are or were directors of any company whose shares were (a) suspended from trading by stock exchange(s) or (b) delisted from the stock exchanges during the term of their directorship in such companies.
5. None of the Promoters, persons forming part of our Promoter Group, Directors or persons in control of our Company, has been or is involved as 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 SEBI or any other regulatory authority
6. None of our Directors is/was a Director of any listed company which has been delisted from any Recognized Stock Exchange

### Details of Borrowing Powers of our Directors

Pursuant to a special resolution passed at the Extra Ordinary General Meeting of our Company held on May 23, 2018 under the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and rules made there under, the Board of Directors of our Company is authorized to borrow monies from time to time in excess of aggregate of paid up capital and free reserves (apart from temporary loans obtained / to be obtained from bankers in the ordinary course of business), provided that the outstanding principal amount of such borrowing at any point of time shall not exceed in the aggregate of Rs. 30,000 lakhs

### Director's association with the Securities Market

None of the Directors of our Company are associated with securities market.

### Terms of appointment of Managing Director and Whole-time Directors

The compensation payable to our Managing Director and Whole-time Directors will be governed as per the terms of their appointment and shall be subject to the provisions of Sections 2 (54), 2(94), 188, 196, 197, 198 and 203 and any other applicable provisions of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof or any of the provisions of the Companies Act, 1956, for the time being in force. Our Company has 1 Managing Directors and 2 Whole-time Directors in our Company. The terms of the appointment of our Managing Directors are set out below:

#### Brijkishore Goyal

Particulars	
Remuneration	12,00,000
Designation	Whole-time Director
Re-appointment	Managing Director
Remuneration paid for F.Y. 2016-2017	12,00,000
Perquisites	None

#### Gopal Goyal

Particulars	
Remuneration	12,00,000
Designation	Whole-time Director
Re-appointment	Whole-time Director
Remuneration paid for F.Y. 2016-2017	12,00,000
Perquisites	None

#### Rajendra Kumar Goyal

Particulars	
Remuneration	12,00,000
Designation	Whole-time Director
Re-appointment	Whole-time Director
Remuneration paid for F.Y. 2016-2017	12,00,000
Perquisites	None

### PAYMENT OR BENEFIT TO NON-EXECUTIVE DIRECTORS OF OUR COMPANY

Apart from the remuneration of our Executive Directors as provided under the heading "Terms of appointment of Managing Director and Whole-time Director" above, our Non-Executive Directors are entitled to be paid a sitting fee as decided by our Board of Directors subject to the limits prescribed by the Companies Act, 2013 and the rules

made thereunder and actual travel, boarding and lodging expenses for attending the Board or committee meetings. They may also be paid commissions and any other amounts as may be decided by the Board in accordance with the provisions of the Articles, the Companies Act and any other applicable Indian laws and regulations.

### **Shareholding of Directors in our Company**

The details of the shareholding of our Directors as on the date of this Draft Prospectus are as follows.

<b>Sr. No.</b>	<b>Name of the Shareholder</b>	<b>No. of Equity Shares</b>	<b>Percentage of Pre-Issue Capital (%)</b>	<b>Percentage of Post-Issue Capital (%)</b>
1.	BrijkishoreGoyal	24,56,216	28.24	20.40
2.	GopalGoyal	24,56,223	28.24	20.40
3.	Rajendra Kumar Goyal	24,56,223	28.24	20.40
	<b>Total</b>	<b>73,68,662</b>	<b>84.72</b>	<b>61.20</b>

## **INTEREST OF OUR DIRECTORS**

### **Interest in Promotion of the Company**

Our Directors Brijkishore Goyal, Gopal Goyal and Rajendra Kumar Goyal may be deemed to be interested to the extent of being Promoter of our Company. They may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the Equity Shares held by them. For further details, refer to chapters titled "*Our Promoter and Promoter Group*" and "*Related Party Transaction*" beginning on page 176 and 186 of this Draft Prospectus.

### **Interest by way of Remuneration from the Company**

Our Directors, Brijkishore Goyal, Gopal Goyal and Rajendra Kumar Goyal may be deemed to be interested to the extent of remuneration paid to them for services rendered as a Director of our Company and reimbursement of expenses payable to them. For details, see "*Remuneration/Compensation of Directors*" above. Further, our Independent Directors are entitled to receive sitting fees for attending meetings of our Board within the limits laid down in the Companies Act, 2013 and as decided by our Board subject to Articles of Association. Further, except as disclosed above none of our Directors hold any Equity Shares in our Company.

Our Directors may also be interested to the extent of Equity Shares, if any, held by them or held by the entities in which they are associated as promoters, directors, partners, proprietors or trustees or held by their relatives or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to the 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, if any. Except as stated in the chapters "*Our Management*" and "*Related Party Transactions*" beginning on pages 157 and 186 respectively of this Draft Prospectus and described herein above, our Directors do not have any other interest in the business of our Company.

### **Interest by way of contracts or arrangements**

Our Directors may be deemed to be interested in the contracts, arrangements/agreements entered into or to be entered into by our Company with any Company in which they hold directorships or any partnership firms in which they are partners. For further details, please refer to chapter titled "*Related Party Transaction*" beginning on page 186 of this Draft Prospectus

### **Interest by way of sitting fees.**

The Articles of Association of our Company provides that payment of sitting fees to Independent Directors for attending a meeting of the Board or a Committee thereof and shall be decided by the Board of Directors from time to time.

## OTHER CONFIRMATIONS

As on the date on this Draft Prospectus:

1. There is no contingent or deferred compensation payable to any Director, Managing Director which has accrued for this year and payable in current or any future period.
2. There is no bonus or profit sharing plan for the Directors.
3. No amount or benefit has been paid or given within the 2 (two) preceding years or is intended to be paid or given to any of our Directors, except the normal remuneration for services rendered as Directors.

## CHANGES IN OUR COMPANY'S BOARD OF DIRECTORS DURING THE LAST THREE (3) YEARS

The changes in the Board of Directors of our Company in the last three (3) years are as follows:

Sr. No.	Name of the Director & Designation	Date of Appointment/ Reappointment/ Resignation	Reason
1.	Brijkishore Goyal	May 23, 2018	Re-appointed as Managing Director
2.	GopalGoyal	May 23, 2018	Re-appointed as Whole-time Director
3.	Rajendra Kumar Goyal	May 23, 2018	Re-appointed as Whole-time Director
4.	Shreya Bhargava	May 23, 2018	Appointed as Independent Director
5.	Pramod Kumar Bhawsar	May 17, 2018	Appointed as Additional Director
		May 23, 2018	Appointed as Independent Director
6.	Mohit Bhandari	May 23, 2018	Appointed as Independent Director

## COMPLIANCE WITH CORPORATE GOVERNANCE

The provisions of the SEBI (LODR) Regulations with respect to corporate governance will be applicable to our Company immediately upon the listing of Equity Shares on the Stock Exchange. Our Company is in compliance with the requirements of applicable regulations, specifically the SEBI (LODR) Regulations, the Companies Act, 2013 and the SEBI (ICDR) Regulations, in respect of corporate governance particularly in relation to constitution of the Board and committees of our Board.

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, each as required under law. Our Board of Directors is constituted in compliance with the Companies Act, 2013 and the SEBI (LODR) Regulations.

The requirements pertaining to the composition of the Board of Directors as per Section 149 of Companies Act, 2013 and the constitution of the committees such as the Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committees as per Section 177 & 178 of companies Act, 2013 will be applicable to our company on listing on EMERGE Platform of National Stock Exchange of India Limited and shall be complied with prior to listing.

Our Board has been constituted in compliance with the Companies Act and in accordance with the best practices in corporate governance. Our Board functions either as a full board or through various committees constituted to oversee specific operational areas. The executive management provides our Board detailed reports on its performance periodically. Our Board of Directors consists of 6 Directors of which 3 are Non-Executive Independent Directors, and we have 1 women director on the Board. The constitution of our Board is in compliance with Section 149 of the Companies Act, 2013 read with Regulation 17 of SEBI (LODR) Regulations, 2015. Our Company has constituted the following committees.

### 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. Nomination and Remuneration Committee
3. Stakeholder's Relationship Committee
4. Corporate Social Responsibility Committee
5. IPO Committee

## 1. Audit Committee

Our Company has constituted an audit committee ("**Audit Committee**"), as per section 177 of the Companies Act 2013 *vide* resolution passed in the meeting of the Board of Directors dated May 24, 2018. The constituted Audit Committee comprises of the following members:

Name of the Director	Position	Nature of Directorship
Pramod Kumar Bhawsar	Chairman	Independent Director
Mohit Bhandari	Member	Independent Director
Brijkishore Goyal	Member	Managing Director

Shweta Motwani, our Company Secretary and Compliance Officer, is the secretary to Audit Committee.

The Company Secretary of our Company shall act as a Secretary to the Audit Committee. The Chairman of the Audit Committee shall attend the Annual General Meeting of our Company to furnish clarifications to the shareholders in any matter relating to accounts. The scope and function of the Audit Committee and its terms of reference shall include the following:

### *Tenure:*

The Audit Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Audit Committee as approved by the Board.

### *Meetings of the Committee:*

The committee shall meet at least four times in a year and not more than four months shall elapse between any two meetings. The quorum for the meeting shall be either two members or one third of the members of the committee, whichever is higher but there shall be presence of minimum two Independent members at each meeting. Meeting of the Audit Committee shall be called by at least seven day notice in advance.

### *Role and Powers:*

The Role of Audit Committee together with its powers as Part C of Schedule II of SEBI(LODR)Regulation, 2015 and Companies Act, 2013 shall be as under:

- Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval;
- Reviewing, with the management, the half yearly 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;
- Modified opinion(s) in the draft audit report;
- 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;
- Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the listed entity with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the listed entity, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems; 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;
- Discussion with internal auditors of any significant findings and follow up there on;
- The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the company;
- Discussing with the 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;
- 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;
- 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;
- The Audit Committee shall have authority to investigate into any matter in relation to the items specified in section 177(4) of Companies Act 2013 or referred to it by the Board;
- 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;
- To review the functioning of the whistle blower/Vigil mechanism;
- Approving the appointment of the Chief Financial Officer (i.e. the whole time finance director or any other person heading the finance function) after assessing the qualifications, experience and background, etc., of the candidate;
- Audit committee shall oversee the vigil mechanism;
- Audit Committee will facilitate KMP/auditor(s) of the Company to be heard in its meetings; and
- Carrying out any other function as is mentioned in the terms of reference of the audit committee or containing into SEBI (LODR) Regulations, 2015.

Further, the Audit Committee shall mandatorily review the following:

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

- Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1); and
- Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

## 2. Nomination and Remuneration Committee

Our Company has constituted a Nomination and Remuneration Committee in accordance section 178 of Companies Act 2013. The constitution of the Nomination and Remuneration Committee was constituted *vide* resolution passed at a Meeting of the Board of Directors held on May 24, 2018. The said committee is comprised as under:

The Nomination and Remuneration Committee comprises of the following Directors:

Name of the Director	Position	Nature of Directorship
Mohit Bhandari	Chairman	Independent Director
Pramod Kumar Bhawsar	Member	Independent Director
Shreya Bhargava	Member	Independent Director

Shweta Motwani, our Company Secretary and Compliance Officer, is the secretary to the Nomination and Remuneration Committee.

The scope and function of the Committee and its terms of reference shall include the following:

### *Tenure:*

The Nomination and Remuneration Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board.

### *Meetings:*

The committee shall meet as and when the need arise for review of Managerial Remuneration. The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher. Meeting of the Remuneration Committee shall be called by at least seven day's notice in advance.

### *Terms of Reference:*

- Identify persons who are qualified to become directors and may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance;
- Formulate the criteria for determining the qualifications, positive attributes and independence of a director and recommend to the board a policy relating to the remuneration for directors, KMPs and other employees;
- Formulation of criteria for evaluation of performance of independent directors and our Board;
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- Determine our Company's policy on specific remuneration package for the Managing Director/ Executive Director including pension rights;
- Decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors;
- Define and implement the Performance Linked Incentive Scheme (including ESOP of the Company) and evaluate the performance and determine the amount of incentive of the Executive Directors for that purpose;
- Decide the amount of Commission payable to the Whole time Directors;
- Review and suggest revision of the total remuneration package of the Executive Directors keeping in view the performance of the Company, standards prevailing in the industry, statutory guidelines

etc.;

- To formulate and administer the Employee Stock Option Scheme; and
- The Chairman of the aforesaid committee is entitled to attend the General Meeting of the Company to furnish clarifications to the shareholders on any matter relating to remuneration.

### 3. Stakeholders Relationship Committee

Our Company has constituted a shareholder / investors grievance committee ("*Stakeholders' Relationship Committee*") to redress complaints of the shareholders. The Stakeholders Relationship Committee was constituted *vide* resolution passed at the meeting of the Board of Directors held on May 24, 2018.

The Stakeholder's Relationship Committee comprises of the following Directors:

Name of the Director	Position	Nature of Directorship
Pramod Kumar Bhawsar	Chairman	Independent Director
Mohit Bhandari	Member	Independent Director
Shreya Bhargava	Member	Independent Director
Brijkishore Goyal	Member	Managing Director

Shweta Motwani, our Company Secretary and Compliance Officer, is the secretary to Stakeholders Relationship Committee.

The scope and function of the Shareholders / Investors Grievance Committee and its terms of reference shall include the following:

#### *Tenure:*

The Stakeholder Relationship Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Audit Committee as approved by the Board.

#### *Meetings:*

The Stakeholder Relationship Committee shall meet at least four times a year with maximum interval of four months between two meetings and shall report to the Board on a quarterly basis regarding the status of redressal of complaints received from the shareholders of the Company. The quorum shall be two members present.

#### *Terms of Reference:*

- Redressal of shareholders' and investors' complaints, including and in respect of Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the cages in the reverse for recording transfers have been fully utilized;
- Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.;
- Review the process and mechanism of redressal of Shareholders /Investors grievance and suggest measures of improving the system of redressal of Shareholders /Investors grievances;
- Non receipts of share certificate(s) on receipt of declare dividends, non-receipts of interests/dividend warrants, non-receipts of annual report and any other grievances/complaints with company or any officer of the company arising out in discharge of his duties;
- Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolved them;
- Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Prohibition of insider Trading) Regulations, 1992 as amended from time to time;
- Any other power specifically assigned by the Board of Directors of the Company from time to



- time by way of resolution passed by it in a duly conducted Meeting; and
- Carrying out any other function contained in the equity listing agreements as and when amended from time to time.

#### 4. Corporate Social Responsibility Committee

Our Company re-constituted the Corporate Social Responsibility Committee ("*CSR Committee*") as per the provisions of the Companies Act, 2013. The CSR Committee was constituted *vide* resolution passed at the meeting of the Board of Directors held on May 24, 2018.

The CSR Committee comprises of the following Directors:

Name of the Director	Position	Nature of Directorship
Brijkishore Goyal	Chairman	Managing Director
Pramod Kumar Bhawsar	Member	Whole-time Director
Gopal Goyal	Member	Whole-time Director

#### *Scope and terms of reference:*

The terms of reference of the CSR Committee are as follows:

- 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.
- Recommend the amount of expenditure to be incurred on the activities referred to in the above mentioned schedule VII; and
- Monitor the Corporate Social Responsibility Policy of the company from time to time.

#### 5. IPO Committee

The IPO Committee of our board was constitute by our Board of Directors by a Board resolution dated May 24, 2018. The IPO Committee is constituted as following:

Name of the Director	Nature of Directorship
Brijkishore Goyal	Managing Director
Gopal Goyal	Whole-time Director
Rajendra Kumar Goyal	Whole-time Director
Dasharath Tomar	Chief Financial Officer

#### *Terms of Reference*

- To decide on the size timing pricing and all the terms and conditions of the issue of the Equity shares for the issue including the number of the Equity shares for the issue (including any reservation and rounding off in the event of any oversubscription) price an any discount with the applicable law and to accept any amendments, modifications, variations, alterations thereto and allotting equity shares to pursuant to basis of allocation to successful bidders.
- To appoint and enter into arrangements with LM, underwriters to the issue, syndicate members to the issue, brokers to the issue, escrow collection banker to the issue, refund banker to the issue, registrar(s), legal advisor, advertising agency and other agencies or persons or intermediaries to the issue and to negotiate, finalise and amend the terms of their appointment, including but not limited to mandate letter with LM, negotiation, finalization and execution and if required amendment of the issue agreement with LM etc.
- To negotiate, finalise, settle, execute and deliver or arrange the delivery of the Syndicate agreements, underwriting agreements, escrow agreements, share escrow agreements, agreements with registrar to the issue and the advertising agency and all other documents, deeds, agreements, memorandum of understating and other instruments whatsoever with the registrar to the issue, legal advisors, auditors, stock exchange, LM and any other intermediaries in connection with the

- issue with the power to authorize one or more officer of the company to execute all or any of the aforesaid documents or any amendments thereto
4. To finalize, settle, approve and adopt the Draft Prospectus, the Prospectus the Bid Cum Application Form, any amendments, supplements, notices or corrigenda thereto, for the issue of Equity Shares and take all such actions as may be necessary for the submission and filing of these documents including incorporating such alterations/corrections/modifications as may be required by SEBI, ROC or any other relevant government and statutory authorities.
  5. To make application to seek clarifications and obtain approvals from if necessary the RBI, FIPB, SEBI, ROC or any statutory or government authorities in connection with the issue and wherever necessary, incorporate such modification / amendments/alterations/corrections as may be required In the Draft Prospectus and Prospectus.
  6. To approve any corporate governance requirements that may be considered necessary by the Board or IPO Committee or as may be required under the applicable Laws or the SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015 as amended and Listing agreements to be entered into by the company with the relevant stock exchange
  7. To approve suitable policies on insider trading, whistle blowing, risk management and any other policies as may be required under applicable Laws and SEBI Listing Regulations
  8. To seek if required the consent of the lender to the company and its subsidiary, parties with whom the company has entered into various commercial and other agreements all concerned government and regulatory authorities in India or outside India and any other consents that may be required in relation to the issue or any actions connected therewith
  9. To open and operate bank accounts of the Company in terms of the escrow agreements for handling refunds for the issue and to authorities one or more officers of the company to execute all documents/deed as may be necessary in this regard
  10. To open and operate bank account of the company in the terms of section 40(3) of the companies Act, 2013 as amended and to authorities one or more directors / officers of the company to execute all documents/deed as may be necessary in this regard
  11. To determine and finalize the bid opening and bid closing (including bid opening and bid closing dates for anchor investors) or any extensions thereof the floor price/price band for the issue (including issue price for anchor investors ) approve the basis of allotment and confirm allocation/allotment of the equity shares to various categories of persons as disclosed in the Draft Prospectus and Prospectus , in consultation with the LM and the selling shares(to the extent applicable) and do all such acts and things as may be necessary and expedient for and identical and ancillary to the issue including any alteration, addition or making any variations in relation to the issue
  12. To issue receipts /allotment letters / confirmations of allotment notes either in physical or electronic mode representing the underlying Equity Shares in the capital of the Company with such features and attributes as may be required and to provide for the tradability and free transferability thereof as per market practice and regulations, including listing on relevant stock exchange, with power to authorise one or more directors/officers of the company to sign all or any of the aforesaid documents
  13. To make applications for listing of the Equity Shares in relevant stock exchange for listing of the Equity shares of the Company and to execute and to deliver or arrange the delivery of necessary documentation to the concerned stock exchange in connection with obtaining such listing
  14. To do all such deed and acts as may be required to dematerialize the equity shares of the company and to sign and/or modify as the case may be agreements and/or such other documents as may be required with NSDL, CDSL, RTA and other such agencies as may be required in this connection and to authorize one or more officer of the Company to negotiate, finalize, settle, execute, deliver all or any of the aforesaid documents
  15. To authorize and approve the incurring of expenditure and payments of fees, commission, brokerage, remuneration of expenses in connection with the issuer
  16. To authorize and approve notices, advertising in relation to the issue in consultation with relevant intermediaries appointed for the issue
  17. To withdraw Draft Prospectus, Prospectus, and the Issue at any stage if deemed necessary
  18. To settle all questions, difficulties or doubts that may arise in regard to such issue allotment as it may in its absolute discretion deem fit

19. To settle any question difficulty or doubt that may arise in connection with the issue including the issue and allotment of the Equity shares as aforesaid and to further delegate the powers confined hereunder subject to such restrictions and limitations as it may deem fit and in the interest of the Company and to extent allowed under applicable laws and to do all such acts and deeds in connection therewith and identical thereto as the Committee may in its absolute discretion deem fit
20. To negotiate finalize settle execute and deliver any and all other documents or instruments and doing or causing to be done any and all acts or thing as the IPO Committee may deem necessary appropriate or advisable in order to carry out the purpose and intent of the forgoing or in connection with the issue and any documents or instruments so executed and delivered or acts and thing done or caused to be done by the IPO Committee shall be conclusive evidence of the authority of the IPO Committee in so doing
21. To take all actions as may be necessary or authorized in connection with the offer for sale
22. To delegate any of the powers mentioned in 1 to 21 to any director or officer of the Company

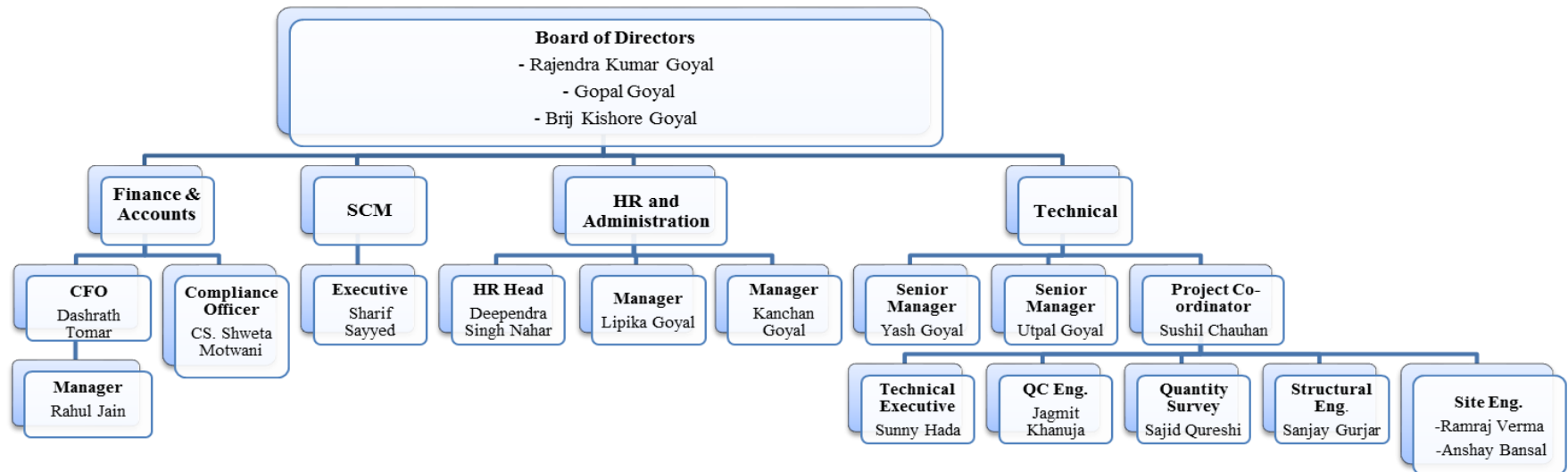
#### **POLICY ON DISCLOSURES AND INTERNAL PROCEDURE FOR PREVENTION OF INSIDER TRADING**

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 EMERGE Platform of National Stock Exchange of India Limited. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 on listing of Equity Shares on EMERGE Platform of National Stock Exchange of India Limited. Further, Board of Directors at their meeting held on May 17, 2018 have approved and adopted the policy on insider trading in view of the proposed public issue. Shweta Motwani, Company Secretary & Compliance Officer will be 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.

#### **POLICY FOR DETERMINATION OF MATERIALITY AND MATERIALITY OF RELATED PARTY TRANSACTIONS AND ON DEALING WITH RELATED PARTY TRANSACTIONS**

The provisions of the SEBI Listing Regulations will be applicable to our Company immediately upon the listing of Equity Shares of our Company on EMERGE Platform of National Stock Exchange of India Limited. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended on listing of Equity Shares on the EMERGE Platform of National Stock Exchange of India Limited. The Board of Directors at their meeting held on May 17, 2018 have approved and adopted the policy for determination of materiality and determination of materiality of related party transactions and on dealing with related party transactions.

## MANAGEMENT ORGANIZATION CHART



## KEY MANAGERIAL PERSONNEL

Our Company is managed by our Board of Directors, assisted by qualified and experienced professionals, who are permanent employees of our Company.

In addition to our Managing Director Brijkishore Goyal and our Whole-time Directors Gopal Goyal and Rajendra Kumar Goyal, whose details are provided under "*Brief Biographies of Our Directors*" in the chapter titled "*Our Management*" beginning on page 157, the details of our other Key Managerial Personnel as on the date of this Draft Prospectus are set out below:

**1. Dasharath Tomar**

Dasharath Tomar is the Chief Financial Officer (CFO) of our Company. He was appointed as the CFO on May 17, 2018. He is a member with the Institute of Chartered Accounts of India.. He has around 11 years of experience as a chartered accountant and has been previously associated with Reliance Industries Limited and Tata Motors Limited. He is responsible for looking after the finance & accounts in our Company. Since he was appointed in 2018, he has not been paid any remuneration for the F.Y. 2017-2018.

**2. Shweta Motwani**

Shweta Motwani is the Company Secretary (CS) of our Company. She was appointed as the CS of our Company on May 17, 2018 w.e.f. May 18, 2018. She is a member with the Institute of Company Secretaries of India. She is responsible for overseeing the secretarial and legal compliances in our Company. Since he was appointed in 2018, she has not been paid any remuneration for the F.Y. 2017-2018.

**3. Sharif Sayyed**

Sharif Sayyed is the executive of the department SCM of our Company. He has been associated with our Company since 2002. He holds a bachelor's degree in commerce from DAVV University, Indore. He has around 10 years of experience. During the financial year 2017-2018 he was paid a gross compensation of Rs.20,000.

**4. Deependra Singh Nahar**

Deependra Singh Nahar is the human resource head of our Company. He holds a master's degree in business administration from Sikkim Manipal Univeristy, Sikkim. He has around 13 years of experience. Since he was appointed in 2018, he has not been paid any remuneration for the F.Y. 2017-2018.

**5. Lipika Goyal**

Lipika Goyal is one of the managers in the HR and administration department our Company. She holds a B.A. (Hons) business studies course of De Montfort University, Leicester UK, from Daly College Business School, Indore. She has around 2 years of experience. Since she was appointed in 2018, she has not been paid any remuneration for the F.Y. 2017-2018.

**6. Kanchan Goyal**

Kanchan Goyal is one of the managers in the HR and administration department our Company. She holds a MBA degree in finance and marketing from Nagpur. She has around 4 years of experience. Since she was appointed in 2018, she has not been paid any remuneration for the F.Y. 2017-2018.

**7. Yash Goyal**

Yash Goyal is the senior manager in the technical department of our Company. He holds a bachelor's degree in management studies from Mumbai University. He has around 2 years of experience. Since he

was appointed in 2018, he has not been paid any remuneration for the F.Y. 2017-2018.

**8. Utpal Goyal**

Utpal Goyal is the senior manager in the technical department of our Company. He holds a bachelor's degree in civil engineering from DAVV University. He has around 4 years of experience. Since he was appointed in 2018, he has not been paid any remuneration for the F.Y. 2017-2018.

**9. Sushil Chauhan**

Sushil Chauhan is the project co-ordinator of our Company. He has been associated with our Company since January, 2000. He holds a diploma in civil engineering from Gujarat MS University. He has around 20 years of experience. During the financial year 2017-2018 he was paid a gross compensation of Rs. 1,50,000.

**STATUS OF KEY MANAGEMENT PERSONNEL IN OUR COMPANY**

All our key managerial personnel are permanent employees of our Company.

**RELATIONSHIP AMONGST THE KEY MANAGERIAL PERSONNEL OF OUR COMPANY**

Except as disclosed below, there is no family relationship amongst the Key Managerial Personnel of our Company.

Name of Key Managerial personnel	Relationship
Lipika Goyal	Sister of Yash Goyal
Kanchan Goyal	Wife of Utpal Goyal
Yash Goyal	Brother of Lipika Goyal
Utpal Goyal	Husband of Kanchan Goyal

**SHAREHOLDING OF KEY MANAGEMENT PERSONNEL IN OUR COMPANY**

Except as disclosed below, none of the Key Management Personnel holds Equity Shares in our Company as on the date of this Draft Prospectus.

Sr. No.	Name of the KMP	No. of Equity Shares	Percentage of Pre-Offer Capital (%)
1.	Brijkishore Goyal	24,56,216	28.24
2.	Gopal Goyal	24,56,223	28.24
3.	Rajendra Kumar Goyal	24,56,223	28.24

**ARRANGEMENT AND UNDERSTANDING WITH MAJOR SHAREHOLDERS/CUSTOMERS/SUPPLIERS**

None of the above Key Managerial Personnel have been selected pursuant to any arrangement/understanding with major shareholders/customers/suppliers.

**PAYMENT OF BENEFITS TO OFFICERS OF OUR COMPANY (NON-SALARY RELATED)**

Except as disclosed in the heading titled "Annexure- 37 Restated statement of *Related Party Transactions*" in the section titled "*Restated Financial Statements*" beginning on page F-57 of this Draft Prospectus, no amount or benefit has been paid or given within the three preceding years or is intended to be paid or given to any of our officers except the normal remuneration for services rendered as officers or employees.

Except as disclosed in this Draft Prospectus and any statutory payments made by our Company to its officers, our Company has not paid any sum, any non-salary related amount or benefit to any of its officers or to its employees including amounts towards super-annuation, ex-gratia/rewards.

Except statutory benefits upon termination of employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of such officer's employment in our Company or superannuation. Contributions are made by our Company towards provident fund, gratuity fund and employee state insurance.

Except as stated under section titled "*Financial Information*" beginning on page 188 of this Draft, none of the beneficiaries of loans and advances or sundry debtors are related to our Company, our Directors or our Promoter.

#### **RETIREMENT BENEFITS**

Except as provided for in the terms of appointment, our Company does not provide any specific retirement benefits.

#### **BONUS OR PROFIT SHARING PLAN OF THE KEY MANAGERIAL PERSONNEL**

Our Company does not have a performance linked bonus or a profit sharing plans for the Key Management Personnel. However, our Company pays incentive to all its employees based on their performance including the Key Managerial Personnel's of our Company.

#### **INTERESTS OF KEY MANAGEMENT PERSONNEL**

The Key Management Personnel do not have any interest in our Company other than to the extent of the remuneration and their shareholding in the company or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business.

#### **APPOINTMENT OF RELATIVES OF DIRECTORS TO ANY OFFICE OR PLACE OF PROFIT**

Other than as disclosed above under "*Our Management - Relationship amongst the Key Managerial Personnel*" on page 157, none of the relatives of our Directors currently hold any office or place of profit in our Company.

#### **RELATIONSHIP BETWEEN THE DIRECTORS AND KEY MANAGERIAL PERSONNEL**

Except as disclosed below, there is no relation between our Directors and Key Managerial Personnel:

<b>Name of Key Managerial Personnel</b>	<b>Nature of relationship with Director</b>
Brijkishore Goyal	Brother of Gopal Goyal
	Brother of Rajendra Goyal
Gopal Goyal	Brother of Brijkishore Goyal
	Brother of Rajendra Goyal
Rajendra Goyal	Brother of Gopal Goyal
	Brother of Brijkishore Goyal
Lipika Goyal	Daughter of Brijkishore Goyal
Yash Goyal	Son of Brijkishore Goyal
Utpal Goyal	Son of Rajendra Kumar Goyal
Kanchan Goyal	Daughter-in-law of Rajendra Kumar Goyal

#### **ARRANGEMENT AND UNDERSTANDING WITH MAJOR SHAREHOLDERS/CUSTOMERS/SUPPLIERS**

None of the above Key Managerial Personnel have been selected pursuant to any arrangement/understanding with major shareholders/customers/suppliers.

#### **DETAILS OF SERVICE CONTRACTS OF THE KEY MANAGERIAL PERSONNEL**

Except for the terms set forth in the appointment letters, the Key Managerial Personnel have not entered into any

other contractual arrangements with our Company for provision of benefits or payments of any amount upon termination of employment.

#### **EMPLOYEE STOCK OPTION OR EMPLOYEE STOCK PURCHASE**

Our Company has not granted any options or allotted any Equity Shares under the ESOP Scheme as on the date of this Draft Prospectus.

#### **LOANS AVAILED BY DIRECTORS / KEY MANAGERIAL PERSONNEL OF OUR COMPANY**

None of the Directors or Key Managerial Personnel's have availed loan from our Company which is outstanding as on the date of this Draft Prospectus.

#### **CONTINGENT OR DEFERRED COMPENSATION**

None of our Key Managerial Personnel have received or are entitled to any contingent or deferred compensation.

#### **CHANGES IN OUR COMPANY'S KEY MANAGERIAL PERSONNEL DURING THE LAST THREE (3) YEARS**

The changes in the Key Managerial Personnel of our Company in the last three (3) years are as follows:

<b>Sr. No.</b>	<b>Name of the Key Managerial Personnel &amp; Designation</b>	<b>Date of Appointment/ Resignation</b>	<b>Reason</b>
1.	Shweta Motwani - Company Secretary	May 17, 2018 w.e.f May 18, 2018	Appointment
2.	Dasharath Tomar – Chief Financial Officer	May 17, 2018	Appointment
3.	Lipika Goyal	May 1, 2018	Appointment
4.	Kanchan Goyal	May 1, 2018	Appointment
5.	Utpal Goyal	May 1, 2018	Appointment
6.	Yash Goyal	May 1, 2018	Appointment
7.	Deependra Singh Nahar	April 23, 2018	Appointment



## OUR PROMOTERS AND PROMOTER GROUP

### OUR PROMOTERS

Our Company is promoted by Brijkishore Goyal, Gopal Goyal and Rajendra Kumar Goyal. As on the date of this Draft Prospectus, our Promoters hold 73,68,662 in aggregate Equity Shares representing 84.72% of the pre-issue paid up Equity Capital of our Company.

#### Brief profile of our individual Promoter is as under:



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**Brijkishore Goyal**

Promoter, Managing Director

Brijkishore Goyal, aged 54 years is the Managing Director and one of the Promoters of our Company. He has been associated with our Company since incorporation. He holds a bachelor's degree in Commerce from DAVV Indore. He has 25 years of experience in business of civil construction. He has played a vital role in business development and financing of our Company. He is responsible for liasoning and negotiations with various departments of the Government and also overlooks processes including tendering, bidding and planning the projects. He looks after quality checks in respect of the various projects undertaken by our Company. His strong leader ship skills and ability to maintain amicable relation with clients are an assest to our Company.

**Passport No:** F3396267

**Driving License:** MP09R-2016-0450756

**Voters ID:** MP/37/274/024015

**Address:** 3 A Agrawal Nagar, Sapna Sangeeta Road, Indore

For further details relating to Brijkishore Goyal, including terms of appointment as Managing Director and other directorships, please refer to the chapter titled "*Our Management*" beginning on page 157 of this Draft Prospectus.



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**Gopal Goyal**

Promoter and Whole-time Director

Gopal Goyal, aged 56 years, is the Whole-time Director and one of the Promoters of our Company. He has been associated with our Company since incorporation. He has around 32 years of experience in the business of construction industry. He has played a vital role in office administration and human resource management of our Company.

**Passport No:** J9946158

**Driving License:** MP09N-2016-0320275

**Voters ID:** MP/37/274/024720

**Address:** 3 A Agrawal Nagar, Sapna Sangeeta Rd, Indore.

For further details relating to Gopal Goyal including terms of appointment as Whole-time Director and other directorships, please refer to the chapter titled "*Our Management*" beginning on page 157 of this Draft Prospectus.

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**Rajendra Kumar Goyal**  
Promoter and Whole-time Director

Rajendra Kumar Goyal, aged 59 years is the Whole-time Director of our Company. He has been associated with our Company since incorporation. He has 26 years of experience in Road Construction Projects. He has played a vital role in execution of projects of our Company. He is responsible for purchase and maintenance of our technical equipment. He also overlooks site management and is responsible for the smooth functioning of on-site work including employee management.

**Passport No:** G1147543  
**Driving License:** MP09R-2018-0151910  
**Voters ID:** LHV3812567

**Address:** 3-A, Agrawal Nagar, Sapna Sangeeta Rd, Indore.

For further details relating to Rajendra Goyal, including terms of appointment as Whole-time Director and other directorships, please refer to the chapter titled "*Our Management*" beginning on page 157 of this Draft Prospectus.

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## DECLARATION

Our Company confirms that the permanent account number, bank account number and passport number of our Promoters will be submitted to the Stock Exchange at the time of filing of this Draft Prospectus with it.

## INTEREST OF PROMOTERS

Our Promoters are interested in our Company to the extent that they promoted and formed our Company and are interested to the extent of their shareholding and the dividend receivable, if any and other distributions in respect of the Equity Shares held by them. For details regarding shareholding of our Promoters in our Company, please refer "*Capital Structure*" on page 76 of this Draft Prospectus.

Our Promoters may also be deemed to be interested in our Company to the extent of their shareholding/ interest in our group company /or ventures promoted by them with which our Company may transact during the course of its operations.

Our Promoters are Directors and KMP of our Company and may be deemed to be interested to the extent of remuneration and/ or reimbursement of expenses payable to them for services rendered to us in accordance with the provisions of the Companies Act, 2013 and in terms of the agreements entered into with our Company, if any and AoA of our Company. For details please see "*Our Management*", "*Financial Statements*" and "*Capital Structure*" beginning on pages 157, 188 and 76 respectively of this Draft Prospectus.

Except as mentioned in the chapter titled "*Our Business*", our Promoters do not have any other interest in any property acquired or proposed to be acquired by our Company in a period of two years before filing of this Draft Prospectus or in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

Except as stated in this section and the chapter titled "*Related Party Transactions*" and "*Our Management*" on page 186 and 157 of this Draft Prospectus respectively, there has been no payment of benefits to our Promoters or Promoter Group during the two years preceding the filing of this Draft Prospectus nor is there any intention to pay or give any benefit to our Promoters or Promoter Group.

## PAYMENT OR BENEFIT TO PROMOTERS OF OUR COMPANY

Except as stated otherwise in the chapters "*Related Party Transactions*" on page 186 of this Draft Prospectus,

there has been no payment or benefits to the Promoters during the two years prior to the filing of this Draft Prospectus.

## **LITIGATION INVOLVING OUR PROMOTERS**

For details of legal and regulatory proceedings involving our Promoters, please refer to the chapter titled "*Outstanding Litigation and Material Developments*" on page 214 of this Draft Prospectus.

## **OTHER VENTURES OF OUR PROMOTERS**

Save and except as disclosed in the chapter titled "*Our Promoter*" and "*Promoter Group*" and "*Our Group Companies*" beginning on page 176, of this Draft Prospectus, there are no ventures promoted by our Promoters in which they have any business interests / other interests.

## **COMMON PURSUITS**

Other than as disclosed in the chapter titled "*Our Group Companies*" beginning on page 181 of this Draft Prospectus, our Promoters do not have any interest in any venture that is involved in any activities similar to those conducted by our Company.

## **RELATED PARTY TRANSACTIONS**

For the transactions with our Promoters, Promoter Group and Group Company, during the last financial year, nature of transactions and the cumulative value of transactions, please refer to section titled "*Related Party Transactions*" on page 186 of this Draft Prospectus.

Except as stated in "*Related Party Transactions*" beginning on page 186 of this Draft Prospectus, and as stated therein, our Promoters or any of the Promoter Group Entities do not have any other interest in our business.

## **CONFIRMATIONS**

Our Company, our individual Promoters and members of the Promoter group are not Wilful Defaulters and there are no violations of securities laws committed by our Promoter in the past and no proceedings for violation of securities laws are pending against them.

Our Promoters are not interested as a member of a firm or company, and no sum has been paid or agreed to be paid to our Promoters or to such firm or company in cash or otherwise by any person for services rendered by our Promoter or by such firm or company in connection with the promotion or formation of our Company.

Our Promoters and members of the Promoter Group have not been prohibited from accessing or operating in the capital market under any order or direction passed by SEBI or any other regulatory or governmental authority.

Our Promoters are not and have never been promoters, directors or persons in control of any other company which is prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Except as disclosed in "*Related Party Transactions*" on page 186 of this Draft Prospectus, our Promoters are not related to any of the sundry debtors or are not beneficiaries of Loans and Advances given by/to our Company.

## **DISASSOCIATION BY THE PROMOTERS IN THE LAST THREE YEAR**

Except as mentioned below, our Promoters have not disassociated themselves from any Company in the last three years:

<b>Name of Promoter</b>	<b>Name of Company/ Firm</b>	<b>Date of disassociation</b>
Brijkishore Goyal	Highway Enterprises Private Limited	March 31, 2018

<b>Name of Promoter</b>	<b>Name of Company/ Firm</b>	<b>Date of disassociation</b>
Brijkishore Goyal	Goyal Roadlines	March 1, 2013
Brijkishore Goyal	Super Sales India	April 01, 2017

## OUR PROMOTER GROUP

Our Promoter Group in terms of Regulation 2(1)(zb) of the SEBI (ICDR) Regulations is as under:

### A. Individuals related to our Promoters:

<b>RELATIONSHIP</b>	<b>BRIJKISHORE GOYAL</b>	<b>GOPAL GOYAL</b>	<b>RAJENDRA GOYAL</b>
<b>Father</b>	Balkrishna Goyal	Balkrishna Goyal	BalkrishnaGoyal
<b>Mother</b>	Shantidevi Goyal	Shantidevi Goyal	ShantideviGoyal
<b>Spouse</b>	Vinita Goyal	UshaGoyal	SarlaGoyal
<b>Brother</b>	Rajendra Kumar Goyal	Rajendra Kumar Goyal	GopalGoyal
	GopalGoyal	BrijkishoreGoyal	BrijkishoreGoyal
<b>Sister</b>	KusumAgrawal	KusumAgrawal	KusumAgrawal
	SunitaAgrawal	SunitaAgrawa	SunitaAgrawal
<b>Son</b>	Yash Goyal	NaivedhyaGoyal	Uppal Goyal
<b>Daughter</b>	LipikaGoyal	-	NehalGoyal
<b>Spouse's Father</b>	SatyanarayanAgrawa	Nandraj Jain	KishanlalAgrawa
<b>Spouse's Mother</b>	KrishnabaiAgrawa	Swati Jain	KalawatiAgrawal
<b>Spouse's Brother</b>	PramodAgrawal	Vimal Jain	Rajesh Agrawal
		Manvendra Jain	
		Narendra Jain	
<b>Spouse's Sister</b>	AnupamaAgarwal	Malti Mittal	Anita Agrawal
	GauriAgrawa	Indra Jain	VimlaAgrawal
			MeenaAgrawal
			Lata Agrawal
			Sangeeta Agrawal

### B. Entities and Body Corporate forming part of our Promoter Group:

The entities and body corporate forming part of the Promoter Group are as follows:

1. B.R. Goyal Holdings Private Limited
2. B.R. Goyal Construction Private limited
3. Sarthak Innovation Private Limited
4. SamarpitAgritech Private Limited
5. Highway Enterprises Private Limited
6. Super Agro
7. Sagar Ventures
8. Srujan Construction
9. Sikhar Construction & Developers
10. Samarth Developers
11. Shanti Construction
12. Geeta Shree Toll Kanta
13. New Geeta Shree Toll Kanta
14. BRG Cement Products
15. Sagar Minerals
16. Maa Renuka Trading
17. Maa Reunka Filling Station
18. Brijkishore Goyal HUF
19. Gopal Goyal HUF
20. Rajendra Kumar Goyal HUF
21. Balkrishna Goyal HUF

## RELATIONSHIP OF PROMOTERS WITH OUR DIRECTORS

Except as disclosed herein, our Promoters are not related to any of our Company's directors within the meaning of Section 2(77) of the Companies Act, 2013.

PROMOTER	DIRECTOR	RELATIONSHIP
BrijkishoreGoyal	GopalGoyal	Brother
	Rajendra goyal	Brother
GopalGoyal	BrijkishoreGoyal	Brother
	Rajendra goyal	Brother
Rajendra Goyal	GopalGoyal	Brother
	BrijkishoreGoyal	Brother

## CHANGES IN CONTROL

Except as stated in the chapter titled "*Our Management-changes in our Company's Board of Directors during the last three years and changes in Key Managerial Personnel during the last three years* " beginning on page 157 of the Draft Prospectus, there has been no change in the management or control of our Company in the last three years

## OUR GROUP COMPANIES

*In accordance with the provisions of the SEBI (ICDR) Regulations, for the purpose of identification of "Group Companies", our Company has considered companies as covered under the applicable accounting standards, i.e. Accounting Standard 18 issued by the Institute of Chartered Accountant of India and such other companies as considered material by our Board. Pursuant to a resolution dated May 17, 2018, our Board vide a policy of materiality has resolved that except as mentioned in the list of related parties prepared in accordance with Accounting Standard 18 no other Company is material in nature.*

Accordingly, our Group Companies based on the above are:

1. B.R. Goyal Constructions Private Limited
2. B. R. Goyal Holdings Private Limited
3. Sarthak Innovations Private Limited

Unless otherwise specified, all information in this section is as of the date of this Draft Prospectus.

### A. Details of our Group Companies

#### 1. B.RGOYAL CONSTRUCTIONS PRIVATE LIMITED

##### Corporate Details

Corporate Details	Particulars
Company Name	B.R. Goyal Constructions Private Limited("BRGCPL")
CIN	U45201MP2004PTC016908
ROC Code	RoC-Gwalior
Authorised Capital (Rs.)	2,00,00,000
Paid up Capital (Rs.)	15,00,000
Date of Incorporation	September 3, 2004
Registered Address	103, BM Tower, 3, Agrawal Nagar, Indore-452001 MP
Directors	Om Prakash Goyal Brijkishore Goyal GopalGoyal

##### Business of the Company

BRGCPL is involved in the business of Construction and Infrastructure development and civil engineering.

##### Board of Directors

Name	Designation	DIN
Om Prakash Goyal	Director	00012139
Gopal Goyal	Director	00012164
Brijkishore Goyal	Director	00012185

##### Interest of our Promoters

1. Brijkishore Goyal, Promoter and Director of our Company is also the Director of BRGCPL and holds 2,500 equity shares constituting 1.67% of the paid up share capital of BRGCPL.
2. Gopal Goyal, Promoters and Directors of our Company is also the Director of BRGCPL and holds 2,500 equity shares constituting 1.67% of the paid up share capital of BRGCPL.

## Shareholding Pattern

The shareholders of the Company are as under:

Name	No. of Shares held	Percentage (%)
Rajendra Kumar Goyal	2,500	1.67%
GopalGoyal	2,500	1.67%
Om PrakashGoyal	2,500	1.67%
BrijkishoreGoyal	2,500	1.67%
B.R. GoyalHoldings Private Limited	70,000	46.67%
DevrajVincom Private Limited	70,000	46.67%
<b>Total</b>	<b>1,50,000</b>	<b>100%</b>

## Financial Information

Particulars	For the Financial Year		
	2017	2016	2015
Equity Share Capital	11.50	11.50	11.50
Reserves & Surplus	115.42	116.03	107.57
Revenue from Operations and Other Income	6.71	13.90	13.45
Profit / (Loss) after Tax	(0.61)	8.45	(1.30)
Basic EPS (in Rs)	(0.41)	7.35	(1.13)
Diluted EPS (in Rs)	(0.41)	5.64	(0.87)
Net Assets value per share (in Rs)	8.46	8.50	7.94

## 2. B.R. GOYAL HOLDINGS PRIVATE LIMITED

Corporate Details	Particulars
Company Name	B. R. Goyal Holdings Private Limited("BRGHPL")
CIN	U74140MP2010PTC023578
ROC Code	RoC-Gwalior
Authorised Capital (Rs.)	10,00,000
Paid up Capital (Rs.)	1,00,000
Date of Incorporation	May 17, 2010
Registered Address	3-A, Agrawal Nagar Sapna Sangeeta Road Indore Indore-452001 Madhya Pradesh.
Directors	Gopal Gopal Brijkishore Goyal

## Business of the Company

*The company is involved in Legal, accounting, book-keeping and auditing activities; tax consultancy; market research and public opinion polling; business and management consultancy.*

## Board of Directors

Name	Designation	DIN
GopalGoyal	Director	00012164
Brijkishore Goyal	Director	00012185

## Interest of our Promoters

1. Brijkishore Goyal, Promoter and Director of our Company is also the director of BRGHPL and holds 5,000 equity shares, constituting 50% of the paid up share capital in BRGHPL.
2. Gopal Goyal, Promoter and Director of our Company is also the director of BRGHPL and holds 5,000 equity shares, constituting 50% of the paid up share capital in BRGHPL.

### Shareholding pattern

The shareholders of the Company are as under:

Name	No. of Shares held	Percentage (%)
GopalGoyal	5,000	50.00%
BrijkishoreGoyal	5,000	50.00%
Total	10,000	100%

### Financial Information

Particulars	For the Financial Year		
	2017	2016	2015
Equity Share Capital	1.00	1.00	1.00
Reserves & Surplus	19.69	22.34	23.63
Revenue from Operations and Other Income	-	-	1.34
Profit / (Loss) after Tax	(2.64)	(1.29)	0.21
Basic EPS (in Rs)	(26.42)	(12.92)	2.09
Diluted EPS (in Rs)	(26.42)	(12.92)	2.09
Net Assets value per share (in Rs)	20.69	23.34	24.63

### 3. SARTHAK INNOVATIONS PRIVATE LIMITED

Corporate Details	Particulars
Company Name	Sarthak Innovations Private Limited("SIPL")
CIN	U45202MP2007PTC019176
ROC Code	RoC-Gwalior
Authorised Capital (Rs.)	5,00,00,000
Paid up Capital (Rs.)	3,20,00,000
Date of Incorporation	January 2, 2007
Registered Address	Khasra No.173/20, Talawali Chanda Near Laurels School International, Dewasnaka Indore 452010, Madhya Pradesh
Directors	Gopal Gopal Brijkishore Goyal

### Business of the Company

The company is involved in Building of complete constructions or parts thereof; and civil engineering.

### Board of Directors

Name	Designation	DIN
Gopal Goyal	Director	00012164
Brijkishore Goyal	Director	00012185

### Interest of our Promoters

1. Brijkishore Goyal, Promoter and Director of our Company is also the Director of SIPL and holds 10,36,900 shares constituting 32.40% of the paid up share capital of SIPL.
2. Gopal Goyal, Promoters and Directors of our Company is also the Directors of SIPL and holds 10,15,850 equity shares constituting 31.75% respectively of the paid up share capital of SIPL.



## Shareholding pattern

The shareholders of the Company are as under:

Name	No. of Shares held	Percentage (%)
Balkrishna Goyal HUF	5,000	0.16%
Brijkishore Goyal HUF	5,000	0.16%
Gopal Goyal	10,15,850	31.75%
Gopal Goyal HUF	5,000	0.16%
Rajendra Kumar Goyal HUF	5,000	0.16%
Shri Brijkishore Goyal	10,36,900	32.40%
Usha Goyal	21,350	0.67%
Utpal Goyal	2,10,000	6.56%
Amit Sand	100	0.00%
Piyush Kumar Goyal	100	0.00%
Shri Om Prakash Goyal	100	0.00%
Harjit Singh Siddhu	5,000	0.16%
Narendra Batra	58,400	1.83%
Shri Narendra Batra HUF	100	0.00%
Smt. Harsha Batra	4500	0.14%
Balkrishna Goyal	100	0.00%
Rajendra Goyal	827000	25.84%
Sarla Goyal	100	0.00%
Kanchan Goyal	100	0.00%
Vinita Goyal	100	0.00%
Yash Goyal	100	0.00%
Lipika Goyal	100	0.00%
<b>Total</b>	<b>32,00,000</b>	<b>100.00%</b>

## Financial Information

Particulars	For the Financial Year		
	2017	2016	2015
Equity Share Capital	320.00	320.00	320.00
Reserves & Surplus	(21.33)	(67.27)	(111.89)
Revenue from Operations and Other Income	1,035.61	926.47	1,595.16
Profit / (Loss) after Tax	45.95	44.61	96.86
Basic EPS (in Rs)	0.14	0.14	0.30
Diluted EPS (in Rs)	0.14	0.14	0.30
Net Assets value per share (in Rs)	0.93	0.79	0.65

## Nature and Extent of Interest of our Group Companies

### In the promotion of our Company

B.R.Goyal Holding Private Limited holds 8,75,000 Equity Shares constituting 10.06% of the paid up share capital in our Company. Further all the directors of B.R.Goyal Holding Private Limited are also the Promoters and Directors of our Company.

For more details of the shareholding of the above mentioned entities in our Company, please refer to the chapter titled "Capital Structure" beginning on page 76 of this Draft Prospectus.

Except as stated above and as disclosed in the chapter titled "Capital Structure", "Financial Information" and "Related Party Transactions" beginning on page 186 of this Draft Prospectus, and to

the extent of shareholding of our Group Companies in our Company, if any, none of our Group Companies are interested in the Promotion of our Company. Our Group Companies do not have any other interest in our Company, including in relation to property or land acquired by our Company.

#### **Common Pursuits amongst the Group Companies and our Company**

Our Group Companies have objects similar to that of our Company. Further, currently we do not have any non-compete agreement/arrangement with any of our Group Companies. Such a conflict of interest may have adverse effect on our business and growth. We shall adopt the necessary procedures and practices as permitted by law to address any conflict situations, as and when they may arise.

#### **Confirmation**

None of the securities of our Group Companies are listed on any stock exchange and none of our Group Companies has made any public or rights issue of securities in the preceding three years.

Our Group Company has not been declared as willful defaulters by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past and no proceedings pertaining to such penalties are pending against them.

Our Group Companies have not been declared sick companies under the SICA. Additionally our Group Companies has not been restrained from accessing the capital markets for any reasons by SEBI or any other governmental authorities. There is no winding up proceedings against any of our Group Companies.

#### **Related Business Transactions within the Group Companies and significance on the financial performance of our Company**

Significant business transactions between our Group Companies and our Company are disclosed in the chapter titled "Related Party Transactions" beginning on page 186 of this Draft Prospectus.

#### **Significant Sale/Purchase between our Group Companies and our Company**

Other than as disclosed in the chapter titled "Related Party Transactions" beginning on page 186 of this Draft Prospectus, there are no sales/purchases between our Company and the Group Companies.

#### **Business Interest of our Group Companies**

There is no business interest of any of our Group Companies in our Company in the five years preceding the filing of Draft Prospectus.

#### **Defunct Group Companies**

Our Group Companies have not become defunct or struck-off in the five years preceding the filing of Draft Prospectus.

#### **Litigation**

For details related to litigations and regulatory proceedings involving our Group Companies and defaults made by them, please refer to the chapter titled "Outstanding Litigations and Material Developments" beginning on page 214 of this Draft Prospectus.

## **RELATED PARTY TRANSACTIONS**

For details on Related Party Transactions of our Company, please refer to Annexure 37 of Restated Financial Statement under the section titled "Financial Information" beginning on page F-57 of this Draft Prospectus.

## DIVIDEND POLICY

Our Company does not have any formal dividend policy for declaration of dividend. The declaration and payment of dividends will be recommended by the Board and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act. The Articles of Association of our Company give our shareholders, the right to declare a smaller dividend than was recommended by the Board of the Directors of our Company.

The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends. No dividend shall be payable for any financial except out of profits of our Company for that year or that of any previous financial year or years, which shall be arrived at after providing for depreciation in accordance with the provisions of the Article of Association and the Companies Act.

In last five Financial Year, our Company has not declared any dividend. Our past corporate actions with respect to the declaration of dividend are not necessarily indicative of our future dividend declaration.

*For details of risks in relation to our capability to pay dividend, see "Risk Factors – We have not made any dividend payments in the past and 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." beginning on page 46 of this Draft Prospectus.*

**SECTION V –FINANCIAL INFORMATION**

**FINANCIAL STATEMENTS AS RESTATED**

<b>Particulars</b>	<b>Page No.</b>
Restated Financial Statements	F-1 to F-63

## **RESTATED FINANCIAL STATEMENTS**

**Independent Auditor's Examination Report on the Restated Financial Information of B.R Goyal Infrastructure limited as at and for the nine months ended December 31<sup>st</sup>, 2017 and as at and for the financial years ended March 31<sup>st</sup>, 2017, 2016, 2015, 2014 and 2013**

To  
The Board of Directors  
B.R Goyal Infrastructure Limited  
3-A, Agarwal Nagar,  
Indore,  
Madhya Pradesh 452001

Dear Sirs,

1. We have examined the attached Restated Financial Information of B.R. Goyal Infrastructure Limited ("the company") which comprise of the Restated Statement of Assets and Liabilities for the period ended as on December 31<sup>st</sup>, 2017 and for the financial year ended as at March 31<sup>st</sup>, 2017, 2016, 2015, 2014 and 2013, the Restated Statement of Profit and Loss and the Restated Statement of Cash Flows for the period ended on December 31<sup>st</sup>, 2017 and for the financial years ended on March 31<sup>st</sup>, 2017, 2016, 2015, 2014 and 2013, the of Significant Accounting Policies and Notes forming part of the Restated Financial Information as approved by the Board of Directors of the company prepared in accordance with the requirements of:
  - a) Sub-clauses (i), (ii) and (iii) of clause (b) of Sub-section (1) of Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act") and
  - b) the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time in pursuance of provisions of Securities and Exchange Board of India Act, 1992 ("ICDR Regulations") read along with the SEBI circular No. SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 31<sup>st</sup>, 2016 on Clarification regarding disclosures in Offer Documents issued by the Securities and Exchange Board of India (the "SEBI")

### **Management's Responsibility for the Restated Statements:**

2. The preparation of the Restated Financial Information including the interim financial information is the responsibility of the Management of the Company for the purpose set out in paragraph 10 below. The Management's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Management is also responsible for identifying and ensuring that the Company complies with the Rules and ICDR Regulations.

### **Auditor Responsibility:**

3. We have examined such Restated Financial Information taking into consideration:
  - a) the terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated January 15<sup>th</sup>, 2018, in connection with the proposed issue of equity shares of the company, and
  - b) The Guidance Note on Reports in Company Prospectuses (Revised 2016) issued by the Institute of Chartered Accountants of India ("ICAI") ("The Guidance Note")
  - c) The requirement of section 26 of the act and the SEBI ICDR regulations.

**Restated statements as per audited financial statements**

4. These Restated Financial Information have been compiled by the management from the Audited Financial Statements of the company as at December 31<sup>st</sup>, 2017, March 31<sup>st</sup>, 2017, 2016, 2015, 2014 and 2013, prepared in accordance with accounting principles generally accepted in India at the relevant time, which have been approved by the Board of Directors at their meeting held on April 2<sup>nd</sup>, 2018 September 2<sup>nd</sup>, 2017, September 2<sup>nd</sup>, 2016, September 2<sup>nd</sup>, 2015, September 5<sup>th</sup>, 2014, August 26<sup>th</sup>, 2013 respectively.

**For the purpose of our examination, we have relied on:**

5. Auditors' Reports issued by us dated April 2<sup>nd</sup>, 2018, September 2<sup>nd</sup>, 2017, September 2<sup>nd</sup>, 2016, September 2<sup>nd</sup>, 2015, September 5<sup>th</sup>, 2014 and August 26<sup>th</sup>, 2013 respectively on the financial statements of the Company as at and for the nine Months ended December 31<sup>st</sup>, 2017 and as at and for each of the years ended March 31<sup>st</sup>, 2017, 2016 and 2015, 2014 and 2013;
6. **Based on our examination and in accordance with the requirements of Section 26 of Part I of Chapter III of the Act, ICDR Regulations and the Guidance Note, we report that:**
- a) The Restated Statement of Assets and Liabilities of the Company as at December 31<sup>st</sup>, 2017, March 31, 2017, 2016, 2015, 2014 and 2013 examined by us, as set out in Annexure I to this report, have been arrived at after making adjustments and regrouping/ reclassifications as in our opinion were appropriate and more fully described in Annexure V – Restated Statement Of Reconciliation Of Restated Profit To Profit As Per Audited Financial Statements.
  - b) The Restated Statement of Profit and loss of the Company for the period ended December 31<sup>st</sup>, 2017, March 31<sup>st</sup>, 2017, 2016, 2015, 2014 and 2013 examined by us, as set out in Annexure II to this report, have been arrived at after making adjustments and regrouping/ reclassifications as in our opinion were appropriate and more fully described in Annexure V – Restated Statement Of Reconciliation Of Restated Profit To Profit As Per Audited Financial Statements.
  - c) The Restated Statement of Cash flows of the Company for the period ended December 31<sup>st</sup>, 2017, March 31<sup>st</sup>, 2017, 2016, 2015, 2014 and 2013 examined by us, as set out in Annexure III to this report, have been arrived at after making adjustments and regrouping/ reclassifications as in our opinion were appropriate and more fully described in Annexure V – Restated Statement Of Reconciliation Of Restated Profit To Profit As Per Audited Financial Statements.
  - d) Based on the above and according to the information and explanations given to us, for the respective financial years, we report that:
    - i. the Restated Financial Information have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per changed accounting policy for all the reporting periods;
    - ii. the Restated Financial Information have been made after incorporating adjustments for all the amounts in the respective financial years to which they relate;
    - iii. the Restated Financial Information contains extra-ordinary items that are required to be disclosed separately, so the adjustment for the same is done in the respective years to which they relates;
    - iv. the Restated Financial Information has no qualifications in the auditors' report, which require any adjustments to the Restated Financial Information;
    - v. Other audit observations included in the auditors' report and specified in emphasis of matter para issued under Companies(Auditor's Report) Order, 2016, 2015 and 2003, as applicable, on the financial statements for the period ended on December 31<sup>st</sup>, 2017 and years ended March 31<sup>st</sup>, 2017, 2016, 2015, 2014 and 2013, are specified as under:

**a. For the period ended on December 31<sup>st</sup>, 2017****Clause VII (b)**

According to the information and explanation given to us, there are no dues of income tax, sales tax, wealth tax, service tax, customs duty, excise duty, value added tax and cess which have not been deposited on account of any dispute except income tax, value added tax and entry tax as following:

Pending Proceedings					
Name of the Statue	Nature of Dues	Amount Disputed (In Rs.)	Amount Paid (In Rs.)	Period to which the amount relates	Forum where dispute is pending
The M.P. VAT Act	VAT Tax	47,31,656	22,98,656	2012-13	Appellate Deputy Commissioner
The M.P. VAT Act	Entry Tax	10,31,550	4,31,546	2012-13	Appellate Deputy Commissioner
The M.P. VAT Act	VAT Tax	38,70,974	13,85,974	2011-12	Appellate Deputy Commissioner
The M.P. VAT Act	Entry Tax	2,79,403	1,13,403	2011-12	Appellate Deputy Commissioner
The M.P. VAT Act	VAT Tax	28,03,339	11,23,339	2010-11	Appellate Deputy Commissioner
The M.P. VAT Act	Entry Tax	2,00,938	80,938	2010-11	Appellate Deputy Commissioner
The Income Tax Act	Income Tax	18,45,430	-	2013-14	Commissioner of Income Tax (Appeals)
The Income Tax Act	Income Tax	1,68,71,030	-	2011-12	Commissioner of Income Tax (Appeals)
The Income Tax Act	Income Tax	1,08,56,960	-	2010-11	Commissioner of Income Tax (Appeals)
The Income Tax Act	Income Tax	2,26,90,720	-	2009-10	Commissioner of Income Tax (Appeals)

**b. For the period ended on March 31<sup>st</sup>, 2017**

Clause VII (b)

According to the information and explanation given to us, there are no dues of income tax, sales tax, wealth tax, service tax, customs duty, excise duty, value added tax and cess which have not been deposited on account of any dispute except income tax, value added tax and entry tax as following:

Pending Proceedings					
Name of the Statue	Nature of Dues	Amount Disputed (In Rs.)	Amount Paid (In Rs.)	Period to which the amount relates	Forum where dispute is pending
The M.P. VAT Act	VAT Tax	40,97,782	16,64,782	2012-13	Appellate Deputy Commissioner
The M.P. VAT Act	Entry Tax	10,47,117	4,47,113	2012-13	Appellate Deputy Commissioner
The M.P. VAT Act	VAT Tax	38,70,974	13,87,974	2011-12	Appellate Deputy Commissioner



The M.P. VAT Act	Entry Tax	2,79,403	1,13,403	2011-12	Appellate Deputy Commissioner
The Income Tax Act	Income Tax	18,45,430	-	2013-14	Commissioner of Income Tax (Appeals)
The Income Tax Act	Income Tax	1,68,71,030	-	2011-12	Commissioner of Income Tax (Appeals)
The Income Tax Act	Income Tax	1,08,56,960	--	2010-11	Commissioner of Income Tax (Appeals)
The Income Tax Act	Income Tax	2,26,90,720	-	2009-10	Commissioner of Income Tax (Appeals)

c. For the period ended on March 31<sup>st</sup>, 2016

Clause VII (b)

According to the information and explanation given to us, there are no dues of income tax, sales tax, wealth tax, service tax, customs duty, excise duty, value added tax and cess which have not been deposited on account of any dispute except value added tax and entry tax as following:

Pending Proceedings					
Name of the Statue	Nature of Dues	Amount Disputed (In Rs.)	Amount Paid (In Rs.)	Period to which the amount relates	Forum where dispute is pending
The M.P. VAT Act	VAT Tax	40,97,782	-	2012-13	Appellate Deputy Commissioner
The M.P. VAT Act	Entry Tax	10,47,117	2,00,000	2012-13	Appellate Deputy Commissioner
The M.P. VAT Act	VAT Tax	38,70,974	7,62,974	2011-12	Appellate Deputy Commissioner
The M.P. VAT Act	Entry Tax	2,79,403	71,403	2011-12	Appellate Deputy Commissioner

d. For the period ended on March 31<sup>st</sup>, 2015

Clause VII (c)

According to the information and explanation given to us, there are no dues of income tax, sales tax, wealth tax, service tax, customs duty, excise duty, value added tax and cess which have not been deposited on account of any dispute except ,value added tax and entry tax as following:

Pending Proceedings					
Name of the Statue	Nature of Dues	Amount Disputed (In Rs.)	Amount Paid (In Rs.)	Period to which the amount relates	Forum where dispute is pending
The M.P. VAT Act	VAT Tax	40,97,782	-	2012-13	Appellate Deputy Commissioner
The M.P. VAT Act	Entry Tax	10,47,117	2,00,000	2012-13	Appellate Deputy Commissioner
The M.P. VAT Act	VAT Tax	38,70,974	7,62,974	2011-12	Appellate Deputy Commissioner

The M.P. VAT Act	Entry Tax	2,79,403	71,403	2011-12	Appellate Deputy Commissioner
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e. For the period ended on March 31<sup>st</sup>, 2013

Clause (ix) (b)

According to the information and explanation given to us, there are no amount in respect of provident fund income tax wealth tax service tax sales tax custom duty excise duty, cess and other material statutory dues that have not been deposited with the appropriate authorities on account of any dispute except for the amount mentioned below

Name of the Statue	Nature of Dues	Amount Disputed (In Rs.)	Amount Paid (In Rs.)	Period to which the amount relates	Forum where dispute is pending
Income tax act, 1961	Demand made under section 143(3)	49,34,000	15,00,000	Assessment year 2009-10	CIT(Appeals)

## 7. Other Financial Information:

We have also examined the following Restated Financial Information of the Company set out in Annexure prepared by the management and approved by the Board of Directors on May 17<sup>th</sup>, 2018, for the nine months ended December 31<sup>st</sup>, 2017 and for the financial years ended on March 31<sup>st</sup>, 2017, 2016, 2015, 2014 and 2013:

- I. Restated Statement of Share Capital, enclosed as Annexure VII
- II. Restated Statement of Reserves and Surplus, enclosed as Annexure VIII
- III. Restated Statement of Long term borrowings, enclosed as Annexure IX
- IV. Restated Statement of Provisions, , enclosed as Annexure X
- V. Restated Statement of Deferred Tax Liability (Net), enclosed as Annexure XI
- VI. Restated Statement of Other Long term liabilities, enclosed as Annexure XII
- VII. Restated Statement of Short term borrowings, enclosed as Annexure XIII
- VIII. Restated Statement of Trade Payables, enclosed as Annexure XIV(a)
- IX. Restated Statement of Other Current Liabilities, enclosed as Annexure XIV(b)
- X. Restated Statement of Fixed Assets, enclosed as Annexure XV(a)
- XI. Restated Statement of Fixed Assets (Capital Work in progress), enclosed as Annexure XV(b)
- XII. Restated Statement of Fixed Assets (Intangible Assets), enclosed as Annexure XVI
- XIII. Restated Statement of Loans and advances, enclosed as Annexure XVII
- XIV. Restated Statement of Inventories, enclosed as Annexure XVIII
- XV. Restated Statement of Trade Receivables, enclosed as Annexure XIX
- XVI. Restated Statement of Cash and Cash balances, enclosed as Annexure XX
- XVII. Restated Statement of Other Assets, enclosed as Annexure XXI
- XVIII. Restated Statement of Revenue from operation, enclosed as Annexure XXII
- XIX. Restated Statement of Other Income, enclosed as Annexure XXIII
- XX. Restated Statement of Cost of raw material and components consumed, enclosed as Annexure XXIV
- XXI. Restated Statement of Increase and decrease in inventory, enclosed as Annexure XXV
- XXII. Restated Statement of Employee benefit expenses, enclosed as Annexure XXVI
- XXIII. Restated Statement of Operating and other Expenses, enclosed as Annexure XXVII
- XXIV. Restated Statement of Depreciation and amortization enclosed as Annexure XXVIII
- XXV. Restated Statement of Finance Cost, enclosed as Annexure XXIX
- XXVI. Restated Statement of Employee benefit, enclosed as Annexure XXX
- XXVII. Restated Statement of Contingent liability, enclosed as Annexure XXXI
- XXVIII. Restated Statement of Expenses of revenue nature capitalized during the year, enclosed as Annexure XXXII
- XXIX. Restated Statement of Details Of Dues To Micro And Small Enterprises As Defined Under The MSMED Act, 2006, enclosed as Annexure XXXIII
- XXX. Restated Statement of Restated statement of tax shelter, enclosed as Annexure XXXIV.

- XXXI. Restated Statement of Capitalization, enclosed as Annexure XXXV  
XXXII. Restated Statement of Accounting Ratios enclosed as Annexure XXXVI  
XXXIII. Restated Statement of Related party transaction and balances, enclosed as Annexure XXXVII

According to the information and explanations given to us, in our opinion, the Restated Financial Information and the above Restated Financial Information contained in Annexure VII to XXXVII accompanying this report, read with of Significant Accounting Policies disclosed in Annexure IV, are prepared after making adjustments and regroupings as considered appropriate and have been prepared in accordance with Section 26 of Part I of Chapter III of the Companies Act, 2013, ICDR Regulations and the Guidance Note.

8. This report should not be in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
9. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
10. Our report is intended solely for use of the management for inclusion in the offer document to be filed with Securities and Exchange Board of India, Registrar of Companies, National Stock Exchange of India Limited in connection with the proposed issue of equity shares of the Company. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing.

**For, Mahesh C. Solanki & CO.**  
**Chartered Accountants**  
**Firm Registration No.: 006228C**

**SD/-**  
**CA. Rajat Jain**  
**Partner**  
**Membership Number: 413515**

**Place: Indore**  
**Date: May 17<sup>th</sup>, 2018**

(Amount in lakhs)

Particulars	Annexure	As at					
		31st December, 2017	31st March, 2017	31st March, 2016	31st March, 2015	31st March, 2014	31st March, 2013
<b>Equity and liabilities</b>							
<b>Shareholders' funds</b>							
Share capital	7	124.23	124.23	124.23	124.23	124.23	124.23
Reserves and surplus	8	5,323.43	4,818.72	4,209.73	3,914.09	3,653.74	3,307.15
Share Application Money Pending Allotment		-	-	-	-	-	-
		<b>5,447.67</b>	<b>4,942.95</b>	<b>4,333.97</b>	<b>4,038.33</b>	<b>3,777.97</b>	<b>3,431.38</b>
<b>Non-current liabilities</b>							
Long-term borrowings	9	1,199.02	2,353.66	2,196.91	2,810.01	1,857.35	2,324.51
Deferred tax liabilities (net)	11	283.28	358.69	304.74	321.07	364.47	277.79
Other long term liabilities	12	721.69	798.06	183.51	48.64	25.50	102.79
Long-term Provision	10	41.50	40.35	28.71	24.17	18.61	16.01
		<b>2,245.49</b>	<b>3,550.75</b>	<b>2,713.87</b>	<b>3,203.89</b>	<b>2,265.93</b>	<b>2,721.10</b>
<b>Current liabilities</b>							
Short term borrowings	13	2,900.00	3,219.14	2,792.45	2,376.55	2,344.35	1,372.20
Trade payables	14(a)	-	-	-	-	-	-
Dues to Micro, Small and Medium Enterprises		-	-	-	-	-	-
Dues to others		1,426.01	1,492.29	1,416.57	1,287.74	1,145.30	734.46
Other current liabilities	14(b)	2,025.90	1,821.00	1,842.43	1,268.10	1,124.20	1,612.81
Short-term provisions	10	129.95	34.19	23.27	24.25	55.14	36.74
		<b>6,481.86</b>	<b>6,566.62</b>	<b>6,074.73</b>	<b>4,956.64</b>	<b>4,668.99</b>	<b>3,756.21</b>
		<b>14,175.01</b>	<b>15,060.31</b>	<b>13,122.56</b>	<b>12,198.86</b>	<b>10,712.89</b>	<b>9,908.69</b>
<b>Assets</b>							
<b>Non-current assets</b>							
<b>Fixed assets</b>							
Property, Plant and Equipment							
-Tangible assets	15 (a)	4,702.64	5,339.71	4,371.02	3,691.36	3,111.35	3,430.44
-Intangible assets	16	1.05	1.71	3.84	5.95	7.33	7.74
-Capital work in progress	15 (b)	865.46	1,052.91	1,392.08	1,396.11	1,707.12	1,613.30
-Intangible assets under development		-	-	-	-	-	-
Long-term loans and advances	17	283.17	421.66	409.05	631.02	667.34	777.88
Other non-current assets	21	39.31	59.55	135.36	135.36	37.58	37.58
		<b>5,891.64</b>	<b>6,875.54</b>	<b>6,311.35</b>	<b>5,859.81</b>	<b>5,530.73</b>	<b>5,866.95</b>
<b>Current assets</b>							
Inventories	18	3,050.73	2,644.59	2,104.48	2,236.13	2,114.08	1,742.95
Trade receivables	19	2,082.07	1,747.51	1,608.97	1,763.69	1,465.77	858.60
Cash and bank balances	20	602.81	1,009.98	434.43	547.15	712.08	554.24
Short-term loans and advances	17	2,102.01	2,305.78	2,412.70	1,587.96	762.85	731.02
Other current assets	21	445.76	476.92	250.64	204.13	127.39	154.92
		<b>8,283.38</b>	<b>8,184.78</b>	<b>6,811.21</b>	<b>6,339.05</b>	<b>5,182.16</b>	<b>4,041.74</b>
		<b>14,175.01</b>	<b>15,060.31</b>	<b>13,122.56</b>	<b>12,198.86</b>	<b>10,712.89</b>	<b>9,908.69</b>

Note: The above Statement should be read with the Restated Statement of Significant Accounting Policies in Annexure 4, Restated Statement of Notes to Restated Statements of the Company in Annexure 6 and the Restated Statement of Reconciliation of Restated Profit to Profit as per Audited Financial Statements in Annexure 5.

This is the Restated Statement of Assets and Liabilities, referred to in our report of even date.

**For Mahesh C. Solanki & Co.**

ICAI firm registration number: 006228C  
Chartered Accountants

**For and on behalf of the board of directors of  
B.R. Goyal Infrastructure Limited**

**SD/-**

**CA. Rajat Jain**

Partner

Membership No.: 413515

Place: Indore

Date: 17<sup>th</sup> May, 2018

**SD/-**

**CA. Dasharath Tomar**

CFO

Place: Indore

Date: 17<sup>th</sup> May, 2018

**SD/-**

**Brij Kishore Goyal**

Director

DIN - 00012185

**SD/-**

**Gopal Goyal**

Director

DIN - 00012164

**B.R. Goyal Infrastructure Limited (CIN: U04520MP2005PLC017479)**  
**Restated Statement Of Profit & Loss Account**  
**Annexure 2**

(Amount in lakhs)

Particulars	Annexure	For the period ended					
		31st December, 2017	31st March, 2017	31st March, 2016	31st March, 2015	31st March, 2014	31st March, 2013
<b>Revenue:</b>							
Revenue from operations (gross)	22	9,439.66	13,598.59	13,500.88	10,079.45	11,075.20	11,605.69
Less: Excise duty		5.11	25.05	31.05	37.91	46.98	5.70
Revenue from operations (net)		9,434.56	13,573.54	13,469.82	10,041.54	11,028.22	11,599.99
Other income	23	531.08	277.15	282.95	224.45	188.53	316.41
<b>Total revenue</b>		<b>9,965.64</b>	<b>13,850.69</b>	<b>13,752.78</b>	<b>10,265.99</b>	<b>11,216.75</b>	<b>11,916.41</b>
<b>Expenses:</b>							
Cost of raw materials and components consumed	24	3,130.17	3,922.97	5,479.71	4,619.38	4,971.54	4,901.87
(Increase)/ Decrease in Inventory	25	(647.88)	(240.48)	25.79	(150.03)	(383.17)	702.92
Employee benefit expenses	26	639.56	833.41	491.02	453.14	441.05	398.06
Operating and Other expenses	27	5,303.68	7,034.70	6,080.96	3,857.81	4,523.34	4,559.80
<b>Total expenses</b>		<b>8,425.52</b>	<b>11,550.60</b>	<b>12,077.48</b>	<b>8,780.30</b>	<b>9,552.76</b>	<b>10,562.64</b>
<b>Profit before interest, tax, depreciation and amortisation, as restated</b>		<b>1,540.12</b>	<b>2,300.09</b>	<b>1,675.29</b>	<b>1,485.70</b>	<b>1,663.99</b>	<b>1,353.77</b>
Depreciation and amortization expense	28	502.34	631.66	491.42	435.22	332.32	326.75
Finance costs	29	428.27	774.61	738.96	683.93	742.75	568.33
<b>Profit before tax, as restated</b>		<b>609.50</b>	<b>893.82</b>	<b>444.92</b>	<b>366.55</b>	<b>588.92</b>	<b>458.69</b>
<b>Tax expense :</b>							
Current tax		180.19	230.89	165.61	149.59	155.65	147.41
Deferred tax expense		(75.41)	53.95	(16.33)	(43.40)	86.68	(76.01)
<b>Total Tax expense :</b>		<b>104.78</b>	<b>284.84</b>	<b>149.27</b>	<b>106.19</b>	<b>242.33</b>	<b>71.40</b>
<b>Net Profit, as restated</b>		<b>504.72</b>	<b>608.98</b>	<b>295.64</b>	<b>260.36</b>	<b>346.59</b>	<b>387.29</b>
Earning Per Share		40.63	49.02	23.80	20.96	27.90	31.17

Note: The above Statement should be read with the Restated Statement of Significant Accounting Policies in Annexure 4, Restated Statement of Notes to Restated Statements of the Company in Annexure 6 and the Restated Statement of Reconciliation of Restated Profit to Profit as per Audited Financial Statements in Annexure 5.

This is the Restated Statement of Profit and Loss, referred to in our report of even date.

**For Mahesh C. Solanki & Co.**

ICAI firm registration number: 006228C  
Chartered Accountants

**For and on behalf of the board of directors of  
B.R. Goyal Infrastructure Limited**

**SD/-**

**CA. Rajat Jain**

Partner

Membership No.: 413515

Place: Indore

Date: 17<sup>th</sup> May, 2018

**SD/-**

**CA. Dasharath Tomar**

CFO

Place: Indore

Date: 17<sup>th</sup> May, 2018

**SD/-**

**Brij Kishore Goyal**

Director

DIN - 00012185

**SD/-**

**Gopal Goyal**

Director

DIN - 00012164

**B.R. Goyal Infrastructure Limited (CIN: U04520MP2005PLC017479)**  
**Restated Statement Of Cash Flows**  
**Annexure 3**

(Amount in lakhs)

Particulars	For the period ended					
	31st December, 2017	31st March, 2017	31st March, 2016	31st March, 2015	31st March, 2014	31st March, 2013
<b>A. Cash Flow From Operating Activities</b>						
Profit after tax (net of prior period (income) / expense - net)	504.72	608.98	295.64	260.36	346.59	387.29
Adjustments for:						
Provision for Current Tax	180.19	230.89	165.61	149.59	155.65	147.41
Provision for Deferred Tax	(75.41)	53.95	(16.33)	(43.40)	86.68	(76.01)
Depreciation and amortisation expense	502.34	631.66	491.42	435.22	332.32	326.75
Interest income	(110.62)	(64.20)	(55.58)	(51.18)	(61.26)	(63.17)
Finance Cost	356.93	700.04	677.93	641.99	689.90	568.33
Profit on Sale of Investment	(0.50)	(0.62)	(50.22)	(66.20)	(19.02)	(5.90)
Loss on sale of fixed assets	93.16	5.48	13.63	5.30	8.78	1.79
<b>Operating profit before working capital changes</b>	<b>1,450.80</b>	<b>2,166.17</b>	<b>1,522.10</b>	<b>1,331.69</b>	<b>1,539.64</b>	<b>1,286.48</b>
<b>Movement in Working Capital</b>						
Decrease/(Increase) in trade receivables	(334.56)	(138.54)	154.72	(297.92)	(607.17)	(379.58)
Decrease/(Increase) in inventories	(406.14)	(540.11)	131.65	(122.05)	(371.12)	592.43
Decrease/(Increase) in other current assets	31.15	(226.28)	(46.51)	(76.74)	27.54	41.92
Decrease/(Increase) in loans and advances	203.77	106.92	(824.74)	(825.10)	(31.84)	188.11
Increase/(Decrease) in trade payables and current liabilities	138.62	54.28	703.16	286.34	(77.77)	209.19
Increase/(Decrease) in Short term provisions	95.76	10.92	(0.98)	(30.89)	18.40	42.12
Increase/(Decrease) in Short term borrowings	-	-	-	-	-	(4.57)
Change in other Long term liabilities	(76.37)	614.55	134.87	23.14	(77.29)	(60.46)
Increase/(Decrease) in Long term provisions	1.15	11.64	4.54	5.57	2.59	-
Change in Non Current Assets	158.72	63.21	221.97	(61.46)	110.54	(498.43)
<b>Cash generated from operating activities</b>	<b>1,262.92</b>	<b>2,122.76</b>	<b>2,000.77</b>	<b>232.58</b>	<b>533.53</b>	<b>1,417.21</b>
-Direct taxes paid (net)	180.19	230.89	165.61	149.59	155.65	147.41
<b>Net cash flow from/(used in) operating activities (A)</b>	<b>1,082.73</b>	<b>1,891.87</b>	<b>1,835.16</b>	<b>82.99</b>	<b>377.88</b>	<b>1,269.80</b>
<b>B. Cash Flow From Investing Activities</b>						
Purchase of fixed assets, including CWIP and capital advances	(254.63)	(2,242.57)	(2,021.56)	(1,574.06)	(298.29)	(1,990.15)
Proceeds from sale of fixed assets	484.81	978.66	893.22	932.11	201.88	591.54
Interest received	110.62	64.20	55.58	51.18	61.26	63.17
<b>Net cash used in investing activities (B)</b>	<b>340.80</b>	<b>(1,199.71)</b>	<b>(1,072.76)</b>	<b>(590.77)</b>	<b>(35.15)</b>	<b>(1,335.43)</b>
<b>C. Cash Flow From Financing Activities</b>						
Net of Borrowings	(1,473.78)	583.43	(197.19)	984.84	505.00	575.33
Interest Paid	(356.93)	(700.04)	(677.93)	(641.99)	(689.90)	(568.33)
<b>Net cash flow from/(used in) financing activities (C)</b>	<b>(1,830.70)</b>	<b>(116.60)</b>	<b>(875.12)</b>	<b>342.85</b>	<b>(184.90)</b>	<b>6.99</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>(407.17)</b>	<b>575.56</b>	<b>(112.72)</b>	<b>(164.93)</b>	<b>157.84</b>	<b>(58.64)</b>
<b>Opening cash and cash equivalents</b>	<b>1,009.98</b>	<b>434.43</b>	<b>547.15</b>	<b>712.08</b>	<b>554.24</b>	<b>612.89</b>
<b>Closing cash and cash equivalents</b>	<b>602.81</b>	<b>1,009.98</b>	<b>434.43</b>	<b>547.15</b>	<b>712.08</b>	<b>554.24</b>

**B.R. Goyal Infrastructure Limited (CIN: U04520MP2005PLC017479)**  
**Restated Statement Of Cash Flows**

Annexure 3 (Cont'd)

(Amount in lakhs)

Particulars	For the period ended					
	31st December, 2017	31st March, 2017	31st March, 2016	31st March, 2015	31st March, 2014	31st March, 2013
Reconciliation of cash and cash equivalents						
Cash in hand	15.52	10.77	18.99	19.94	8.37	20.38
Bank balances	587.29	999.22	415.43	527.20	703.71	533.86
<b>Total</b>	<b>602.81</b>	<b>1,009.98</b>	<b>434.43</b>	<b>547.15</b>	<b>712.08</b>	<b>554.24</b>

Note: The above Statement should be read with the Restated Statement of Significant Accounting Policies in Annexure 4, Restated Statement of Notes to Restated Statements of the Company in Annexure 6 and the Restated Statement of Reconciliation of Restated Profit to Profit as per Audited Financial Statements in Annexure 5.

This is the Restated Statement of Cash Flows, referred to in our report of even date.

**For Mahesh C. Solanki & Co.**  
ICA firm registration number: 006228C  
Chartered Accountants

**For and on behalf of the board of directors of**  
**B.R. Goyal Infrastructure Limited**

**SD/-**  
**CA. Rajat Jain**  
Partner  
Membership No.: 413515  
Place: Indore  
Date: 17<sup>th</sup> May, 2018

**SD/-**  
**CA. Dasharath Tomar**  
CFO  
Place: Indore  
Date: 17<sup>th</sup> May, 2018  
**F-9**

**SD/-**  
**Brij Kishore Goyal**  
Director  
DIN - 00012185

**SD/-**  
**Gopal Goyal**  
Director  
DIN - 00012164

## **Annexure IV: Significant Accounting Policy to Restated Statement of Assets and Liabilities, Statement of Profit and Loss and Statement of Cash Flows.**

### **1. Corporate Information:**

B.R. Goyal Infrastructure Limited (hereinafter referred to as "the Company") is a limited company domiciled in India and has come into existence as a Company on conversion of M/s Balkrishna Ramkaran Goyal, Partnership firm into a private Company under Part IX of the Companies Act, 1956 on 1st April, 2005. On 09<sup>th</sup> May, 2018, the company has converted under section 18 of the companies act into a public company formally known as B.R Goyal Infrastructure Limited. The Company is incorporated under part IX of the Companies Act, 1956 to carry on the business of erstwhile partnership firm. Its registered office is in Indore, Madhya Pradesh. At present the company is engaged in the business of Construction Activities and Wind Power Generation.

### **2. Significant Accounting policies**

#### **2.1 Basis of Accounting and preparation of restated financial statements:**

The restated financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2016 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"), and Securities and Exchange Board of India (issue of Capital and Disclosure Requirements) regulations 2009 as amended (the "Regulations") as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the restated financial statements are consistent with those followed in the current period. The accounting policies have been consistently applied by the Company and are consistent across all the years and for the 9 months period ended as on December 31, 2017 presented.

The restated financial information have been prepared by the management in connection with the proposed listing of the equity shares of the company by way of an offer for sale by the selling shareholders, to be filed by the company with SEBI, in accordance with the requirement of:

- I. Section 26 read with applicable provisions to the companies act, 2013; and
- II. The SEBI (issue of capital and disclosure requirement) regulations, 2009 issued by the security and exchange board of India ("SEBI") on august 26, 2009 as amended to date in pursuance of provision of security and exchange board of India act, 1992 read along with SEBI circular No. SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 2016 (together referred to as "SEBI regulation"). Guidance note on reports in company prospectus (revised 2016) issued by: The institute of Chartered accountant of India ("ICAI")

#### **2.2 Use of estimates:**

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

### **2.3 Tangible Assets:**

Fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

### **2.4 Intangible Assets**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Intangible assets are amortised on a straight line basis over the estimated useful economic life. The Company uses a rebuttable presumption that the useful life of an intangible asset will not exceed five years from the date when the asset is available for use.

### **2.5 Borrowing costs**

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur the period they occur.

### **2.6 Depreciation:**

Depreciation on Fixed assets is provided based on SLM Method as stated in Schedule XIV of the Companies Act, 1956 for the Financial Years 2012-13 and 2013-14, and on SLM Method over the useful life of the assets as prescribed under part C of Schedule II of the Companies Act, 2013 for the FY ended 2014-15, 2015-16 and 2016-17, December 31, 2017.

Useful lives/ depreciation rates:

Till the year ended 31 March 2014, depreciation rates prescribed under Schedule XIV were treated as minimum rates and the company was not allowed to charge depreciation at lower rates even if such lower rates were justified by the estimated useful life of the asset. Schedule II to the Companies Act 2013 prescribes useful lives for fixed assets which, in many cases, are



different from lives prescribed under the erstwhile Schedule XIV. However, Schedule II allows companies to use higher/ lower useful lives and residual values if such useful lives and residual values can be technically supported and justification for difference is disclosed in the financial statements

Considering the applicability of Schedule II, the management has re-estimated useful lives and residual values of all its fixed assets. The management believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of fixed assets prescribed under Schedule II. Hence, this change in accounting policy did not have any material impact on financial statements of the company.

## **2.7 Impairment of Assets:**

The company periodically tests its assets for impairment and if the carrying values are found in excess of value in use, the same is charged to Statement of profit and loss as per AS 28. The impaired loss charged to Statement of profit and loss will be reversed in the year on the event and to that extent of enhancement in estimate of value in use.

## **2.8 Inventories:**

Raw materials and consumables are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a First in First out Basis and includes all applicable overheads in bringing the inventories to their present location and condition.

Work-in-progress is valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity.

## **2.9 Revenue Recognition:**

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

### **Income from Construction activity**

The company accounts for income on the percentage of completion basis, which necessarily involve technical estimates of the percentage of completion, and costs to completion, of each contract/ activity, on the basis of which profit/ losses are accounted. Such estimates are based on the certificate provided by the authorized person (architect).

Expenditure incurred during the progress of contracts and the estimated profits to the stage of completion are carried forward as work in progress. Advances and progress payments, received and receivable from customers in respect of such long term contracts in progress are disclosed under current liabilities.

### **Income from Power Generation Activity**

Revenue from power supply is accounted for on the basis of billing to Rajasthan Electricity Board. Generally bills are raised on the basis of recording of consumption of energy by installed meters. In case there is a drop in annual generation then Developer compensates the company for the year at the prevailing purchase rate of State Electricity Board at the time of such shortfall during the year as per the agreement with Developer.

### **Income from Rent of Commercial Property**

Rent from customers under agreement to sell is accounted for on accrual basis except in cases where ultimate collection is considered doubtful.

### **Sale of goods**

Revenue is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer. Gross turnover includes excise duty but does not include sale tax and VAT. Excise Duty deducted from turnover (gross) are the amount that is included in the amount of turnover (gross) and not the entire amount of liability arising during the period.

## **2.10 Taxation:**

Tax expense comprises both current and deferred taxes

The provision for Current Income Tax liability is made on estimated Taxable Income under Income Tax Act, 1961 using the applicable tax rates, after considering permissible tax exemptions, deductions and disallowances. The current tax charge of the company includes Minimum Alternative Tax (MAT) determined under section 115JB of the Income Tax Act, 1961. Liability for additional taxes, if any, is provided/ paid as and when assessments are completed. The company also complies with all the Income computation and disclosure standards as applicable.

Provision is made for deferred tax liability arising due to timing differences between profit computed for Income tax and the book profits as per the financial statement, for creation of a deferred tax asset or a liability. This liability is recognized only if there is a reasonable certainty that the deferred tax assets/liability will be created and are reviewed at each balance sheet date. This liability is calculated at the regular tax rates applicable to the company

## **2.11 Government Grants:**

Government Grants are recognised either in Capital reserve or as income in Statement of Profit & Loss as and when the grant is actually received by the company depending on the nature of grant received as enumerated in Accounting Standard 12 "Accounting for Government Grants" and the conditions for the recognition of Government grants are met as per Accounting Standard 12 "Accounting for Government Grants".

## **2.12 Employee Benefits:**

Retirement benefit in the form of provident fund is a defined contribution scheme. The contributions to the provident fund are charged to the statement of profit and loss for the year when the contributions are due.

Actuarial gains and losses for defined benefit plans for gratuity are recognized in full in the period in which they occur and are taken to the statement of profit and loss and are not deferred.

## **2.13 Provisions and contingencies:**

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate

required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

#### **2.14 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.

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 are adjusted for the effects of all dilutive potential equity shares.

#### **2.15 Cash and Cash Equivalents:**

Cash and cash equivalents for the purposes of cash flow statement comprise cash in hand, at bank (excluding margin deposits with banks).

#### **2.16 Bad-Debts:**

Bad-Debts are written off to Statement of profit and loss as and when the debt is determined as un-realizable as per the opinion of the Management.

#### **2.17 Cash flow statement:**

Cash flow statement has been prepared in accordance with the indirect method prescribed in Accounting Standard 3 -Cash flow Statement. Cash and Cash equivalents for cash flow statement comprises cash at bank and in hand and bank deposits.

#### **2.18 Segment reporting:**

##### ***Identification of segments***

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

The Company has identified two primary reporting segments based on business viz. Construction and Power Generation (Windmill).

The Company operates in India and hence there are no geographical segments

##### ***Segment accounting policies***

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

**B.R. Goyal Infrastructure Limited (CIN: U04520MP2005PLC017479)**  
**Restated, Segment Reporting**

(Amount in lakhs)

Period ended 31st December, 2017	Total as per P&L	Construction	Power Generation	Others	Total
<b>Revenue from operations</b>					
Operation Income	9,396.39	9,396.39	-	-	9,396.39
Inter Segment Sales	38.16	-0.00	38.16	-	38.16
Other Income	531.08	0.00	-	531.08	531.08
<b>Total Revenue</b>	<b>9,965.64</b>	<b>9,396.39</b>	<b>38.16</b>	<b>531.08</b>	<b>9,965.64</b>
<b>Profit before depreciation, interest and tax</b>	<b>1,540.12</b>	<b>975.09</b>	<b>33.95</b>	<b>531.08</b>	<b>1,540.12</b>
Less: Interest Expense	428.27	428.27	-	-	428.27
Depreciation	502.34	486.14	16.21	-	502.34
<b>Profit Before Tax</b>	<b>609.50</b>	<b>60.68</b>	<b>17.74</b>	<b>531.08</b>	<b>609.50</b>
Prov. For tax	104.78	104.78	-	-	104.78
<b>Net Profit</b>	<b>504.72</b>	<b>-44.11</b>	<b>17.74</b>	<b>531.08</b>	<b>504.72</b>
<b>Other segment information</b>					
Segment assets	14,175.01	14,053.20	82.50	39.31	14,175.01
Liabilities	8,727.35	8,500.87	-98.31	324.78	8,727.35
Capital expenditure	5,447.67	5,447.67	-	-	5,447.67

Year ended 31st March, 2017	Total as per P&L	Construction	Power Generation	Others	Total
<b>Revenue from operations</b>					
Operation Income	13,521.36	13,521.36	-	-	13,521.36
Inter Segment Sales	52.18	-0.00	52.18	-	52.18
Other Income	277.15	-	-	277.15	277.15
<b>Total Revenue</b>	<b>13,850.69</b>	<b>13,521.36</b>	<b>52.18</b>	<b>277.15</b>	<b>13,850.69</b>
<b>Profit before depreciation, interest and tax</b>	<b>2,300.09</b>	<b>1,971.60</b>	<b>51.33</b>	<b>277.15</b>	<b>2,300.09</b>
Less: Interest Expense	774.61	774.61	-	-	774.61
Depreciation	631.66	610.17	21.49	-	631.66
<b>Profit Before Tax</b>	<b>893.82</b>	<b>586.83</b>	<b>29.84</b>	<b>277.15</b>	<b>893.82</b>
Prov. For tax	284.84	284.84	-	-	284.84
<b>Net Profit</b>	<b>608.98</b>	<b>301.99</b>	<b>29.84</b>	<b>277.15</b>	<b>608.98</b>
<b>Other segment information</b>					
Segment assets	15,060.31	14,743.98	256.79	59.55	15,060.31
Segment Liabilities	10,117.36	9,743.02	-24.69	399.03	10,117.36
Capital expenditure	4,942.95	4,942.95	-	-	4,942.95

Year ended 31st March, 2016	Total as per P&L	Construction	Power Generation	Others	Total
<b>Revenue from operations</b>					
Operation Income	13,446.75	13,446.75	-	-	13,446.75
Inter Segment Sales	23.07	0.00	23.07	-	23.07
Other Income	282.95	0.00	-	282.95	282.95
<b>Total Revenue</b>	<b>13,752.78</b>	<b>13,446.76</b>	<b>23.07</b>	<b>282.95</b>	<b>13,752.78</b>
<b>Profit before depreciation, interest and tax</b>	<b>1,675.29</b>	<b>1,375.54</b>	<b>16.80</b>	<b>282.95</b>	<b>1,675.29</b>
Less: Interest Expense	738.96	738.96	-	-	738.96
Depreciation	491.42	469.93	21.49	-	491.42
<b>Profit Before Tax</b>	<b>444.92</b>	<b>166.66</b>	<b>-4.69</b>	<b>282.95</b>	<b>444.92</b>
Prov. For tax	149.27	149.27	-	-	149.27
<b>Net Profit</b>	<b>295.64</b>	<b>17.38</b>	<b>-4.69</b>	<b>282.95</b>	<b>295.64</b>
<b>Other segment information</b>					
Segment assets	13,122.56	12,705.68	281.52	135.36	13,122.56
Segment Liabilities	8,788.59	8,446.15	9.00	333.45	8,788.59
Capital expenditure	4,333.97	4,333.97	-	-	4,333.97

Year ended 31st March, 2015	Total as per P&L	Construction	Power Generation	Others	Total
<b>Revenue from operations</b>					
Operation Income	10,005.95	10,005.95	-	-	10,005.95
Inter Segment Sales	35.59	-	35.59	-	35.59
Other Income	224.45	0.00	-	224.45	224.45
<b>Total Revenue</b>	<b>10,265.99</b>	<b>10,005.95</b>	<b>35.59</b>	<b>224.45</b>	<b>10,265.99</b>
<b>Profit before depreciation, interest and tax</b>	<b>1,485.70</b>	<b>1,226.18</b>	<b>35.06</b>	<b>224.45</b>	<b>1,485.70</b>
Less: Interest Expense	683.93	683.93	-	-	683.93
Depreciation	435.22	413.73	21.49	-	435.22
<b>Profit Before Tax</b>	<b>366.55</b>	<b>128.53</b>	<b>13.57</b>	<b>224.45</b>	<b>366.55</b>
Prov. For tax	106.19	106.19	-	-	106.19
<b>Net Profit</b>	<b>260.36</b>	<b>22.33</b>	<b>13.57</b>	<b>224.45</b>	<b>260.36</b>
<b>Other segment information</b>					
Segment assets	12,198.86	11,775.08	288.42	135.36	12,198.86
Segment Liabilities	8,160.54	7,815.29	-	345.25	8,160.54
Capital expenditure	4,038.33	4,038.33	-	-	4,038.33

Year ended 31st March, 2014	Total as per P&L	Construction	Power Generation	Others	Total
<b>Revenue from operations</b>					
Operation Income	10,978.74	10,978.74	-	-	10,978.74
Inter Segment Sales	49.48	-	49.48	-	49.48
Other Income	188.53	-	-	188.53	188.53
<b>Total Revenue</b>	<b>11,216.75</b>	<b>10,978.74</b>	<b>49.48</b>	<b>188.53</b>	<b>11,216.75</b>
<b>Result</b>					
<b>Profit before depreciation, interest and tax</b>	<b>1,663.99</b>	<b>1,438.42</b>	<b>37.04</b>	<b>188.53</b>	<b>1,663.99</b>
Less: Interest Expense	742.75	741.51	1.24	-	742.75
Depreciation	332.32	306.94	25.39	-	332.32
<b>Profit Before Tax</b>	<b>588.92</b>	<b>389.97</b>	<b>10.41</b>	<b>188.53</b>	<b>588.92</b>
Prov. For tax	242.33	242.33	-	-	242.33
<b>Net Profit</b>	<b>346.59</b>	<b>147.64</b>	<b>10.41</b>	<b>188.53</b>	<b>346.59</b>
<b>Other segment information</b>					
Segment assets	10,712.89	10,226.24	449.06	37.58	10,712.89
Segment Liabilities	6,934.92	6,248.18	303.66	383.08	6,934.92
Capital expenditure	3,777.97	3,777.97	-	-	3,777.97

Year ended 31st March, 2013	Total as per P&L	Construction	Power Generation	Others	Total
<b>Revenue from operations</b>					
Operation Income	11,552.64	11,552.64	-	-	11,552.64
Inter Segment Sales	47.36	-	47.36	-	47.36
Other Income	316.41	0.00	-	316.41	316.41
<b>Total Revenue</b>	<b>11,916.41</b>	<b>11,552.64</b>	<b>47.36</b>	<b>316.41</b>	<b>11,916.41</b>
<b>Result</b>					
<b>Profit before depreciation, interest and tax</b>	<b>1,353.77</b>	<b>1,000.06</b>	<b>37.29</b>	<b>316.41</b>	<b>1,353.77</b>
Less: Interest Expense	568.33	559.26	9.08	-	568.33
Depreciation	326.75	301.36	25.39	-	326.75
<b>Profit Before Tax</b>	<b>458.69</b>	<b>139.45</b>	<b>2.83</b>	<b>316.41</b>	<b>458.69</b>
Prov. For tax	71.40	71.40	-	-	71.40
<b>Net Profit</b>	<b>387.29</b>	<b>68.05</b>	<b>2.83</b>	<b>316.41</b>	<b>387.29</b>
<b>Other segment information</b>					
Segment assets	9,908.69	9,423.19	447.92	37.58	9,908.69
Segment Liabilities	6,477.31	5,845.19	338.32	293.80	6,477.31
Capital expenditure	3,431.38	3,431.38	-	-	3,431.38

## **2.19 Foreign currency translation :**

### **i) Initial recognition**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

### **ii) Conversion**

At the year-end, monetary assets in foreign currency are translated at the rates of exchange at the balance sheet date and resultant gain or loss is recognized in the Profit and Loss Account.

### **iii) Exchange differences**

All exchange differences arising on settlement/ conversion on foreign currency transactions are included in the Profit and Loss Account, except in cases where they relate to the acquisition of fixed assets, in which case they are adjusted in the cost of the corresponding asset.

## **2.20 Share Premium Account:**

Share premium account includes difference between consideration received in respect of shares and face value of shares.

## **2.21 Provision for doubtful debt:**

The company has introduced new policy for provision for doubtful debts in the year 2017-18 as specified below:

<b>S.No</b>	<b>Particulars</b>	<b>% of provision</b>
1	Debtors outstanding for more than 1 year	5%
2	Debtors outstanding for more than 2 years	10%
3	Debtors outstanding for more than 3 years	15%

Any effect in the restated financial statement after introduction of new policy in the previous 5 years has been incorporated in the respective years in which it belongs.

**B.R. Goyal Infrastructure Limited (CIN: U04520MP2005PLC017479)**  
**Restated Statement Of Reconciliation Of Restated Profit To Profit As Per Audited Financial Statements**  
**Annexure 5**

**A Restated Statement Of Reconciliation Of Restated Profit To Profit As Per Audited Financial Statements**

						(Amount in lakhs)
Particulars	31 December 2017	31 March 2017	31 March 2016	31 March 2015	31 March 2014	31 March 2013
<b>Profit after tax (as per audited financial statements)</b>	<b>402.79</b>	<b>500.83</b>	<b>347.82</b>	<b>247.78</b>	<b>298.52</b>	<b>402.21</b>
<b>Restatement adjustments:</b>						
Earlier Period Tax adjustment	14.03	39.84	(11.02)	0.11	5.32	8.34
Prior Period Items adjustment	38.54	(6.76)	(7.71)	13.73	(3.20)	(21.66)
Write off adjustment	15.43	103.87	(30.67)	(0.42)	101.07	0.10
Provision for doubtful debt adjustment	39.03	5.55	(26.23)	(4.04)	(5.18)	(9.13)
Other adjustments	-	-	14.61	6.15	(22.85)	11.56
Depreciation (adjustment - Companies Act, 2013)	-	-	-	-	(2.70)	(2.70)
Tax impact on restatement adjustments (refer note 3)	5.10	34.34	(8.84)	2.95	24.38	1.44
<b>Profit after tax, as restated</b>	<b>504.72</b>	<b>608.98</b>	<b>295.64</b>	<b>260.36</b>	<b>346.59</b>	<b>387.29</b>

**Notes**

1) The Company has adjusted Prior period expenses and depreciation pertaining to earlier years during the period ended 31st december, 2017 along with the year ended 31 March 2017, 2016, 2015, 2014 and 2013. The effect of these items has been adjusted in the respective years of origination.

2) During the period ended 31st december, 2017 along with the year ended 31 March 2017, 2016, 2015, 2014 and 2013, certain taxes have been accounted for pertaining to earlier years based on intimations/ orders received from Income-tax authorities. For the purpose of the Restated Summery Statements, such items have been appropriately adjusted to the respective years to which they relate. Further, opening retained earnings as at 1 April 2012 has been adjusted to reflect the impact of such items incurred prior to 31 March 2012.

3) The restated statements have been adjusted for the tax impact of the restatement adjustments identified above.

**B Restatement adjustments made in the Restated Statement of Reserves and Surplus to the balance as at 1 April 2012 of the Surplus in the Statement of Profit and Loss of the Company is as follows:**

		(Amount in lakhs)
Description		Amount
<b>Net surplus in the Statement of Profit and Loss as at 01 April 2012 as per audited financial statements</b>		<b>2,605.22</b>
<b>Adjustments:</b>		
Earlier Period Tax adjustment		(56.61)
Prior Period Items adjustment		(12.94)
Write off adjustment		(189.38)
Depreciation (adjustment - Companies Act, 2013)		(17.67)
Provision for doubtful debt adjustment		-
Others adjustment		(9.46)
<b>Net surplus in the Restated Statement of Profit and Loss as at 01 April 2012</b>		<b>2,319.16</b>



## (a) Contingent liabilities

(Amount in lakhs)

Particulars	31st December, 2017	31st March, 2017	31st March, 2016	31st March, 2015	31st March, 2014	31st March, 2013
Claims against the company not acknowledged as debts						
Bank Guarantees	3876.16	5808.07	2656.95	2880.57	680.95	2643.76
Corporate Gurantee					1100.00	
Income Tax Demand	597.48	522.64				49.35
	<b>4473.64</b>	<b>6330.71</b>	<b>2656.95</b>	<b>2880.57</b>	<b>1780.95</b>	<b>2693.11</b>

## (b) Details Of Dues To Micro And Small Enterprises As Defined Under The MSMED Act, 2006

The identification of Micro, Small and Medium enterprises is based on the management's knowledge of their status. The Company has not received any intimation from suppliers regarding their status under "The Micro, Small and Medium Enterprises Development Act, 2006".

	31st December, 2017 In Rs.	31st March, 2017 In Rs.	31st March, 2016 In Rs.	31st March, 2015 In Rs.	31st March, 2014 In Rs.	31st March, 2013 In Rs.
<b>7 Share capital</b>						
<b>Authorized shares</b>						
15,00,000 (Previous year:15,00,000) equity shares of Rs. 10/- each	150.00	150.00	150.00	150.00	150.00	150.00
	<u>150.00</u>	<u>150.00</u>	<u>150.00</u>	<u>150.00</u>	<u>150.00</u>	<u>150.00</u>
<b>Issued shares</b>						
12,42,336 (Previous year:12,42,336) equity shares of Rs. 10/- each	124.23	124.23	124.23	124.23	124.23	124.23
<b>Subscribed and fully paid-up shares</b>						
12,42,336 (Previous year:12,42,336) equity shares of Rs. 10/- each	124.23	124.23	124.23	124.23	124.23	124.23
	<u>124.23</u>	<u>124.23</u>	<u>124.23</u>	<u>124.23</u>	<u>124.23</u>	<u>124.23</u>

**a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year**

Equity shares	31st December, 2017		31st March, 2017		31st March, 2016		31st March, 2015		31st March, 2014		31st March, 2013	
	Numbers	In Rs.	Numbers	In Rs.	Numbers	In Rs.	Numbers	In Rs.	Numbers	In Rs.	Numbers	In Rs.
At the beginning of the Period	1,242,336	124.23	1,242,336	124.23	1,242,336	124.23	1,242,336	124.23	1,242,336	124.23	1,242,336	124.23
Issued during the period pursuant to conversion of zero coupon unsecured fully convertible debentures	-	-	-	-	-	-	-	-	-	-	-	-
Issued during the Period	-	-	-	-	-	-	-	-	-	-	-	-
Outstanding at the end of the period	<u>1,242,336</u>	<u>124.23</u>	<u>1,242,336</u>	<u>124.23</u>	<u>1,242,336</u>	<u>124.23</u>	<u>1,242,336</u>	<u>124.23</u>	<u>1,242,336</u>	<u>124.23</u>	<u>1,242,336</u>	<u>124.23</u>

**b. Terms/rights attached to equity shares**

The company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**c. Details of shareholders holding more than 5% shares in the Company**

	31st December, 2017		31st March, 2017		31st March, 2016		31st March, 2015		31st March, 2014		31st March, 2013	
Particulars	Numbers	% holding	Numbers	% holding	Numbers	% holding	Numbers	% holding	Numbers	% holding	Numbers	% holding
<b>Equity shares of Rs. 10 each fully paid-up</b>												
Rajendra Kumar Goyal	350,889	28.24%	350,889	28.24%	350,889	28.24%	350,889	28.24%	350,889	28.24%	350,889	28.24%
Gopal Goyal	350,889	28.24%	350,889	28.24%	350,889	28.24%	350,889	28.24%	350,889	28.24%	350,889	28.24%
Brij Kishore Goyal	350,888	28.24%	350,888	28.24%	350,888	28.24%	350,888	28.24%	350,888	28.24%	350,888	28.24%
BRG Holding Pvt. Ltd.	125,000	10.06%	125,000	10.06%	125,000	10.06%	125,000	10.06%	125,000	10.06%	125,000	10.06%
Bal Krishna Goyal	64,070	5.16%	64,070	5.16%	-	-	-	-	-	-	-	-

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

**Note:** The above Statement should be read with the Restated Statement of Notes to Restated Statements of the Company in Annexure 6 and the Restated Statement of Reconciliation of Restated Profit to Profit as per Audited Financial Statements in Annexure 5.

<b>8 Reserves and surplus</b>	<b>31st December, 2017</b>	<b>31st March, 2017</b>	<b>31st March, 2016</b>	<b>31st March, 2015</b>	<b>31st March, 2014</b>	<b>31st March, 2013</b>
	<b>In Rs.</b>	<b>In Rs.</b>	<b>In Rs.</b>	<b>In Rs.</b>	<b>In Rs.</b>	<b>In Rs.</b>
Securities premium account						
Opening Balance	600.70	600.70	600.70	600.70	600.70	600.70
Adjustments during the period	-	-	-	-	-	-
Closing Balance	600.70	600.70	600.70	600.70	600.70	600.70
Surplus in the statement of profit and loss						
Balance as per last financial statements	4218.02	3609.03	3313.39	3053.04	2706.45	2319.16
Adjustment on account of transitional provision relating to depreciation as per schedule II of companies act 2013	-	-	-	0.00	-	-
Profit for the period	504.72	608.98	295.64	260.36	346.59	387.29
Net Surplus in the statement of profit and loss	4722.73	4218.02	3609.03	3313.39	3053.04	2706.45
Total Reserves & Surplus	<b>5323.43</b>	<b>4818.72</b>	<b>4209.73</b>	<b>3914.09</b>	<b>3653.74</b>	<b>3307.15</b>

**Note:** The above Statement should be read with the Restated Statement of Notes to Restated Statements of the Company in Annexure 6 and the Restated Statement of Reconciliation of Restated Profit to Profit as per Audited Financial Statements in Annexure 5.

9 Long-term borrowings

I Term loans

(i) From banks

Term Loan (secured) (refer note)  
Vehicle finance scheme (secured) (refer note e and f below)

(ii) From others

II Other loans

Others (Unsecured)  
Loans from Directors (unsecured)  
Overdraft Facility

Amount disclosed under the head "Other current liabilities" (note 10b)

The above amount includes

Secured borrowings  
Unsecured borrowings

	31st December, 2017		31st March, 2017		31st March, 2016		31 March 2015		31 March 2014		31 March 2013	
	Non current	Current	Non current	Current	Non current	Current	Non current	Current	Non current	Current	Non current	Current
	In Rs.	In Rs.	In Rs.	In Rs.	In Rs.	In Rs.	In Rs.	In Rs.	In Rs.	In Rs.	In Rs.	In Rs.
Term Loan (secured) (refer note)	44.23	269.64	338.13	340.58	717.68	434.84	1125.14	376.84	589.29	122.84	211.66	148.39
Vehicle finance scheme (secured) (refer note e and f below)	624.21	967.71	1059.18	711.59	567.79	463.54	224.43	319.41	171.00	347.34	174.62	534.50
(ii) From others												
Others (Unsecured)	325.88	-	271.16	-	250.31	-	663.35	-	282.80	-	350.93	-
Loans from Directors (unsecured)	204.71	-	589.23	-	585.74	-	797.09	-	814.26	-	1587.30	-
Overdraft Facility	-	-	95.95	-	75.39	18.85	-	-	-	-	-	-
	<b>1199.02</b>	<b>1237.35</b>	<b>2353.66</b>	<b>1052.17</b>	<b>2196.91</b>	<b>917.23</b>	<b>2810.01</b>	<b>696.24</b>	<b>1857.35</b>	<b>470.18</b>	<b>2324.51</b>	<b>682.89</b>
Amount disclosed under the head "Other current liabilities" (note 10b)	-	(1,237.35)	-	(1,052.17)	-	(917.23)	-	(696.24)	-	(470.18)	-	(682.89)
	<b>1199.02</b>	<b>-</b>	<b>2353.66</b>	<b>-</b>	<b>2196.91</b>	<b>-</b>	<b>2810.01</b>	<b>-</b>	<b>1857.35</b>	<b>-</b>	<b>2324.51</b>	<b>-</b>
The above amount includes												
Secured borrowings	668.43	1237.35	1397.32	1052.17	1285.47	898.38	1349.57	696.24	760.29	470.18	386.28	682.89
Unsecured borrowings	530.58	-	860.39	-	836.05	-	1460.43	-	1097.06	-	1938.23	-
	<b>1199.02</b>	<b>1237.35</b>	<b>2257.70</b>	<b>1052.17</b>	<b>2121.52</b>	<b>898.38</b>	<b>2810.01</b>	<b>696.24</b>	<b>1857.35</b>	<b>470.18</b>	<b>2324.51</b>	<b>682.89</b>

Refer Annexure 1

a. Corporate Loan (CL) from State Bank of India is secured by hypothecation of raw materials, stocks in process, finished goods, consumable stores and spares and receivables and carries interest rate of 3.75% p.a. above 8.00% bank rate (1 year MCLR), effective rate 11.75% p.a. The CL is secured by the collateral security of the properties and personal guarantee by Mr. Bal Krishna Goyal, Mr. Rajendra Kumar Goyal, Mr. Brij Kishore Goyal, Mr. Gopal Goyal, Mrs. Usha Goyal, Mrs. Vinita Goyal and Mrs. Sarla Goyal.

b. Construction Equipment Loan (CEL) from State Bank of India is secured by hypothecation of Hot Mix Plant and Generator and carries interest rate of 1.00% p.a. above 8.00% Bank rate (1 year MCLR), effective rate 9.00%. The CL is secured by the collateral security of the properties and personal guarantee by Mr. Bal Krishna Goyal, Mr. Rajendra Kumar Goyal, Mr. Brij Kishore Goyal, Mr. Gopal Goyal, Mrs. Usha Goyal, Mrs. Vinita Goyal and Mrs. Sarla Goyal.

c. Term Loan Consist of Rupee Term loan amounting to Rs 7.50 crores (Outstanding Balance Rs. 3.36 crores) repayable in 57 monthly installments from Axis Bank .The rate of Interest is 1 year MCLR + 3.50% i.e. 11.75% p.a. The loan is also secured by the collateral security of the property, corporate guarantee of Super Agro and personal guarantee by Mr. Rajendra Kumar Goyal, Mr. Brijkishore Goyal, Mr. Gopal Goyal and Mr. Omprakash Goyal.

d. Term Loan Consist of Rupee Term loan amounting to Rs 3.00 crores (Outstanding Balance Rs. 2.51 crores) repayable in 60 monthly installments from Kotak Mahindra Bank. The rate of Interest is 3.75 % above 10.00 % Bank base rate. The loan is also secured by the collateral security of the property and personal guarantee by Mr. Rajendra Kumar Goyal, Mr. Brijkishore Goyal, Mr. Gopal Goyal and Mr. Omprakash Goyal, Mrs. Usha Goyal, Mrs. Vinita Goyal and Mrs. Sarla Goyal.

e. Loan from HDFC Bank under Vehicle Finance Scheme amounting to Rs. 11.74 crores (Outstanding Balance Rs. 7.77 crores) is secured by an exclusive charge by way of hypothecation of vehicle purchased under said scheme and is carrying interest rate of 11.87% and is repayable in 24 Equal Monthly Installments (EMIs).

f. Loan from ICICI Bank under Vehicle Finance Scheme amounting to Rs. 4.41 crores (Outstanding Balance Rs. 3.58 crores) is secured by an exclusive charge by way of hypothecation of vehicle purchased under said scheme and is carrying interest rate of 12.75%.

Note: The above Statement should be read with the Restated Statement of Notes to Restated Statements of the Company in Annexure 6 and the Restated Statement of Reconciliation of Restated Profit to Profit as per Audited Financial Statements in Annexure 5.

10 Short Term Provisions

	'31st December, 2017		31st March, 2017		31st March, 2016		31st March 2015		31st March 2014		31st March 2013	
	Long Term	Short Term	Long Term	Short Term	Long Term	Short Term	Long Term	Short Term	Long Term	Short Term	Long Term	Short Term
	In Rs.	In Rs.	In Rs.	In Rs.	In Rs.	In Rs.	In Rs.	In Rs.	In Rs.	In Rs.	In Rs.	In Rs.
Provision for employee benefit (Refer Pt. No. 28)	41.50	102.31	40.35	26.72	28.71	20.03	24.17	20.78	18.61	51.07	16.01	34.85
Provision for expenses	-	27.63	-	7.47	-	3.24	-	3.47	-	4.07	-	1.89
	<b>41.50</b>	<b>129.95</b>	<b>40.35</b>	<b>34.19</b>	<b>28.71</b>	<b>23.27</b>	<b>24.17</b>	<b>24.25</b>	<b>18.61</b>	<b>55.14</b>	<b>16.01</b>	<b>36.74</b>

Note: The above Statement should be read with the Restated Statement of Notes to Restated Statements of the Company in Annexure 6 and the Restated Statement of Reconciliation of Restated Profit to Profit as per Audited Financial Statements in Annexure 5.

11 Deferred tax liabilities (Net)	31st December, 2017 In Rs.	31st March, 2017 In Rs.	31st March, 2016 In Rs.	31st March, 2015 In Rs.	31st March, 2014 In Rs.	31st March, 2013 In Rs.
<b>Deferred tax liabilities</b>						
Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting and other timing differences impacts	358.69	312.77	299.99	299.50	318.03	310.50
Conversion of Capital Asset into Stock-in-trade	-	11.57	13.59	18.63	22.06	-
<b>Deferred tax Assets</b>						
Impact of expenditure charged to the statement of Profit & loss in the current year but allowed for tax purposes on payment basis	(80.51)	-	-	-	-	-
Tax Adjustment, as restated [DTA/(DTL)]	5.10	34.34	(8.84)	2.95	24.38	1.44
Conversion of Capital Assets into Stock in trade	-	-	-	-	-	(34.15)
	<u>283.28</u>	<u>358.69</u>	<u>304.74</u>	<u>321.07</u>	<u>364.47</u>	<u>277.79</u>

Note: The above Statement should be read with the Restated Statement of Notes to Restated Statements of the Company in Annexure 6 and the Restated Statement of Reconciliation of Restated Profit to Profit as per Audited Financial Statements in Annexure 5.

12 Other long term liabilities	31st December, 2017	31st March, 2017	31st March, 2016	31st March, 2015	31st March, 2014	31st March, 2013
	In Rs.	In Rs.	In Rs.	In Rs.	In Rs.	In Rs.
Contract - Retentions	721.69	609.74	183.51	48.64	25.50	102.79
Advance against capital goods	-	188.32	-	-	-	-
	<u>721.69</u>	<u>798.06</u>	<u>183.51</u>	<u>48.64</u>	<u>25.50</u>	<u>102.79</u>

Note: The above Statement should be read with the Restated Statement of Notes to Restated Statements of the Company in Annexure 6 and the Restated Statement of Reconciliation of Restated Profit to Profit as per Audited Financial Statements in Annexure 5.

13 Short-term borrowings	31st December, 2017 In Rs.	31st March, 2017 In Rs.	31st March, 2016 In Rs.	31st March, 2015 In Rs.	31st March, 2014 In Rs.	31st March, 2013 In Rs.
From Banks						
Cash credit from banks (secured) (refer notes below)	2900.00	3119.86	2792.45	2376.55	2344.35	1372.20
Overdraft Facility from bank	-	99.28	-	-	-	-
	<u>2900.00</u>	<u>3219.14</u>	<u>2792.45</u>	<u>2376.55</u>	<u>2344.35</u>	<u>1372.20</u>
The above amount includes						
Secured borrowings	2900.00	3219.14	2792.45	2376.55	2344.35	1372.20
	<u>2900.00</u>	<u>3219.14</u>	<u>2792.45</u>	<u>2376.55</u>	<u>2344.35</u>	<u>1372.20</u>

**Refer Annexure 1**

a. Cash Credits from State Bank of India is secured by hypothecation of raw materials, stocks in process, finished goods, consumable stores and spares and receivables and carries interest rate of 2.00% above 8.00% Bank rate (MCLR 1 year), effective rate is 10.00% p.a.. The CC is secured by the collateral security of the properties and personal guarantee by Mr. Bal Krishna Goyal, Mr. Rajendra Kumar Goyal, Mr. Brij Kishore Goyal, Mr. Gopal Goyal, Mrs. Usha Goyal, Mrs. Vinita Goyal and Mrs. Sarla Goyal.

b. Stand by Line of Credit (SLC) from State Bank of India is secured by hypothecation of raw materials, stocks in process, finished goods, consumable stores and spares and receivables and carries interest rate of 3.00% p.a. above 8.00% Bank rate (1 year MCLR), effective rate is 11% p.a. The SLC is secured by the collateral security of the properties and personal guarantee by Mr. Bal Krishna Goyal, Mr. Rajendra Kumar Goyal, Mr. Brij Kishore Goyal, Mr. Gopal Goyal, Mrs. Usha Goyal, Mrs. Vinita Goyal and Mrs. Sarla Goyal.

c. Overdraft limit from Axis Bank Limited carries an interest rate of 3 months MCLR + 3.70% i.e. 11.75% p.a.

The OD is secured by the collateral security of the property and personal guarantee by Mr. Rajendra Kumar Goyal, Mr. Brijkishore Goyal, Mr. Omprakash Goyal Mr. Gopal Goyal, Mrs. Usha Goyal, Mrs. Vinita Goyal and Mrs. Sarla Goyal

d. Cash Credits from IDBI Bank carries interest rate of 2.90% p.a. above 8.80% Bank rate (MCLR on 14/02/2017).

The same has been guaranteed by Mr. Balkrishna Goyal, Mr. Omprakash Goyal, Mr. Rajendra Kumar Goyal, Mr. Gopal Goyal, Mr. Brij Kishore Goyal, Mrs. Usha Goyal, Mrs. Vinita Goyal and Mrs. Sarla Goyal.

**Note: The above Statement should be read with the Restated Statement of Notes to Restated Statements of the Company in Annexure 6 and the Restated Statement of Reconciliation of Restated Profit to Profit as per Audited Financial Statements in Annexure 5.**



14 Trade payables and other current liabilities	31st December, 2017 In Rs.	31st March, 2017 In Rs.	31st March, 2016 In Rs.	31st March, 2015 In Rs.	31st March, 2014 In Rs.	31st March, 2013 In Rs.
<b>14(a) Trade payables</b>						
Dues to Micro, Small and Medium Enterprises	-	-	-	-	-	-
Dues to others						
Sundry Creditors for Material	864.46	740.28	494.43	378.89	455.59	400.19
Sundry Creditors for Expenses	256.45	247.90	217.44	152.19	98.49	143.11
Sundry Creditors Sub Contractor	139.84	445.41	665.91	387.44	249.55	169.38
Sundry Creditors for Capital Goods	124.35	2.38	2.30	0.00	0.00	0.00
Sundry Creditors Others	40.91	56.32	36.49	29.70	20.95	21.79
Sundry Creditors Contractor	-	-	-	339.52	320.72	-
	<b>1426.01</b>	<b>1492.29</b>	<b>1416.57</b>	<b>1287.74</b>	<b>1145.30</b>	<b>734.46</b>

Note: The above Statement should be read with the Restated Statement of Notes to Restated Statements of the Company in Annexure 6 and the Restated Statement of Reconciliation of Restated Profit to Profit as per Audited Financial Statements in Annexure 5.

14(b) Other current liabilities	31st December, 2017 In Rs.	31st March, 2017 In Rs.	31st March, 2016 In Rs.	31st March, 2015 In Rs.	31st March, 2014 In Rs.	31st March, 2013 In Rs.
Current maturities of long term borrowings (note 5)	1237.35	1052.17	917.23	696.24	470.18	682.89
Current maturities of Security Deposits	-	35.02	63.71	114.95	140.16	235.19
Advance from customers	758.66	649.41	762.48	357.30	365.35	496.32
Interest due but not paid	-	11.57	10.85	13.90	5.20	-
Statutory Dues	29.90	72.83	88.16	85.72	143.32	198.40
	<b>2025.90</b>	<b>1821.00</b>	<b>1842.43</b>	<b>1268.10</b>	<b>1124.20</b>	<b>1612.81</b>

Note: The above Statement should be read with the Restated Statement of Notes to Restated Statements of the Company in Annexure 6 and the Restated Statement of Reconciliation of Restated Profit to Profit as per Audited Financial Statements in Annexure 5.

**B.R. Goyal Infrastructure Limited (CIN: U04520MP2005PLC017479)**

**Restated Statement Of Fixed Assets**

**Annexure 15 (a)**

**Tangible Assets**

<b>Gross block</b>	<b>Land</b>	<b>Buildings</b>	<b>Plant and machinery</b>	<b>Electrical installations</b>	<b>Furniture and fixture</b>	<b>Office Equipment</b>	<b>Vehicles</b>	<b>Computer</b>	<b>Total</b>
<b>Balance as at 1 April 2012</b>	0.00	0.00	2310.51	5.94	35.83	6.44	1779.94	21.70	4160.36
Additions	0.00	535.04	20.98	22.57	1.24	1.28	37.95	0.67	619.73
Disposals	0.00	0.00	0.00	0.00	0.00	0.00	15.09	0.00	15.09
<b>Balance as at 31 March 2013</b>	<b>0.00</b>	<b>535.04</b>	<b>2331.49</b>	<b>28.51</b>	<b>37.07</b>	<b>7.72</b>	<b>1802.80</b>	<b>22.37</b>	<b>4765.01</b>
Additions	0.00	0.00	7.88	7.24	1.00	1.90	13.49	2.67	34.18
Disposals	0.00	0.00	19.52	0.00	0.00	0.00	11.38	0.00	30.90
<b>Balance as at 31 March 2014</b>	<b>0.00</b>	<b>535.04</b>	<b>2319.85</b>	<b>35.75</b>	<b>38.07</b>	<b>9.62</b>	<b>1804.91</b>	<b>25.04</b>	<b>4768.28</b>
<b>Trasfer To/From</b>	0.00	0.00	938.07	-11.33	0.12	8.63	-930.85	-4.65	0.00
<b>Balance as at 31 March 2014 (Reclassified)</b>	<b>0.00</b>	<b>535.04</b>	<b>3257.92</b>	<b>24.42</b>	<b>38.19</b>	<b>18.26</b>	<b>874.06</b>	<b>20.39</b>	<b>4768.28</b>
Additions	1009.71	24.83	327.21	2.89	2.71	4.66	10.12	3.17	1385.30
Disposals	358.73	0.00	2.35	12.47	0.00	0.61	1.05	0.00	375.21
<b>Balance as at 31 March 2015</b>	<b>650.98</b>	<b>559.87</b>	<b>3582.78</b>	<b>14.84</b>	<b>40.90</b>	<b>22.31</b>	<b>883.13</b>	<b>23.56</b>	<b>5778.37</b>
Additions	85.22	577.72	521.47	1.84	3.11	2.88	622.76	4.94	1819.94
Disposals	650.98	0.00	0.00	0.00	0.00	0.00	0.00	0.00	650.98
<b>Balance as at 31 March 2016</b>	<b>85.22</b>	<b>1137.59</b>	<b>4104.25</b>	<b>16.68</b>	<b>44.01</b>	<b>25.20</b>	<b>1505.88</b>	<b>28.51</b>	<b>6947.33</b>
Additions	0.00	25.58	777.25	0.00	80.29	12.31	747.33	4.88	1647.64
Disposals	0.00	0.00	42.29	0.00	0.00	0.00	19.96	0.00	62.26
Reclassification	-7.64	7.64	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Balance as at 31 March 2017</b>	<b>77.58</b>	<b>1170.81</b>	<b>4839.21</b>	<b>16.68</b>	<b>124.30</b>	<b>37.51</b>	<b>2233.24</b>	<b>33.39</b>	<b>8532.71</b>
Additions	0.00	0.00	80.27	0.00	0.00	3.80	15.88	1.49	101.45
Disposals	0.00	0.00	296.55	0.00	0.00	0.00	73.70	0.00	370.25
Reclassification	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Balance as at 31st December 2017</b>	<b>77.58</b>	<b>1170.81</b>	<b>4622.93</b>	<b>16.68</b>	<b>124.30</b>	<b>41.31</b>	<b>2175.42</b>	<b>34.88</b>	<b>8263.91</b>
<b>Accumulated depreciation</b>									
<b>Balance as at 1 April 2012</b>	0.00	0.00	453.52	1.61	6.77	1.73	539.85	12.37	1015.84
Depreciation charge	0.00	3.58	110.88	0.59	2.43	0.52	201.78	2.79	322.58
Depreciation (adjustment - Companies Act, 2013)	0.00	0.00	0.63	0.00	0.16	0.77	0.21	0.93	2.70
Reversal on disposal of assets	0.00	0.00	0.13	0.00	0.02	0.01	6.01	0.39	6.55
Acquisitions through business combinations	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Balance as at 31 March 2013</b>	<b>0.00</b>	<b>3.58</b>	<b>564.91</b>	<b>2.20</b>	<b>9.33</b>	<b>3.02</b>	<b>735.83</b>	<b>15.70</b>	<b>1334.57</b>
<b>Reclassification effect</b>	0.00	0.00	379.15	-0.16	-0.25	3.99	-380.05	-2.68	0.00
<b>Balance as at 31 March 2013</b>	0.00	3.58	944.05	2.04	9.08	7.01	355.77	13.03	1334.57
Depreciation charge	0.00	8.72	216.21	1.39	2.47	1.47	95.31	2.06	327.64
Reversal on disposal of assets	0.00	0.00	5.12	0.00	0.00	0.00	2.85	0.00	7.97
Depreciation (adjustment - Companies Act, 2013)	0.00	0.00	0.63	0.00	0.16	0.77	0.21	0.93	2.70
<b>Balance as at 31 March 2014</b>	<b>0.00</b>	<b>12.31</b>	<b>1155.77</b>	<b>3.43</b>	<b>11.71</b>	<b>9.25</b>	<b>448.44</b>	<b>16.02</b>	<b>1656.93</b>
Depreciation charge	0.00	17.38	302.74	2.72	4.81	3.79	98.92	2.82	433.19
Reversal on disposal of assets	0.00	0.00	0.00	2.05	0.00	0.21	0.86	0.00	3.11
Written off from opening reserves	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Balance as at 31 March 2015</b>	<b>0.00</b>	<b>29.69</b>	<b>1458.51</b>	<b>4.11</b>	<b>16.52</b>	<b>12.83</b>	<b>546.51</b>	<b>18.84</b>	<b>2087.01</b>

Depreciation charge	0.00	36.38	326.42	1.77	4.28	3.17	115.24	2.03	489.30
Reversal on disposal of assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Balance as at 31 March 2016</b>	<b>0.00</b>	<b>66.07</b>	<b>1784.94</b>	<b>5.88</b>	<b>20.81</b>	<b>16.00</b>	<b>661.76</b>	<b>20.87</b>	<b>2576.31</b>
Depreciation charge	0.00	36.94	388.99	1.95	5.62	3.32	189.32	3.40	629.54
Reversal on disposal of assets	0.00	0.00	0.00	0.00	0.00	0.00	12.85	0.00	12.85
<b>Balance as at 31 March 2017</b>	<b>0.00</b>	<b>103.01</b>	<b>2173.93</b>	<b>7.83</b>	<b>26.42</b>	<b>19.32</b>	<b>838.23</b>	<b>24.26</b>	<b>3193.00</b>
Depreciation charge	0.00	28.24	291.17	1.05	8.81	3.81	165.40	3.20	501.68
Depreciation written back	0.00	0.00	52.84	0.00	0.00	0.00	80.57	0.00	133.41
<b>Balance as at 31st December 2017</b>	<b>0.00</b>	<b>131.26</b>	<b>2412.26</b>	<b>8.87</b>	<b>35.23</b>	<b>23.13</b>	<b>923.06</b>	<b>27.46</b>	<b>3561.26</b>

#### Net block

Balance as at 31 March 2013	0.00	531.46	1766.58	26.31	27.73	4.71	1066.97	6.67	<b>3430.44</b>
Balance as at 31 March 2014	0.00	522.74	1164.08	32.32	26.36	0.38	1356.46	9.02	<b>3111.35</b>
Balance as at 31 March 2015	650.98	530.18	2124.27	10.74	24.37	9.48	336.62	4.73	<b>3691.36</b>
Balance as at 31 March 2016	85.22	1071.52	2319.32	10.80	23.20	9.20	844.13	7.64	<b>4371.02</b>
Balance as at 31 March 2017	77.58	1067.80	2665.28	8.86	97.87	18.19	1395.02	9.13	<b>5339.71</b>
Balance as at 31 December 2017	77.58	1039.55	2210.67	7.81	89.07	18.18	1252.36	7.42	<b>4702.64</b>

**Note: The above Statement should be read with the Restated Statement of Significant Accounting Policies in Annexure 4, Restated Statement of Notes to Restated Statements of the Company in Annexure 6 and the Restated Statement of Reconciliation of Restated Profit to Profit as per Audited Financial Statements in Annexure 5.**

**B.R. Goyal Infrastructure Limited (CIN: U04520MP2005PLC017479)**  
**Restated Statement Of Fixed Assets**  
**Annexure 15 (b): [Annexure 15 (Cont'd)]**  
**Capital Work in Progress**

*(Amount in lakhs)*

<b>Gross Block</b>	<b>Amount</b>
<b>Balance as at 01st April 2012</b>	<b>823.99</b>
Additions	1359.00
Disposals	569.69
<b>Balance as at 31st March 2013</b>	<b>1613.30</b>
Additions	262.53
Disposals	168.72
<b>Balance as at 31st March 2014</b>	<b>1707.12</b>
Additions	188.11
Disposals	499.12
<b>Balance as at 31st March 2015</b>	<b>1396.11</b>
Additions	852.60
Disposals	856.63
<b>Balance as at 31st March 2016</b>	<b>1392.08</b>
Additions	727.46
Disposals	1066.63
<b>Balance as at 31st March 2017</b>	<b>1052.91</b>
Additions	153.19
Disposals	340.63
<b>Balance as at 31st December 2017</b>	<b>865.46</b>

Note: The above Statement should be read with the Restated Statement of Significant Accounting Policies in Annexure 4, Restated Statement of Notes to Restated Statements of the Company in Annexure 6 and the Restated Statement of Reconciliation of Restated Profit to Profit as per Audited Financial Statements in Annexure 5.

**B.R. Goyal Infrastructure Limited (CIN: U04520MP2005PLC017479)**  
**Restated Statement Of Fixed Assets**  
**Annexure 16**

<b>Intangible assets</b>		<b>(Amount in lakhs)</b>
<b>Gross block</b>	<b>Computer software</b>	<b>Total</b>
<b>Balance as at 01 April 2012</b>		
Additions	9.21	9.21
<b>Balance as at 31 March 2013</b>	<b>9.21</b>	<b>9.21</b>
Additions	1.58	1.58
<b>Balance as at 31 March 2014</b>	<b>10.79</b>	<b>10.79</b>
Additions	0.65	0.65
<b>Balance as at 31 March 2015</b>	<b>11.44</b>	<b>11.44</b>
Additions	0.00	0.00
<b>Balance as at 31 March 2016</b>	<b>11.44</b>	<b>11.44</b>
Additions	0.00	0.00
<b>Balance as at 31 March 2017</b>	<b>11.44</b>	<b>11.44</b>
Additions	0.00	0.00
<b>Balance as at 31 December 2017</b>	<b>11.44</b>	<b>11.44</b>
<b>Accumulated amortisation</b>		
<b>Balance as at 01 April 2012</b>		
Amortisation charge	1.47	1.47
<b>Balance as at 31 March 2013</b>	<b>1.47</b>	<b>1.47</b>
Amortisation charge	1.99	1.99
<b>Balance as at 31 March 2014</b>	<b>3.46</b>	<b>3.46</b>
Amortisation charge	2.03	2.03
<b>Balance as at 31 March 2015</b>	<b>5.48</b>	<b>5.48</b>
Amortisation charge	2.12	2.12
<b>Balance as at 31 March 2016</b>	<b>7.60</b>	<b>7.60</b>
Amortisation charge	2.12	2.12
<b>Balance as at 31 March 2017</b>	<b>9.72</b>	<b>9.72</b>
Amortisation charge	0.66	0.66
<b>Balance as at 31 December 2017</b>	<b>10.39</b>	<b>10.39</b>
<b>Net block</b>		
Balance as at 31 March 2013	7.74	<b>7.74</b>
Balance as at 31 March 2014	7.33	<b>7.33</b>
Balance as at 31 March 2015	5.95	<b>5.95</b>
Balance as at 31 March 2016	3.84	<b>3.84</b>
Balance as at 31 March 2017	1.71	<b>1.71</b>
Balance as at 31 December 2017	1.05	<b>1.05</b>

Note: The above Statement should be read with the Restated Statement of Significant Accounting Policies in Annexure 4, Restated Statement of Notes to Restated Statements of the Company in Annexure 6 and the Restated Statement of Reconciliation of Restated Profit to Profit as per Audited Financial Statements in Annexure 5.

17 Loans and advances

	31st December, 2017		31st March, 2017		31st March, 2016		31st March 2015		31st March 2014		31st March 2013	
	Long Term	Short Term	Long Term	Short Term	Long Term	Short Term	Long Term	Short Term	Long Term	Short Term	Long Term	Short Term
	In Rs.	In Rs.	In Rs.	In Rs.	In Rs.	In Rs.	In Rs.	In Rs.	In Rs.	In Rs.	In Rs.	In Rs.
Retention Money	283.17	1115.32	421.66	1097.96	139.05	1229.51	361.02	1003.98	667.34	387.59	777.88	534.48
Advances recoverable in cash or kind (unsecured)	-	769.02	-	959.65	270.00	995.98	270.00	474.91	-	276.09	-	-
Considered good	283.17	1884.34	421.66	2057.61	409.05	2225.49	631.02	1478.89	667.34	663.68	777.88	534.48
<b>Other loans and advances (unsecured, considered good)</b>												
TDS Receivable	-	157.03	-	161.31	-	109.70	-	25.52	-	39.97	-	54.13
Prepaid Expenses	-	60.64	-	86.86	-	77.51	-	83.55	-	59.21	-	-
Advances to Parties	-	-	-	-	-	-	-	-	-	-	-	123.78
Advance to Employees & Directors	-	-	-	-	-	-	-	-	-	-	-	18.63
	283.17	2102.01	421.66	2305.78	409.05	2412.70	631.02	1587.96	667.34	762.85	777.88	731.02

Note: The above Statement should be read with the Restated Statement of Notes to Restated Statements of the Company in Annexure 6 and the Restated Statement of Reconciliation of Restated Profit to Profit as per Audited Financial Statements in Annexure 5.

18	Inventories (valued at lower of cost and net realizable value)	31st December, 2017	31st March, 2017	31st March, 2016	31st March, 2015	31st March, 2014	31st March, 2013
		In Rs.	In Rs.	In Rs.	In Rs.	In Rs.	In Rs.
	Raw materials	262.04	503.79	204.16	310.02	338.00	350.05
	Work-in-progress	2788.68	2140.80	1900.32	1926.11	1776.08	1392.91
		<u>3050.73</u>	<u>2644.59</u>	<u>2104.48</u>	<u>2236.13</u>	<u>2114.08</u>	<u>1742.95</u>

Note: The above Statement should be read with the Restated Statement of Notes to Restated Statements of the Company in Annexure 6 and the Restated Statement of Reconciliation of Restated Profit to Profit as per Audited Financial Statements in Annexure 5.

19 Trade receivables	31st December, 2017 In Rs.	31st March, 2017 In Rs.	31st March, 2016 In Rs.	31st March, 2015 In Rs.	31st March, 2014 In Rs.	31st March, 2013 In Rs.
<b>Outstanding for a period exceeding six months from the date they are due for payment</b>						
Unsecured, considered good	1243.04	826.88	706.47	516.77	205.10	118.99
Doubtful	36.62	56.41	44.58	18.35	14.31	9.13
	<u>1279.66</u>	<u>883.29</u>	<u>751.04</u>	<u>535.12</u>	<u>219.41</u>	<u>128.11</u>
<b>Other receivables</b>						
Unsecured, considered good	839.03	920.63	902.50	1246.92	1260.67	739.62
Doubtful	-	0.00	0.00	0.00	0.00	0.00
Less: Provision for doubtful debts	36.62	56.41	44.58	18.35	14.31	9.13
	<u>2082.07</u>	<u>1747.51</u>	<u>1608.97</u>	<u>1763.69</u>	<u>1465.77</u>	<u>858.60</u>

Note: The above Statement should be read with the Restated Statement of Notes to Restated Statements of the Company in Annexure 6 and the Restated Statement of Reconciliation of Restated Profit to Profit as per Audited Financial Statements in Annexure 5.



20 Cash and bank balances	31st December, 2017	31st March, 2017	31st March, 2016	31st March, 2015	31st March, 2014	31st March, 2013
	In Rs.	In Rs.	In Rs.	In Rs.	In Rs.	In Rs.
<b>Cash and cash equivalents</b>						
Cash on hand	15.52	10.77	18.99	19.94	8.37	20.38
Balance with banks in current accounts	17.34	262.91	47.74	196.18	34.02	121.12
	<b>32.86</b>	<b>273.68</b>	<b>66.74</b>	<b>216.12</b>	<b>42.39</b>	<b>141.50</b>
<b>Other Bank Balance</b>						
Margin money deposit	569.95	736.30	367.69	331.02	669.69	412.74
	<b>569.95</b>	<b>736.30</b>	<b>367.69</b>	<b>331.02</b>	<b>669.69</b>	<b>412.74</b>
	<b>602.81</b>	<b>1009.98</b>	<b>434.43</b>	<b>547.15</b>	<b>712.08</b>	<b>554.24</b>

Note: The above Statement should be read with the Restated Statement of Notes to Restated Statements of the Company in Annexure 6 and the Restated Statement of Reconciliation of Restated Profit to Profit as per Audited Financial Statements in Annexure 5.

21 Other assets	31st December, 2017		31st March, 2017		31st March, 2016		31st March 2015		31st March 2014		31st March 2013	
	Non Current	Current	Non Current	Current	Non Current	Current	Non Current	Current	Non Current	Current Assets	Non Current	Current
	Assets	Assets	Assets	Assets	Assets	Assets	Assets	Assets	Assets		Assets	Assets
	In Rs.	In Rs.	In Rs.	In Rs.	In Rs.	In Rs.	In Rs.	In Rs.	In Rs.	In Rs.	In Rs.	In Rs.
Asset held for sale	39.31	-	59.55	-	59.55	-	59.55	-	37.58	-	37.58	-
Interest receivable	-	130.86	-	142.03	-	97.10	-	77.45	-	64.90	-	72.01
Due from revenue authorities*	-	187.68	-	334.89	75.82	153.54	75.82	126.67	-	62.49	-	33.22
Prepaid Expenses	-	-	-	-	-	-	-	-	-	-	-	49.69
GST Reveivable	-	127.22	-	-	-	-	-	-	-	-	-	-
	<b>39.31</b>	<b>445.76</b>	<b>59.55</b>	<b>476.92</b>	<b>135.36</b>	<b>250.64</b>	<b>135.36</b>	<b>204.13</b>	<b>37.58</b>	<b>127.39</b>	<b>37.58</b>	<b>154.92</b>

\*Rs. 75.82 lakhs has been seized by Income Tax Department with regard to Search Conducted on 27.08.14.

**Note: The above Statement should be read with the Restated Statement of Notes to Restated Statements of the Company in Annexure 6 and the Restated Statement of Reconciliation of Restated Profit to Profit as per Audited Financial Statements in Annexure 5.**

22 Revenue from Operations	31st December, 2017	31st March, 2017	31st March, 2016	31st March, 2015	31st March, 2014	31st March, 2013
	In Rs.	In Rs.	In Rs.	In Rs.	In Rs.	In Rs.
<b>Construction &amp; Other Related Activity</b>						
Contract Revenue including RMC Load supply	8995.41	13398.45	13194.73	9729.09	10567.73	10913.88
Bitumen Sales	190.40	64.38	34.04	133.86	329.37	-
<b>Other operating revenue</b>	-	-	-	-	-	-
Plot Sales (Industrial Park)	215.69	83.58	208.24	180.92	128.62	644.45
Wind Power Generation	38.16	52.18	23.07	35.59	49.48	47.36
Labour work received	-	-	40.80	-	-	-
<b>Revenue from operations (gross)</b>	<b>9439.66</b>	<b>13598.59</b>	<b>13500.88</b>	<b>10079.45</b>	<b>11075.20</b>	<b>11605.69</b>
Less: Excise duty*	5.11	25.05	31.05	37.91	46.98	5.70
<b>Revenue from operations (net)</b>	<b>9434.56</b>	<b>13573.54</b>	<b>13469.82</b>	<b>10041.54</b>	<b>11028.22</b>	<b>11599.99</b>

\*Excise duty on sales, amounting to Rs. 31.05 lakhs (31st March 2016), 37.91 lakhs (31st March 2015), 46.98 lakhs (31st March 2014) & 5.70 lakhs (31st March 2013) has been reduced from sales in statement of P&L.

**Note:** The above Statement should be read with the Restated Statement of Notes to Restated Statements of the Company in Annexure 6 and the Restated Statement of Reconciliation of Restated Profit to Profit as per Audited Financial Statements in Annexure 5.

23 Other income	31st December, 2017	31st March, 2017	31st March, 2016	31st March, 2015	31st March, 2014	31st March, 2013
	In Rs.	In Rs.	In Rs.	In Rs.	In Rs.	In Rs.
Interest Income on:						
Bank deposits	38.59	64.03	53.73	46.57	51.27	52.66
Others	78.93	0.17	1.85	4.61	9.99	10.52
Rent income	120.97	147.75	118.15	89.38	94.82	48.29
Profit on Sale of Land	270.40	58.93	31.87	66.19	-	-
Other Income	22.19	6.27	77.35	17.71	32.45	133.51
Keyman Insurance Assignment (refer note a & b)	-	-	-	-	-	71.44
	<u>531.08</u>	<u>277.15</u>	<u>282.95</u>	<u>224.45</u>	<u>188.53</u>	<u>316.41</u>

a. During the current year the company has assigned Keyman Insurance Policies to directors Mr. Rajendra Kumar Goyal and Mr. Gopal Goyal at surrender value of Rs. 38.92 Lakhs and Rs. 32.52 Lakhs respectively.

b. As determined by management, based on current operational and business activity of the Company.

Note: The above Statement should be read with the Restated Statement of Notes to Restated Statements of the Company in Annexure 6 and the Restated Statement of Reconciliation of Restated Profit to Profit as per Audited Financial Statements in Annexure 5.

24 Cost of raw material and components consumed

	31st December, 2017	31st March, 2017	31st March, 2016	31st March, 2015	31st March, 2014	31st March, 2013
	In Rs.	In Rs.	In Rs.	In Rs.	In Rs.	In Rs.
Stock of raw material and components at the beginning of the period	503.79	204.16	310.02	338.00	350.05	239.56
Add: Purchases*	2888.43	4222.60	5373.85	4591.40	4959.49	5012.36
	<b>3392.21</b>	<b>4426.76</b>	<b>5683.87</b>	<b>4929.39</b>	<b>5309.54</b>	<b>5251.91</b>
Less: Stock of raw material and components at end of the period	262.04	503.79	204.16	310.02	338.00	350.05
<b>Cost of raw material and components consumed</b>	<b>3130.17</b>	<b>3922.97</b>	<b>5479.71</b>	<b>4619.38</b>	<b>4971.54</b>	<b>4901.87</b>

\*Refer Note No. 30

Note: The above Statement should be read with the Restated Statement of Notes to Restated Statements of the Company in Annexure 6 and the Restated Statement of Reconciliation of Restated Profit to Profit as per Audited Financial Statements in Annexure 5.

25 (Increase)/Decrease in inventories

	31st December, 2017	31st March, 2017	31st March, 2016	31st March, 2015	31st March, 2014	31st March, 2013
	In Rs.	In Rs.	In Rs.	In Rs.	In Rs.	In Rs.
Inventories at the end of the period						
Work-in-progress	2788.68	2140.80	1900.32	1926.11	1776.08	1392.91
Finished goods	-	-	-	-	-	-
	<u>2788.68</u>	<u>2140.80</u>	<u>1900.32</u>	<u>1926.11</u>	<u>1776.08</u>	<u>1392.91</u>
Inventories at the beginning of the period						
Work-in-progress	2140.80	1900.32	1926.11	1776.08	1392.91	2095.82
Finished goods	-	-	-	-	-	-
	<u>(647.88)</u>	<u>(240.48)</u>	<u>25.79</u>	<u>(150.03)</u>	<u>(383.17)</u>	<u>702.92</u>

Note: The above Statement should be read with the Restated Statement of Notes to Restated Statements of the Company in Annexure 6 and the Restated Statement of Reconciliation of Restated Profit to Profit as per Audited Financial Statements in Annexure 5.

26 Employee benefit expenses

	31st December, 2017	31st March, 2017	31st March, 2016	31st March, 2015	31st March, 2014	31st March, 2013
	In Rs.	In Rs.	In Rs.	In Rs.	In Rs.	In Rs.
Salaries, wages, bonus and gratuity	517.72	683.68	411.28	379.47	379.14	333.92
Gratuity expenses	2.74	12.44	5.03	5.95	2.91	17.50
Contribution to provident and other funds	45.31	48.08	26.32	18.67	9.07	11.43
Directors Remuneration	27.00	36.00	36.00	36.00	36.00	25.05
Staff welfare expenses	46.79	53.20	12.39	13.05	13.94	10.16
	<b>639.56</b>	<b>833.41</b>	<b>491.02</b>	<b>453.14</b>	<b>441.05</b>	<b>398.06</b>

Note: The above Statement should be read with the Restated Statement of Notes to Restated Statements of the Company in Annexure 6 and the Restated Statement of Reconciliation of Restated Profit to Profit as per Audited Financial Statements in Annexure 5.

27 Operating and other expenses	31st December, 2017 In Rs.	31st March, 2017 In Rs.	31st March, 2016 In Rs.	31st March, 2015 In Rs.	31st March, 2014 In Rs.	31st March, 2013 In Rs.
Site Expenses	1,182.81	1,120.01	1,228.57	1,027.88	1,154.48	1,073.97
Sub Contract Expenses	1,789.51	2,991.21	2,510.31	892.49	1,234.46	1,184.55
Power and fuel	1,162.89	1,310.92	911.27	622.89	805.84	773.35
Repairs and maintenance	330.46	576.55	358.60	358.10	338.72	439.68
Fees, Rate & Taxes	351.37	480.17	475.81	362.02	315.00	324.67
Rent paid	82.37	158.43	141.09	103.82	105.58	57.22
Insurance	38.24	70.13	89.41	71.34	76.38	36.94
Legal & Professional fees	50.13	106.44	72.51	75.90	96.89	83.52
Transportation Expenses	43.71	13.34	42.21	39.54	126.49	308.43
Freight & Handling expenses	66.70	74.75	29.27	34.12	41.69	16.15
Royalty Expenses	42.30	40.75	18.26	31.73	49.91	37.83
Commision and brokerage	1.09	4.61	12.90	21.30	9.21	0.48
Tender Form Expense	6.32	10.21	10.70	7.75	10.00	12.91
General Expenses	2.96	8.67	13.79	9.00	8.85	9.35
Provision for doubtful debts	(19.79)	11.84	26.23	4.04	5.18	9.13
Marketing and promotional expenses	0.09	8.04	2.26	8.54	7.55	82.48
Payment to auditors (refer details below)	8.56	3.45	3.48	3.09	11.88	6.64
Other expenses	156.54	45.18	134.30	184.26	125.24	102.51
Provision for CSR	7.43	-	-	-	-	-
	<b>5303.68</b>	<b>7034.70</b>	<b>6080.96</b>	<b>3857.81</b>	<b>4523.34</b>	<b>4559.80</b>
<b>Payment to auditor</b>						
As auditor:						
Audit fee	2.25	3.00	3.00	2.00	2.00	2.00
Tax Audit Fee	-	-	-	0.75	0.75	0.75
Service Tax/GST	0.41	0.45	0.44	0.34	0.34	0.34
Others	5.90	-	0.05	-	8.79	3.55
	<b>8.56</b>	<b>3.45</b>	<b>3.48</b>	<b>3.09</b>	<b>11.88</b>	<b>6.64</b>

Note: The above Statement should be read with the Restated Statement of Notes to Restated Statements of the Company in Annexure 6 and the Restated Statement of Reconciliation of Restated Profit to Profit as per Audited Financial Statements in Annexure 5.



28 Depreciation and amortization expenses	31st December, 2017	31st March, 2017	31st March, 2016	31st March, 2015	31st March, 2014	31st March, 2013
	In Rs.	In Rs.	In Rs.	In Rs.	In Rs.	In Rs.
Depreciation of tangible assets	501.68	629.54	489.30	433.19	330.34	325.28
Amortization of Intangible assets	0.66	2.12	2.12	2.03	1.99	1.47
	<u>502.34</u>	<u>631.66</u>	<u>491.42</u>	<u>435.22</u>	<u>332.32</u>	<u>326.75</u>

Note: The above Statement should be read with the Restated Statement of Notes to Restated Statements of the Company in Annexure 6 and the Restated Statement of Reconciliation of Restated Profit to Profit as per Audited Financial Statements in Annexure 5.

29 Finance costs

	31st December, 2017	31st March, 2017	31st March, 2016	31st March, 2015	31st March, 2014	31st March, 2013
	<u>In Rs.</u>	<u>In Rs.</u>	<u>In Rs.</u>	<u>In Rs.</u>	<u>In Rs.</u>	<u>In Rs.</u>
Interest Cost	320.34	674.88	647.59	612.65	626.33	498.73
Interest to parties/distributors	1.14	7.57	0.66	7.54	23.19	13.98
Other borrowings cost	31.58	17.59	29.68	21.80	40.37	20.25
Bank Guarantee Charges	<u>75.21</u>	<u>74.57</u>	<u>61.03</u>	<u>41.93</u>	<u>52.85</u>	<u>35.37</u>
	<u><b>428.27</b></u>	<u><b>774.61</b></u>	<u><b>738.96</b></u>	<u><b>683.93</b></u>	<u><b>742.75</b></u>	<u><b>568.33</b></u>

Note: The above Statement should be read with the Restated Statement of Notes to Restated Statements of the Company in Annexure 6 and the Restated Statement of Reconciliation of Restated Profit to Profit as per Audited Financial Statements in Annexure 5.

30 Employee benefits

**A. Defined contribution plan - provident fund**

Provident Fund is a defined contribution scheme established under a State Plan. The contributions to the scheme are charged to the statement of profit and loss in the year when the contributions to the funds are due.

	31st December, 2017 In Rs.	31st March, 2017 In Rs.	31st March, 2016 In Rs.	31st March, 2015 In Rs.	31st March, 2014 In Rs.	31st March, 2013 In Rs.
Contribution to provident fund	45.31	48.08	26.32	18.67	9.07	11.43
	<u>45.31</u>	<u>48.08</u>	<u>26.32</u>	<u>18.67</u>	<u>9.07</u>	<u>11.43</u>

**B. Defined contribution plan - gratuity**

The Company has a defined gratuity plan. Every employee who has completed five years or more of service gets a gratuity on post employment at 15 days salary (last drawn salary) for each completed year of service as per the rules of the Company. The aforesaid liability is provided for on the basis of an actuarial valuation made at the end of the financial period.

Disclosure as required by Accounting Standard (AS)-15 (Revised 2005) "Employee Benefits" notified by the Companies (Accounting Standards) Rules, 2006 as amended are given below-

**Statement of P&L**

Net employee benefit expense recognized in the employee cost

	31st December, 2017 In Rs.	31st March, 2017 In Rs.	31st March, 2016 In Rs.	31st March, 2015 In Rs.	31st March, 2014 In Rs.	31st March, 2013 In Rs.
Current service cost	7.86	6.38	6.49	6.00	5.91	4.49
Interest cost on benefit obligation	2.37	2.28	1.96	1.72	1.33	-
Expected return on plan assets						
Actuarial (gains)/losses on obligation	(7.49)	3.78	(3.42)	(1.77)	(4.34)	-
<b>Net benefit expenses in the year</b>						
Total Expenses recognised in the statement of profit and loss account	<u>2.74</u>	<u>12.44</u>	<u>5.03</u>	<u>5.95</u>	<u>2.91</u>	<u>4.49</u>

<b>Balance sheet</b>	31st December, 2017 In Rs.	31st March, 2017 In Rs.	31st March, 2016 In Rs.	31st March, 2015 In Rs.	31st March, 2014 In Rs.	31st March, 2013 In Rs.
Plan asset / (liability)						
Present Value of defined benefit obligation	(46.57)	(43.83)	(31.39)	(26.36)	(20.41)	(17.50)
Less: Fair value of Plan asset						
<b>Plan asset / (liability)</b>	<u>(46.57)</u>	<u>(43.83)</u>	<u>(31.39)</u>	<u>(26.36)</u>	<u>(20.41)</u>	<u>(17.50)</u>

**Changes in the present value of the defined benefit obligation are as follows:**

	31st December, 2017 In Rs.	31st March, 2017 In Rs.	31st March, 2016 In Rs.	31st March, 2015 In Rs.	31st March, 2014 In Rs.	31st March, 2013 In Rs.
Opening defined benefit obligation	43.83	31.39	26.36	20.41	17.50	-
Current service cost	7.86	6.38	6.49	6.00	5.91	4.49
Interest cost	2.37	2.28	1.96	1.72	1.33	-
Benefits paid						
Actuarial (gains)/losses on obligation	(7.49)	3.78	(3.42)	(1.77)	(4.34)	-
Prior year charge	-	-	-	-	-	13.01
<b>Closing defined benefit obligation</b>	<u>46.57</u>	<u>43.83</u>	<u>31.39</u>	<u>26.36</u>	<u>20.41</u>	<u>17.50</u>

**The principal assumptions as at the Balance Sheet date**

Discount rate	7.40%	7.50%	7.95%	7.75%	8.80%	7.95%
Expected rate of salary increase	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
Mortality rate	IALM(2006-08)	IALM(2006-08)	IALM(2006-08)	IALM(2006-08)	IALM(2006-08)	IALM(2006-08)

**Note:** The above Statement should be read with the Restated Statement of Notes to Restated Statements of the Company in Annexure 6 and the Restated Statement of Reconciliation of Restated Profit to Profit as per Audited Financial Statements in Annexure 5.

\*IALM: Indian Assured Lives Mortality

31 Contingent liabilities	31st December, 2017 In Rs.	31st March, 2017 In Rs.	31st March, 2016 In Rs.	31st March, 2015 In Rs.	31st March, 2014 In Rs.	31st March, 2013 In Rs.
Claims against the company not acknowledged as debts						
Income Tax & Others Demands	597.48	522.64	-	-	-	49.35
Bank Guarantees	3876.16	5808.07	2656.95	2880.57	680.95	2643.76
Corporate Gurantee	-	-	-	-	1100.00	-
	<u>4473.64</u>	<u>6330.71</u>	<u>2656.95</u>	<u>2880.57</u>	<u>1780.95</u>	<u>2693.11</u>

Note: The above Statement should be read with the Restated Statement of Notes to Restated Statements of the Company in Annexure 6 and the Restated Statement of Reconciliation of Restated Profit to Profit as per Audited Financial Statements in Annexure 5.

**32 Expenses of revenue nature capitalized during the year :**

During the year, the company has capitalized the following expenses of revenue nature to capital work in progress (CWIP)

	31st December, 2017	31st March, 2017	31st March, 2016	31st March, 2015	31st March, 2014	31st March, 2013
	In Rs.	In Rs.	In Rs.	In Rs.	In Rs.	In Rs.
Purchases	-	-	-	13.55	60.26	339.26
Other expenses	-	-	-	18.41	69.88	95.33
	<u>-</u>	<u>-</u>	<u>-</u>	<u>31.96</u>	<u>130.14</u>	<u>434.59</u>

Note: The above Statement should be read with the Restated Statement of Notes to Restated Statements of the Company in Annexure 6 and the Restated Statement of Reconciliation of Restated Profit to Profit as per Audited Financial Statements in Annexure 5.

**33 Details Of Dues To Micro And Small Enterprises As Defined Under The MSMED Act, 2006**  
The identification of Micro, Small and Medium enterprises is based on the management's knowledge of their status. The Company has not received any intimation from suppliers regarding their status under "The Micro, Small and Medium Enterprises Development Act, 2006".

<b>For Mahesh C. Solanki &amp; Co.</b> ICAI firm registration number: 006228C Chartered Accountants	<b>For and on behalf of the board of directors of B.R. Goyal Infrastructure Limited</b>		
<b>SD/-</b> <b>CA. Rajat Jain</b> Partner Membership No.: 413515 Place: Indore Date: 17 <sup>th</sup> May, 2018	<b>SD/-</b> <b>CA. Dasharath Tomar</b> CFO  Place: Indore Date: 17 <sup>th</sup> May, 2018	<b>SD/-</b> <b>Brij Kishore Goyal</b> Director DIN - 00012185	<b>SD/-</b> <b>Gopal Goyal</b> Director DIN - 00012164

**Annexure: 1**

Name of Bank	Type of Facility	Sanction amount (Rs. in lakhs)	Rate of interest	As at 31 December 2017 (Rs. in lakhs)	Repayment schedule of loans	Security
Axis Bank	Overdraft	500.00	11.75%	495.52	on demand	Refer Note No. 1
Axis Bank	Corporate Loan	336.00	11.75%	212.23	Monthly repayment	
HDFC Bank Ltd.	WCDL	500.00	10.50%	504.46	on demand	Refer Note No. 2
	Overdraft	100.00	10.50%	13.07		
IDBI Bank Ltd.	Cash Credit Limit	100.00	11.70%	98.17	on demand	Refer Note No. 3
State Bank of India	Cash Credit Limit	1600.00	10.00%	1385.29	on demand	Refer Note No. 4
State Bank of India	Stand Line Credit	400.00	11.00%	403.50	on demand	
State Bank of India	Term Loan	263.00	11.75%	101.36	18 quarterly installments	

**Note 1:****Primary:** Nil

**Collateral:** Plot no. 58 & 59 (Total area 125775 Sq. ft) situated at Survey No. 1851/1 Part, 185/3 Part-I, 185/4, Part, 186/3 Part 185/5, 185/6, 185/8, 186/1, 186/2/2 Patwari Halka No. 25, Village Malikhedi Tehsil and District indore (MP) in the name of M/s B R Goyal Infrastructure Pvt Ltd, having market value of Rs. 11.71 crore and distress value of Rs. 9.37 crore as per valuation report of Arvind Agrawal & Associates dated 15.01.2016.

The property has been approved by town and country planning vide, Letter number 7690 dated 05.11.2011. The company has developed the property into an industrial park. Initially we had mortgaged the entire property against the sanctioned limit. However, later on NOC for part of the property was granted. Now only plot number 58 & 59 mortgaged with us. Valuation of Plot No. 58 & 59 is considered to arrive at the collateral coverage. Area of plot number 58 & 59 has been classified to be used as warehouse in the approved layout plan by TNCP. The valuation is considered of the land being used as warehouse only.

**Guarantees given** are as follows:

- Rajendra Goyal - Director
- Brij Kishore Goyal - Director
- Gopal Goyal – Director
- Corporate guarantee of M/S Super Agro

**Note 2:**

- **Primary:** 1<sup>st</sup> Pari Passu charge on company's entire stock comprising raw material, stock in process, finished goods, consumable stores and spares and receivables excluding fixed assets (land) which is treated as inventory and held for sale.
- Personal guarantees of directors and property of owners to the extent of the facilities provided
- 10 % cash margin for BG upto 3 years tenure issued from HDFC bank
- Sharing of charge on the collateral mentioned as below-

S.N.	Particulars	Owned by	Type of charge
1	Diverted free hold land situated at Khasra No. 375/2 patwari halka no 26 gram musakhedi admeasuring 54980sq.ft.	Mr.Bal Krishna Goyal, Smt. Sarla Goyal and Smt. Usha Goyal	1 <sup>st</sup> Pari Passu charge
2	Diverted free hold land situated at Khasra No. 375/3 patwari halka no 26 gram musakhedi admeasuring 54980sq.ft.	Mr.Gopal Goyal and Smt. Vinita Goyal	1 <sup>st</sup> Pari Passu charge
3	Residential house situated at 3A-Agrawal nagar main road (Sapna Sangeeta main road) Plot size 4062 Sq.ft.	Mr. Bal krishna Goyal	1 <sup>st</sup> Pari Passu charge
4	Leasehold land and commercial office situated at 3A- Agrawal nagar main road (Sapna Sangeeta main road)	Mr. Bal krishna Goyal	1 <sup>st</sup> Pari Passu charge
5	Diverted land situated at patwari halka no 25 khasra no. 172/2/1/11gram bicholi mardana indore admeasuring 11552 sqaure feet	Mr.Brij kishore Goyal	1 <sup>st</sup> Pari Passu charge
6	Deepakunj extension scheme no 140 indore admeasuring area of 1500 square feet	Mr.Gopal Goyal	1 <sup>st</sup> Pari Passu charge
7	survey no. 176/1 PH.NO. 25 Gram Musakhedi Indore	B.R. Goyal Infrastructure Pvt. Ltd.	1 <sup>st</sup> Pari Passu charge
8	Movable fixed assets including P&M	B.R. Goyal Infrastructure Pvt. Ltd.	1 <sup>st</sup> Pari Passu charge
9	FD kept as margin against BG issued from HDFC bank	B.R. Goyal Infrastructure Pvt. Ltd.	1st exclusive charge of HDFC Bank



**Note 3:**

**Primary:** 1<sup>st</sup> Pari Passu charge on company's entire stock comprising raw material, stock in process, finished goods, consumable stores and spares and receivables excluding fixed assets (land) which is treated as inventory and held for sale.

**Collateral security:** Equitable Mortgage on Pari Passu basis over the following properties:

S.N.	Particulars
1	Diverted free hold land situated at Khasra No. 375/1 patwari halka no 26 gram musakhedi admeasuring 54980sq.ft.
2	Diverted free hold land situated at Khasra No. 375/2 patwari halka no 26 gram musakhedi admeasuring 54980sq.ft.
3	Diverted free hold land situated at Khasra No. 375/3 patwari halka no 26 gram musakhedi admeasuring 54980sq.ft.
4	Residential house situated at 3A- Agrawal nagar main road (Sapna Sangeeta main road) Plot size 4062 Sq.ft.
5	Property at survey no. 176/1 PH No 25 Gram malikhedi indore
6	Diverted land situated at patwari halka no 25 khasra no. 172/2/1/11gram bicholi mardana indore admeasuring 11552 sqaure feet
7	Deepakunj extension scheme no 140 indore admeasuring area of 1500 square feet
8	Equitable mortgagage on plot of land bearing khasra no. 375/4 patwari halka mo 26 gram malikhedi indore admeasuring 54980 sq feet equitable mortgage of godown and shop at plot no. 9 survey no 354/6 gram malikhedi nemawar road indore admeasuring 12959 sq feet

**Personal guarantees** of people mentioned below-

- Rajendra Goyal
- Brij Kishore Goyal
- Gopal Goyal
- Usha Goyal
- Balkrishna Goyal
- Vinita Goyal
- Sarla Goyal

**Note 4:**

**Primary:** 1st pari passu charge on company's entire stock comprising raw material, stock in process, finished goods, consumable stores and spares and receivables excluding fixed assets (land) which is treated as inventory and held for sale.

**Collateral:** As per mentioned below-

Facility	Details of security	Owned by	Type of charge
Corporate Loan	First pail passu charge on P & M and miscellaneous fixed assets of the company (excluding land trated as inventory or CWIP and not available for mortgage) except those machinery and vehicles financed by other banks/FI shall continue to be charged to them.	B.R. Goyal Infrastructure private limited	Hypothecation 1st charge
WC limit, SLC, CEL	P & M and miscellaneous fixed assets of the company except those machinery and vehicles financed by other banks/FI shall continue to be charged to them.	B.R. Goyal Infrastructure private limited	1ST Paril Passu charge by way of hypothecation
All facilities	Diverted free hold land situated at Khasra No. 375/2 patwari halka no 26 gram musakhedi admeasuring 54980sq.ft.	Mr. Bal Krishna Goyal, Smt. Sarla Goyal and Smt. Usha Goyal	1ST Pari Passu charge
All facilities	Diverted free hold land situated at Khasra No. 375/3 patwari halka no 26 gram musakhedi admeasuring 54980sq.ft.	Mr.Gopal Goyal and Smt. Vinita Goyal	1ST Pari Passu charge
All facilities	Diverted free hold land situated at Khasra No. 375/1 patwari halka no 26 gram musakhedi admeasuring 54980sq.ft.	Mr.Brij kishore Goyal	1ST Pari Passu charge
All facilities	Residential house situated at 3A- Agrawal nagar main road (Sapna Sangeeta main road) Plot size 4062 Sq.ft.	Mr. Bal krishna Goyal	1ST Pari Passu charge
All facilities	Leasehold land and commercial office situated at 3A- Agrawal nagar main road (Sapna Sangeeta main road)	Mr. Bal krishna Goyal	1ST Pari Passu charge

**Guarantee:** Personal Guarantees given by-

- Mr. Bal Krishna Ramakaran Goyal
- Mr. Rajendra Kumar Goyal
- Mr. Brij Kishore Goyal
- Mr. Gopal Goyal
- Mrs. Usha Goyal
- Mrs. Vinita Goyal
- Mrs. Sarla Goyal

**B.R. Goyal Infrastructure Limited (CIN: U04520MP2005PLC017479)**  
**Restated Statement Of Tax Shelter**  
**Annexure 34**

(Amount in lakhs)

Particulars	31 December 2017	31 March 2017	31 March 2016	31 March 2015	31 March 2014	31 March 2013
<b>Profit before tax, as restated (A)</b>	609.50	893.82	444.92	366.55	588.92	458.69
Tax rate - statutory rate (B)	33.06%	33.06%	33.06%	32.45%	32.45%	32.45%
Minimum Alternate Tax (MAT) [including applicable surcharge and education cess] (C)	20.39%	20.39%	20.39%	20.01%	20.01%	20.01%
<b>Adjustments:</b>						
<b>Permanent differences (D)</b>	(152.59)	(51.41)	(38.43)	(48.82)	5.45	(1.58)
<b>Timing differences (E)</b>	31.10	(22.67)	54.47	114.59	(15.51)	(29.32)
<b>Deductions under chapter VI-A</b>						
U/s 80IA	33.99	51.33	16.80	35.06	35.80	28.21
U/s 80G	2.05	0.72	0.07	0.06	0.36	-
<b>Total deductions (F)</b>	36.04	52.06	16.87	35.12	36.16	28.21
<b>Income from Capital Gain :-</b>						
Income From Short Term Capital Gain (G)	42.22	6.79	12.53	65.95	12.18	114.42
Income From Long Term Capital Gain @ 20%	99.36	41.60	26.31	10.50	-	-
<b>Net Assessable Income</b>	593.54	816.06	482.92	473.64	554.88	514.00
Tax on Long Term Capital Gain @ 20%	21.90	9.17	5.80	2.27	-	-
Tax on Other Income; (A+D+E-F+G)*B-J	163.39	256.06	150.97	150.27	180.03	166.77
<b>Tax liability on taxable profits (H)</b>	185.29	265.23	156.77	152.54	180.03	166.77
Restated adjusted book profits under MAT	609.50	893.82	444.92	366.55	588.92	458.69
MAT liability on restated profits; I=(A*C)	124.27	182.24	90.71	73.34	117.83	91.77
Tax liability higher of (H) and (I)	185.29	265.23	156.77	152.54	180.03	166.77
MAT Credit Entitlement Utilised (J)	-	-	-	-	-	17.92
<b>Restated Tax Payable after adjusting Tax credit K=(H-J)</b>	185.29	265.23	156.77	152.54	180.03	148.85
<b>Tax Adjusted in Deferred Tax Liability/Assets in P&amp;L A/c (K-H)</b>	5.10	34.34	(8.84)	2.95	24.38	1.44
<b>Tax expense in accordance with Income Tax Return (L)</b>	180.19	230.89	165.61	149.59	155.65	147.41

**Notes :**

1. Statutory tax rate includes applicable surcharge, education cess and higher education cess of the respective years.
2. The Statement of Tax Shelter has been prepared as per the Restated Financial Information of the Company.

Note: The above Statement should be read with the Restated Statement of Significant Accounting Policies in Annexure 4, Restated Statement of Notes to Restated Statements of the Company in Annexure 6 and the Restated Statement of Reconciliation of Restated Profit to Profit as per Audited Financial Statements in Annexure 5.

**B.R. Goyal Infrastructure Limited (CIN: U04520MP2005PLC017479)**  
**Statement Of Capitalisation**  
**Annexure 35**

*(Amount in lakhs)*

Particulars	Pre - Issue (as at 31 December 2017)	Post - Issue
<b>Borrowings:</b>		
Short-term borrowings	2,900.00	<b>2,900.00</b>
Current maturities of long-term borrowings	1,237.35	<b>1,237.35</b>
Long-term borrowings (A)	1,199.02	<b>1,199.02</b>
<b>Total borrowing (B)</b>	<b>5,336.36</b>	<b>5,336.36</b>
<b>Shareholders' fund (Net worth)</b>		
Share capital	124.23	<b>458.79</b>
Reserves and surplus	5,323.43	<b>8,033.37</b>
<b>Total shareholders' fund (Net worth) (C)</b>	<b>5,447.67</b>	<b>8,492.16</b>
<b>Long-term borrowings/shareholders' fund (Net worth) ratio (A/C)</b>	0.22	0.14
<b>Total borrowings/shareholders' fund (Net worth) ratio (B/C)</b>	0.98	0.63

**Notes:**

- 1.) Short-term borrowings and current maturities of long term borrowings are debts which are due for repayment within 12 months from 31 December, 2017.
- 2.) Long-term borrowings are considered as borrowings other than short-term borrowings and current maturities of long term borrowings.
- 3.) The amounts disclosed above are based on the Restated Financial Information of the Company.
- 4.) The above Statement should be read with the Restated of Significant Accounting Policies in Annexure 4, Restated Statement of Notes to Restated Statements of the Company in Annexure 6 and the Restated Statement of Reconciliation of Restated Profit to Profit as per Audited Financial Statements in Annexure 5.

**B.R. Goyal Infrastructure Limited (CIN: U04520MP2005PLC017479)**  
**Restated Statement Of Accounting Ratios**  
**Annexure 36**

*(Amount in lakhs except number of shares)*

Particulars		31 December 2017	31 March 2017	31 March 2016	31 March 2015	31 March 2014	31 March 2013
<b>A</b>	Net worth	5447.67	4942.95	4333.97	4038.33	3777.97	3431.38
<b>B</b>	Net profit/(loss) after tax, as restated	504.72	608.98	295.64	260.36	346.59	387.29
<b>C</b>	Number of equity shares outstanding during the year(post-bonus issue)	86,96,352	86,96,352	86,96,352	86,96,352	86,96,352	86,96,352
<b>D</b>	Weighted average number of diluted equity Equity Shares outstanding during the year(post-bonus issue)	86,96,352	86,96,352	86,96,352	86,96,352	86,96,352	86,96,352
Earning Per Share (Post Bonus Issue)							
<b>E</b>	Basic <b>(B/C)</b>	5.80	7.00	3.40	2.99	3.99	4.45
	Diluted <b>(B/D)</b>	5.80	7.00	3.40	2.99	3.99	4.45
<b>F</b>	Number of equity shares outstanding during the year(pre-bonus issue)	12,42,336	12,42,336	12,42,336	12,42,336	12,42,336	12,42,336
<b>G</b>	Weighted average number of diluted equity Equity Shares outstanding during the year(Pre-bonus issue)	12,42,336	12,42,336	12,42,336	12,42,336	12,42,336	12,42,336
H Earning Per Share (Pre -Bonus-Issue)							
	Basic <b>(B/F)</b>	40.63	49.02	23.80	20.96	27.90	31.17
	Diluted <b>(B/G)</b>	40.63	49.02	23.80	20.96	27.90	31.17
<b>I</b>	Return on net worth (%) <b>(B/A)</b>	9.26%	12.32%	6.82%	6.45%	9.17%	11.29%
<b>J</b>	Net assets value per share of Rs 10 each <b>(A/F) (Pre-issue)</b>	438.50	397.88	348.86	325.06	304.10	276.20
<b>K</b>	Net assets value per share of Rs 10 each <b>(A/C) (Post issue)</b>	62.64	56.84	49.84	46.44	43.44	39.46
<b>L</b>	Face value (Rs)	10	10	10	10	10	10

**Notes:**

1 The ratio has been computed as below:

Basic earnings per share (Rs) =	$\frac{\text{Net profit attributable to equity shareholders}}{\text{Weighted average number of equity shares outstanding during period}}$
Diluted earnings per share (Rs) =	$\frac{\text{Net profit attributable to equity shareholders}}{\text{Weighted average number of equity shares during period} + \text{All dilutive potential common stock}}$
Return on net worth (%) =	$\frac{\text{Net Profit After Tax}}{\text{Net worth}}$
Net asset value per share (Rs) =	$\frac{\text{Net Profit After Tax}}{\text{Number of shares outstanding at the end of the year}}$

2 Earning per shares (EPS) calculation is in accordance with the notified Accounting Standard 20 'Earnings per share' specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended).

3 The amounts disclosed above are based on the Restated Financial Information of the Company.

4 The above Statement should be read with the Restated Statement of Significant Accounting Policies in Annexure 4, Restated Statement of Notes to Restated Statements of the Company in Annexure 6 and the Restated Statement of Reconciliation of Restated Profit to Profit as per Audited Financial Statements in Annexure 5.

5 On 17th of May, 2018 the Board of Directors decided to issue Bonus of 6 Shares for every share held.

**B.R. Goyal Infrastructure Limited (CIN: U04520MP2005PLC017479)**

**Restated Statement Of Related Party Transactions And Balances**

**Annexure 37**

**A. Related Party relationships**

**List of related parties:**

SN	Particulars	For the Period ended					
		31 December 2017	31 March 2017	31 March 2016	31 March 2015	31 March 2014	31 March 2013
1	<b>Key managerial personnel (KMP)</b>	Rajendra Goyal - Director	Rajendra Goyal - Director	Rajendra Goyal - Director	Rajendra Goyal - Director	Rajendra Goyal - Director	Rajendra Goyal - Director
		Gopal Goyal Dire - Director	Gopal Goyal Dire - Director	Gopal Goyal Dire - Director	Gopal Goyal Dire - Director	Gopal Goyal Dire - Director	Gopal Goyal Dire - Director
		Brij Kishore Goyal - Director	Brij Kishore Goyal - Director	Brij Kishore Goyal - Director	Brij Kishore Goyal - Director	Brij Kishore Goyal - Director	Brij Kishore Goyal - Director
			Omprakash Goyal Director	Omprakash Goyal Director	Omprakash Goyal Director	Omprakash Goyal Director	Omprakash Goyal Director
2	<b>Relatives of KMP (with whom transactions have taken place during the year)</b>	Balkrishna Goyal(HUF), HUF of director's father	Balkrishna Goyal(HUF), HUF of director's father	Balkrishna Goyal(HUF), HUF of director's father	Balkrishna Goyal(HUF), HUF of director's father	Balkrishna Goyal(HUF), HUF of director's father	Balkrishna Goyal(HUF), HUF of director's father
		Rajendra Goyal(HUF), HUF of director	Rajendra Goyal(HUF), HUF of director	Rajendra Goyal(HUF), HUF of director	Rajendra Goyal(HUF), HUF of director	Rajendra Goyal(HUF), HUF of director	Rajendra Goyal(HUF), HUF of director
		Brij Kishore Goyal(HUF), HUF of director	Brij Kishore Goyal(HUF), HUF of director	Brij Kishore Goyal(HUF), HUF of director	Brij Kishore Goyal(HUF), HUF of director	Brij Kishore Goyal(HUF), HUF of director	Brij Kishore Goyal(HUF), HUF of director
		Gopal Goyal(HUF), HUF of director	Gopal Goyal(HUF), HUF of director	Gopal Goyal(HUF), HUF of director	Gopal Goyal(HUF), HUF of director	Gopal Goyal(HUF), HUF of director	Gopal Goyal(HUF), HUF of director
		Balkrishna Goyal, Directors's father	Balkrishna Goyal, Directors's father	Balkrishna Goyal, Directors's father	Balkrishna Goyal, Directors's father	Balkrishna Goyal, Directors's father	Balkrishna Goyal, Directors's father
		Usha Goyal, Wife of director	Usha Goyal, Wife of director	Usha Goyal, Wife of director	Usha Goyal, Wife of director	Usha Goyal, Wife of director	Usha Goyal, Wife of director
		Vinita Goyal, Wife of director	Vinita Goyal, Wife of director	Vinita Goyal, Wife of director	Vinita Goyal, Wife of director	Vinita Goyal, Wife of director	Vinita Goyal, Wife of director
		Sarla Goyal, Wife of director	Sarla Goyal, Wife of director	Sarla Goyal, Wife of director	Sarla Goyal, Wife of director	Sarla Goyal, Wife of director	Sarla Goyal, Wife of director
		Utpal Goyal, Son of director	Utpal Goyal, Son of director	Utpal Goyal, Son of director	Utpal Goyal, Son of director	Utpal Goyal, Son of director	Utpal Goyal, Son of director
		Lipika Goyal, Daughter of director	Lipika Goyal, Daughter of director	Lipika Goyal, Daughter of director	Lipika Goyal, Daughter of director	Lipika Goyal, Daughter of director	Lipika Goyal, Daughter of director
		Yash Goyal, Son of director	Yash Goyal, Son of director	Yash Goyal, Son of director	Yash Goyal, Son of director	Yash Goyal, Son of director	Yash Goyal, Son of director
						Omprakash P. Agrawal	Omprakash P. Agrawal
							Premilata Agrawal

**Restated Statement Of Related Party Transactions And Balances**

**Annexure 37**

**A. Related Party relationships**

**List of related parties:**

SN	Particulars	For the Period ended					
		31 December 2017	31 March 2017	31 March 2016	31 March 2015	31 March 2014	31 March 2013
3	<b>Enterprises over which key management personnel have significant influence :</b>	BRG Holdings Pvt. Ltd., KMP is director BRG Constructions Pvt. Ltd., KMP is director Sagar Minerals Maa Renuka Trading, Relatives are partner Sagar Ventures BRG Amar Cold Chain Super Agro	BRG Holdings Pvt. Ltd., KMP is director BRG Constructions Pvt. Ltd., KMP is director Sagar Minerals Maa Renuka Trading, Relatives are partner Sagar Ventures BRG Amar Cold Chain Super Agro	BRG Holdings Pvt. Ltd., KMP is director BRG Constructions Pvt. Ltd., KMP is director	BRG Holdings Pvt. Ltd., KMP is director BRG Constructions Pvt. Ltd., KMP is director	BRG Holdings Pvt. Ltd., KMP is director BRG Constructions Pvt. Ltd., KMP is director	BRG Holdings Pvt. Ltd., KMP is director BRG Constructions Pvt. Ltd., KMP is director
4	<b>Associates over which key management personnel have significant influence :</b>	Geeta Shree Toll Kanta, Proprietor is director's wife New Geeta Shree Toll Kanta, Director is partner Maa Renuka Filling Station, Proprietor is director's wife Goyal Roadlines, Director is partner Super Developers, Director is partner Shanti Constructions, Director is proprietor Super Sales, Director is partner Sarathak Innovation Pvt. Ltd., KMP is director BRG Cement Products, Director is partner	Geeta Shree Toll Kanta, Proprietor is director's wife New Geeta Shree Toll Kanta, Director is partner Maa Renuka Filling Station, Proprietor is director's wife Goyal Roadlines, Director is partner Super Developers, Director is partner Shanti Constructions, Director is proprietor Super Sales, Director is partner Sarathak Innovation Pvt. Ltd., KMP is director BRG Cement Products, Director is partner	Geeta Shree Toll Kanta, Proprietor is director's wife New Geeta Shree Toll Kanta, Director is partner Maa Renuka Filling Station, Proprietor is director's wife Goyal Roadlines, Director is partner Super Developers, Director is partner Shanti Constructions, Director is proprietor Super Sales, Director is partner Sarathak Innovation Pvt. Ltd., KMP is director BRG Cement Products, Director is partner	Geeta Shree Toll Kanta, Proprietor is director's wife New Geeta Shree Toll Kanta, Director is partner Maa Renuka Filling Station, Proprietor is director's wife Goyal Roadlines, Director is partner Super Developers, Director is partner Shanti Constructions, Director is proprietor Super Sales, Director is partner Sarathak Innovation Pvt. Ltd., KMP is director BRG Cement Products, Director is partner	Geeta Shree Toll Kanta, Proprietor is director's wife Goyal Roadlines, Director is partner Super Developers, Director is partner Shanti Constructions, Director is proprietor Super Sales, Director is partner Sarathak Innovation Pvt. Ltd., KMP is director BRG Cement Products, Director is partner	Geeta Shree Toll Kanta, Proprietor is director's wife Goyal Roadlines, Director is partner Super Developers, Director is partner Shanti Constructions, Director is proprietor Super Sales, Director is partner Sarathak Innovation Pvt. Ltd., KMP is director

**Restated Statement Of Related Party Transactions And Balances**

**Annexure 37**

**A. Related Party relationships**

**List of related parties:**

SN	Particulars	For the Period ended					
		31 December 2017	31 March 2017	31 March 2016	31 March 2015	31 March 2014	31 March 2013
	Highway Enterprises Pvt. Ltd. KMP is Director  Samarpit Agritech Pvt. Ltd., . KMP is Director  Balaji Developers  Samarth Developers  Srujan Constructions			Sagar Ventures			
5	Joint Venture	Kalyan Toll Infrastructure Pvt. Ltd.					



## Restated Statement of Related Party transaction and balances

## Annexure 37 (b)

## Annexure 37 (Cont'd)

(Amount in lakhs)

S.No	Key managerial personnel	31 December 2017	31 March 2017	31 March 2016	31 March 2015	31 March 2014	31 March 2013
1)	<b>Transactions during the year</b>						
	<b>Managerial remuneration</b>	<b>27.00</b>	<b>36.00</b>	<b>36.00</b>	<b>36.00</b>	<b>36.00</b>	<b>36.00</b>
	Rajendra Kumar Goyal	9.00	12.00	12.00	12.00	12.00	12.00
	Gopal Goyal	9.00	12.00	12.00	12.00	12.00	12.00
	Brij Kishore Goyal	9.00	12.00	12.00	12.00	12.00	12.00
	<b>Interest expenses</b>	<b>22.74</b>	<b>107.76</b>	<b>98.50</b>	<b>80.98</b>	<b>257.22</b>	<b>249.60</b>
	Rajendra Kumar Goyal	0.85	15.55	13.97	0.62	-	4.82
	Gopal Goyal	11.03	33.98	35.10	38.82	50.69	70.88
	Brij Kishore Goyal	10.86	57.36	44.60	38.75	197.08	168.52
	Omprakash Agrawal*	-	0.87	4.83	2.79	9.45	5.38
	<b>Rent Paid</b>	<b>16.08</b>	<b>21.30</b>	<b>21.30</b>	<b>21.30</b>	<b>21.30</b>	<b>21.30</b>
	Rajendra Kumar Goyal	6.54	9.00	9.00	9.00	9.00	9.00
	Gopal Goyal	3.38	4.50	4.50	4.50	4.50	4.50
	Brij Kishore Goyal	6.16	7.80	7.80	7.80	7.80	7.80
	Omprakash Agrawal*	-	-	-	-	-	-
	<b>Loans taken</b>	<b>899.55</b>	<b>1,798.56</b>	<b>1,768.12</b>	<b>1,185.09</b>	<b>737.24</b>	<b>1,909.43</b>
	Rajendra Kumar Goyal	84.01	167.05	121.50	10.75	18.14	56.40
	Gopal Goyal	316.25	620.75	386.75	188.09	34.98	445.40
	Brij Kishore Goyal	499.28	1,010.76	993.36	648.25	516.61	1,340.63
	Omprakash Agrawal*	-	-	266.50	338.00	167.50	67.00
	<b>Loan repaid/adjusted</b>	<b>1,306.81</b>	<b>1,886.44</b>	<b>2,077.96</b>	<b>1,275.15</b>	<b>1,728.80</b>	<b>1,487.15</b>
	Rajendra Kumar Goyal	131.13	219.61	51.09	11.02	2.03	42.98
	Gopal Goyal	447.68	607.43	500.84	179.49	368.69	249.98
	Brij Kishore Goyal	728.00	1,059.40	1,112.62	889.64	1,183.48	1,086.96
	Omprakash Agrawal*	-	-	413.41	195.00	174.60	107.23
	<b>Keyman Insurance</b>	-	-	-	-	-	<b>71.44</b>
	Rajendra Goyal	-	-	-	-	-	38.92
	Gopal Goyal	-	-	-	-	-	32.52
2)	<b>Year end Balances</b>						
	<b>Long term borrowings</b>	<b>181.96</b>	<b>594.84</b>	<b>585.74</b>	<b>797.09</b>	<b>814.26</b>	<b>1,587.30</b>
	Rajendra Kumar Goyal	2.14	49.25	87.82	3.44	3.14	-
	Gopal Goyal	95.88	227.31	183.41	262.39	218.86	506.95
	Brij Kishore Goyal	83.94	312.66	309.68	384.34	590.86	1,080.35
	Omprakash Agrawal*	-	5.61	4.83	146.91	1.40	-
S.No	Enterprises over which management personnel key have significant influence :	31 December 2017	31 March 2017	31 March 2016	31 March 2015	31 March 2014	31 March 2013
	<b>Transactions during the year</b>						
	<b>Interest Expenses</b>	-	-	-	<b>2.11</b>	<b>5.57</b>	<b>5.81</b>
	BRG Holdings Pvt. Ltd.	-	-	-	-	1.49	0.00
	BRG Constructions Pvt. Ltd.	-	-	-	2.11	4.08	5.81
	<b>Loan Taken</b>	-	-	<b>28.92</b>	<b>12.94</b>	<b>42.00</b>	<b>21.50</b>
	BRG Holdings Pvt. Ltd.	-	-	28.92	12.94	42.00	-
	BRG Constructions Pvt. Ltd.	-	-	-	-	-	21.50
	<b>Loan Repaid</b>	-	-	<b>28.92</b>	<b>41.89</b>	<b>43.25</b>	<b>17.27</b>
	BRG Holdings Pvt. Ltd.	-	-	28.92	14.28	42.00	0.02
	BRG Constructions Pvt. Ltd.	-	-	-	27.61	1.25	17.25
	<b>Rent Received</b>	-	-	<b>11.23</b>	-	-	-
	Sagar Ventures	-	-	11.23	-	-	-

## Restated Statement of Related Party transaction and balances

## Annexure 37 (b)

## Annexure 37 (Cont'd)

(Amount in lakhs)

S.No	Income						
		12.68	88.03	-	-	-	-
	Sagar Ventures (Machine Hire Charges)	4.70	16.97	-	-	-	-
	Sagar Ventures (Transportation Charges)	-	2.12	-	-	-	-
	BRG Amar Cold Chain (Machine Hire Charges)		5.37	-	-	-	-
	BRG Amar Cold Chain (Contractual Receipts)	7.98	63.57	-	-	-	-
	<b>Year end balances</b>						
	<b>Long Term borrowings</b>	-	-	-	-	<b>27.06</b>	<b>23.29</b>
	BRG Holdings Pvt. Ltd.	-	-	-	-	1.34	-
	BRG Constructions Pvt. Ltd.	-	-	-	-	25.72	23.29
	<b>Debtor for Capital Goods</b>	<b>199.35</b>	<b>119.50</b>	-	-	-	-
	Super Agro	199.35	119.50	-	-	-	-
S.No	Associates over which key management personnel have significant influence :	31 December 2017	31 March 2017	31 March 2016	31 March 2015	31 March 2014	31 March 2013
	<b>Interest Expenses</b>	<b>3.01</b>	<b>2.98</b>	<b>0.93</b>	<b>7.92</b>	-	<b>5.19</b>
	Geeta Shree Toll Kanta	-	-	-	-	-	0.16
	Shanti Constructions	3.01	2.98	0.93	7.92	-	5.03
	<b>Loan Taken</b>	<b>10.50</b>	<b>9.50</b>	<b>47.50</b>	<b>12.00</b>	<b>336.50</b>	<b>121.10</b>
	Shanti Constructions	10.50	9.50	47.50	12.00	336.50	121.10
	<b>Loan Repaid:</b>	<b>14.58</b>	<b>16.70</b>	<b>73.50</b>	<b>10.15</b>	<b>367.81</b>	<b>56.18</b>
	Geeta Shree Toll Kanta	-	-	-	-	1.02	-
	Shanti Constructions	14.58	16.70	73.50	10.15	366.79	56.18
	<b>Purchases</b>	<b>92.15</b>	<b>457.22</b>	<b>1,969.43</b>	<b>232.16</b>	<b>88.21</b>	<b>126.40</b>
	Super Developers (Bitumen)	15.13	435.18	1,746.62	181.07	82.17	87.73
	Shanti Constructions	-	3.63	90.05	-	-	-
	BRG Cement Products	75.57	18.41	29.51	23.82	1.84	-
	Super Sales	1.45	-	103.24	27.27	4.20	-
	Goyal Roadlines	-	-	-	-	-	38.67
	Maa Renuka Trading	158.41	-	-	-	-	-
	<b>Purchases of Fixed Assets</b>	-	<b>18.50</b>	<b>6.46</b>	-	<b>1.11</b>	<b>11.25</b>
	Goyal Roadlines	-	18.50	6.46	-	1.11	3.33
	Super Sales	-	-	-	-	-	7.92
	<b>Toll Kanta Expenses</b>	-	<b>4.55</b>	<b>6.49</b>	<b>4.35</b>	<b>2.16</b>	<b>3.24</b>
	Geeta Shree Toll Kanta	-	2.36	2.25	4.35	2.16	3.24
	New Geeta Shree Toll Kanta	-	2.20	4.25	-	-	-
	<b>Transportation Expenses</b>		<b>10.29</b>	<b>47.95</b>	<b>74.88</b>	<b>76.69</b>	<b>63.37</b>
	Goyal Roadlines	-	10.29	47.95	74.88	76.69	63.37
	<b>Machine Repair &amp; Maintenance</b>	<b>100.55</b>	<b>144.22</b>	-	-	-	-
	Maa Renuka Trading	100.55	144.22	-	-	-	-
	<b>Renr Received :-</b>	<b>0.79</b>	<b>1.01</b>	<b>1.16</b>	<b>1.14</b>	-	-
	New Geeta Shree Toll Kanta	0.79	1.01	1.16	1.14	-	-
	<b>Contract Receipts</b>	<b>40.74</b>	<b>4.56</b>	<b>3.32</b>	<b>24.17</b>	<b>311.80</b>	<b>504.75</b>
	Sarthak Innovation Pvt. Ltd.	-	4.56	3.32	24.17	29.67	190.37
	Shanti Constructions	40.74	-	-	-	282.13	314.38

## Restated Statement of Related Party transaction and balances

## Annexure 37 (b)

## Annexure 37 (Cont'd)

(Amount in lakhs)

<b>Income :-</b>	<b>195.00</b>	<b>0.22</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Geeta Shree Toll Kanta (Electricity)	0.16	0.22	-	-	-	-
Sarthak Innovation Pvt. Ltd.	3.19	-	-	-	-	-
Maa Renuka Trading	191.65	-	-	-	-	-
<b>Power &amp; Fuel Expenses</b>	<b>871.31</b>	<b>1,085.52</b>	<b>581.87</b>	<b>231.97</b>	<b>-</b>	<b>-</b>
Maa Renuka Filling Station	871.31	1,085.52	581.87	231.97	-	-
<b>Sub- Contract Expenses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>113.58</b>	<b>-</b>	<b>205.69</b>
Shanti Constructions	-	-	-	113.58	-	205.69
<b>Sale of Fixed Assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8.57</b>	<b>-</b>	<b>-</b>
New Geeta Shree Toll Kanta	-	-	-	6.22	-	-
Maa Renuka Filling Station	-	-	-	2.35	-	-
<b>Yeae end balances :-</b>						
<b>Other Expenses</b>	<b>42.20</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
BRG Cement Products	42.20	-	-	-	-	-
<b>Long term borrowings :</b>	<b>14.47</b>	<b>18.55</b>	<b>23.06</b>	<b>48.13</b>	<b>39.15</b>	<b>-</b>
Shanti Constructions	14.47	18.55	23.06	48.13	39.15	-
<b>Advances Against Material</b>	<b>5.29</b>	<b>14.38</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
BRG Cement Products	5.29	14.38	-	-	-	-

## RESTATEMENT OF RELATED PARTY TRANSACTIONS AND BALANCES

S.No	Relatives of KMP	31 December 2017	31 March 2017	31 March 2016	31 March 2015	31 March 2014	31 March 2013
1)	<b>Transactions during the year</b>						
	<b>Interest expense</b>	<b>30.10</b>	<b>46.83</b>	<b>26.53</b>	<b>22.35</b>	<b>20.10</b>	<b>16.40</b>
	Bal krishna Goyal (HUF)	2.88	8.00	5.73	5.40	4.11	3.16
	Rajendra Kumar Goyal (HUF)	3.65	3.75	1.84	2.21	2.27	2.71
	Brij Kishore Goyal (HUF)	3.04	3.47	2.52	2.65	1.26	0.64
	Gopal Goyal (HUF)	5.17	5.96	4.56	4.34	3.35	2.56
	Balkrishna Goyal	2.14	5.44	3.15	2.87	2.67	1.59
	Usha Goyal	1.69	-	-	-	0.02	0.78
	Vinita Goyal	1.27	13.19	3.04	0.55	0.75	0.30
	Sarla Goyal	1.81	1.51	1.79	-	0.33	0.42
	Utpal Goyal	3.08	-	-	-	2.31	0.85
	Lipika Goyal	4.59	4.97	3.21	3.00	2.20	2.45
	Yash Goyal	0.78	0.53	0.69	1.32	0.82	0.95
	<b>Rent expense</b>		<b>13.08</b>	<b>22.80</b>	<b>26.85</b>	<b>30.90</b>	<b>30.90</b>
	Bal krishna Goyal (HUF)	0.60	2.40	2.40	2.40	2.40	2.40
	Brij Kishore Goyal (HUF)	0.60	1.80	1.80	1.80	1.80	1.80
	Gopal Goyal (HUF)	0.60	1.80	1.80	1.80	1.80	1.80
	Balkrishna Goyal	5.31	7.08	7.08	7.08	7.08	7.08
	Usha Goyal	-	-	6.06	6.06	6.06	6.06
	Sarla Goyal	-	-	3.66	3.66	3.66	3.66
	Vinita Goyal	0.94	-	-	4.05	8.10	8.10
	<b>Loan taken</b>	<b>206.15</b>	<b>195.38</b>	<b>123.62</b>	<b>37.56</b>	<b>90.43</b>	<b>110.92</b>
	Bal krishna Goyal (HUF)	-	3.23	4.74	1.37	9.42	2.10
	Rajendra Kumar Goyal (HUF)	0.38	12.76	0.53	-	9.72	4.60
	Brij Kishore Goyal (HUF)	1.37	-	3.65	3.05	13.19	1.40
	Gopal Goyal (HUF)	-	0.92	1.29	1.54	6.36	3.36
	Balkrishna Goyal	9.80	8.76	9.53	1.09	9.38	6.65
	Usha Goyal	76.45	-	-	0.43	0.50	54.65
	Vinita Goyal	20.63	157.75	66.28	15.06	-	7.30
	Sarla Goyal	37.06	5.41	30.15	0.27	1.00	22.05
	Utpal Goyal	53.75	-	-	3.50	17.35	8.55
	Lipika Goyal	3.50	6.55	5.50	5.94	3.50	0.25
	Yash Goyal	3.22	-	1.95	5.30	20.00	-

## Restated Statement of Related Party transaction and balances

## Annexure 37 (b)

## Annexure 37 (Cont'd)

(Amount in lakhs)

	<b>Labour Expenses Paid :-</b>		-	-	-	-	<b>8.68</b>
	Balkrishna Goyal (HUF)		-	-	-	-	1.01
	Rajendra Goyal (HUF)		-	-	-	-	1.75
	Brij Kishore Goyal (HUF)		-	-	-	-	3.40
	Gopal Goyal (HUF)		-	-	-	-	2.51
	<b>Loan repaid/adjusted</b>	<b>178.95</b>	<b>211.97</b>	<b>75.42</b>	<b>58.34</b>	<b>74.36</b>	<b>113.48</b>
	Bal krishna Goyal (HUF)	50.00	0.60	1.38	1.00	2.08	2.98
	Rajendra Kumar Goyal (HUF)	0.35	1.15	3.90	3.32	13.60	2.63
	Brij Kishore Goyal (HUF)	-	0.18	5.09	4.02	0.60	3.01
	Gopal Goyal (HUF)	0.50	1.15	1.04	0.54	3.51	1.41
	Balkrishna Goyal	45.90	2.37	1.09	1.87	8.25	1.24
	Usha Goyal	3.70	-	0.43	-	1.87	60.22
	Vinita Goyal	38.45	174.34	47.27	15.75	6.87	0.70
	Sarla Goyal	35.25	28.68	3.37	-	5.68	18.07
	Utpal Goyal	0.75	-	-	10.50	21.10	19.31
	Lipika Goyal	3.80	3.10	4.57	3.52	3.00	3.91
	Yash Goyal	0.25	0.40	7.29	17.82	7.81	-
	<b>Rent Received</b>	<b>-</b>	<b>1.20</b>	<b>3.12</b>	<b>2.38</b>	<b>-</b>	<b>-</b>
	Vinita Goyal	-	1.20	1.37	1.40	-	-
	Brij Kishore Goyal (HUF)	-	-	1.75	0.98	-	-
	<b>Sale of Plot</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9.92</b>
	Premlata Agrawal	-	-	-	-	-	9.92
	<b>Salary Paid</b>						
	Utpal Goyal	-	-	0.90	5.40	5.40	5.40
<b>S.No</b>	<b>Relatives of KMP</b>	<b>31 December 2017</b>	<b>31 March 2017</b>	<b>31 March 2016</b>	<b>31 March 2015</b>	<b>31 March 2014</b>	<b>31 March 2013</b>
	<b>Year End Balances</b>						
	<b>Other Debtors</b>	<b>-</b>	<b>0.81</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	Utpal Goyal	-	0.81	-	-	-	-
	<b>Long term borrowings</b>	<b>271.07</b>	<b>244.67</b>	<b>219.10</b>	<b>144.37</b>	<b>145.04</b>	<b>110.88</b>
	Bal krishna Goyal (HUF)	4.35	54.35	44.52	35.43	30.20	19.16
	Rajendra Kumar Goyal (HUF)	26.95	26.92	11.94	13.47	14.79	16.63
	Brij Kishore Goyal (HUF)	23.59	22.22	19.28	18.19	16.78	3.06
	Gopal Goyal (HUF)	37.87	38.37	33.23	28.42	23.52	17.65
	Balkrishna Goyal	5.50	41.60	30.30	18.71	16.90	13.37
	Usha Goyal	72.75	-	-	0.43	-	1.35
	Vinita Goyal	-	17.82	22.54	0.49	0.68	6.87
	Sarla Goyal	8.75	6.94	28.85	0.27	-	4.37
	Utpal Goyal	52.20	-	-	-	7.00	8.66
	Lipika Goyal	32.98	33.28	25.35	21.20	16.08	13.60
	Yash Goyal	6.15	3.18	3.10	7.76	19.09	6.16

Note: The above Statement should be read with the Restated Statement of Significant Accounting Policies in Annexure 4, Restated Statement of Notes to Restated Statements of the Company in Annexure 6 and the Restated Statement of Reconciliation of Restated Profit to Profit as per Audited Financial Statements in Annexure 5.

\*For Clarification - Mr. Omprakash Agrawal who was Related Party in the capacity of Director but ceases to be the Director with effect from 31 March, 2017.

## **MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

The following discussion of our financial condition and results of operations should be read in conjunction with our restated financial statements for the period ended December 31, 2017 and the financial years ended March 31, 2017, 2016, 2015, 2014, 2013 prepared in accordance with the Companies Act and Indian GAAP and restated in accordance with the SEBI ICDR Regulations, including the schedules, annexure and notes thereto and the reports thereon, included in the section titled "Financial Statements" on page 188 of this Draft Prospectus.

Indian GAAP differs in certain material aspects from U.S. GAAP and IFRS. 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 reconciliation of our financial statements to those under U.S. GAAP or IFRS. Accordingly, the degree to which the Indian GAAP financial statements included in this Draft Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with the Companies Act, Indian GAAP and SEBI ICDR Regulations.

This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those set forth in "Risk Factors" and "Forward-Looking Statements" beginning on 17 and 16 of this Draft Prospectus.

### **OVERVIEW**

Our Company was originally set as a partnership firm in 1986 in the name and style of M/s. Balkrishna Ramkaran Goyal. The partnership firm was founded by Balkrishna Goyal, Gopal Goyal and Sarla Goyal and was subsequently converted into a private limited company in 2005. Our Company is engaged in the construction and development of infrastructure projects such as roads, highways and bridges since inception and has a well-established presence in Indore, Madhya Pradesh.

Our business may be broadly divided into the following three categories:

- (i) Civil construction services, including Engineering Procurement Construction (EPC) services;
- (ii) Ready Mix Concrete (RMC) manufacturing; and
- (iii) Wind power generation.

### **SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL YEAR**

In the opinion of the Board of Directors of our Company, since the date of the last financial statements disclosed in this Draft Prospectus, there have not arisen any circumstance that materially or adversely affect or are likely to affect the profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months except as follows:

1. The shareholders approved the proposal to increase in authorized capital from Rs. 1,50,00,000 to Rs. 13,00,00,000 in the Extra Ordinary General Meeting held on May 2, 2018.
2. The shareholders approved and passed resolution on May 2, 2018 to authorize the Board of Directors to raise funds by making Initial Public Offering.
3. Pramod Kumar Bhawsar, Mohit Bhandari and Shreya Bhargava were appointed as Non-Executive Independent Director in the Extra Ordinary General Meeting held on May 23, 2018.
4. Shweta Motwani is appointed as Company Secretary and Compliance Officer of our Company in the Board Meeting held on May 17, 2018 and the appointment will be effective from May 18, 2018
5. Dasharath Tomar is appointed as the Chief Financial Officer of our Company in the Board Meeting held on May 17, 2018 and accepted his designation with effect from May 17, 2018.

### **SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS**

Our business is subjected to various risks and uncertainties, including those discussed in the section titled "Risk Factors" beginning on 17 of this Draft Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- Competition and price cutting from existing and new entrants
- Rate of interest policies
- Economic and Demographic conditions
- Changes in laws and regulations that apply to Infrastructure Industry in domestic and overseas market.
- Our bidding and execution capabilities
- Availability of cost effective funding sources
- Ability to effectively execute and expand our Order Book
- Ability to execute larger capacity projects
- Operational uncertainties

## **Critical Accounting Policies**

### **1 Significant Accounting policies**

#### **1.1 Basis of Accounting and preparation of restated financial statements:**

The restated financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2016 and the relevant provisions of the Companies Act, 2013 (“the 2013 Act”), and Securities and Exchange Board of India (issue of Capital and Disclosure Requirements) regulations 2009 as amended (the “Regulations”) as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the restated financial statements are consistent with those followed in the current period. The accounting policies have been consistently applied by the Company and are consistent across all the years and for the 9 months period ended as on December 31, 2017 presented.

The restated financial information have been prepared by the management in connection with the proposed listing of the equity shares of the company by way of an offer for sale by the selling shareholders, to be filed by the company with SEBI, in accordance with the requirement of:

- I. Section 26 read with applicable provisions to the companies act, 2013; and
- II. The SEBI (issue of capital and disclosure requirement) regulations, 2009 issued by the security and exchange board of India (“SEBI”) on august 26, 2009 as amended to date in pursuance of provision of security and exchange board of India act, 1992 read along with SEBI circular No. SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 2016 (together referred to as “SEBI regulation”).

Guidance note on reports in company prospectus (revised 2016) issued by: The institute of Chartered accountant of India (“ICAI”)

#### **1.2 Use of estimates:**

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management’s best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

#### **1.3 Tangible Assets:**

Fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

#### **1.4 Intangible Assets**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Intangible assets are amortised on a straight line basis over the estimated useful economic life. The Company uses a rebuttable presumption that the useful life of an intangible asset will not exceed five years from the date when the asset is available for use.

#### **1.5 Borrowing costs**

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur the period they occur.

#### **1.6 Depreciation:**

Depreciation on Fixed assets is provided based on SLM Method as stated in Schedule XIV of the Companies Act, 1956 for the Financial Years 2012-13 and 2013-14, and on SLM Method over the useful life of the assets as prescribed under part C of Schedule II of the Companies Act, 2013 for the FY ended 2014-15, 2015-16 and 2016-17, December 31, 2017.

##### Useful lives/ depreciation rates:

Till the year ended 31 March 2014, depreciation rates prescribed under Schedule XIV were treated as minimum rates and the company was not allowed to charge depreciation at lower rates even if such lower rates were justified by the estimated useful life of the asset. Schedule II to the Companies Act 2013 prescribes useful lives for fixed assets which, in many cases, are different from lives prescribed under the erstwhile Schedule XIV. However, Schedule II allows companies to use higher/ lower useful lives and residual values if such useful lives and residual values can be technically supported and justification for difference is disclosed in the financial statements

Considering the applicability of Schedule II, the management has re-estimated useful lives and residual values of all its fixed assets. The management believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of fixed assets prescribed under Schedule II. Hence, this change in accounting policy did not have any material impact on financial statements of the company.

#### **1.7 Impairment of Assets:**

The company periodically tests its assets for impairment and if the carrying values are found in excess of value in use, the same is charged to Statement of profit and loss as per AS 28. The impaired loss

charged to Statement of profit and loss will be reversed in the year on the event and to that extent of enhancement in estimate of value in use.

**1.8 Inventories:**

Raw materials and consumables are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a First in First out Basis and includes all applicable overheads in bringing the inventories to their present location and condition.

Work-in-progress is valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity.

**1.9 Revenue Recognition:**

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

**1.10 Income from Construction activity**

The company accounts for income on the percentage of completion basis, which necessarily involve technical estimates of the percentage of completion, and costs to completion, of each contract/ activity, on the basis of which profit/ losses are accounted. Such estimates are based on the certificate provided by the authorized person (architect).

Expenditure incurred during the progress of contracts and the estimated profits to the stage of completion are carried forward as work in progress. Advances and progress payments, received and receivable from customers in respect of such long term contracts in progress are disclosed under current liabilities.

**1.11 Income from Power Generation Activity**

Revenue from power supply is accounted for on the basis of billing to Rajasthan Electricity Board. Generally bills are raised on the basis of recording of consumption of energy by installed meters. In case there is a drop in annual generation then Developer compensates the company for the year at the prevailing purchase rate of State Electricity Board at the time of such shortfall during the year as per the agreement with Developer.

**1.12 Income from Rent of Commercial Property**

Rent from customers under agreement to sell is accounted for on accrual basis except in cases where ultimate collection is considered doubtful.

**1.13 Sale of goods**

Revenue is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer. Gross turnover includes excise duty but does not include sale tax and VAT. Excise Duty deducted from turnover (gross) are the amount that is included in the amount of turnover (gross) and not the entire amount of liability arising during the period.

**1.14 Taxation:**

Tax expense comprises both current and deferred taxes

The provision for Current Income Tax liability is made on estimated Taxable Income under Income Tax Act, 1961 using the applicable tax rates, after considering permissible tax exemptions, deductions



and disallowances. The current tax charge of the company includes Minimum Alternative Tax (MAT) determined under section 115JB of the Income Tax Act, 1961. Liability for additional taxes, if any, is provided/ paid as and when assessments are completed. The company also complies with all the Income computation and disclosure standards as applicable.

Provision is made for deferred tax liability arising due to timing differences between profit computed for Income tax and the book profits as per the financial statement, for creation of a deferred tax asset or a liability. This liability is recognized only if there is a reasonable certainty that the deferred tax assets/liability will be created and are reviewed at each balance sheet date. This liability is calculated at the regular tax rates applicable to the company

**1.15 Government Grants:**

Government Grants are recognised either in Capital reserve or as income in Statement of Profit & Loss as and when the grant is actually received by the company depending on the nature of grant received as enumerated in Accounting Standard 12 "Accounting for Government Grants" and the conditions for the recognition of Government grants are met as per Accounting Standard 12 "Accounting for Government Grants".

**1.16 Employee Benefits:**

Retirement benefit in the form of provident fund is a defined contribution scheme. The contributions to the provident fund are charged to the statement of profit and loss for the year when the contributions are due.

Actuarial gains and losses for defined benefit plans for gratuity are recognized in full in the period in which they occur and are taken to the statement of profit and loss and are not deferred.

**1.17 Provisions and contingencies:**

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

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

**1.18 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.

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 are adjusted for the effects of all dilutive potential equity shares.

**1.19 Cash and Cash Equivalents:**

Cash and cash equivalents for the purposes of cash flow statement comprise cash in hand, at bank (excluding margin deposits with banks).

**1.20 Bad-Debts:**

Bad-Debts are written off to Statement of profit and loss as and when the debt is determined as un-realizable as per the opinion of the Management.

**1.21 Cash flow statement:**

Cash flow statement has been prepared in accordance with the indirect method prescribed in Accounting Standard 3 -Cash flow Statement. Cash and Cash equivalents for cash flow statement comprises cash at bank and in hand and bank deposits.

**1.22 Segment reporting:**

***Identification of segments***

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

The Company has identified two primary reporting segments based on business viz. Construction and Power Generation (Windmill).

The Company operates in India and hence there are no geographical segments

***Segment accounting policies***

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

**1.23 Foreign currency translation :**

**i) Initial recognition**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

**ii) Conversion**

At the year-end, monetary assets in foreign currency are translated at the rates of exchange at the balance sheet date and resultant gain or loss is recognized in the Profit and Loss Account.

**iii) Exchange differences**

All exchange differences arising on settlement/ conversion on foreign currency transactions are included in the Profit and Loss Account, except in cases where they relate to the acquisition of fixed assets, in which case they are adjusted in the cost of the corresponding asset.

**1.24 Share Premium Account:**

Share premium account includes difference between consideration received in respect of shares and face value of shares.

**1.25 Provision for doubtful debt:**

The company has introduced new policy for provision for doubtful debts in the year 2017-18 as specified below:

S.No	Particulars	% of provision
1	Debtors outstanding for more than 1 year	5%
2	Debtors outstanding for more than 2 years	10%
3	Debtors outstanding for more than 3 years	15%

Any effect in the restated financial statement after introduction of new policy in the previous 5 years has been incorporated in the respective years in which it belongs.

## DISCUSSION ON RESULT OF OPERATIONS

The following discussion on results of operations should be read in conjunction with the audited and restated financial results of our Company for the period ended December 31, 2017 and for the financial years ended March 31, 2017, 2016 and 2015 .

## OVERVIEW OF REVENUE & EXPENDITURE

### Revenues

Particulars	For the period ended December 31, 2017	As at March 31		
		2017	2016	2015
<b>Income</b>				
Revenue from Operations	9,434.56	13,573.54	13,469.82	10,041.54
Increase/Decrease in %	-	0.77%	34.14%	(8.95)%
Other Income	531.08	277.15	282.95	224.45
Increase/Decrease in %	-	(2.05)%	26.06%	19.05%
<b>Total Revenue</b>	<b>9,965.64</b>	<b>13,850.69</b>	<b>13,752.78</b>	<b>10,265.99</b>

### Income from operations:

Our principal component of revenue from operations is the revenue from civil construction work including RMC Load Supply.

### Other Income:

Our other income comprises of income from sale of land, rent income and interest income.

### Expenditure

Our total expenditure primarily consists of cost of raw materials and components consumed, changes in inventories of work in progress and finished goods, employee benefit expenses, finance cost, depreciation, sub contract expenses, and other expenses.

### Employee benefit expenses

Our employee benefit expenses mainly includes salaries & wages, director's remuneration, contribution to provident funds and State ESIC, bonus, gratuity, staff welfare expenses, etc.

### Finance Costs

Our Finance cost for the period ended December 31, 2017 was Rs. 428.27 lakhs which primarily consisted of interest on secured & unsecured borrowings, bank guarantee charges and processing fees. Our finance cost was 4.30 % of our total income.

### Depreciation and Amortization Expenses

Our depreciation and amortization expense for the period ended December 31, 2017 was Rs. 502.34 lakhs.

### Operating and Other Expenses

Our operating & other expenses for the period ended December 31, 2017 were Rs. 5303.68 lakhs which primarily comprised of site expenses, sub contract expenses, power and fuel expenses, repairs and maintenance expenses, fees, rates and taxes, rent paid, insurance expenses, legal and professional fees, transportation expenses, freight and handling expenses, royalty, commission and brokerage, tender form expenses, site crusher expenses, provision for doubtful debts, marketing and promotion expenses, audit fees, and other miscellaneous expenses etc.

Our operating & other expenses were 53.22 % of our total income.

### Profit before Tax

Our Profit before tax for the period ended December 31, 2017 was Rs. 609.50 lakhs which was 6.12 % of our total income.

### Tax Expenses

Our tax expenses for the period ended December 31, 2017 was Rs. 104.78 lakhs.

### Profit after Tax

Our profit after tax for the period ended December 31, 2017 was Rs. 504.72 lakhs which was 5.06 % of our total income.

### Statement of profits and loss

The following table sets forth, for the fiscal years indicated, certain items derived from our Company's audited restated financial statements, in each case stated in absolute terms and as a percentage of total sales and/or total revenue:

(Rs in lakhs)				
Particulars	For the period ended December 31, 2017	For the Year Ended		
		March 31, 2017	March 31, 2016	March 31, 2015
<b>REVENUE</b>				
Revenue from operations	9434.56	13573.54	13469.82	10041.54
As a % of Total Revenue	94.67%	98.00%	97.94%	97.81%
Other income	531.08	277.15	282.95	224.45
As a % of Total Revenue	5.33%	2.00%	2.06%	2.19%
<b>Total Revenue (A)</b>	<b>9965.64</b>	<b>13850.69</b>	<b>13752.78</b>	<b>10265.99</b>
Growth %	-	<b>0.71%</b>	<b>33.96%</b>	<b>(8.48)%</b>
<b>EXPENSES</b>				
Costs of Raw Material Consumed	3130.17	3922.97	5479.71	4619.38
As a % of Total Revenue	31.41%	28.32%	39.84%	45.00%
Changes in inventories of finished goods, W.I.P. and stock in trade	(647.88)	(240.48)	25.79	(150.03)
As a % of Total Revenue	-6.50%	-1.74%	0.19%	-1.46%
Employee benefit expenses	639.56	833.41	491.02	453.14
As a % of Total Revenue	6.42%	6.02%	3.57%	4.41%
Finance costs	428.27	774.61	738.96	683.93

Particulars	For the period ended December 31, 2017	For the Year Ended		
		March 31, 2017	March 31, 2016	March 31, 2015
As a % of Total Revenue	4.30%	5.59%	5.37%	6.66%
Depreciation and amortization expense	502.34	631.66	491.42	435.22
As a % of Total Revenue	5.04%	4.56%	3.57%	4.24%
Operating & Other expenses	5303.68	7034.70	6080.96	3857.81
As a % of Total Revenue	53.22%	50.79%	44.22%	37.58%
<b>Total Expenses (B)</b>	<b>9356.14</b>	<b>12956.87</b>	<b>13307.86</b>	<b>9899.45</b>
As a % of Total Revenue	93.88%	93.55%	96.76%	96.43%
<b>Profit before exceptional, extraordinary items and tax</b>	<b>609.50</b>	<b>893.82</b>	<b>444.92</b>	<b>366.55</b>
As a % of Total Revenue	6.12%	6.45%	3.24%	3.57%
Exceptional items	0.00	0.00	0.00	0.00
<b>Profit before extraordinary items and tax</b>	<b>609.50</b>	<b>893.82</b>	<b>444.92</b>	<b>366.55</b>
As a % of Total Revenue	6.12%	6.45%	3.24%	3.57%
Extraordinary items	0.00	0.00	0.00	0.00
<b>Profit before tax</b>	<b>609.50</b>	<b>893.82</b>	<b>444.92</b>	<b>366.55</b>
PBT Margin	6.12%	6.45%	3.24%	3.57%
Current tax	180.19	230.89	165.61	149.59
MAT Credit	0.00	0.00	0.00	0.00
Prior Period Taxes	0.00	0.00	0.00	0.00
Deferred Tax	-75.41	53.95	(16.33)	(43.40)
<b>Total Tax Expense</b>	<b>104.78</b>	<b>284.84</b>	<b>149.27</b>	<b>106.19</b>
<b>Profit/(Loss) for the period/ year</b>	<b>504.72</b>	<b>608.98</b>	<b>295.64</b>	<b>260.36</b>
<b>PAT Margin</b>	<b>5.06%</b>	<b>4.40%</b>	<b>2.15%</b>	<b>2.54%</b>

## REVIEW OF OPERATION FOR THE PERIOD ENDED DECEMBER 31, 2017

### Revenue from operations

Revenue from operations for the period ended 3December 31, 2017 amounted to Rs. 9434.56 lakhs which was on account of revenue from civil construction work including RMC Load Supply, bitumen sales, power generation through windmill and Sale of Land which accounts to 95.29%, 2.02%, 0.40% and 2.29% of the total revenue from operations respectively.

### Other Income:

Other income of Rs. 531.08 lakhs for the period ended December 31, 2017 comprised of profit from sale of land, rent income, interest income and other income which accounts to 50.92%, 22.78%, 22.13% and 4.18% of the total other income respectively.

### Total Expenses

Total expenses, excluding tax and exceptional item amounted to Rs. 9356.14 lakhs for the period ended December 31, 2017 this includes cost of raw materials and components consumed, changes in inventories of work in progress and finished goods, employee benefit expenses, finance cost, depreciation, sub contract cost and other expenses.

### Raw Material Consumed

Our Raw Material Consumed for the period ended December 31, 2017 were Rs. 3130.17 lakhs which primarily consisting cement, bitumen, sand, steel and grit.

#### **Finance Costs**

Our Finance costs for the period ended December 31, 2017 were Rs. 428.27 lakhs primarily consisting of interest on secured & unsecured borrowings, bank guarantee charges and loan processing fees.

#### **Depreciation and Amortization Expenses**

Depreciation and amortization expenses were Rs. 502.34 lakhs for the period ended December 31, 2017 comprising of depreciation on land, buildings, plant & machinery, electrical installations, furniture & fixture, equipments, vehicles, computer, etc and amortization of intangible assets.

#### **Operating & Other expenses**

Our operating & other expenses for the period ended December 31, 2017 were Rs.5303.68 lakhs comprising of site expenses, sub contract expenses, power and fuel, repairs and maintenance expenses, fees, rates and taxes, rent paid, insurance expenses, legal and professional fees, transportation expenses, freight and handling expenses, royalty, commission and brokerage, tender form expenses, site crusher expenses, provision for doubtful debts, marketing and promotion expenses, audit fees, and other miscellaneous expenses etc.

### **REVIEW OF FINANCIAL YEAR ENDED MARCH 31, 2017**

#### **INCOME**

##### **Income from operations**

Our income from operations was Rs.13573.54 lakhs which is about 98.00% of our total revenue for the year ended on March 31, 2017 which was primarily on account of revenue from civil construction work including RMC Load Supply, bitumen sales, power generation through windmill and Sale of Land which accounts to 98.53%, 0.47%, 0.38% and 0.62% of the total revenue from operations respectively.

##### **Other income**

Other income of Rs.277.15 lakhs comprised of profit from sale of land, rent income, interest income and other income which accounts to 21.26%, 53.31%, 23.16% and 2.26% of the total other income respectively.

#### **EXPENDITURE**

##### **Raw Material Cost**

Our raw material cost was Rs. 3682.49 lakhs which is 26.59 % of our total revenue for the year ended on March 31, 2017. The direct material expenditure includes cost of raw materials & components consumed and changes in inventories of work in progress and finished goods is Rs. 3922.97 lakh and Rs. (240.48) lakh which is 28.32% and (1.74)% of the total income.

##### **Employee benefit expenses**

Our employee benefit expenses were Rs. 833.41 lakhs which was 6.02% of our total revenue for the year ended on March 31, 2017 and comprised of salaries & wages expense, director's remuneration, contribution to provident & other funds, bonus, gratuity, staff welfare expenses etc.

##### **Finance cost**

Our Finance costs were Rs.774.61lakhs primarily consisting of interest on secured & unsecured borrowings, bank guarantee charges and processing fees for the year ended on March 31, 2017.

### Depreciation and Amortization Expenses

Depreciation and amortization expenses were Rs.631.66 lakhs comprising of depreciation on land, buildings, plant & machinery, electrical installations, furniture & fixture, equipments, vehicles, computer, etc and amortization of intangible assets for the year ended on March 31, 2017.

### Operating & Other expenses

Our operating & other expenses were Rs. 7034.70 lakhs which is 50.79 % of our total revenue for the year ended on March 31, 2017. Other expenses comprises of site expenses, sub contract expenses, power and fuel expenses, repairs and maintenance expenses, fees, rates and taxes, rent paid, insurance expenses, legal and professional fees, transportation expenses, freight and handling expenses, royalty, commission and brokerage, tender form expenses, site crusher expenses, provision for doubtful debts, marketing and promotion expenses, audit fees, and other miscellaneous expenses etc.

### Profit before tax

Our Profit before tax was Rs.893.82 lakhs which is 6.45 % of our revenue from operations for the year ended on March 31, 2017.

### Net profit

Our Net profit after tax was Rs. 608.98 lakhs which is 4.40 % of our revenue from operations for the year ended on March 31, 2017.

## COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2017 WITH FINANCIAL YEAR ENDED MARCH 31, 2016.

### INCOME

#### Income from Operations

Particulars	2016-17	2015-16	Variance
	(Rs. in lakhs)	(Rs. in lakhs)	(%)
Revenue from the Operations	13573.54	13469.82	0.77%

The operating income of our company for the year ending March 31, 2017 is Rs. 13573.54 lakhs as compared to Rs.13469.82 lakhs for the year ending March 31, 2016, showing Increase of 0.77%. The Increase was due to increase in revenue from civil construction work including RMC Load Supply & Bitumen sales.

#### Other income

Our other income is Rs. 277.15 lakhs for the FY 2016-17 as compared to Rs. 282.95 lakhs in FY 2015-16. The reduction is on account of rate difference & discount, interest income from others and miscellaneous income.

#### Raw Material Cost

Particulars	2016-17	2015-16	Variance
	(Rs. in lakhs)	(Rs. in lakhs)	(%)
Cost of raw materials and components consumed	3922.97	5479.71	(28.41)%
Changes in inventories of finished goods, WIP and Stock in Trade	(240.48)	25.79	(1032.50)%
<b>Total</b>	<b>3682.49</b>	<b>5505.50</b>	<b>(33.11)%</b>

The raw material cost has Decreased from Rs. 5505.50 lakhs in Financial Year 2015-16 to Rs. 3632.49 lakhs in Financial Year 2016-17, the net Decrease of 33.11% is in line with reduced material cost and also sub contract with material given to various contractors..

#### Administrative and employee costs

Particulars	2016-17	2015-16	Variance
	(Rs. in lakhs)	(Rs. in lakhs)	(%)
Employee benefit Expenses	833.41	491.02	69.73%
Operating & Other expenses	7034.70	6080.96	15.68%
<b>Total</b>	<b>7868.11</b>	<b>6571.98</b>	<b>19.72%</b>

There is an Increase in employee benefit expenses from Rs. 491.02 lakhs in FY 2015-16 to Rs. 833.41 lakhs in FY 2016-17 due to Increase in number of employees leading to increase in salaries, wages, bonus & gratuity, contribution to provident & other funds and staff welfare expenses.

Our operating & other expenses Increase by 15.68% from Rs. 6080.96 lakhs in FY 2015-16 to Rs. 7034.70 lakhs in FY 2016-17. The Increase was mainly due to increase in sub contract expenses, power & fuel, repairs & maintenance.

#### Finance costs

The finance costs for the Financial Year 2016-17 have increased to Rs. 774.61 lakhs from Rs. 738.96 lakhs in the Financial Year 2015-16. Higher interest cost is a result of increase in interest rates and additional loan facilities taken.

#### Depreciation

Depreciation expenses for the Financial Year 2016-17 have increased to Rs.631.66 lakhs as compared to Rs.491.42 lakhs for the Financial Year 2015-16. The increase was due to capital expenditure done in the end of previous year & as a result depreciation impacted in next fiscal year, i.e. financial year 2016-17.

#### Profit before tax

Particulars	2016-17	2015-16	Variance
	(Rs. in lakhs)	(Rs. in lakhs)	(%)
Profit Before Tax	893.82	444.92	100.90%

Profit before tax Increased to Rs. 893.82 lakhs from Rs. 444.92 lakhs showing an Increase of 100.90%. The increase was due to reduction in material cost and savings in other expenses.

#### Provision for tax and net profit

Particulars	2016-17	2015-16	Variance
	(Rs. in lakhs)	(Rs. in lakhs)	(%)
Taxation Expenses	284.84	149.27	90.81%
Profit after Tax	608.98	295.64	105.99%

Taxation expense Increased from Rs. 149.27 lakhs in Financial Year 2015-16 to Rs. 284.84 lakhs in Financial Year 2016-17 due to Increase in profits of the company. The profit after tax Increased from Rs. 295.64 lakhs in Financial Year 2015-16 to Rs. 608.98 lakhs in Financial Year 2016-17.



**COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2016 WITH FINANCIAL YEAR ENDED MARCH 31, 2015.**

**INCOME**

**Income from Operations**

Particulars	2015-16	2014-15	Variance
	(Rs. in lakhs)	(Rs. in lakhs)	(%)
Revenue from the Operations	13469.82	10041.54	34.14%

The operating income of our company for the year ending March 31, 2016 is Rs. 13469.82 lakhs as compared to Rs. 10041.54 lakhs for the year ending March 31, 2015, there was significant growth in the turnover. Growth is on account of increase in revenue from civil construction work including RMC Load Supply. The company has got one order of Rs. 7561.07 lakh, EPC work of Rau Pithampur Road Project which has majorly contributed into increase in the revenue from operations.

**Other income**

Our other income is Rs. 282.95 lakhs for the FY 2015-16 as compared to Rs. 224.45 lakhs in FY 2014-15. The Increase was mainly due to refund of excise duty.

**Raw Material Cost**

Particulars	2015-16	2014-15	Variance
	(Rs. in lakhs)	(Rs. in lakhs)	(%)
Cost of raw materials and components consumed	5479.71	4619.38	18.62%
Changes in inventories of finished goods, WIP and Stock in Trade	25.79	(150.03)	(117.19)%
<b>Total</b>	<b>5505.50</b>	<b>4469.34</b>	<b>23.18%</b>

The raw material cost has Increased from Rs.4469.34 lakhs in Financial Year 2014-15 to Rs. 5505.50 lakhs in Financial Year 2015-16. Increase in expenses is on account of Increase in purchase of bitumen and other raw materials to execute the projects.

**Administrative and employee costs**

Particulars	2015-16	2014-15	Variance
	(Rs. in lakhs)	(Rs. in lakhs)	(%)
Employee benefit Expenses	491.02	453.14	8.36%
Operating & Other expenses	6080.96	3857.81	57.63%
<b>Total</b>	<b>6571.98</b>	<b>4310.95</b>	<b>52.45%</b>

There is an Increase in employee benefit expenses from Rs. 453.14 lakhs in FY 2014-15 to Rs. 491.02 lakhs in FY 2015-16 due to rise in salaries and perquisites paid to employees.

Our operating & other expenses Increased by 57.63% from Rs.3857.81 lakhs in FY 2014-15 to Rs.6080.96 lakhs in FY 2015-16. The Increase was mainly due to hike in sub contract expenses and power and fuel expenses.

**Finance costs**

The finance costs for the Financial Year 2015-16 have Increased to Rs.738.96 lakhs from Rs.683.93 lakhs in the Financial Year 2014-15. The difference is owing to increase in Bank Guarantees issued in fiscal year 2015-16.

### Depreciation

Depreciation expenses for the Financial Year 2015-16 have Increased to Rs.491.42 lakhs as compared to Rs.435.22 lakhs for the Financial Year 2014-15.

### Profit before tax

Particulars	2015-16	2014-15	Variance
	(Rs. in lakhs)	(Rs. in lakhs)	(%)
Profit Before Tax	444.92	366.55	21.38%
Profit before tax Increased from Rs.366.55 lakhs in FY 2014-15 to Rs.444.92 lakhs in FY 2015-16 showing an Increase of 21.38%. The Increase was a result of increase in revenue from civil construction work and net decrease in total expenses.			

### Provision for tax and net profit

Particulars	2015-16	2014-15	Variance
	(Rs. in lakhs)	(Rs. in lakhs)	(%)
Taxation Expenses	149.27	106.19	40.57%
Profit after Tax	295.64	260.36	13.55%

Taxation expense Increased from Rs. 106.19 lakhs in Financial Year 2014-15 to Rs. 149.27 lakhs in Financial Year 2015-16 due to increase in overall profit of the company.

The profit after tax Increased from Rs. 260.36 lakhs in Financial Year 2014-15 to Rs. 295.64 lakhs in Financial Year 2015-16 marking an Increase of 13.55%.

## OTHER MATTERS

### 1. Unusual or infrequent events or transactions

Except as described in this Draft Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

### 2. Significant economic changes that materially affected or are likely to affect income from continuing operations

Other than as described in the section titled "Risk Factors" beginning on 17 of this Draft Prospectus to our knowledge there are no significant economic changes that materially affected or are likely to affect income of our Company from continuing operations.

### 3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations

Other than as disclosed in the section titled "Risk Factors" beginning on 17 of this Draft Prospectus to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

### 4. Future relationship between Costs and Income

Our Company's future costs and revenues will be determined by demand/supply situation, government policies and interest rates quoted by banks & others.

5. **The extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased prices**

Increase in revenue is by and large linked to increases in volume of business activity carried out by the Company.

6. **Total turnover of each major industry segment in which the issuer company operates.**

The Company is operating in Infrastructure Industry. Relevant industry data, as available, has been included in the chapter titled “Industry Overview” beginning on page 102 of this Draft Prospectus.

7. **Status of any publicly announced new products/projects or business segments**

Our Company has not announced any new projects or business segments, other than disclosed in the Draft Prospectus. For details of the products our Company deals in, please refer to the chapter titled “Our Business” beginning on page 119 of this Draft Prospectus.

8. **The extent to which the business is seasonal**

Our Company business is not seasonal in nature.

9. **Any significant dependence on a single or few suppliers or customers**

The % of Contribution of our Company’s customer and supplier Vis a Vis the total revenue from operations and purchase of raw materials respectively as on December 31, 2017.

Particulars	Customers	Suppliers
Top 5 (%)	68.95	55.82
Top 10 (%)	75.67	68.40

10. **Competitive Conditions**

We face competition from existing and potential organized competitors which is common for any business. We have, over a period of time, developed certain competitive strengths which have been discussed in chapter titled “Our Business” on page 119 of this Draft Prospectus.

## FINANCIAL INDEBTEDNESS

B.R.Goyal Infrastructure Limited utilizes various credit facilities from banks and others for conducting its business. Set forth is a brief summary of our Company's secured and unsecured borrowings as on **March 31, 2018** together with a brief description of certain significant terms of such financing arrangements.

### SECURED BORROWING

#### 1) B.R.Goyal Infrastructure Limited

##### a) Secured Loan

We have been sanctioned secured loans by SBI, HDFC & IDBI in consortium. Furthermore, facilities sanctioned by Axis Bank & OBC are part of multiple banking arrangements, i.e. outside consortium.

##### • State Bank of India

(Rs. in lakhs)								
Nature of Facility	Sanction Amount	Sanction /Renewal Date	Fund Based / Non Fund based	Repayment / Tenor	Total outstanding as on April 31, 2018	Interest Rate/B.G . charges	Security	Remarks
Cash Credit	1600.00	29 January, 2018	Fund based	Tenor: Renewal will be due on 16-01-2019. Repayable: On demand	1,502.61	1 Yr MCLR + 2.00% (the MCLR rate applicable at present being 7.95% p.a.)	Schedule I	-
Bank Guarantee (BG)	5800.00 *	29 January, 2018	Non Fund based	Tenor: Renewal will be due on 16-01-2019.	3104.35	1% p.a.	Schedule I	The Bank Guarantee limit has been enhanced from Rs. 3800 lakh to Rs. 5800 lakh wide sanction letter dated January 29, 2018 but agreement for the same is not entered by the consortium

Nature of Facility	Sanction Amount	Sanction /Renewal Date	Fund Based / Non Fund based	Repayment / Tenor	Total outstanding as on April 31, 2018	Interest Rate/B.G . charges	Security	Remarks
								m bankers and the same is not yet utilised.
Stand by Line of Credit	700.00	29 January, 2018	Fund based	Tenor: Maximum period of 3 months at any one instant & extendable up to another 3 months.	400.00	1 Yr MCLR + 3.00% (the MCLR rate applicable at present being 7.95% p.a.)	Schedule I	The Stand by Line of Credit limit has been reaffirmed from Rs. 400 lakh to Rs. 700 lakh wide sanction letter dated January 29, 2018 but agreement for the same is not entered by the consortium bankers and the same is not yet disbursed.
Corporate Loan	100.00	29 January, 2018	Fund based	Tenor: 56 months Rapayable in 18 quarterly installments	59.86	1 Yr MCLR + 4.50% (the MCLR rate applicable at present being 7.95% p.a.)	Schedule I	The corporate loan limit has been reaffirmed from Rs. 400 lakh to Rs. 100 lakh wide sanction letter dated January 29, 2018 but agreement for the same is not

Nature of Facility	Sanction Amount	Sanction /Renewal Date	Fund Based / Non Fund based	Repayment / Tenor	Total outstanding as on April 31, 2018	Interest Rate/B.G . charges	Security	Remarks
Forward Contracts Limit	28.00	29 January, 2018	Non Fund based	Tenor: Renewal will be due on 16-01-2019.	0.00	-	Schedule I	- entered.

• **HDFC Bank Ltd.**

(Rs. in lakhs)								
Nature of Facility	Sanction Amount	Sanction /Renewal Date	Fund Based / Non Fund based	Repayment / Tenor	Total outstanding as on March 31, 2018	Interest Rate/ BG Charge s	Security	Remarks
Bank Guarantee (BG)	1000.00	10 April, 2017	Non Fund based	Tenor: Renewal due within 1 year.	210.00	0.80 paise	Schedule I	
Bank Overdraft	100.00	10 April, 2017	Fund based	Renewal due within 1 year	64.75		Schedule I	
Working Capital Demand Loan (Drop line Overdraft )	500.00	12 April, 2018	Fund based	Tenor: 7 Years Repayable: On demand.	500.00	10.65%; rate is linked to MCLR	Schedule IV	Wide sanction letter dated April 12, 2018 and the signed copy of the agreement is yet to be received. The WCDL DOD has been sanctioned and disbursed. This loan is out of the consortium facility.

• **IDBI Bank Ltd.**

(Rs. in lakhs)								
Nature of Facility	Sanction Amount	Sanction /Renewal Date	Fund Based/ Non Fund based	Repayment/ Tenor	Total outstanding as on March 31, 2018	Interest Rate	Security	Remarks

Nature of Facility	Sanction Amount	Sanction /Renewal Date	Fund Based/ Non Fund based	Repayment/ Tenor	Total outstanding as on March 31, 2018	Interest Rate	Security	Remarks
Cash Credit	100.00	3 January, 2018	Fund based	Tenor: 1 Year from the date of Sanction. Repayable: On demand	98.86	1 Yr MCLR + 2.90% (the MCLR rate applicable at present being 8.80% p.a.)	Schedule I	
Bank Guarantee (BG)	2400.00	3 January, 2018	Non Fund based	Tenor: 1 Year from the date of Sanction. Repayable: On due date.	224.00	The Commission will be charged on yearly basis, 1.10% p.a. plus applicable taxes.	Schedule I	The terms and conditions of the limit has been changed vide sanction / renewal letter dated January 03, 2018. The above limited has been restricted to 40% utilization in case of BG is utilized for participation in tenders by way of Joint venture named BRGIPL JV KTIL LLP between the company and Kalyan Toll Infrastructure Limited. Also the Commission charges are also increased to 1.35% with additional margin of 5% in case of Bank Guarantees utilized by that JV. The

Nature of Facility	Sanction Amount	Sanction /Renewal Date	Fund Based/ Non Fund based	Repayment/ Tenor	Total outstanding as on March 31, 2018	Interest Rate	Security	Remarks
								agreement for the same is still not signed by the consortium bankers.

• **Axis Bank Ltd.**

(Rs. in lakhs)								
Nature of Facility	Sanction Amount	Sanction /Renewal Date	Fund Based/ Non Fund based	Repayment/ Tenor	Total outstanding as on March 31, 2018	Interest Rate	Security	Remarks
Bank Overdraft (Business Mpower OD Scheme)	500.00	15 May, 2017	Fund based	Tenor: 12 Months from date of Sanction i.e. 15-05-2018. Repayable: On demand	486.35	3 Months MCLR + 3.70% i.e. 11.75% p.a.	Schedule II	-

• **Oriental Bank of Commerce (OBC)**

(Rs. in lakhs)								
Nature of Facility	Sanction Amount	Sanction /Renewal Date	Fund based/ Non-fund based	Repayment / Tenor	Total outstanding as on March 31, 2018	Interest Rate/ Bank Commission	Security	Remarks
Bank Guarantee (BG)	1000.00	28 September, 2015	Non Fund Based	Tenor: Renewal due within 1 year.	365.00	Financial BG-@ 2.00% p.a. & Performance BG-@ 1.00% p.a.	Schedule III	The said facility has been closed vide letter dated May 28, 2018. However filing of CHG -4 for charge satisfaction is still pending



## Other Term Loans

					(Rs in lakhs)
S.No.	Bank	Nature of Loan	Loan A/c No.	Sanction Amount	Outstanding Balance as on March 31, 2018
1	HDFC Bank Limited	Vehicle Loan	35430949	7.85	1.72
2	HDFC Bank Limited	Equipment Loan	81673150	26.85	5.85
3	HDFC Bank Limited	Vehicle Loan	8167315_	26.85	5.85
4	HDFC Bank Limited	Equipment Loan	81673147	26.85	5.85
5	HDFC Bank Limited	Equipment Loan	81673142	26.85	5.85
6	HDFC Bank Limited	Vehicle Loan	81673159	26.85	5.85
7	HDFC Bank Limited	Equipment Loan	81796665	24.75	6.85
8	HDFC Bank Limited	Equipment Loan	81796662	24.75	6.85
9	HDFC Bank Limited	Equipment Loan	81796658	24.75	6.85
10	HDFC Bank Limited	Equipment Loan	81796656	24.75	6.85
11	HDFC Bank Limited	Equipment Loan	81796650	24.75	6.85
12	HDFC Bank Limited	Equipment Loan	81864452	133.00	44.67
13	HDFC Bank Limited	Equipment Loan	82166503	67.10	43.53
14	HDFC Bank Limited	Equipment Loan	82384487	361.33	291.62
15	HDFC Bank Limited	Equipment Loan	82585196	8.50	3.93
16	HDFC Bank Limited	Equipment Loan	82585212	6.40	2.96
17	HDFC Bank Limited	Equipment Loan	82585223	6.40	2.96
18	HDFC Bank Limited	Equipment Loan	82585243	8.00	3.70
19	HDFC Bank Limited	Equipment Loan	82585269	10.30	4.77
20	HDFC Bank Limited	Equipment Loan	82585276	12.30	5.69
21	HDFC Bank Limited	Equipment Loan	82585282	51.65	31.37
22	HDFC Bank Limited	Equipment Loan	82585294	23.71	14.40
23	HDFC Bank Limited	Equipment Loan	82585309	20.00	12.15
24	HDFC Bank Limited	Equipment Loan	82585315	17.65	10.72
25	HDFC Bank Limited	Equipment Loan	82585320	8.13	4.94
26	HDFC Bank Limited	Equipment Loan	82585323	8.40	5.10
27	HDFC Bank Limited	Equipment Loan	82585366	6.80	3.15
28	HDFC Bank Limited	Equipment Loan	82585374	6.80	3.15
29	Axis Bank Limited	Vehicle Loan	AUR004301567157	24.72	5.35
30	Axis Bank Limited	Vehicle Loan	AUR004301873847	27.02	11.40
31	Axis Bank Limited	Vehicle Loan	AUR004302100680	19.21	10.78
32	Axis Bank Limited	Vehicle Loan	CER004302140195	99.05	58.40
33	Axis Bank Limited	Vehicle Loan	CER004302147949	20.52	12.09
34	Axis Bank Limited	Vehicle Loan	CER004302137387	5.85	3.47
35	Axis Bank Limited	Equipment Loan	CER004302137490	5.85	3.47
36	Axis Bank Limited	Equipment Loan	CER004302149179	20.45	12.06
37	Axis Bank Limited	Vehicle Loan	CER004302170139	45.00	7.47
38	Axis Bank Limited	Vehicle Loan	UER004302420500	8.75	5.31
39	Axis Bank Limited	Vehicle Loan	CER004302420501	8.36	5.07
40	Axis Bank Limited	Vehicle Loan	UER004302420503	7.59	4.60
41	Axis Bank Limited	Vehicle Loan	UER004302420506	9.19	5.57
42	Axis Bank Limited	Vehicle Loan	UER004302420507	8.65	5.24
43	Axis Bank Limited	Vehicle Loan	UER004302420514	8.40	5.10
44	Axis Bank Limited	Equipment Loan	UER004302420517	7.44	4.51
45	Axis Bank Limited	Vehicle Loan	UER004302420522	8.19	4.97

S.No.	Bank	Nature of Loan	Loan A/c No.	Sanction Amount	Outstanding Balance as on March 31, 2018
46	Axis Bank Limited	Vehicle Loan	UER004302420524	8.75	5.31
47	Axis Bank Limited	Vehicle Loan	UER004302420531	8.91	5.40
48	Axis Bank Limited	Vehicle Loan	UER004302420541	3.29	2.00
49	Axis Bank Limited	Vehicle Loan	UER004302420545	5.13	3.11
50	Axis Bank Limited	Vehicle Loan	UER004302420549	8.75	5.31
51	Axis Bank Limited	Vehicle Loan	UER004302420554	7.13	4.32
52	Axis Bank Limited	Vehicle Loan	UER004302420557	8.91	5.40
53	Axis Bank Limited	Vehicle Loan	UER004302420583	6.48	3.93
54	Axis Bank Limited	Vehicle Loan	UER004302420586	8.47	5.14
55	Axis Bank Limited	Vehicle Loan	UER004302420588	8.47	5.14
56	Axis Bank Limited	Vehicle Loan	UER004302420592	8.91	5.40
57	Axis Bank Limited	Vehicle Loan	UER004302420601	6.48	3.93
58	Axis Bank Limited	Vehicle Loan	UER004302427645	8.75	5.31
59	Axis Bank Limited	Vehicle Loan	UER004302427648	7.13	4.32
60	Axis Bank Limited	Vehicle Loan	UER004302427665	10.93	6.63
61	Axis Bank Limited	Vehicle Loan	UER004302427690	8.91	5.40
62	Axis Bank Limited	Vehicle Loan	CER004302579907	85.25	72.94
63	Axis Bank Limited	Vehicle Loan	AUR004302469069	8.55	6.61
64	ICICI Bank Limited	Vehicle Loan	LQIND00033819668	31.50	6.82
65	ICICI Bank Limited	Equipment Loan	LQIND00033819280	202.75	56.50
66	ICICI Bank Limited	Vehicle Loan	LVIND00033911747	24.75	6.85
67	ICICI Bank Limited	Vehicle Loan	LVIND00033911773	24.75	6.85
68	ICICI Bank Limited	Vehicle Loan	LVIND00033911774	24.75	6.85
69	ICICI Bank Limited	Vehicle Loan	LVIND00033911784	24.75	6.85
70	ICICI Bank Limited	Vehicle Loan	LVIND00033911701	24.75	6.85
71	ICICI Bank Limited	Vehicle Loan	LAIND00033933581	8.55	2.63
72	ICICI Bank Limited	Equipment Loan	LQIND00033946810	34.85	10.75
73	ICICI Bank Limited	Equipment Loan	LQIND00034498150	202.75	91.69
74	ICICI Bank Limited	Vehicle Loan	LVIND00033943804	5.72	1.76
75	ICICI Bank Limited	Equipment Loan	LQIND00034169531	22.00	7.38
76	ICICI Bank Limited	Equipment Loan	LQIND00034720852	59.85	30.15
77	ICICI Bank Limited	Vehicle Loan	LVIND00034900859	29.97	16.81
78	ICICI Bank Limited	Vehicle Loan	LVIND00034900884	29.97	16.81
79	ICICI Bank Limited	Vehicle Loan	LVIND00034900897	29.97	16.81
80	ICICI Bank Limited	Vehicle Loan	LVIND00034900909	29.97	16.81
81	ICICI Bank Limited	Vehicle Loan	LVIND00034900868	29.97	16.81
82	ICICI Bank Limited	Vehicle Loan	LVIND00035243918	6.50	4.18
83	ICICI Bank Limited	Vehicle Loan	LVIND00035243896	6.50	4.18
84	ICICI Bank Limited	Equipment Loan	LQIND00035272705	21.38	14.31
85	ICICI Bank Limited	Equipment Loan	UQIND00035518897	39.58	22.39
86	ICICI Bank Limited	Equipment Loan	UQIND00035518944	6.45	3.65
87	ICICI Bank Limited	Vehicle Loan	UQIND00035518932	13.31	7.53
88	ICICI Bank Limited	Equipment Loan	UQIND00035519125	41.58	23.52
89	ICICI Bank Limited	Equipment Loan	UQIND00035519168	10.26	5.80
90	ICICI Bank Limited	Vehicle Loan	UQIND00035519233	16.48	9.32
91	ICICI Bank Limited	Vehicle Loan	UQIND00035519351	10.26	5.80

S.No.	Bank	Nature of Loan	Loan A/c No.	Sanction Amount	Outstanding Balance as on March 31, 2018
92	ICICI Bank Limited	Equipment Loan	UQIND00035519332	10.26	5.80
93	ICICI Bank Limited	Vehicle Loan	UQIND00035518683	24.13	13.65
94	ICICI Bank Limited	Equipment Loan	UQIND00036896141	9.80	8.24
95	ICICI Bank Limited	Equipment Loan	UQIND00036896127	6.04	5.08
96	ICICI Bank Limited	Equipment Loan	UQIND00036896051	10.52	8.85
97	ICICI Bank Limited	Equipment Loan	UQIND00036896162	11.45	9.62
98	ICICI Bank Limited	Equipment Loan	UQIND00036896257	10.02	8.43
99	ICICI Bank Limited	Equipment Loan	UQIND00036896039	15.00	12.61
100	SREI Infrastructure Finance Limited	Vehicle Loan	117722	20.73	14.02
101	SREI Infrastructure Finance Limited	Vehicle Loan	119889	33.86	19.40
102	SREI Infrastructure Finance Limited	Vehicle Loan	120100	13.94	6.64
103	SREI Infrastructure Finance Limited	Vehicle Loan	117723	90.00	58.97
104	SREI Infrastructure Finance Limited	Vehicle Loan	117735	98.10	68.24
105	HDFC Bank Limited	Equipment Loan	82585335	8.58	5.21
<b>Total</b>				<b>2952.06</b>	<b>1545.91</b>

**b) Unsecured Loan**

(Rs in lakhs)

Unsecured Loan Provided by	Nature of Loan	Repayment	Total outstanding as on April 30, 2018	Rate of interest
Brijkishore Goyal (U/L)	Unsecured	On Demand	575.88	15%
Gopal Goyal (Loan A/c)	Unsecured	On Demand	235.92	15%
Rajendra Kumar Goyal (Loan A/c)	Unsecured	On Demand	368.56	15%
<b>Total</b>			<b>1180.36</b>	

**Schedule 1: SBI & Consortium**

S. No.	Description & Location	Belonging to
<b>Prime Security</b>		
1	<b>Working Capital Loans:</b> First Pari Passu charge on Company's entire stock comprising raw materials, stock in process, finished goods, consumable stores and spares and receivables excluding fixed asset (land) which is treated as inventory held for sale.	Company
2.	<b>Corporate Loan:</b> First exclusive charge on assets created out of Term loan.	Company
3.	<b>Bank Guarantee:</b> •SBI- Omnibus counter guarantee and extension of hypothecation charge created for Cash Credit. •HDFC- First exclusive charge of HDFC Bank on FD kept as margin against BG issued from HDFC Bank.	Company
<b>Collateral Security</b>		
1.	<b>Corporate Loan:</b> First charge basis over P&M and misc. fixed assets of the company (excluding	Company

	land treated as inventory or CWIP and not available for mortgage) except those machinery and vehicles financed by other banks/ FI	
2.	<b>WC limits, SLC &amp; CEL:</b> Plant & Machinery and misc. fixed assetsof the company except for those machinery & vehicles financed by other banks/FI	Company
3.	<b>All facilities:</b> Equitable mortgage on pari passu basis over diverted freehold land situated at Khasara no. 375/1 Patwari Halka no. 26 gram Musakhedi admeasuring 54980 sq. ft.	Brijkishore Goyal
4.	<b>All facilities:</b> Equitable mortgage on pari passu basis over diverted freehold land situated at Khasara no. 375/2 Patwari Halka no. 26 gram Musakhedi admeasuring 54980 sq. ft.	Balkrishna Goyal, Sarla Goyal and Usha Goyal
5.	<b>All facilities:</b> Equitable mortgage on pari passu basis over diverted freehold land situated at Khasara no. 375/3 Patwari Halka no. 26 gram Musakhedi admeasuring 54980 sq. ft.	Gopal Goyal and Vinita Goyal
6.	<b>All facilities:</b> Equitable mortgage on pari passu basis over residential house situated at 3A, Agrawal nagar, Main road,(Sapna sangeeta main road), Plot size 4062 sq. ft.	Balkrishna Goyal
7.	<b>All facilities:</b> Equitable mortgage on pari passu basis over leasehold land and commercial office situated at 3A, Agrawal nagar, Main road (Sapna sangeeta main road)	Balkrishna Goyal
8.	<b>All facilities:</b> Equitable mortgage on pari passu basis over Diverted Land situated at Patwari Halka No. 25, Khasra no. 172/2/1/11, gram Bicholi Mardana, Indore, admeasuring 11552sq. ft.	Brijkishore Goyal
9.	<b>All facilities:</b> Equitable mortgage on pari passu basis over Deepakunj Extension Scheme No. 140, Indore admeasuring area of 1500sq. ft.	Gopal Goyal
10.	<b>All facilities:</b> Property at Survey No 176/1, PH No. 25, Gram Malikhedhi, Indore admeasuring 9000sq. ft.	Company
<b>Additional Collateral Security (to be Mortgaged to SBI Consortium)</b>		
1.	Industrial plot situated at Survey No. 175/1- Peki, Patwari Halka No 25, Village - Mali Khedi Tehsil & Distt. Indore (M.P.) total saleable area 77948.36 sq. ft.	Rajendra Kumar Goyal
2.	Equitable mortgage on Plot of Land bearing Khasra No. 375/4, Patwari Halka No. 26,Gram Musakhedi, Indore admeasuring 54980 sq. ft.	Rajendra Kumar Goyal
<b>Personal / Corporate Guarantee</b>		
1.	Balkrishna Ramkaran Goyal	
2.	Rajendra Kumar Goyal	
3.	Gopal Goyal	
4.	Brijkishore Goyal	
5.	Vinita Goyal	
6.	Sarla Goyal	
7.	Usha Goyal	

**Note:-** (Above securities are on *Pari-passu* basis with all Consortium banks term lenders and working capital lenders.)

**Schedule II: Axis Bank**

S. No.	Description & Location	Belonging to
<b>Collateral Security</b>		
1.	Extension of EM on Plot no. 58 & 59 (total area 125775 Sq. ft.), situated at Survey No. 185/1 Part, 185/3 Part, 185/4 Part, 186/3 Part, 185/5, 185/6, 185/8, 186/1, 186/2/2 Patwari Halka no. 25, village Malikhedi, Tehsil & District Indore (M.P.)	Company
<b>Personal / Corporate Guarantee</b>		
1.	Rajendra Kumar Goyal	
2.	Brijkishore Goyal	
3.	Gopal Goyal	
4.	Vinita Goyal	
5.	Usha Goyal	
6.	Sarla Goyal	

**Schedule III: Oriental Bank of Commerce**

S. No.	Description & Location	Belonging to
<b>Security</b>		
1	Counter guarantee of the borrower	Company
<b>Collateral Security</b>		
1.	EM of Plot of land bearing khasra no. 375/4, Patwari halka no. 26, Gram Musakhedi, Indore	Rajendra Kumar Goyal
2.	EM of Godown & Shop at Plot no. 9, Survey no. 354/6, Gram Musakhedi, Near Nemawar Road, Indore	Rajendra Kumar Goyal
<b>Personal / Corporate Guarantee</b>		
1.	Rajendra Kumar Goyal	
2.	Gopal Goyal	
3.	Brijkishore Goyal	

**Schedule IV**

S. No.	Description
1.	Plot no. 60, BRG Industrial Park on Survey no. 175/1/Min2, Village- Malikhedi, Tehsil 7 Dist. Indore MP 452001
2.	Personal Guarantees of Directors

## SECTION VI – LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as stated below, there are no outstanding litigations, suits, criminal or civil prosecutions, proceedings or tax liabilities against our Company, our Directors, our Promoters or our Group Companies that would have a material adverse effect on our business. Further, except as stated below there are no defaults, non-payment of statutory dues, over-dues to banks/financial institutions, defaults against banks/financial institutions, defaults in dues payable to holders of any debenture, bonds and fixed deposits and arrears of preference shares issued by our Company, default in creation of full security as per terms of issue/other liabilities. No proceedings have been initiated for economic/civil/any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (a) of Part I of Schedule V of the Companies Act, 2013) other than unclaimed liabilities of our Company and no disciplinary action has been taken by SEBI or any stock exchanges against our Company, our Promoters and our Directors.*

*Our Board of Directors, in its meeting held on May 17, 2018 determined that outstanding legal proceedings involving our Company, Directors, Promoters or Group Companies shall be considered material if: (a) the aggregate amount involved in such individual litigation exceeds 1% of the turnover of the last financial year;(b) where the decision in one litigation is likely to affect the decision in similar litigations, even though the amount involved in such single litigation individually may not exceed 1% of the turnover of the last financial year, if similar litigations put together collectively exceed 1% of the turnover of the last financial year(c) litigations whose outcome could have a material impact on the business, operations, prospects or reputations of the Company and the Board or any of its committees shall have the power and authority to determine the suitable materiality thresholds for the subsequent financial years on the aforesaid basis or any other basis as may be determined by the Board or any of its committees.*

*Further, dues owed by our Company to small scale undertakings and other creditors, which exceeds 5% of the total creditors ("Material Creditors") have been considered as material dues for the purposes of disclosure in this Draft Prospectus.*

*Further, except as stated below, in the last five years preceding the date of this Draft Prospectus there have been (a) no instances of material frauds committed against our Company (b) no inquiries, inspections or investigations initiated or conducted under the Companies Act or any previous companies law in the case of our Company and no prosecutions have been filed (whether pending or not), fines imposed or compounding of offences for our Company (c) no litigation or legal action pending or taken by any ministry or department of the government or any statutory body against our Promoters.*

*Further, except as described below, there are no proceedings initiated or penalties imposed by any authorities against our Company, and Directors and no adverse findings in respect of our Company and our Promoters and the persons/entities connected therewith, as regards compliance with securities laws. Further, except as described below, there are no instances where our Company, or Directors have been found guilty in suits or criminal or civil prosecutions, or proceedings initiated for economic or civil offences or any disciplinary action by SEBI or any stock exchange, or tax liabilities.*

*Further, except as disclosed below there are no (i) litigation against our Directors or our Promoters involving violation of statutory regulations or alleging criminal offence; (ii) past cases in which penalties were imposed by the relevant authorities on our Company, our Directors, our Promoters or Group Companies; and (iii) outstanding litigation or defaults relating to matters likely to affect the operations and finances of our Company including disputed tax liabilities and prosecution under any enactment in respect of Schedule V to the Companies Act, 2013.*

*Unless stated to the contrary, the information provided below is as on the date of this Draft Prospectus.*

### CONTINGENT LIABILITIES

(Rs. in Lakh)

Sr. No	Particulars	Amount
1.	Income tax & other tax demands	597.48

Sr. No	Particulars	Amount
2.	Bank Guarantee	3,876.16
	<b>Total</b>	<b>4,473.64</b>

A. **LITIGATION INVOLVING OUR COMPANY**

(I) **Litigation against our Company:**

- (a) *Litigation Involving Criminal Laws:* NIL
- (b) *Litigation Involving Actions by Statutory/Regulatory Authorities:* NIL
- (c) *Litigation Involving Tax Liabilities:* NIL
- (i) *Direct Tax Liabilities*

Assessment Year	Section	Date of demand	Outstanding Demand (Rs.)	Status
2010-11	154	August 30, 2017	1,88,31,226	Our Company has filed an appeal with respect to the outstanding demand.
2012-13	154	August 30, 2017	1,32,96,819	

1. Our Company received a notice under section 274 read with section 271(1)(c) of the Income Tax Act, 1961 alleging that the Company has concealed particulars of income or furnished inaccurate particulars for the A.Y. 2010-2011 to 2014-2015. An assessment order ("**Assessment Order**") was passed on December 30, 2016 by the ACIT (Central)-2, Indore circle against our Company. As per the Assessment Order, a search and seizure was conducted on the business as well as the residential premises of the BRG Group (including that of our Company) on August 27, 2014. During this search, various incriminating documents were found, on the basis of which our Company surrendered an amount of Rs. 9,93,08,000. As a result, notices were issued under section 153A for A.Y. 2009-10 to 2014-15 on September 15, 2015 and another notice under section 143(2) for A.Y. 2015-16 was issued on May 26, 2016 which was duly served on our Company. A revised notice was sent to the Company for the A.Y. 2014-2015 with a revised assessment amount. A reply to these notices was duly filed by our Company. During the course of search and seizure our Company had surrendered a sum of RS. 1,35,00,000 on account of unaccounted investment for A.Y. 2012-2013 however, it was found that the amount had not been surrendered by our Company. Our Company explained that the amount inadvertently remained to be offered under the confusion of that the said income was to be offered in the hands of another group company M/s. Sarthak Innovations Private Limited. Our Company alleged that a revised computation was filed in the course of the assessment proceedings and is also a valid return filed under section 153A. However, it was held *vide* the Assessment Order that the intentions of our Company were not *bonfide* and therefore a penalty proceeding under section 271(1)(c) is initiated separately for submitting inaccurate particulars of income. As per the Assessment Order, on perusal of Form 10CCB for A.Y. 2012-2013 it was found that our Company made profits of Rs. 3,73,964 and claimed a deduction of Rs. 29,10,867 and Rs. 25,36,903. It has been stated that our Company should have claimed its deduction under chapter VIA r.w.s 80IA and cannot claim deductions exceeding the gross total income. It was held *vide* the Assessment Order that our Company has tried to conceal the income and therefore, penalty proceeding under section 271(1)(c) is initiated separately. Lastly, it has been alleged in the Assessment Order that the land purchased by our Company at village Malikhedi were acquired at a much higher rate than the amount mentioned in the registry. The submissions of our Company were not found tenable and it has been held that the farmers received on-money from our Company and our Director, Brijkishore Goyal also partly accepted the payments made therein. The local enquiry made on the basis of purchase executed in the year 2010 along with the assumption of the rates made for the next four years revealed that the actual cost of land was much higher than the registered value. Thus it has been alleged that our Company has furnished inaccurate particulars of income and penalty proceeding under section 271(1)(c) is initiated separately. Thus, income for A.Y. 2009-10 to 2015-16 were re-assessed by the ACIT for a demand amount of Rs. 5,77,89,852 is

outstanding, however, the same has not been reflected in the government website. Our Company has appealed the given Assessment Order. The matter is still pending before the authority.

(ii) *Indirect Tax Liability*

Our Company received notice under the Madhya Pradesh VAT Act, 2002 for dues under VAT Tax and Entry Tax, details of which are mentioned as below:

Assessment Year	Order Date	Amount in Dispute	Outstanding Demand (Rs.)	Status
2012-13	February 28, 2015	47,31,656	24,33,000	Our Company has paid an amount of Rs. 22,98,656 and filed an appeal with the Appellate Deputy Commissioner dated October 30, 2015
2012-13	February 28, 2015	10,31,550	6,00,004	Our Company has paid an amount of Rs. 4,31,546 and filed an appeal with the Appellate Deputy Commissioner dated October 30, 2015
2011-12	July 7, 2014	38,70,974	24,85,000	Our Company has paid an amount of Rs. 13,85,974 and filed an appeal with the Appellate Deputy Commissioner dated June 30, 2015
2011-12	July 7, 2014	2,79,403	1,66,000	Our Company has paid an amount of Rs. 1,13,403 and filed an appeal with the Appellate Deputy Commissioner
2010-11	April 24, 2015	28,03,339	16,80,000	Our Company has paid an amount of Rs. 11,23,339 and filed an appeal with the Appellate Deputy Commissioner dated April 24, 2015
2010-11	April 24, 2015	2,00,938	1,20,000	Our Company has paid an amount of Rs. 80,938 and filed an appeal with the Appellate Deputy Commissioner dated April 24, 2015

(d) *Other Material Pending Litigations:* NIL

(II) **Litigation by our Company:**

(a) *Litigation Involving Criminal Laws:* NIL



(b) ***Litigation Involving Actions by Statutory/Regulatory Authorities:*** NIL

(c) ***Litigation Involving Tax Liabilities:*** NIL

(d) ***Other Material Pending Litigations:***

1. ***B.R. Goyal Infrastructure Private Limited v. GVR Infra Projects Limited & Others***

Our Company ("**Plaintiff**") has filed a suit for recovery of money in the Hon'ble Court of XI Additional District judge of Indore, bearing civil suit no 317B/2017 against *GVR Infra Project Limited & Others* ("**Respondent**") dated March 28, 2018 for non-payment of Rs. 3,41,57,590 owed on account of the work carried out by the Plaintiff. The Madhya Pradesh Road Development Corporation Limited allotted a contract for development of Khandaphod-Nachalbhor Road to the Respondent for which the Respondent subsequently, appointed the Plaintiff as a sub-contractor *vide* work order no. *GVR/CHN/MPRDCL/Khandaphod-Nachalbhor/F. No.: MP06/01/2012/* dated August 30, 2012 ("**Work Order**"). As per the terms and conditions of this work order the Plaintiff was expected to do the following: -

The Plaintiff will have to issue invoice at the end of every month, of which the Respondent shall pay in the following manner:-

- a) 50% within 15 days of issue of invoice.
- b) Balance in next 15 days.

The Respondent shall have a right to retain 5% of the amount as security deposit.

The Plaintiff completed the work on July 7, 2014 and the Respondent issued work completion certificate in favor of the plaintiff company on December 22, 2014. However, even after receiving work completion certificate from the Respondent, the Respondent retained Rs. 51,91,690 on the grounds of improvement, upgradation, checking and investigation. Furthermore, the Respondent was liable to pay Rs. 27,11,57,281 against all the bills raised, out of which the Respondent paid Rs. 26,59,00,000 only and Rs. 62,57,281 was still outstanding. The Respondent was also liable to pay Value Added Tax which remained unpaid. An amount of Rs. 1,00,00,000 was given against royalty deposit to the Respondent out of which the Plaintiff received only Rs. 90,00,000 and Rs. 10,00,000 remained outstanding. Lastly, the Respondent has retained Rs. 1,44,47,537 as 5% security deposit and is liable to pay interest on the amount @ 24% P.A. which shall make the amount equal to Rs. 1,63,95,643 to the Plaintiff. Thus an amount of Rs. 3,41,57,590 is due to the Plaintiff by the Respondent. The respondent filed its written statement dated March 5, 2018 whereby it stated that as per the Work Order the Plaintiff was required to complete the work within 11 months, but was completed after a delay of 1 year. Therefore, it is submitted by the Respondent that the Plaintiff is not entitled to recover the money since the delay has caused financial losses to the Respondent along with loss of opportunity. It is also the contention of the Respondents that the matter invoked the jurisdiction of the Indian Penal Code and therefore is barred by law. Another reply was filed by the Respondents on March 8, 2018. The Plaintiff filed a reply to the written statements of the Respondents on March 28, 2018 as the leave for defence filed by the Respondent should have been made in 10 days but was filed in 60 days and the defence raised by the Respondents was false and frivolous. The matter is still pending for adjudication before the Court.

## **B. LITIGATION INVOLVING OUR DIRECTORS**

1. **Litigation against our Directors:**

(a) ***Litigation Involving Criminal Laws:*** NIL

(b) ***Litigation Involving Actions by Statutory/Regulatory Authorities:*** NIL

(c) ***Litigation Involving Tax Liabilities:***

(i) ***Direct Tax Liabilities***

Assessment Year	Section	Date of demand	Outstanding Demand (Rs.)	Status
<b>Rajendra Kumar Goyal</b>				
2009-10	220(2)	April 24, 2018	6,321	Our Director has filed an appeal

1. An assessment order ("**Assessment Order**") was sent to our Director, Brijkishore Goyal ("**Assessee**") by DCIT (Central)-2, Indore dated December 28, 2017 under section 143(3)/254 of the Income Tax Act, 1961 ("**Act**"). The Assessee filed return on income for the A.Y. 2010-2011 declaring an income of Rs. 59,89,950 and subsequently filed a revised form for income of Rs. 59,86,790. The case was selected for scrutiny and income was assessed at Rs. 79,72,729 after making addition on account of disallowance of expense claimed under section 57 of Rs. 18,47,040 and treated the short term capital gain as income from undisclosed sources. Aggrieved with this order the Assessee filed an appeal before the CIT (A) who *vide* order in appeal No. IT-193/13-14 dated October 31, 2014 has confirmed the addition made by ("**AO**") and dismissed the appeal of the Assessee. The Assessee then filed an appeal before the Hon'ble ITAT against the decision of the CIT(A) who set aside the order of the AO. The issue was considered a fresh. The Assessee had shown a deduction of Rs. 57,19,929 and corresponding interest income of Rs. 18,27,095 after suo moto disallowing the interest expenditure of Rs. 1,36,434. The Assessee has claimed before the AO that the amount on which interest expenditure has been claimed included the investment in partnership firm wherefrom interest of Rs. 19,09,360 was received during the year. The Assessee had borrowed fund in his personal capacity and invested the same as capital in the proprietorship concern and Assessee has earned a net profit of Rs. 19,38,850. However, it is the understanding of the DCIT that Assessee is claiming excessive interest expense as compared to what he has earned and since the Assessee has not utilized the borrowed fund for generating interest income the deductions under section 57 are not justified. Therefore, the amount of Rs. 18,47,040 is disallowed and added to the total income. The other issue that arose was that it was found for the A.Y. 2010-2011 the Assessee has suo moto disallowed Rs. 1,36,434 under section 14A of the Act however, the same has also been disallowed by *vide* the Assessment Order. Therefore, the total income is assessed at Rs. 79,72,729. Our Director has appealed the given Assessment Order. The matter is still pending before the authority.
2. Our Director, Brijkishore Goyal ("**Assessee**") received a notice under section 156 of the Income Tax Act ("**Act**") for the assessment year 2015-16. An assessment order ("**Assessment Order**") was passed by the ACIT(Central)-2, Indore dated December 24, 2016. Pursuant to the search and seizure proceedings carried out on the premises of our Company. The Assessee filed its return of income for the A.Y. 2015-16 and had disclosed the total income at Rs. 44,14,600. As per the Assessment Order passed the total income was assessed at Rs. 49,90,782. The additions were made in the head of unaccounted cash under section 68 of the Act amounting to Rs. 2,91,462 and unexplained investment under section 69 of the Act amounting to Rs. 2,84,720. The AO also initiated penalty proceedings and accordingly the amount of penalty was computed as Rs. 2,00,000. Our Director has appealed the given Assessment Order. The matter is still pending before the authority.
- (d) **Other Material Pending Litigations:** NIL
2. **Litigation by our Directors:**
  - (a) **Litigation Involving Criminal Laws:** NIL
  - (b) **Litigation Involving Actions by Statutory/Regulatory Authorities:** NIL
  - (c) **Litigation Involving Tax Liabilities:** NIL
  - (d) **Other Material Pending Litigations:** NIL

C. **LITIGATION INVOLVING OUR PROMOTERS:**

(I) **Litigation against our Promoters:**

- (a) *Litigation Involving Criminal Laws:* NIL
- (b) *Litigation Involving Actions by Statutory/Regulatory Authorities:* NIL
- (c) *Litigation Involving Tax Liabilities:*

*Rajendra Kumar Goyal*

*Please refer B. "Litigation involving our Directors" – "Litigation against our Directors" – "Litigation Involving Tax Liabilities" – Rajendra Kumar Goyal on page 217 of this Draft Prospectus.*

- (d) *Other Material Pending Litigations:* NIL

(II) **Litigation by our Promoters:**

- (a) *Litigation Involving Criminal Laws:* NIL
- (b) *Litigation Involving Actions by Statutory/Regulatory Authorities:* NIL
- (c) *Litigation Involving Tax Liabilities:* NIL
- (d) *Other Material Pending Litigations:* NIL

D. **LITIGATION INVOLVING GROUP COMPANIES**

(I) **Litigation against our Group Companies**

- (a) *Litigation Involving Criminal Laws:* NIL
- (b) *Litigation Involving Actions by Statutory/Regulatory Authorities:* NIL
- (c) *Litigation Involving Tax Liabilities:*
- (i) *Direct Tax Liabilities*

Assessment Year	Section	Date of demand	Outstanding Demand (Rs.)	Status
<i>Sarthak Innovations Private Limited</i>				
2012-13	143(3)	March 29, 2015	92,600	Our Group Company has filed an appeal with respect to the outstanding demands
2013-14	143(3)	March 29, 2016	1,92,23,010	
2014-15	143(3)	December 27, 2016	55,04,008	

1. Our Group Company, B.R. Goyal Construction Private Limited ("**Assessee Company**") received a notice of demand under section 156 of the Income Tax Act ("**the Act**") for A.Y. year 2009-10 to 2015-16 along with a notice under section 274 read with section 271(1)(c) of the Act for A.Y. 2009-10. An assessment order ("**Assessment Order**") was passed by the ACIT (Central)-2, Indore dated December 27, 2016. As per the Assessment Order, a search and seizure was carried out on the business as well as residential premises of the BRG Group including the Assessee on August 27, 2014. Notices were issued under section 153A for A.Y. 2009-10 to 2014-15 on September 15, 2015 and another notice under section 143(2) for A.Y. 2015-16 was issued on May 26, 2016 which was duly served on our Company. A revised notice was sent for A.Y. 2010-2011 which revised the outstanding demand. A

reply to these notices was duly filed by the Assessee. During the course of the assessment proceeding it has been observed that the Assessee Company received an amount of Rs. 70,00,000 as share application money from 5 Kolkata based companies. Subsequently, these 5 companies sold their shares to another 3 Kolkata based companies which were then bought by the sister company i.e. B.R. Goyal Holdings Private Limited of the Assessee Company for a minuscule amount of Rs. 3,50,000. This indicates that the buyback of shares by the sister company was simply to bring black money through route of accommodation entries. On inquiry it was found that the Kolkata based companies who bought these shares were merely on paper and their registered address could not be traced. It has been submitted by the Assessee Company that the shares issued and money received for the same was routed through proper banking channels and the companies are registered companies having valid Pan and have filed returns of income as reflected on the ROC website. Furthermore, with regard to establishing the creditworthiness of these companies it was submitted that these companies were possessing substantial amount of own capital and reserves out of which investments were made in the Assessee Company. However, the ACIT *vide* Assessment Order concluded that the five share applicant companies from whom share application money was received in A.Y. 2009-10 are nothing but bogus paper companies. In the case of the Assessee Company, there is enough evidence which shows that the explanation submitted about nature & source of credit is not correct; therefore the explanation furnished is rejected. Furthermore, the sum of Rs. 70,00,000 was added as unexplained cash credit under section 68 of the Act.

In the A.Y. 2010-11, the Assessee Company made a share application for 70,000 shares which was partly paid and allotted to M/s. Debraj Vincom Private Limited, it was submitted that the total amount of Rs. 35 Lakhs was received from them and balance amount of Rs. 35 Lakh was to be called for at the time of allotment of the partly paid up shares. Since the Assessee Company has offered bogus share application money of Rs. 35,00,000 in returns of A.Y. 2010-11 for taxation, no further addition is made on this count. Thus the, Assessee Company has furnished inaccurate particulars in its returns of income and penal proceeding under section 271(1)(c) is initiated separately. Thus, income for A.Y 2009-10 to 2015-16 were re-assessed by the ACIT and a demand of Rs. 41,86,640 is outstanding. Our Company has appealed the given Assessment Order. The matter is still pending before the authority.

2. Our Group Company, BRG Holding Private Limited ("Assessee Company") received notice of demand under section 156 of the Income Tax Act ("the Act") for A.Y. 2011-12 to 2015-16. An assessment order ("**Assessment Order**") was passed by the ACIT (Central)-2, Indore dated November 18, 2016. As per the Assessment Order, a search and seizure was carried out on the business as well as residential premises of the BRG Group including the Assessee on August 27, 2014. Notices were issued under section 153A for A.Y. 2009-10 to 2014-15 on September 15, 2015 and another notice under section 143(2) for A.Y. 2015-16 was issued on May 26, 2016 which was duly served on our Company. The ACIT, *vide* Assessment Order re-assessed the income for A.Y. 2010-11 to 2015-16 and the demand for the same was NIL..
3. Our Group Company, Sarthak Innovations Private Limited ("**Assessee Company**") received notice of demand under section 156 of the Income Tax Act ("**the Act**") for A.Y. 2013-2014 along with a notice under section 274 read with section 271(1)(c) of the Act for A.Y. 2013-2014. An assessment order ("**Assessment Order**") was passed by the ACIT (Central)-2, Indore dated March 29, 2016. As per the Assessment Order, return of income was filed on September 30, 2013 declaring current year loss of Rs. 86,93,934. A statutory notice was issued on September 7, 2014 and duly served upon the Assessee Company. During the assessment proceeding it was noticed that the Company has taken secured as well as unsecured loans for the year under consideration and interest expense of Rs. 1,25,92,446 was claimed on such loans. The Assessee Company has paid higher interest to four individuals at the rate of 18% whereas the rest have been paid at 12% which is not allowed as per provisions of section 40A(2). Therefore, the interest of Rs. 14,50,421 is disallowed. It was also found that the Assessee Company has debited various expenses under different heads of Trading and profit and Loss account which could not be vouched for from the books. Therefore, 5% of expense i.e. Rs. 12,39,574 was disallowed and added to the income of the Assessee Company. Lastly, it was held *vide* the Assessment Order that total loan of Rs. 5,00,00,000 is not a genuine transaction and is introduced in the garb of unsecured loans. Therefore, the same is treated as unexplained cash credit and is added to income. Thus re-assessment was made of the income and a demand of Rs. 2,07,24,510 is outstanding. The Assessee Company has appealed the given Assessment Order and the matter is still pending before the authority.

4. Our Group Company, Sarthak Innovations Private Limited ("**Assessee Company**") received notice of demand under section 156 of the Income Tax Act ("**theAct**") for A.Y. 2014-2015 along with a notice under section 274 read with section 271(1)(c) of the Act for A.Y. 2014-2015. An assessment order ("**Assessment Order**") was passed by the ACIT (Central)-2, Indore dated December 27, 2016. As per the Assessment Order, return of income was filed on November 28, 2014 declaring total income as NIL and book profit as Rs. 10,90,051. A statutory notice was issued on September 7, 2015 and duly served upon the Assessee Company. During the assessment proceeding it was noticed that the Assessee Company had taken secured as well as unsecured loan during the A.Y. 2014-2015 and interest paid to two individuals was higher than that paid to other parties. It is alleged that the Assessee Company has paid excess interest to persons covered under section 40(2)(b) which is not allowed as per the provisions of section 40(2)(a). Therefore, the excess income of Rs. 1,54,055 is disallowed and added to the income of the Assessee Company. Furthermore, it has been alleged that one of the Group Company had made accommodation entries through share application money and offered an amount of Rs 35,00,000 as undisclosed income for A.Y. 2010-2011. It was observed that the unsecured loans obtained from three companies in Mumbai were also been identified as accommodation entries. The Assessee Company was asked to furnish the identity and genuineness of the transaction, but the proof provided by the Assessee Company was held unreliable. In the case of Assessee Company, there is enough evidence which shows that the explanation submitted about nature & source of credit is not correct; therefore, the explanation furnished by the Assessee Company is rejected. Moreover, the Assessee Company has failed to discharge its onus to establish the identity, creditworthiness of the loan creditors and the genuineness of the transactions. It is also concluded that total loan of Rs.80,00,000/- shown by Assessee Company from the companies in Mumbai is not a genuine transactions. In other words it can be concluded that it is Assessee Company's own money which it introduced in the garb of unsecured loans in the books of Assessee Company. Thus, income for A.Y. 2014-15 were re-assessed by the ACIT. The Assessee Company has appealed the given Assessment Order and the matter is still pending before the authority.
  
  5. Our Group Company, Sarthak Innovation Private Limited ("**Assessee Company**") received notice of demand under section 156 of the Income Tax Act ("**theAct**")for A.Y. 2015-2016along with a notice under section 274 read with section 271(1)(c) of the Act for A.Y. 2015-2016. An assessment order ("**Assessment Order**") was passed by the DCIT (central)-2, Indore dated December 29, 2017. As per the Assessment Order, return of income was filed on December 12, 2016 declaring total income at NIL and book profit at Rs. 1,27,04,659. A statutory notice was issued on May 26, 2016 and duly served upon the Assessee Company. During the assessment proceedings it was noticed that the Assessee Company has claimed interest expense on unsecured loans. It was noticed that the Assessee has paid interest to three parties at a higher rate whereas others have been paid interest at 12% which is not allowable as per provisions of section 40(2)(a).Therefore, excess interest of Rs. 39,81,235 is disallowed and added to the income of the Assessee Company. Furthermore, Assessee Company was investigated on account of certain accommodation entries made by the its group company i.e. B.R. Goyal Constructions Private Limited and therefore, the credentials of the Assessee Company are under suspicion. The Assessee had paid interest to 3 entities amounting to Rs. 74,35,147 who were treated as bogus companies and addition on account of unsecured loan was taxed under section 68 of the ACT. Thus the interest paid to these companies was also disallowed and added to the income. Therefore, the income was re-assessed and the outstanding demand of Rs. 15,73,890 was determined. The Assessee Company has appealed the given Assessment Order and the matter is still pending before the authority.
- (d) ***Other Material Pending Litigations:*** NIL
  - (II) **Litigation by our Group Companies**
    - (a) ***Litigation Involving Criminal Laws:*** NIL
    - (b) ***Litigation Involving Actions by Statutory/Regulatory Authorities:*** NIL
    - (c) ***Litigation Involving Tax Liabilities:*** NIL
    - (d) ***Other Material Pending Litigations:*** NIL

E. **OUTSTANDING DUES TO CREDITORS OF OUR COMPANY**

As on March 31, 2018 our Company does not owe a sum exceeding 5% of the total creditors to any undertaking except the following:

Sr. No.	Particulars	Name of the Creditor	Amount
1.	MSME	Nil	Nil
2.	Other Creditors	Maa Renuka Trading (Bitumen)	1.60
	<b>Total</b>		<b>1.60</b>

The details pertaining to net outstanding dues towards our Material Creditors shall be made available under investors' section on the website of our Company i.e. [www.brginfra.com](http://www.brginfra.com). It is clarified that such details available on our website do not form a part of this Draft Prospectus. Anyone placing reliance on any other source of information, including our Company's website, [www.brginfra.com](http://www.brginfra.com) would be doing so at their own risk.

F. **MATERIAL DEVELOPMENTS SINCE THE LAST BALANCE SHEET DATE**

Except as mentioned under the chapter "*Management Discussion and Analysis of Financial Condition and Result of Operation*" beginning on page 189 of this Draft Prospectus, there have been no material developments, since the date of the last audited balance sheet.

## **GOVERNMENT AND OTHER STATUTORY APPROVALS**

*Our Company has received the necessary consents, licenses, permissions and approvals from the Central and State Government and other governmental agencies/regulatory authorities/certification bodies required to undertake the Issue or continue our business activities. It must be distinctly understood that in granting these approvals, the Government of India does not take any responsibility for the financial soundness of the Company or for the correctness of any of the statements made or opinions expressed in this behalf.*

*In view of the approvals listed below, we can undertake the Issue for our current/proposed business activities and no further material approvals from any statutory authority are required to be undertaken, in respect of the Issue or to continue our business activities.*

*The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to carry out its activities.*

### ***Approvals for the Issue***

1. The Board of Directors have, pursuant to Section 62(1)(c) of the Companies Act 2013, by a resolution passed at its meeting held on May 17, 2018 authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
2. The shareholders of our Company have, pursuant to Section 62(1)(c) of the Companies Act 2013, by a special resolution passed in the extra ordinary general meeting held on May 23, 2018 authorized the Issue.
3. In-principle approval from the National Stock Exchange of India Limited dated [●].

### ***Approvals in relation to the incorporation of our Company***

1. Certificate of Incorporation issued under Companies Act, 1956 by the Registrar of Companies, Madhya Pradesh and Chattisgarh in the name of "B.R. Goyal Infrastructure Private Limited" dated April 1, 2005.
2. A fresh certificate of incorporation pursuant to change of name from "B.R. Goyal Infrastructure Private Limited" to "B.R. Goyal Infrastructure Limited" was issued under the Companies Act, 2013 by the Registrar of Companies, Gwalior, Madhya Pradesh, dated May 9, 2018.

### ***Tax approvals in relation to our Company***

1. The Permanent Account Number (PAN) of our Company is AACCB6024E.
2. The Tax Deduction Account (TAN) number of our Company is BPLB02762E.
3. The GST registration numbers of our Company is 23AACCB6024E1ZB dated June 26, 2017.
4. The Professional Tax registration of our Company is 79261400209 under Madhya Pradesh Professional Tax Act, 1995 dated October 6, 2006.

### ***Approvals in relation to the business of our Company***

1. Our Company has obtained the Udyog Aadhar Memorandum bearing number MP2300019959 under Micro, Small and Medium Enterprise Development Act, 2006 issued by the Ministry of Micro, Small and Medium Enterprises for providing construction and maintenance services dated April 27, 2018.
2. Our Company has obtained the Udyog Aadhar Memorandum bearing number MP23B0020290 under Micro, Small and Medium Enterprise Development Act, 2006 issued by the Ministry of Micro, Small and Medium Enterprises for manufacturing of refractory products, cement and plaster, articles of concrete dated May 19, 2018.
3. Our Company has obtained the shops and establishment license bearing no C/105897 under Madhya Pradesh Shops and Establishments Act, 1958 dated October 9, 2014 and valid till December 31, 2018.
4. Our Company has obtained the Importer Exporter Code certificate bearing IEC number 1105005526 issued by Director General of Foreign Trade, Ministry of Commerce dated December 19, 2005.
5. Our Company has obtained the Public Works registration certificate bearing number EAV00382 issued by the Madhya Pradesh Public Works Department dated May 15, 2015 and is valid till May 14, 2020.


6. Our Company has obtained the Business license bearing number 5130553818 issued by the Municipal Corporation of Indore, dated May 1, 2018 and valid till March 31, 2019.
7. Our Company obtained the commissioning certificate letter bearing reference no. RRVPNL/XEN-III/TCC IV/BMR/D.25 for operating a 1Nos. X 1.25 MW Suzlon make wind generator dated March 30, 2005 at Village Hansuwal, District Jaisalmer, Rajasthan.

***Labour approvals in relation to our Company***

1. Our Company has obtained employee provident fund registration bearing code number MPIND0012861000 from Regional office, Employee Provident Fund Organization under Employees Provident Fund and Miscellaneous Provisions Act, 1952 dated July 10, 2002.
2. Our Company has obtained the Employee State Insurance registration certificate bearing number 18000215270001009 under the Employee State Insurance Act, 1948 issued by the Employee State Insurance Corporation dated December 15, 2014. Our company has obtained sub-codes for different site locations. The details are as follows :

Site / Location	Sub-Code No.
Dewas	18180215270011009
Hoshangabad	18180215270021009
Khandwa	18180215270031009

***Pending Approvals***

1. Our Company has applied for registering our trademark with the trademark registry under the Trade Marks Act, 1991 under class 36 and 37 for the mark  dated May 8, 2018 and May 24, 2018.
2. Our Company has applied for registration certificate under Madhya Pradesh Shops and Establishment Act, 1958 dated May 22, 2018.



## **OTHER REGULATORY AND STATUTORY DISCLOSURES**

### **Authority for the Issue**

The Board of Directors, pursuant to a resolution passed at their meeting held on May 17, 2018 authorized the Issue, subject to the approval of the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013, and such other authorities as may be necessary.

The Shareholders of our Company have, pursuant to a special resolution passed under Section 62(1)(c) of the Companies Act, 2013 at an Extra Ordinary General Meeting held on May 23, 2018 authorized the Issue.

Our Company has obtained in-principle approval from the EMERGE Platform of National Stock Exchange of India Limited for using its name in the Draft Prospectus pursuant to an approval letter dated [●]. National Stock Exchange of India Limited is the Designated Stock Exchange.

### **Prohibition by SEBI, the RBI or other Governmental Authorities**

We confirm that our Company, our Promoters, relatives of Promoters, our Promoter Group, our Directors or the persons in control of our Company and our Group Companies have not been prohibited from accessing the capital markets for any reason, or restrained from buying, selling or dealing in securities, under any order or directions by the SEBI or any other regulatory or government authorities.

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.

We confirm that our Company, Promoters, relatives of Promoters, Promoter Group, Directors, persons in control of our Company, or Group Companies have not been debarred or prohibited from accessing or operating in the capital markets under any order or direction passed by SEBI or any other government authority. Neither our Promoter, nor any of our Directors or persons in control of our Company were or are 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.

None of our Directors are associated with the securities market in any manner, including securities market related business and there has been no action taken by SEBI against the Directors or any other entities with which our Directors are associated as promoters or directors.

The listing of any securities of our Company has never been refused at any time by any of the stock exchanges in India or abroad.

### **Prohibition by RBI**

Neither our Company, our Promoter, our Directors, Group Companies, relatives (as per Companies Act, 2013) of Promoter or the person(s) in control of our Company have been identified as a willful defaulter by the RBI or other governmental authority and no such proceedings are pending against any of them except as details provided in the chapter titled "*Outstanding Litigations and Material Development*" on page 214 of this Draft Prospectus.

### **Eligibility for the Issue**

Our Company is in compliance with the following conditions specified in Regulation 4(2) of the SEBI (ICDR) Regulations to the extent applicable:

- a) Our Company, our Directors and the companies with which our Directors are associated as directors or promoters or persons in control have not been prohibited from accessing or operating in the capital markets under any order or direction passed by SEBI;
- b) Our Company has applied to the EMERGE Platform of National Stock Exchange India Limited for obtaining their in-principle listing approval for listing of the Equity Shares under this Issue and has received the in-principle approval from the EMERGE Platform of National Stock Exchange India

- Limited pursuant to its letter dated [●]. For the purposes of this Issue, the National Stock Exchange of India Limited shall be the Designated Stock Exchange;
- c) Our Company has entered into tripartite agreement dated [●] with NSDL and the Registrar and Transfer Agent, who in this case is Link Intime India Private Limited for dematerialisation of the Equity Shares;
  - d) Our Company has entered into tripartite agreement dated [●] with CDSL and the Registrar and Transfer Agent, who in this case is Link Intime India Private Limited, for dematerialisation of the Equity Shares; and
  - e) The Equity Shares are fully paid and there are no partly paid-up Equity Shares as on the date of filing this Draft Prospectus.

Further, in compliance with Regulation 4(5) of the SEBI (ICDR) Regulations, none of our Company, Promoters or Directors is a Willful Defaulter, as on the date of this Draft Prospectus.

Our Company is an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations; and this Issue is an "Initial Public Offer" in terms of the SEBI (ICDR) Regulations.

Our Company is eligible for the Issue in accordance with Regulation 106(M)(2) and other provisions of Chapter XB of the SEBI (ICDR) Regulations, as we are an Issuer whose post issue paid up capital is 10 Core to 25 Crore. Therefore, we may issue Equity Shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the "EMERGE Platform of National Stock Exchange of India Limited").

We confirm that:

1. In accordance with Regulation 106(P) of the SEBI (ICDR) Regulations, this issue is 100% underwritten and that the Lead Manager to the Issue shall underwrite minimum 15% of the total Issue size. For further details pertaining to said underwriting please refer to chapter titled "*General Information – Underwriting*" beginning on page 67 of this Draft Prospectus.
2. In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue shall be greater than or equal to 50 (fifty), otherwise, the entire application money will be unblocked forthwith. If such money is not repaid within 8 (eight) Working 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 8 (eight) Working Days, be liable to repay such application money, with an interest at the rate as prescribed under the SEBI (ICDR) Regulations, Companies Act 2013 and other applicable laws.
3. In accordance with Regulation 106(O) the SEBI (ICDR) Regulations, we have not filed any Issue Document with SEBI nor has SEBI issued any observations on our Issue Document. Also, we shall ensure that our Lead Manager submits a copy of the Draft Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies.
4. In accordance with Regulation 106(V) of the SEBI (ICDR) Regulations, we hereby confirm that we have entered into an agreement with the Lead Manager and a Market Maker to ensure compulsory Market Making for a minimum period of 3 (three) years from the date of listing of Equity Shares on the EMERGE Platform of National Stock Exchange of India Limited. For further details of the arrangement of market making, see chapter titled "*General Information – Details of the Market Making Arrangements for this Issue*" beginning on page 67 of this Draft Prospectus.
5. The Company has a record of three (3) years and positive cash accruals (earnings before depreciation and tax) from operations for at least two (2) financial years preceding the application and the net worth of the Company is positive.
6. As on the date of this Draft Prospectus, our Company has a paid-up capital of Rs.869.64 lakhs and the post issue capital will be of Rs.1204.20 lakhs.

7. Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
8. There is no winding up petition against the company, which has been admitted by the court or a liquidator has not been appointed.
9. There has been no change in the Promoter(s) of the Company in the preceding one year from date of filing application to the Stock Exchange or listing on the EMERGE Platform of National Stock Exchange of India Limited.
10. Our company shall mandatorily facilitate trading in demat securities and enter into an agreement with CDSL and NSDL.
11. No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against our company.
12. We have a website: [www.brginfra.com](http://www.brginfra.com)
13. There is no material regulatory or disciplinary action by a Stock Exchange or regulatory authority in the past one year in respect of promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies) except as mentioned in chapter titled “Outstanding Litigation and Material Developments” beginning on page 214 of this Draft Prospectus.
14. There are no defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by us, our promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies) during the past three years except as mentioned in chapter titled “Outstanding Litigation and Material Developments” beginning on page 214 of this Draft Prospectus.
15. We, our promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies) litigation record, the nature of litigation, and status of litigation please refer to the chapter titled “Outstanding Litigation and Material Developments” beginning on page 214 of this Draft Prospectus.
16. For the track record of the directors, the status of criminal cases filed or nature of the investigation being undertaken with regard to alleged commission of any offence by any of its directors and its effect on the business of the company, where all or any of our directors have or has been charge-sheeted with serious crimes like murder, rape, forgery, economic offences etc, please refer to the chapter titled “Outstanding Litigation and Material Developments” beginning on page 214 of this Draft Prospectus.”

We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter XB of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106(M)(3) of SEBI (ICDR) Regulations, the provisions of Regulations 6(1), 6(2), 6(3), Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and sub regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to us in this Issue.

#### **Compliance with Part A of Schedule VIII of the SEBI (ICDR) Regulations**

Our Company is in compliance with the provisions specified in Part A of the SEBI (ICDR) Regulations. No exemption from eligibility norms has been sought under Regulation 109 of the SEBI (ICDR) Regulations, with respect to the Issue.

#### **DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF DRAFT PROSPECTUS TO THE 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, SYSTEMATIX CORPORATE SERVICES LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT PROSPECTUS, THE LEAD MERCHANT BANKER, SYSTEMATIX CORPORATE SERVICES LIMITED IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED MAY 29, 2018 WHICH READS AS FOLLOWS:

“WE, THE UNDER NOTED LEAD MANAGER TO THE ABOVE MENTIONED FORTHCOMING ISSUE STATE AND CONFIRM AS FOLLOWS:

1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE DRAFT PROSPECTUS PERTAINING TO THE SAID ISSUE;
2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:
  - a) THE DRAFT PROSPECTUS FILED WITH THE EXCHANGE IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;
  - b) ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND
  - c) THE DISCLOSURES MADE IN THE DRAFT PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 2013, APPLICABLE PROVISIONS OF THE COMPANIES ACT, 1956, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.
3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.
4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS- NOTED FOR COMPLIANCE
5. WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS’

CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT PROSPECTUS- NOTED FOR COMPLIANCE

6. WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS' CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT PROSPECTUS- COMPLIED WITH AND NOTED FOR COMPLIANCE
7. WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. – NOT APPLICABLE
8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION- COMPLIED WITH TO THE EXTENT APPLICABLE.
9. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE DRAFT PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION – NOTED FOR COMPLIANCE.
10. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE – NOT APPLICABLE. UNDER SECTION 29 OF THE COMPANIES ACT, 2013, THE EQUITY SHARES IN THE OFFER ARE TO BE ISSUED IN DEMATERIALISED MODE ONLY.
11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.

12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT PROSPECTUS:
  - a) AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER AND
  - b) AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.
13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE- – NOTED FOR COMPLIANCE.
14. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OR THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS EXPERIENCE, ETC.
15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.
16. WE ENCLOSE STATEMENT ON ‘PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKER BELOW (WHO ARE RESPONSIBLE FOR PRICING THIS ISSUE)’, AS PER FORMAT SPECIFIED BY SEBI THROUGH CIRCULAR.
17. WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS – COMPLIED TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS REPORTED, IN ACCORDANCE WITH ACCOUNTING STANDARD-18 IN THE FINANCIAL INFORMATION OF THE COMPANY INCLUDED IN THE DRAFT PROSPECTUS.
18. WE CERTIFY THAT THE ENTITY IS ELIGIBLE UNDER 106Y (1) (A) OR (B) (AS THE CASE MAY BE) TO LIST ON THE INSTITUTIONAL TRADING PLATFORM, UNDER CHAPTER XC OF THESE REGULATIONS – NOT APPLICABLE

**ADDITIONAL CONFIRMATIONS/ CERTIFICATION TO BE GIVEN BY MERCHANT BANKER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH ISSUE DOCUMENT REGARDING EMERGE PLATFORM OF NATIONAL STOCK EXCHANGE OF INDIA (SME EXCHANGE)**

1. WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE DRAFT PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.
2. WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN DRAFT PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES ISSUED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN.
3. WE CONFIRM THAT THE ABRIDGED PROSPECTUS CONTAINS ALL THE

**DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 - NOTED FOR COMPLIANCE.**

4. **WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE ISSUER – NOTED FOR COMPLIANCE.**
5. **WE CERTIFY THAT AS PER THE REQUIREMENTS OF FIRST PROVISIO TO SUB REGULATION (4) OF REGULATION 32 OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009; CASH FLOW STATEMENT HAS BEEN PREPARED AND DISCLOSED IN THE DRAFT PROSPECTUS. - NOT APPLICABLE.**
6. **WE CONFIRM THAT UNDERWRITING AND MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 106P AND 106V OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE - NOTED FOR COMPLIANCE.**

*Note:*

*The filing of this Draft Prospectus does not, however, absolve our Company from any liabilities under Section 34, Section 35, Section 36 and Section 38 (1) of the Companies Act, 2013 or from the requirement of obtaining such statutory and / or other clearances as may be required for the purpose of the proposed Issue. SEBI further reserves the right to take up at any point of time, with the Lead Manager any irregularities or lapses in the Draft Prospectus.*

*All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the Registrar of Companies, Gwalior in terms of sections 26, 32 and 33 of the Companies Act, 2013.*

**Statement on Price Information of Past Issues handled by Systematix Corporate Services Limited**

Sr. No.	Issuer Name	Issue size (in Cr.)	Issue Price (Rs.)	Listing Date	Opening Price on listing date	+/- change in closing price, [+/- % change in closing benchmark k]- 30 <sup>th</sup> calendar days from listing	% change in closing price, [+/- % change in closing benchmark k]- 90 <sup>th</sup> calendar days from listing	+/- change in closing price, [+/- % change in closing benchmark k]- 180 <sup>th</sup> calendar days from listing	% change in closing price, [+/- % change in closing benchmark k]- 180 <sup>th</sup> calendar days from listing
1	Jash Engineering Limited	48.01	120	October 11, 2017	144.00	27.12% [+3.37%]	47.12% [+6.53%]	-2.40% [+3.95%]	
2	CMM Infraprojects Limited	18.18	40	October 12, 2017	46.50	42.84% [+1.27%]	115.27% [+5.31%]	40.83% [+3.03%]	
3	Uniinfo Telecom Services Limited	15.59	55	March 15, 2018	56.00	-6.19% [+1.62%]	NA NA	NA NA	
4	AVG Logistics Limited	33.06	107	April 11, 2018	113.00	10.71% [+3.74%]	NA NA	NA NA	

## Disclaimer from our Company, Directors and the Lead Manager

Our Company, its Directors and the Lead Manager accept no responsibility for statements made otherwise than those contained in this Draft Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information including our website [www.brginfra.com](http://www.brginfra.com) would be doing so at his or her own risk.

## Caution

The Lead Manager accepts no responsibility, save to the limited extent as provided in the Issue Agreement entered between the Lead Manager (Systematix Corporate Services Limited) and our Company on May 25, 2018 and the Underwriting Agreement dated May 25, 2018 entered into between the Underwriter and our Company and the Market Making Agreement dated May 25, 2018 entered into among the Market Maker and our Company.

All information shall be made available by our Company and the Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at collection centers or elsewhere.

The Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter Group, Group Companies, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, Group Companies, and our affiliates or associates, for which they have received and may in future receive compensation. Systematix Corporate Services Limited is not an 'associate' of the Company and is eligible to Lead Manage this Issue, under the SEBI (Merchant Bankers) Regulations, 1992.

## Note

Investors who apply in the Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriter and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares in the Issue.

## Track Record of past issues handled by Systematix Corporate Services Limited

Financial Year	Total no. of IPOs	Total Fund raised (Rs. in cr.)	Nos. of IPOs trading at discount as on 30th calendar day from listing date			Nos. of IPOs trading at premium as on 30th calendar day from listing date			Nos. of IPOs trading at discount as on 180th calendar day from listing date			Nos. of IPOs trading at premium as on 180th calendar day from listing date		
			Over	Between	Less than	Over	Between	Less than	Over	Between	Less than	Over	Between	Less than
			50 %	25-50 %	25 %	50 %	25-50 %	25 %	50 %	25-50 %	25 %	50 %	25-50 %	25 %
F.Y. 2017-18	3	81.78	-	-	1	-	2	-	-	-	1	-	1	-



Financial Year	Total no. of IPOs	Total Funds raised (Rs. in cr.)	Nos. of IPOs trading at discount as on 30th calendar day from listing date			Nos. of IPOs trading at premium as on 30th calendar day from listing date			Nos. of IPOs trading at discount as on 180th calendar day from listing date			Nos. of IPOs trading at premium as on 180th calendar day from listing date		
			Over	Between	Less than	Over	Between	Less than	Over	Between	Less than	Over	Between	Less than
			50 %	25-50 %	25 %	50 %	25-50 %	25 %	50 %	25-50 %	25 %	50 %	25-50 %	25 %
FY 2018-19	1	33.06	-	-	-	-	1	-	-	-	-	-	-	-

### 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 majors except through their legal guardian), HUFs, companies, corporate bodies and societies registered under applicable laws in India and authorized to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, cooperative banks (subject to RBI permission), or Trusts Registered under the Societies Registration Act, 1860, as amended from time to time or any other trust law as applicable and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2 (72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with a minimum corpus of Rs. 2500.00 (Twenty Five Hundred) Lakhs and pension funds with a minimum corpus of Rs. 2,500.00 (Twenty Five Hundred) Lakhs, and permitted non-residents including FIIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India provided that they are eligible under all applicable laws and regulations to hold Equity Shares of our Company. This Draft Prospectus does not, however, constitute an offer to sell or an invitation to subscribe for Equity Shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this 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 jurisdiction of the competent court(s) in Indore, Madhya Pradesh, India 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 hereby may not be offered or sold, directly or indirectly, and this Draft Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

### Disclaimer Clause of the EMERGE Platform of National Stock Exchange of India Limited

As required, a copy of this Issue Document has been submitted to National Stock Exchange of India Limited. National Stock Exchange of India Limited has given vide its in- principle letter [●] permission to the Issuer to use the Exchange's name in this Issue Document as one of the stock exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized this draft issue document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by National Stock Exchange of India Limited should not in any way be deemed or construed that the offer document has been cleared or approved by National Stock Exchange of India

Limited; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

#### **Disclaimer Clause under Rule 144A of the U.S. Securities Act**

The Equity Shares have not been, and will not be, registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under 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 outside the United States in compliance with Regulation S of the Securities Act and 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 Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

#### **Filing**

The Draft Prospectus is being filed with National Stock Exchange of India Limited, Exchange Plaza, Plot No. C/1, G Block, Bandra- Kurla Complex, Bandra (East), Mumbai-400051, Maharashtra.

This Draft Prospectus shall not be filed with the SEBI nor will SEBI issue any observation on the Prospectus in term of Regulation 106(M) (3) of the SEBI (ICDR) Regulations. However, a copy of the Prospectus shall be filed with SEBI at the Securities and Exchange Board of India, Corporation Finance Department, SEBI Western Region, Unit No: 002, Ground Floor, SAKAR I, Near Gandhigram Railway Station, Opp. Nehru Bridge, Ashram Road, Ahmedabad : 380009, Gujarat, India for their record purpose only.

A copy of the Prospectus, along with the documents required to be filed under Section 26 of the Companies Act, 2013 would be delivered for registration to the Registrar of Companies, Gwalior.

#### **Listing**

The Equity Shares of our Company are proposed to be listed on EMERGE Platform of National Stock Exchange of India Limited. Our Company has obtained in- principle approval from National Stock Exchange of India Limited by way of its' in- principle approval letter dated [●] for listing of equity shares on EMERGE Platform of National Stock Exchange of India Limited.

National Stock Exchange of India Limited will be 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 EMERGE Platform is not granted by National Stock Exchange of India Limited, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of this Draft Prospectus. If such money is not repaid within the prescribed time then our Company becomes liable to repay it, then our Company and every officer in default shall, shall be liable to repay such application money, with interest, as prescribed under the applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the EMERGE Platform of National Stock Exchange of India Limited mentioned above are taken within 6 (Sixth) Working Days of the Issue Closing Date. If Equity Shares are not Allotted pursuant to the Issue within 6 (Sixth) Working Days from the Issue Closing Date or within such timeline as prescribed by the SEBI, our Company shall repay with interest all monies received from applicants, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period, subject to applicable law.

### **Impersonation**

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies

Act, 2013 which is reproduced below:

Any person who-

- (a) *Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- (b) *Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- (c) *Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,*

Shall be liable to action under section 447 of the Companies, Act 2013. The liability prescribed under Section 447 of the Companies Act, 2013, includes imprisonment for a term of not less than six months extending up to ten years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

### **Consents**

Consents in writing of (a) our Directors, our Promoters, our Company Secretary & Compliance Officer, Chief Financial Officer, our Statutory Auditor, our Peer Review Auditor (b) Lead Manager, Registrar to the Issue, Banker(s) to the Issue\*, Legal Advisor to the Issue, Underwriter(s) to the Issue and Market Maker to the Issue to act in their respective capacities have been obtained as required under Section 26 of the Companies Act, 2013 and shall be filed along with a copy of the Prospectus with the RoC, as required under Sections 26 of the Companies Act, 2013 and such consents will 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 and the SEBI (ICDR) Regulations, Mahesh C. Solanki & Co, Statutory Auditor and Peer Review Auditors of the Company has agreed to provide their written consent to the inclusion of their respective reports on Statement of Possible Tax Benefits relating to the possible tax benefits and restated financial statements as included in this Draft Prospectus/Prospectus in the form and context in which they appear therein and such consent and reports will not be withdrawn up to the time of delivery of this Draft Prospectus.

### **Experts Opinion**

Except for the reports in the section titled "*Financial information of the Company*" and "*Statement of Tax Benefits*" beginning on page 188 and page 99 of this Draft Prospectus from the Peer Review Auditors and Statutory Auditor respectively, our Company has not obtained any expert opinions.

### **Expenses of the Issue**

The total expenses of the Issue are estimated to be approximately Rs. 243.56 Lakhs, which is 8.00% of the Issue size. The estimated Issue related expenses include Issue Management Fee, underwriting and management fees

SCSB's commission/ Selling commission, fees, printing and distribution expenses, legal fees, statutory advertisement expenses, registrar and depository fees and listing fees. All expenses with respect to the Issue would be paid by our company.

The estimated Issue expenses are as under:-

Sr. No.	Particulars	Amount (In Lakhs)	Percentage Of Total Estimated Issue Expenditure	Percentage Of Issue Size
1	Fees payable to Merchant Banker, Registrar, Legal Advisors, Statutory Expenses, Printing and Stationery Expenses, Advertising and Marketing Expenses	75.00	30.79%	2.46%
2	Fees payable to Market Maker for 3 years towards market making	10.00	4.11%	0.33%
3	Underwriting, Brokerage & Selling Commission	158.56	65.10%	5.21%
<b>Total Estimated Issue Expenses</b>		<b>243.56</b>	<b>100.00%</b>	<b>8.00%</b>

*\*Included Commission/ processing fees for SCSB, Brokerage and selling commission for Registered Brokers, RTA's and CDPs*

#### **Fees, Brokerage and Selling Commission payable to the Lead Manager**

The total fees payable to the Lead Manager will be as per the (i) Issue Agreement dated May 25, 2018 with the Lead Manager Systematix Corporate Services Limited (ii) the Underwriting Agreement dated May 25, 2018 with Underwriter and (iii) the Market Making Agreement dated May 25, 2018 with Market Maker, a copy of which is available for inspection at our Registered Office from 10.00 am to 5.00 pm on Working Days from the date of the Draft Prospectus until the Issue Closing Date.

#### **Fees Payable to the Registrar to the Issue**

The fees payable to the Registrar to the Issue for processing of applications, data entry, printing of CAN, tape and printing of bulk mailing register will be as per the MOU between our Company and the Registrar to the Issue dated May 25, 2018 a copy of which is available for inspection at our Company's Registered Office.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty, and communication expenses. Adequate funds will be provided to the Registrar to the Issue to enable it to send allotment advice by registered post/speed post.

#### **Particulars regarding Public or Rights Issues during the last five (5) years**

Except as disclosed in chapter titled "*Capital Structure*" beginning on page 76 in this Draft Prospectus, our Company has not made any previous public or rights issue in India or abroad the 5 (five) years preceding the date of this Draft Prospectus.

#### **Previous issues of Equity Shares otherwise than for cash**

For a detailed description, see chapter titled "*Capital Structure*" beginning on page 76 of this Draft Prospectus.

#### **Underwriting Commission, brokerage and selling commission on Previous Issues**

Since this is the initial public offering of our Company's Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing for or procuring or agreeing to procure subscription for any of the Equity Shares since our incorporation.

**Particulars in regard to our Company and other listed group-companies / subsidiaries/ associates under the same management within the meaning of Section 370 (1B) of the Companies Act, 1956 / Section 186 of the Companies Act, 2013 which made any capital issue during the last three years:**

Neither our Company nor any other companies under the same management within the meaning of Section 370(1B) of the Companies Act, 1956 has made/Section 186 of the Companies Act, 2013, had made any public issue or rights issue during the last three years.

**Performance vis-a-vis objects – Public/right issue of our Company and /or listed Group Companies/ subsidiaries and associates of our Company**

Except as stated in the chapter titled "*Capital Structure*" beginning on page 76 of this Draft Prospectus our Company has not undertaken any previous public or rights issue. None of the Group Companies/ Entities or associates of our Company are listed on any stock exchange.

**Performance vis-a-vis objects - Last Issue of Group/Associate Companies**

All of our Group / Associate are unlisted and have not made a public issue of shares.

**Outstanding Debentures or Bond Issues or Redeemable Preference Shares**

Our Company does not have any outstanding debentures or bonds or Preference Redeemable Shares as on the date of filing this Draft Prospectus.

**Outstanding Convertible Instruments**

Our Company does not have any outstanding convertible instruments as on the date of filing this Draft Prospectus.

**Option to Subscribe**

Equity Shares being offered through the Draft Prospectus can be applied for in dematerialized form only.

**Stock Market Data of the Equity Shares**

This being an Initial Public Offering of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchanges.

**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 3 (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.

We hereby confirm that there is no investor complaints received during the three years preceding the filing of Draft Prospectus. Since there is no investor complaints received, none are pending as on the date of filing of this Draft Prospectus.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, with a copy to the Compliance Officer and with a copy to the relevant Designated Intermediary with whom the Application Form was submitted.

The Applicant should give full details such as name of the sole/ first Applicant, Application Form number, Applicant DP ID, Client ID, PAN, date of the Application Form, address of the Applicant, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Application Form was submitted by the Applicant. Further, the investor shall also enclose the Acknowledgement Slip from the

Designated Intermediaries in addition to the documents or information mentioned herein above.

### **Disposal of Investor Grievances by our Company**

Our Company estimates that the average time required by our Company or the Registrar to the Issue for the redressal of routine investor grievances shall be 15(fifteen) Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Shweta Motwani as the Compliance Officer to redress complaints, if any, of the investors participating in the Issue. Contact details for our Company Secretary and Compliance Officer are as follows:

**B.R. Goyal Infrastructure Limited**

3-A, Agrawal Nagar,

Indore – 452001,

Madhya Pradesh, India.

**Tel:** +91 731-4096902

**Facsimile:** Not available

**Email:** cs@brginfra.in

**Website:** [www.brginfra.com](http://www.brginfra.com)

For further details, see chapter titled "*Our Management*" beginning on page 157 of this Draft Prospectus.

**Investors 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 allocation, credit of allotted Equity Shares in the respective beneficiary account etc.**

Pursuant to the press release no. PR. No. 85/2011 dated June 8, 2011, SEBI has launched a centralized web based complaints redress system "SCORES". This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website [www.scores.gov.in](http://www.scores.gov.in)

### **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.

### **Disposal of investor grievances by listed companies under the same management as our Company**

We do not have any listed company under the same management.

### **Change in Auditors during the last three (3) years**

There is no change in Auditors of our Company in the last three (3) years.

### **Capitalization of Reserves or Profits**

Except as disclosed under section titled "*Capital Structure*" beginning on page 157 of this Draft Prospectus, our Company has not capitalized its reserves or profits at any time during the last 5 (five) years.

### **Revaluation of Assets**

Our Company has not revalued its assets in 5 (five) years preceding the date of this Draft Prospectus.

### **Tax Implications**

Investors who are allotted Equity Shares in the Issue will be subject to capital gains tax on any resale of the

Equity Shares at applicable rates, depending on the duration for which the investors have held the Equity Shares prior to such resale and whether the Equity Shares are sold on the stock exchanges. For details, please refer the chapter titled "*Statement of Tax Benefits*" beginning on page 99 of this Draft Prospectus.

### **Purchase of Property**

Other than as disclosed in chapter titled "*Our Business*" on page 119 of the Draft Prospectus, there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of the Draft Prospectus, other than property, in respect of which:-

The contract for the purchase or acquisition was entered into in the ordinary course of business, or the contract was entered into in contemplation of the Issue, or that the Issue was contemplated in consequence of the contract; or the amount of the purchase money is not material.

Except as stated elsewhere in the Draft Prospectus, our Company has not purchased any property in which the Promoter and/or Directors have any direct or indirect interest in any payment made there under.

### **Servicing Behavior**

Except as stated in this Draft Prospectus, there has been no default in payment of statutory dues or of interest or principle in respect of our borrowings or deposits.

### **Payment or benefit to officers of Our Company**

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company or superannuation.

Except as disclosed in chapter titled "*Our Management*" beginning on page 157 and "*Related Party Transactions*" beginning on page 186 of this Draft Prospectus, none of the beneficiaries of loans and advances and sundry debtors are related to the Directors of our Company.

## **SECTION VII – ISSUE RELATED INFORMATION**

### **TERMS OF THE ISSUE**

The Equity Shares being issued and transferred pursuant to this Issue shall be subject to the provisions of the Companies Act, 2013, SEBI (ICDR) Regulations, SCRA, SCRR, the Memorandum and Articles of Association, the SEBI Listing Regulations, the terms of the Draft Prospectus, the Prospectus, the Abridged Prospectus, Application Form, the Revision Form, the CAN/ the Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws, as applicable, guidelines, rules, 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 FIPB, 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, the RBI, the Government of India, the FIPB, the Stock Exchanges, the RoC and any other authorities while granting their approval for the Issue. SEBI has notified the SEBI Listing Regulations on September 02, 2015, which among other things governs the obligations applicable to a listed company which were earlier prescribed under the Equity Listing Agreement. The SEBI Listing Regulations have become effective from December 01, 2015.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015. All the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment.

Further, vide the said circular Registrar to the Issue and Depository Participants have been also authorised to collect the Application forms. Investors may visit the official website of the concerned stock exchange for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available.

### **AUTHORITY FOR THE ISSUE**

This Issue of Equity Shares has been authorized by the Board of Directors of our Company at their meeting held on May 17, 2018 and was approved by the Shareholders of the Company by passing a Special Resolution at the ExtraOrdinary General Meeting held on May 23, 2018 in accordance with the provisions of Section 62 (1)(C) of the Companies Act, 2013.

### **RANKING OF EQUITY SHARES**

The Equity Shares being issued and transferred in the Issue shall be subject to the provisions of the Companies Act, 2013 and the Memorandum and Articles of Association and shall rank *pari-passu* with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees upon receipt of Allotment of Equity Shares under this Issue will be entitled to dividends and other corporate benefits, if any, declared by our Company after the date of Allotment in accordance with Companies Act, 1956 and Companies Act, 2013 and the Articles. For further details, please refer to the section titled “*Main Provisions of Articles of Association*” beginning on page 295 of this Draft Prospectus.

### **MODE OF PAYMENT OF DIVIDEND**

The declaration and payment of dividend will be as per the provisions of Companies Act, SEBI Listing Regulations and recommended by the Board of Directors at their discretion and approved by the shareholders and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividend, if declared, to our shareholders as per the provisions of the Companies Act, SEBI Listing Regulations and our Articles of Association. For further details, please refer to the chapter titled “*Dividend Policy*” beginning on page 187 of this Draft Prospectus.

### **FACE VALUE AND ISSUE PRICE PER SHARE**

The face value of the Equity Shares is Rs. 10 each and the Issue Price is Rs. 91.00/- per Equity Share.



The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the chapter titled “*Basis for Issue Price*” beginning on page 96 of this Draft Prospectus. At any given point of time there shall be only one denomination of Equity Shares subject to applicable laws.

## **COMPLIANCE WITH SEBI ICDR REGULATIONS**

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations. 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 receive Annual Reports and notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive issue 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 subject to applicable law, 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, 2013 Act, the terms of the SEBI Listing Regulations and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association relating to voting rights, dividend, forfeiture and lien and / or consolidation / splitting, please refer to the section titled “*Main Provisions of Articles of Association*” beginning on page 295 of this Draft Prospectus.

## **MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT**

Pursuant to Section 29 of the Companies Act, 2013 the Equity Shares shall be allotted only in dematerialised form. As per the SEBI (ICDR) Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed amongst our Company, the respective Depositories and the Registrar to the Issue:

- Agreement dated [●], 2018 amongst NSDL, our Company and the Registrar to the Issue; and
- Agreement dated [●], 2018 amongst CDSL, our Company and the Registrar to the Issue.

Since trading of the Equity Shares is in dematerialised form, the tradable lot is 1,200 Equity Share. Allotment in this Issue will be only in electronic form in multiples of one Equity Share subject to a minimum Allotment of 1200 Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

Allocation and allotment of Equity Shares through this Issue will be done in multiples of 1,200 Equity Share subject to a minimum allotment of 1,200 Equity Shares to the successful applicants.

## **MINIMUM NUMBER OF ALLOTTEES**

Further in accordance with the Regulation 106R of SEBI (ICDR) Regulations, 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 blocked by the SCSBs shall be unblocked within 4 working days of closure of issue.

## **JURISDICTION**

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Mumbai, Maharashtra, India.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and may not be issued or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being issued and sold only outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those issues 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 issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

## JOINT HOLDER

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as joint tenants with benefits of survivorship.

## NOMINATION FACILITY TO APPLICANTS

In accordance with Section 72 of the Companies Act, 2013 the sole Applicant, or the first Applicant along with other joint Applicants, may nominate any one person in whom, in the event of the death of sole Applicant or in case of joint Applicants, 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 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 the prescribed manner, 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/transfer/alienation 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 our Registered Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

- (a) to register himself or herself as the holder of the Equity Shares; or
- (b) 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.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized mode there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the investor wants to change the nomination, they are requested to inform their respective depository participant.

## PERIOD OF OPERATION OF SUBSCRIPTION LIST OF PUBLIC ISSUE

Issue Opening Date	[●]
Issue Closing Date	[●]
Finalisation of Basis of Allotment with the Designated Stock Exchange	[●]
Initiation of Unblocking	[●]
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, and 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. On the Issue Closing Date, the Applications and any revision to the same shall be accepted between **10.00 a.m. and 5.00 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 Exchange. 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, not later than 5.00 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 issue, 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. Any time mentioned in this Draft Prospectus is Indian Standard Time.

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 any 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, the Registrar to the Issue shall ask for rectified data.

## **MINIMUM SUBSCRIPTION**

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

As per Section 39 of the Companies Act, 2013, if the “stated minimum amount” has not been subscribed and the sum payable on 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 Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond eight 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 106 P (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 106( R) of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will be allotted will not be less than 50 (Fifty).

Further, in accordance with Regulation 106(Q) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than Rs.1,00,000/- (Rupees One Lakh) per application.

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 issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

#### **MIGRATION TO MAIN BOARD**

In accordance with the National Stock Exchange of India Limited Circular dated March 10, 2014, our Company will have to be mandatorily listed and traded on the EMERGE Platform of the National Stock Exchange of India Limited 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 National Stock Exchange of India Limited as per the guidelines specified by SEBI and as per the procedures laid down under Chapter XB of the SEBI (ICDR) Regulations.

Our company may migrate to the Main board of National Stock Exchange of India Limited from EMERGE Platform of National Stock Exchange of India Limited on a later date subject to the following:

- a. *If the Paid up Capital of our Company is likely to increase above Rs. 2,500 lakhs by virtue of any further issue of capital by way of rights issue, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the Main Board), our Company shall apply to National Stock Exchange of India Limited for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.*

OR

- b. *If the Paid up Capital of our company is more than Rs. 1,000 lakhs but below Rs. 2,500 lakhs, our Company may still apply for migration to the Main Board and if the Company fulfils the eligible criteria for listing laid by the Main Board and if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.*

#### **MARKET MAKING**

The shares issued and transferred through this Issue are proposed to be listed on the EMERGE Platform of National Stock Exchange of India Limited (SME Exchange) with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on EMERGE Platform of National Stock Exchange of India Limited. For further details of the market making arrangement please refer to chapter titled “General Information” beginning on page 67 of this Draft Prospectus.

#### **ARRANGEMENT FOR DISPOSAL OF ODD LOT**

The trading of the equity shares will happen in the minimum contract size of 1,200 Equity shares in terms of the SEBI circular no. CIR/MRD/DSA/06/2012 dated February 21, 2012. 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 EMERGE Platform of National Stock Exchange of India Limited.

#### **AS PER THE EXTANT POLICY OF THE GOVERNMENT OF INDIA, OCBS CANNOT PARTICIPATE IN THIS ISSUE**

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person

Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FIIs and foreign venture capital investors registered with SEBI to invest in shares of Indian Companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India / RBI while granting such approvals.

#### **OPTION TO RECEIVE SECURITIES IN DEMATERIALIZED 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. Allottees shall have the option to re-materialise the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

#### **NEW FINANCIAL INSTRUMENTS**

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company.

#### **APPLICATION BY ELIGIBLE NRIs, FPI'S REGISTERED WITH SEBI, VCF'S, AIF'S REGISTERED WITH SEBI AND QFI'S**

It is to be understood that there is no reservation for Eligible NRIs or FPIs or QFIs or VCFs or AIFs registered with SEBI. Such Eligible NRIs, QFIs, FPIs, VCFs or AIFs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

#### **RESTRICTIONS, IF ANY ON TRANSFER AND TRANSMISSION OF EQUITY SHARES**

Except for lock-in of the pre-Issue Equity Shares and Promoter's minimum contribution in the Issue as detailed in the chapter "*Capital Structure*" beginning on page 76 of this Draft Prospectus and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation / splitting except as provided in the Articles of Association. For details please refer to the section titled "*Main Provisions of the Articles of Association*" beginning on page 295 of this Draft Prospectus.

*The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.*

## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 106(M)(2) of Chapter XB of SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, an issuer whose post issue face value capital exceed Rs.10 Crore rupees but does not exceed Rs. 25 Crore rupees. The Company shall issue specified securities to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the Emerge Platform of National Stock of Exchange of India Limited). For further details regarding the salient features and terms of such an issue please refer to the chapters titled “*Terms of the Issue*” and “*Issue Procedure*” beginning on page 240 and 248 of this Draft Prospectus.

### Following is the Issue Structure:

Initial Public Issue of 33,45,600 Equity Shares of face value of Rs. 10 each fully paid (the ‘Equity Shares’) for cash at a price of Rs. 91.00/- (including a premium of Rs. 81.00/-) aggregating to Rs. 3,044.50 Lakh (‘the issue’).

The Issue comprises a Net Issue to the public of 31,77,600 Equity Shares (the “Net Issue”), a reservation of 168,000 Equity Shares for subscription by the designated Market Maker (‘the Market Maker Reservation Portion’) The Issue and Net Issue will constitute 27.78% and 26.39% of the post-Issue paid-up Equity Share capital of our Company.

Particulars	Net issue to Public*	Market Maker Reservation Portion
<b>Number of Equity Shares</b>	31,77,600 Equity Shares	168,000 Equity Shares
<b>Percentage of Issue Size available for allocation</b>	94.98% of Issue Size	5.02% of Issue Size
<b>Basis of Allotment / Allocation if respective category is oversubscribed</b>	Proportionate subject to minimum allotment of 1,200 equity shares and further allotment in multiples of 1,200 equity shares each. For further details please refer to the chapter titled “ <i>Issue Procedure</i> ” beginning on page 248 of this Draft Prospectus	Firm allotment
<b>Mode of Application</b>	All Applicants shall make the application (Online or Physical through ASBA Process only)	Through ASBA Process only
<b>Minimum Application Size</b>	<b><i>For QIB and NII</i></b> Such number of Equity Shares in multiples of 1,200 Equity Shares such that the Application size exceeds Rs. 2,00,000 <b><i>For Retail Individuals</i></b> 1,200 Equity shares	168,000 Equity Shares of Face Value of Rs. 10 each
<b>Maximum Application Size</b>	<b><i>For Other than Retail Individual Investors:</i></b> For all other investors the maximum application size is the Net Issue to public subject to limits as the investor has to adhere under the relevant laws and regulations as applicable. <b><i>For Retail Individuals:</i></b> 1,200 Equity Shares	168,000 Equity Shares of Face Value of Rs. 10 each
<b>Mode of Allotment</b>	Compulsorily in Dematerialised mode	Compulsorily in Dematerialised mode
<b>Trading Lot</b>	1,200 Equity Shares	1,200 Equity Shares, however the Market Maker may accept odd lots

Particulars	Net issue to Public*	Market Portion	Maker	Reservation
		if any in the market as required under the SEBI (ICDR) Regulations		
<b>Terms of payment</b>	The entire Application Amount will be payable at the time of submission of the			

*\*As per Regulation 43(4) of the SEBI (ICDR) Regulations, in an issue made other than through the book building process, allocation in the net offer to public category 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;
- (c) the unsubscribed portion in either of the categories specified in clauses (a) or (b) may be allocated to applicants in the other category.

For the purpose of sub-regulation 43(4), *if the retail individual investor category is entitled to more than fifty per cent. on proportionate basis, the retail individual investors shall be allocated that higher percentage.*

#### **WITHDRAWAL OF THE ISSUE**

Our Company in consultation with the Lead Manager, reserve the right to not to proceed with the Issue after the Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Lead Manager through, the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Applicants within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchange on which Equity Shares are proposed to be listed.

Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment, and (ii) the final RoC approval of the Prospectus after it is filed with the RoC. If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an issue for sale of the Equity Shares, our Company shall file a fresh Draft Prospectus with Stock Exchange. In terms of the SEBI (ICDR) Regulations, Non retail applicants shall not be allowed to withdraw their Application after the Issue Closing Date.

#### **ISSUE OPENING DATE**

<b>Issue Opening Date</b>	[●]
<b>Issue Closing Date</b>	[●]

Applications and any revisions to the same will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form, or in the case of ASBA Applicants, at the Designated Bank Branches except that on the Issue Closing Date applications will be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time). Applications will be accepted only on Working Days, i.e., all trading days of stock exchanges excluding Sundays and bank holidays.

## ISSUE PROCEDURE

*All Applicants should review the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI (the “General Information Document”) included below under section “Part B – General Information Document”, which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, 1956, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI Regulations. The General Information Document has been updated to include reference to the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, SEBI Listing Regulations and certain notified provisions of the Companies Act, 2013, to the extent applicable to a public issue. The General Information Document is also 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.*

*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 the 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 the Lead Manager would not be liable for any amendment, modification or change in applicable law, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that their Applications 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.*

### **PART A**

#### **FIXED PRICE ISSUE PROCEDURE**

The Issue is being made under Regulation 106(M) (2) of Chapter XB of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 via 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.

Applicants are required to submit their Applications to the Application Collecting Intermediaries. In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing.

In case of Non Institutional Applicants and Retail Individual Applicants, our Company would have a right to reject the Applications only on technical grounds.

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 dematerialized form. Applicants will not have the option of being Allotted Equity Shares in physical form. Further the Equity shares on allotment shall be trade only in the dematerialized segment of the Stock Exchange, as mandated by SEBI.

#### **APPLICATION FORM**

Pursuant to SEBI Circular dated January 01, 2016 and bearing No. CIR/CFD/DIL/1/2016, the Application Form has been standardized. Also please note that pursuant to SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 investors in public issues can only invest through ASBA Mode. The prescribed colours of the Application Form for various investors applying in the Issue are as follows:



Category	Colour of Application Form*
Resident Indians and Eligible NRIs applying on a non-repatriation basis (ASBA )	White
Eligible NRIs, FVCIs, FIIs, their Sub-Accounts (other than Sub-Accounts which are foreign corporates or foreign individuals bidding	Blue

\* *Excluding electronic Application Form*

Applicants shall only use the specified Application Form for the purpose of making an application in terms of the Draft Prospectus. The Application Form shall contain information about the Applicant and the price and the number of Equity Shares that the Applicants wish to apply for. Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number.

Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Draft Prospectus. An Investor, intending to subscribe to this Issue, shall submit a completed application form to any of the following Intermediaries (Collectively called “Designated Intermediaries”)

- i. an SCSB, with whom the bank account to be blocked, is main
- ii. Applicants are required to submit their applications only through any of the following Application Collecting Intermediaries
- iii. a syndicate member (or sub-syndicate member)
- iv. a stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) (‘broker’)
- v. a depository participant (‘DP’) (whose name is mentioned on the website of the stock exchange as eligible for this activity)
- vi. a registrar to an 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:

For applications Submitted by investors to SCSB:	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.
For applications submitted by Investors to intermediaries other than SCSBs:	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 are deemed to have authorised our Company to make the necessary changes in the Draft Prospectus, without prior or subsequent notice of such changes to the Applicants.

#### **Availability of Prospectus and Application Forms**

The Application Forms and copies of the Prospectus may be obtained from the Registered Office of our Company, Lead Manager to the Issue, Registrar to the Issue as mentioned in the Application Form. The application forms may also be downloaded from the website of National Stock Exchange of India Limited i.e. [www.nseindia.com](http://www.nseindia.com).

#### **WHO CAN APPLY?**

In addition to the category of Applicants set forth under “– General Information Document for Investing in Public Issues – Category of Investors Eligible to participate in an Issue”, the following persons are also eligible

to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- FPIs and sub-accounts registered with SEBI other than Category III foreign portfolio investor;
- Category III foreign portfolio investors, which are foreign corporates or foreign individuals only under the Non Institutional Investors (NIIs) category;
- Scientific and/or industrial research organizations authorized in India to invest in the Equity Shares.
- Any other persons eligible to apply in this Issue under the laws, rules, regulations, guidelines and policies applicable to them.
- Any other persons eligible to apply in this Issue under the laws, rules, regulations, guidelines and policies applicable to them.

**Applications not to be made by:**

- Minors (except through their Guardians)
- Partnership firms or their nominations
- Foreign Nationals (except NRIs)
- Overseas Corporate Bodies

#### **MAXIMUM AND MINIMUM APPLICATION SIZE**

- **For Retail Individual Applicants**

The Application must be for a minimum of 1,200 Equity Shares and in multiples of 1,200 Equity Shares thereafter, so as to ensure that the Application Price payable by the Applicant does not exceed Rs. 2,00,000. In case of revision of Applications, the Retail Individual Applicants have to ensure that the Application Price does not exceed Rs. 2,00,000.

- **For Other than Retail Individual Applicants (Non-Institutional Applicants and QIBs):**

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds Rs. 2,00,000 and in multiples of 1,200 Equity Shares thereafter. An Application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than Rs. 2,00,000 for being considered for allocation in the Non-Institutional Portion.

Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Prospectus.

The above information is given for the benefit of the Applicants. The Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

#### **Participation by Associates /Affiliates of Lead Manager**

The Lead Manager, Market Maker and the Underwriter, if any shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting and market making obligations. However, associates/affiliates of the Lead Manager and Syndicate Members, if any may subscribe for Equity Shares in the Issue, either in the QIB Category or in the Non- Institutional Category as may be applicable to the Applicants, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

#### **OPTION TO SUBSCRIBE IN THE ISSUE**

- a. As per Section 29(1) of the Companies Act, 2013 allotment of Equity Shares shall be in dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form.
- b. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.
- c. A single application from any investor shall not exceed the investment limit/minimum number of specified securities that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

#### **PARTICIPATION BY ASSOCIATED/ AFFILIATES OF LEAD MANAGER AND SYNDICATE MEMBERS**

The Lead Manager and the Syndicate Members, if any, shall not be allowed to purchase in this Issue in any manner except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Lead Manager and the Syndicate Members, if any, may purchase the Equity Shares in the Issue, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Applicants, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

#### **APPLICATION BY INDIAN PUBLIC INCLUDING ELIGIBLE NRI'S APPLYING ON NON REPATRIATION BASIS**

Application must be made only in the names of individuals, limited companies or statutory corporations / institutions and not in the names of minors (other than minor having valid depository accounts as per demographic details provided by the depository), foreign nationals, non residents (except for those applying on non repatriation), trusts, (unless the trust is registered under the Societies Registration Act, 1860 or any other applicable trust laws and is authorized under its constitution to hold shares and debentures in a company), Hindu Undivided Families (HUF), partnership firms or their nominees. In case of HUFs, application shall be made by the Karta of the HUF. An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares offered to the public. Eligible NRIs applying on a non-repatriation basis may make payments by inward remittance in foreign exchange through normal banking channels or by debits to NRE/FCNR accounts as well as NRO accounts.

#### **APPLICATIONS BY ELIGIBLE NRI'S/FPI's ON REPATRIATION BASIS**

Application Forms have been made available for eligible NRIs at our Registered Office and at the Registered Office of the Lead manager. Eligible NRI Applicants may please note that only such applications as are accompanied by payment in free foreign exchange shall be considered for Allotment under the reserved category. The eligible NRIs who intend to make payment through Non Resident Ordinary (NRO) accounts shall use the Forms meant for Resident Indians and should not use the forms meant for the reserved category. Under FEMA, general permission is granted to companies vide notification no. FEMA/20/2000 RB dated 03/05/2000 to issue securities to NRIs subject to the terms and conditions stipulated therein. Companies are required to file the declaration in the prescribed form to the concerned Regional Office of RBI within 30 days from the date of issue of shares for allotment to NRIs on repatriation basis. Allotment of equity shares to Non Resident Indians shall be subject to the prevailing Reserve Bank of India Guidelines. Sale proceeds of such investments in equity shares will be allowed to be repatriated along with the income thereon subject to permission of the RBI and subject to the Indian tax laws and regulations and any other applicable laws. Vide circular dated April 10, 2018, SEBI has clarified that NRIs are not eligible to make investments as an FPI. Accordingly, a company which is majority owned by one or more NRIs shall not be allowed to make investments as an FPI. However, if such company is appropriately regulated it may be given registration as Category II FPI for the purpose of acting as investment manager for other FPIs. This position is the same as in FII regime where companies promoted by NRIs were registered as non investing FIIs.

**As per the current regulations, the following restrictions are applicable for investments by FPIs:**

1. A foreign portfolio investor shall invest only in the following securities, namely- (a) Securities in the

- primary and secondary markets including shares, debentures and warrants of companies, listed or to be listed on a recognized stock exchange in India through primary and secondary markets; (b) Units of schemes floated by domestic mutual funds, whether listed on a recognized stock exchange or not; (c) Units of schemes floated by a collective investment scheme; (d) Derivatives traded on a recognized stock exchange; (e) Treasury bills and dated government securities; (f) Commercial papers issued by an Indian company; (g) Rupee denominated credit enhanced bonds; (h) Security receipts issued by asset reconstruction companies; (i) Perpetual debt instruments and debt capital instruments, as specified by the Reserve Bank of India from time to time; (j) Listed and unlisted non-convertible debentures/bonds issued by an Indian company in the infrastructure sector, where 'infrastructure' is defined in terms of the extant External Commercial Borrowings (ECB) guidelines; (k) Non-convertible debentures or bonds issued by Non-Banking Financial Companies categorized as 'Infrastructure Finance Companies' (IFCs) by the Reserve Bank of India; (l) Rupee denominated bonds or units issued by infrastructure debt funds; (m) Indian depository receipts; (n) Unlisted non-convertible debentures/bonds issued by an Indian company subject to the guidelines issued by the Ministry of Corporate Affairs, Government of India from time to time; (o) Securitised debt instruments, including – (i) any certificate or instrument issued by a special purpose vehicle set up for securitisation of asset/s with banks, financial institutions or non-banking financial institutions as originators; and (ii) any certificate or instrument issued and listed in terms of the SEBI (Public Offer and Listing of Securitised Debt Instruments) Regulations, 2008; and (p) Such other instruments specified by the Board from time to time.
2. Where a foreign institutional investor or a sub account, prior to commencement of these regulations, holds equity shares in a company whose shares are not listed on any recognized stock exchange, and continues to hold such shares after initial public offering and listing thereof, such shares shall be subject to lock-in for the same period, if any, as is applicable to shares held by a foreign direct investor placed in similar position, under the policy of the Government of India relating to foreign direct investment for the time being in force.
  3. In respect of investments in the secondary market, the following additional conditions shall apply:
    - a. taking and giving delivery of securities purchased or sold;
    - b. Nothing contained in clause (a) shall apply to:
      - i. Any transactions in derivatives on a recognized stock exchange;
      - ii. Short selling transactions in accordance with the framework specified by SEBI;
      - iii. Any transaction in securities pursuant to an agreement entered into with the merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
      - iv. Any other transaction specified by SEBI.
    - c. No transaction on the stock exchange shall be carried forward;
    - d. The transaction of business in securities by a foreign portfolio investor shall be only through stock brokers registered by SEBI; provided nothing contained in this clause shall apply to:
      - i. transactions in Government securities and such other securities falling under the purview of the Reserve Bank of India which shall be carried out in the manner specified by the Reserve Bank of India;
      - ii. sale of securities in response to a letter of offer sent by an acquirer in accordance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
      - iii. sale of securities in response to an offer made by any promoter or acquirer in accordance with the Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2009;
      - iv. Sale of securities, in accordance with the Securities and Exchange Board of India (Buy-back of securities) Regulations, 1998;
      - v. divestment of securities in response to an offer by Indian Companies in accordance with Operative Guidelines for Disinvestment of Shares by Indian Companies in the overseas market through issue of American Depository Receipts or Global Depository Receipts as notified by the Government of India and directions issued by Reserve Bank of India from time to time;
      - vi. Any bid for, or acquisition of, securities in response to an offer for disinvestment of shares made by the Central Government or any State Government;

- vii. Any transaction in securities pursuant to an agreement entered into with merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - viii. Transactions by category I and Category II foreign portfolio investors, in corporate bonds, as may be specified by SEBI;
  - ix. Transactions on the electronic book provider platform of recognised stock exchanges;
  - x. Any other transaction specified by the Board.
- e. A foreign portfolio investor shall hold, deliver or cause to be delivered securities only in dematerialized form:

Provided that any shares held in non-dematerialized form, before the commencement of these regulations, can be held in non-dematerialized form, if such shares cannot be dematerialized.

Unless otherwise approved by SEBI, securities shall be registered in the name of the foreign portfolio investor as a beneficial owner for the purposes of the Depositories Act, 1996.

4. The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below ten percent of the total issued capital of the company.
5. The investment by the foreign portfolio investor shall also be subject to such other conditions and restrictions as may be specified by the Government of India from time to time.
6. In cases where the Government of India enters into agreements or treaties with other sovereign Governments and where such agreements or treaties specifically recognize certain entities to be distinct and separate, SEBI may, during the validity of such agreements or treaties, recognize them as such, subject to conditions as may be specified by it.
7. A foreign portfolio investor may lend or borrow securities in accordance with the framework specified by SEBI in this regard.
8. No foreign portfolio investor may issue, subscribe to or otherwise deal in offshore derivative instruments, directly or indirectly, unless the following conditions are satisfied:
  - (a) Such offshore derivative instruments are issued only to persons who are regulated by an appropriate foreign regulatory authority;
  - (b) Such offshore derivative instruments are issued after compliance with 'know your client' norms:

Provided that those unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated shall not issue, subscribe or otherwise deal in offshore derivatives instruments directly or indirectly:

Provided further that no Category III foreign portfolio investor shall issue, subscribe to or otherwise deal in offshore derivatives instruments directly or indirectly.

9. A foreign portfolio investor shall ensure that further issue or transfer of any offshore derivative instruments issued by or on behalf of it, is made subject to the following conditions: (a) such offshore instruments are transferred to persons subject to fulfilment of the conditions mentioned above; and (b) prior consent of the foreign portfolio investor is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the foreign portfolio investor.
10. Foreign portfolio investors shall fully disclose to SEBI any information concerning the terms of and parties to off-shore derivative instruments such as participatory notes, equity linked notes or any other such instruments, by whatever names they are called, entered into by it relating to any securities listed or proposed to be listed in any stock exchange in India, as and when and in such

form as SEBI may specify.

11. Any offshore derivative instruments issued under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995 before commencement of SEBI (Foreign Portfolio Investors) Regulations, 2014 shall be deemed to have been issued under the corresponding provisions of SEBI (Foreign Portfolio Investors) Regulations, 2014.
12. An FII or its sub account which holds a valid certificate of registration shall, subject to payment of conversion fees, be eligible to continue to buy, sell or otherwise deal in securities till the expiry of its registration as a foreign institutional investor or sub-account, or until he obtains a certificate of registration as foreign portfolio investor, whichever is earlier.
13. A qualified foreign investor may continue to buy, sell or otherwise deal in securities subject to the provisions of the SEBI (Foreign Portfolio Investors) Regulations, 2014, for a period of one year from the date of commencement of the aforesaid regulations, or until it obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

#### **APPLICATIONS BY MUTUAL FUNDS**

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 index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

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.

The Applications made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

#### **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. Limited liability partnerships can participate in the Issue only through the ASBA process.

#### **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 reasons thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000 (the 'IRDA Investment Regulations'), are broadly set forth below:

1. *Equity shares of a company:* The least of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
2. *The entire group of the investee company:* not more than 15% of the respective funds in case of life

insurer or 15% of investment assets in case of general insurer or re-insurer 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 operates:* not more than 15% of the fund of a life insurer or a general insurer or a re-insurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in case of investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or a general insurer and the amount calculated under points (1), (2) and (3) above, as the case may be.

#### **APPLICATIONS UNDER POWER OF ATTORNEY**

In case of Applications made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FPI's, Mutual Funds, insurance companies and provident funds with minimum corpus of Rs. 2500 Lacs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2500 Lacs, 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, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

With respect to applications by VCFs, FVCIs, and FPIs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may belong with a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.

In case of Applications made pursuant to a power of attorney by Mutual Funds, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with the certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of Applications made by insurance companies registered with the Insurance Regulatory and Development Authority, a certified copy of certificate of registration issued by Insurance Regulatory and Development Authority must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of Applications made pursuant to a power of attorney by FIIs, 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 their SEBI registration certificate must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of Applications made by provident funds with minimum corpus of Rs. 25 crore (subject to applicable law) and pension funds with minimum corpus of Rs. 25 crore, a certified copy of certificate from a Chartered Accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

#### **APPLICATIONS BY PROVIDENT FUNDS/PENSION FUNDS**

In case of Applications made by provident funds with minimum corpus of Rs. 25 Crore (subject to applicable law) and pension funds with minimum corpus of Rs. 25 Crore, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

The above information is given for the benefit of the Applicants. Our Company and Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the

date of the Draft Prospectus. Applicants are advised to make their independent investigations and ensure that any single application from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Prospectus/ Prospectus.

### **Method and Process of Applications**

- The Designated Intermediaries shall accept applications from the Applicants during the Issue Period.
- The Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Issue Period may be extended, if required, by an additional three Working Days, subject to the total Issue Period not exceeding 10 Working Days.
- During the Issue Period, Applicants who are interested in subscribing to the Equity Shares should approach the Designated Intermediaries to register their applications.
- The Applicant cannot apply on another Application Form after applications on one Application Form have been submitted to the Designated Intermediaries. Submission of a second Application form to either the same or to another Designated Intermediaries will be treated as multiple applications and is liable to be rejected either before entering the application into the electronic collecting system or at any point prior to the allocation or Allotment of Equity Shares in this Issue.
- Designated Intermediaries accepting the application forms shall be responsible for uploading the application along with other relevant details in application forms on the electronic bidding system of stock exchange and submitting the form to SCSBs for blocking of funds (except in case of SCSBs, where blocking of funds will be done by respective SCSBs only). All applications shall be stamped and thereby acknowledged by the Designated Intermediaries at the time of receipt.
- The Designated Intermediaries will enter each application option into the electronic collecting system as a separate application and generate a TRS and give the same to the applicant.
- Upon receipt of the Application Form, submitted whether in physical or electronic mode, the Designated Intermediaries shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, prior to uploading such applications with the Stock Exchange.
- If sufficient funds are not available in the ASBA Account, the Designated Intermediaries shall reject such applications and shall not upload such applications with the Stock Exchange.
- If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each application option into the electronic collecting system as a separate application and generate a TRS for each price and demand option. The TRS shall be furnished to the Applicant on request.
- The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/ failure of the Issue or until withdrawal/ rejection of the Application Form, as the case may be. 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 ASBA Accounts and for transferring the amount allocable to the successful Applicants to the Public Issue Account. In case of withdrawal/ failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

### **INFORMATION FOR THE APPLICANTS**

1. Our Company and the Lead Manager shall declare the Issue Opening Date and Issue Closing Date in the Prospectus to be registered with the RoC and also publish the same in two national newspapers



(one each in English and Hindi) and in one regional newspaper with wide circulation. This advertisement shall be in the prescribed format.

2. Our Company will file the Prospectus with the RoC at least five days before the Issue Opening Date.
3. Any Applicant who would like to obtain the Prospectus and/or the Application Form can obtain the same from our Registered Office.
4. Applicants who are interested in subscribing to the Equity Shares should approach any of the Application Collecting Intermediaries or their authorised agent(s).
5. Applications 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. Application Forms submitted by Applicants whose beneficiary account is inactive shall be rejected.
6. 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.
7. Except for applications by or on behalf of the Central or State Government and the officials appointed by the courts and by investors residing in the State of Sikkim, the Applicants, or in the case of application in joint names, the first Applicant (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participants transacting in the securities market, irrespective of the amount of transaction. Any Application Form without PAN is liable to be rejected. The demat accounts of Applicants for whom PAN details have not been verified, excluding persons resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be “suspended for credit” and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Applicants.
8. The Applicants may note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic collecting system of the Stock Exchange by the Bankers to the Issue or the SCSBs do not match with PAN, the DP ID and Client ID available in the Depository database, the Application Form is liable to be rejected.

## **METHOD AND PROCESS OF APPLICATIONS**

1. Applicants are required to submit their applications during the Issue Period only through the following Application Collecting intermediary
  - i. an SCSB, with whom the bank account to be blocked, is maintained
  - ii. a syndicate member (or sub-syndicate member), if any
  - iii. a stock broker registered with a recognised 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 an issue and share transfer agent (‘RTA’) (whose name is mentioned on the website of the stock exchange as eligible for this activity)

The Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Issue Period may be extended, if required, by an additional three Working Days, subject to the total Issue Period not exceeding 10 Working Days.

The Intermediaries shall accept applications from all Applicants and they shall have the right to vet the applications during the Issue Period in accordance with the terms of the Prospectus.

The Applicant cannot apply on another Application Form after one Application Form has been submitted to Application Collecting intermediaries Submission of a second Application Form to either the same or to another Application Collecting Intermediary will be treated as multiple applications and is liable to be rejected either before entering the application into the electronic collecting system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Issue.

2. The 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.
3. The upload of the details in the electronic bidding system of stock exchange and post that blocking of funds will be done by as given below

For applications Submitted by Investors to SCSB:	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.
For applications submitted by Investors to intermediaries other than SCSBs:	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.

4. Upon receipt of the Application Form directly or through other intermediary, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, and If sufficient funds are not available in the ASBA Account the application will be rejected.
5. If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each application option into the electronic collecting system as a separate application and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Applicant on request.
6. The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the Application Form, as the case may be. 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 ASBA Accounts and for transferring the amount allocable to the successful Applicants to the Public Issue Account. In case of withdrawal / failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

## **TERMS OF PAYMENT**

### **Terms of Payment**

The entire Issue price of Rs. 91.00/- per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, The Registrar to the Issue shall instruct the SCSBs to unblock the excess amount blocked.

SCSBs will transfer the amount as per the instruction received by the Registrar to the Public Issue Bank Account post finalisation of Basis of Allotment. The balance amount after transfer to the Public Issue Account shall be unblocked by the SCSBs.

The Applicants should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, the Bankers to the Issue and the Registrar to the Issue to facilitate collections from the Applicants.

#### **Payment mechanism for Applicants**

The Applicants shall specify the bank account number 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, Non Retail 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 instructions 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 by the ASBA Applicant, as the case may be.

Please note that pursuant to the applicability of the directions issued by SEBI vide its circular bearing number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all Investors are applying in this Issue shall mandatorily make use of ASBA facility.

#### **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 re will be responsible for blocking the necessary amounts in the ASBA Accounts (v) Application accepted and uploaded but not sent to SCSBs for blocking of funds.
4. Neither the Lead Manager nor our 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 offer an electronic facility for registering applications for the Issue. This facility will be available at the terminals of the Application Collecting Intermediaries and their authorized agents during the Issue Period. The Designated Branches or the Agents of the Application Collecting Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Application Collecting Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Lead Manager on a regular basis.
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 in the on-line system:

- Name of the Applicant;
  - IPO Name;
  - Application Form number;
  - Investor Category;
  - PAN (of First Applicant, if more than one Applicant);
  - DP ID of the demat account of the Applicant;
  - Client Identification Number of the demat account of the Applicant;
  - Numbers of Equity Shares Applied for;
  - Bank account number.
7. With respect to applications by Applicants, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Applicants into the on-line system:
8. Name of the Applicant;
1. IPO Name;
  2. Application Form Number;
  3. Investor Category;
  4. PAN (of First Applicant, if more than one Applicant);
  5. DP ID of the demat account of the Applicant;
  6. Client Identification Number of the demat account of the Applicant;
  7. Number of Equity Shares Applied for;
  8. Bank Account details;
  9. Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
  10. Bank account number.
9. In case of submission of the Application by an Applicant through the Electronic Mode, the Applicant shall complete the above-mentioned details and mention the bank account number, except the Electronic Application Form number which shall be system generated.
10. 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 registration of the Application by the Application Collecting Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
11. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
12. In case of Non Retail Applicants and Retail Individual Applicants, applications would not be rejected except on the technical grounds as mentioned in the Draft Prospectus. The Application Collecting Intermediaries shall have no right to reject applications, except on technical grounds.
13. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
14. 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 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.

15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for ASBA applications.

#### **ALLOCATION OF EQUITY SHARES**

1. The Issue is being made through the Fixed Price Process wherein 1,68,000 Equity Shares shall be reserved for Market Maker. 15,88,800 Equity Shares will be allocated on a proportionate basis to Retail Individual Applicants, subject to valid applications being received from Retail Individual Applicants at the Issue Price. The balance of the Net Issue will be available for allocation on a proportionate basis to Non Retail Applicants.
2. Under-subscription, if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the Lead Manager and the Stock Exchange.
3. Allocation to Non-Residents, including Eligible NRIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.
4. In terms of the SEBI Regulations, Non Retail Applicants shall not be allowed to either withdraw or lower the size of their applications at any stage.
5. Allotment status details shall be available on the website of the Registrar to the Issue.

#### **SIGNING OF UNDERWRITING AGREEMENT AND FILING OF PROSPECTUS WITH ROC**

- a) Our Company has entered into an Underwriting agreement dated May 25, 2018.
- b) A copy of the Prospectus will be filed with the RoC in terms of Section 26 of the Companies Act.

#### **PRE- ISSUE ADVERTISEM ENT**

Subject to Section 30 of the Companies Act, 2013, our Company shall, after registering the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in: (i) English National Newspaper; (ii) Hindi National Newspaper; and (iii) Regional Newspaper, each with wide circulation.

#### **ISSUANCE OF ALLOTMENT ADVICE**

1. Upon approval of the Basis of Allotment by the Designated Stock Exchange.
2. 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.

The Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Applicants who have been allocated Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Applicant.

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.

#### **GENERAL INSTRUCTIONS**

##### **Do's:**

- Check if you are eligible to apply;

- Read all the instructions carefully and complete the applicable Application Form;
- Ensure that the details about Depository Participant and Beneficiary Account are correct as Allotment of Equity Shares will be in the dematerialized form only;
- Each of the Applicants should mention their Permanent Account Number (PAN) allotted under the Income Tax Act, 1961;
- Ensure that the demographic details are updated, true and correct in all respects;
- Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant.
- Ensure that you have funds equal to the Application Amount in your bank account maintained with the SCSB before submitting the Application Form to the respective Designated Branch of the SCSB;
- Ensure that the Application Form is signed by the account holder in case the applicant is not the account holder. Ensure that you have mentioned the correct bank account number in the Application Form;
- Ensure that the Application Forms are delivered by the applicants within the time prescribed as per the Application Form and the Prospectus;
- Ensure that you have requested for and receive a TRS;
- Ensure that you have requested for and receive a acknowledgement;
- All applicants should submit their applications through the ASBA process only.
- The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

**Dont's:**

- Do not apply for lower than the minimum Application size;
- Do not apply at a Price Different from the Price mentioned herein or in the Application Form
- Do not apply on another Application Form after you have submitted an Application to the Banker to of the Issue.
- Do not pay the Application Price in cash, by money order or by postal order or by stock invest;
- Do not send Application Forms by post; instead submit the same to the Application Collecting Intermediaries. Do not fill in the Application Form such that the Equity Shares applied for exceeds the Issue Size and/ or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground.
- Do not submit incorrect details of the DP ID, beneficiary account number and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue
- Do not submit Applications on plain paper or incomplete or illegible Application Forms in a colour prescribed for another category of Applicant
- Do not submit more than five Application Forms per ASBA Account.
- Do not make Applications if you are not competent to contract under the Indian Contract Act, 1872, as amended.

## **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 should bear the stamp of the Application Collecting Intermediaries. Application Forms, which do not bear the stamp of the Application Collecting Intermediaries, will be rejected.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 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 Centre is available on the websites of BSE i.e. [www.bseindia.com](http://www.bseindia.com) and National Stock Exchange of India Limited i.e. [www.nseindia.com](http://www.nseindia.com). With a view to broadbase the reach of Investors by substantially enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Application forms in Public Issue with effect from January 01, 2016. The List of RTA and DPs centres for collecting the application shall be disclosed is available on the websites of BSE i.e. [www.bseindia.com](http://www.bseindia.com) and National Stock Exchange of India Limited i.e. [www.nseindia.com](http://www.nseindia.com).

## **APPLICANT'S DEPOSITORY ACCOUNT AND BANK DETAILS**

Please note that, providing bank account details, PAN Nos, Client ID and DP ID in the space provided in the application form is mandatory and applications that do not contain such details are liable to be rejected.

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form as entered into the Stock Exchange online system, 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 Demographic Details would be used for all correspondence with the Applicants including mailing of the Allotment Advice. 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.

## **SUBMISSION OF APPLICATION FORM**

All Application Forms duly completed shall be submitted to the Application Collecting Intermediaries. 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.

## **COMMUNICATIONS**

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Application Collecting Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

## **DISPOSAL OF APPLICATIONS AND APPLICATION MONEYS AND INTEREST IN CASE OF DELAY**

The Company shall ensure the dispatch of Allotment advice, and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within two working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at Emerge Platform of National Stock Exchange of India Limited where the Equity Shares are proposed to be listed are taken within 6 working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

- i. Allotment and Listing of Equity Shares shall be made within 6 (Six) days of the Issue Closing Date;
- ii. The Company will provide adequate funds required for dispatch of Allotment Advice to the Registrar to the Issue.

### **Right to Reject Applications**

In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non Institutional Applicants, Retail Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds.

## **IMPERSONATION**

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

*“Any person who—*

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,*

*shall be liable for action under Section 447.”*

## **UNDERTAKINGS BY THE COMPANY**

Our Company undertake as follows:

- 1. That the complaints received in respect of the Issue shall be attended expeditiously and satisfactorily;
- 2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at all the stock exchanges where the Equity Shares are proposed to be listed on sixth day from issue closure date. Working Days from the Issue Closing Date; That if the Company do not proceed with the Issue, 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 exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
- 3. That our Promoter's contribution in full has already been brought in;
- 4. That no further issue of Equity Shares shall be made till the Equity Shares offered through the Prospectus are listed or until the Application monies are refunded on account of non-listing, under-subscription etc.; and
- 5. That if the Company withdraws the Issue after the Issue Closing Date, our Company shall be required to file a fresh offer document with the ROC/ SEBI, in the event our Company subsequently decides to proceed with the Issuer;

## **UTILIZATION OF THE ISSUE PROCEEDS**

The Board of Directors of our Company certifies that:

- 1. all monies received out of the Issue shall be 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 referred above shall be disclosed and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized;
- 3. details of all unutilized monies out of the Issue, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested; and
- 4. Our Company shall comply with the requirements of the SEBI Listing Regulations in relation to the disclosure and monitoring of the utilisation 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 all the Stock Exchanges where listing is sought has been received.



The Lead manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactorily.

#### **EQUITY SHARES IN DEMATERIALISED FORM WITH NSDL OR CDSL**

To enable all shareholders of the Company to have their shareholding in electronic form, the Company has entered into the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a. Agreement dated [●], 2018 among NSDL, the Company and the Registrar to the Issue;
- b. Agreement dated [●], 2018 among CDSL, the Company and the Registrar to the Issue;

The Company's shares bear ISIN no [●].

## PART B

### GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES

*This General Information Document highlights the key rules, processes and procedures applicable to public issues in accordance with the provisions of the Companies Act, 2013 (to the extent notified and in effect), the Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon the notification of the Companies Act, 2013), the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Issue. For taking an investment decision, the Applicants should rely on their own examination of the Issuer and the Issue, and should carefully read the Draft Prospectus/Prospectus before investing in the Issue.*

#### SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)

This document is applicable to the public issues undertaken *inter-alia* through Fixed Price Issue. The purpose of the “General Information Document for Investing in Public Issues” is to provide general guidance to potential Applicants in IPOs, on the processes and procedures governing IPOs, undertaken in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“SEBI ICDR Regulations, 2009”).

Applicants should note that investment in equity and equity related securities involves risk and Applicant should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/or for subscribing to securities in an Issue and the relevant information about the Issuer undertaking the Issue; are set out in the Prospectus filed by the Issuer with the Registrar of Companies (“RoC”). Applicants should carefully read the entire Prospectus and the Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Issue. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the Prospectus, the disclosures in the Prospectus shall prevail. The Prospectus of the Issuer is available on the websites of stock exchanges, on the website of the Lead Manager to the Issue and on the website of Securities and Exchange Board of India (“SEBI”) at [www.sebi.gov.in](http://www.sebi.gov.in).

For the definitions of capitalized terms and abbreviations used herein Applicants may refer to the section “Glossary and Abbreviations”.

#### SECTION 2: BRIEF INTRODUCTION TO IPOs ON EMERGE PLATFORM of NATIONAL STOCK EXCHANGE OF INDIA LIMITED (SME EXCHANGE)

##### 2.1 INITIAL PUBLIC OFFER (IPO)

An IPO means an offer of specified securities by an unlisted Issuer to the public for subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.

For undertaking an IPO, an Issuer is *inter-alia* required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI ICDR Regulations, 2009, if applicable. For details of compliance with the eligibility requirements by the Issuer, Applicants may refer to the Prospectus

The Issuer may also undertake IPO under chapter XB of the SEBI (ICDR) Regulations, wherein as per:

- Regulation 106M (1): An issuer whose post-issue face value Capital does not exceed ten crore rupees shall issue its specified securities in accordance with provisions of this Chapter.
- Regulation 106M (2): An issuer, whose post issue face value capital, is more than ten crore rupees and upto twenty five crore rupees, may also issue specified securities in

accordance with provisions of this Chapter.

The present Issue is being made under Regulation 106M (2) of Chapter XB of SEBI (ICDR) Regulation.

## **2.2 OTHER ELIGIBILITY REQUIREMENTS**

In addition to the eligibility requirements specified in paragraphs 2.1, an Issuer proposing to undertake an IPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, 2009, the Companies Act, 1956 (the “Companies Act”), The Securities Contracts (Regulation) Rules, 1957 (the “SCRR”), industry-specific regulations, if any, and other applicable laws for the time being in force. Following are the eligibility requirements for making an SME IPO under Regulation 106M(1) of Chapter XB of SEBI (ICDR) Regulation:

- (a) In accordance with regulation 106(P) of the SEBI (ICDR) Regulations, issue has to be 100% underwritten and the LM has to underwrite at least 15% of the total issue size.
- (b) In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, total number of proposed allottees in the issue shall be 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 the company becomes liable to repay it, than the 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.
- (c) In accordance with Regulation 106(O) the SEBI (ICDR) Regulations, Company is not required to file any Offer Document with SEBI nor has SEBI issue any observations on the Offer Document. The Lead Manager shall submit the copy of Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies.
- (d) In accordance with Regulation 106(V) of the SEBI ICDR Regulations, the LM has to ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares offered in the issue.
- (e) The company should have track record of at least 3 years
- (f) The company should have positive cash accruals (earnings before depreciation and tax) from operations for at least 2 financial years preceding the application and its net-worth should be positive
- (g) The post issue paid up capital of the company (face value) shall not be more than Rs. 25 crore.
- (h) The issuer shall mandatorily facilitate trading in demat securities.
- (i) The issuer should not been referred to Board for Industrial and Financial Reconstruction.
- (j) No petition for winding up is admitted by a court or a liquidator has not been appointed of competent jurisdiction against the Company
- (k) No material regulatory or disciplinary action should have been taken by any stock exchange or regulatory authority in the past three years against the issuer
- (l) The Company should have a website.

## **2.3 THERE HAS BEEN NO CHANGE IN THE PROMOTER(S) OF THE COMPANY IN THE 1 YEAR PRECEDING THE DATE OF FILING APPLICATION TO NATIONAL STOCK EXCHANGE OF INDIA FOR LISTING ON EMERGE PLATFORM.**

- (a) Issuer shall also comply with all the other requirements as laid down for such an Issue under Chapter XB of SEBI (ICDR) Regulations and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.
- (b) As per Regulation 106(M)(3) of SEBI (ICDR) Regulations, 2009, the provisions of Regulations 6(1), 6(2), 6(3), Regulation 7, Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and Sub regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to this issue.
- (c) Thus Company is eligible for the issue in accordance with regulation 106M (1) and other provisions of chapter XB of the SEBI (ICDR) Regulations as the post issue face value capital does not exceed Rs. 1,000 Lakhs. Company also complies with the eligibility conditions laid by the Emerge Platform of National Stock Exchange Limited for listing of our Equity Shares.

## **2.4 TYPES OF PUBLIC ISSUES – FIXED PRICE ISSUES AND BOOK BUILT ISSUES**

In accordance with the provisions of the SEBI ICDR Regulations, 2009, an Issuer can either determine the Issue Price through the Book Building Process (“**Book Built Issue**”) or undertake a Fixed Price Issue (“**Fixed Price Issue**”). An Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in the Draft Prospectus (in case of a fixed price Issue) and determine the price at a later date before registering the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The Issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-issue advertisement was given at least five Working Days before the Issue Opening Date, in case of an IPO and at least one Working Day before the Issue Opening Date, in case of an FPO.

The Floor Price or the Issue price cannot be lesser than the face value of the securities. Applicants should refer to the Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

## **2.5 ISSUE PERIOD**

The Issue shall be kept open for a minimum of three Working Days (for all category of Applicants) and not more than ten Working Days. Applicants are advised to refer to the Application Form and Abridged Prospectus or Prospectus for details of the Issue Period.

Details of Issue Period are also available on the website of Stock Exchange(s).

## **2.6 MIGRATION TO MAIN BOARD**

SME Issuer may migrate to the Main Board of SE from the SME Exchange at 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 Promoter 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 and for which the company has obtained in-principal approval from the main

board), the Company shall apply to SE for listing of its 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 10 crores but below Rs. 25 crores, the Company may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

## **2.7 FLOWCHART OF TIMELINES**

A flow chart of process flow in Fixed Price and Book Built Issues is as follows



### SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN ISSUE

*Each Applicant should check whether it is eligible to apply under applicable law.* Furthermore, certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.

Subject to the above, an illustrative list of Applicants is as follows:

1. Indian nationals resident in India who are not incompetent to contract in single or joint names (not more than three) or in the names of minors through natural/legal guardian;
2. Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;
3. Companies, Corporate Bodies and Societies registered under the applicable laws in India and authorized to invest in the 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, regional rural banks, co-operative banks (subject to RBI permission, 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 and who are authorized under their constitution to hold and invest in equity shares;
11. Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
12. Insurance Companies registered with IRDA;
13. Provident Funds and Pension Funds with minimum corpus of Rs. 2,500 Lakhs and who are authorized 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 Government of India published in the Gazette of India;
16. Insurance funds set up and managed by army, navy or air force of the Union of India or by 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

#### SECTION 4: APPLYING IN THE ISSUE

**Fixed Price Issue:** Applicants should only use the specified Application Form either bearing the stamp of Application Collecting Intermediaries as available or downloaded from the websites of the Stock Exchanges. Application Forms are available Designated Branches of the SCSBs, at the registered office of the Issuer and at the corporate office of LM. For further details regarding availability of Application Forms, Applicants may refer to the Prospectus.

Applicants should ensure that they apply in the appropriate category. The prescribed colour of the Application Form for various categories of Applicants is as follows:

Category	Colour of the Application*
Resident Indian, Eligible NRIs applying on a non-repatriation basis	White
NRIs, FVCIs, FPIs, their Sub-Accounts (other than Sub-Accounts which are foreign corporate(s) or foreign individuals applying under the QIB), on a repatriation basis	Blue

*\* Excluding electronic Application Form*

Securities Issued in an IPO can only be in dematerialized form in compliance with Section 29 of the Companies Act, 2013. Applicants will not have the option of getting the allotment of specified securities in physical form. However, they may get the specified securities rematerialized subsequent to allotment.

#### 4.1 INSTRUCTIONS FOR FILING THE APPLICATION FORM (FIXED PRICE ISSUE)

Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the Prospectus and the Application Form are liable to be rejected.

Instructions to fill each field of the Application Form can be found on the reverse side of the Application Form. Specific instructions for filling various fields of the Resident Application Form and Non-Resident Application Form and samples are provided below.

The samples of the Application Form for resident Applicants and the Application Form for non-resident Applicants are reproduced below



# Resident form

COMMON BID CUM APPLICATION FORM		XYZ LIMITED - INITIAL PUBLIC ISSUE - R		FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS																						
Address : _____		Contact Details: _____		CEN No. _____																						
<b>LOGO</b> TO, THE BOARD OF DIRECTORS XYZ LIMITED		<b>FIXED PRICE GME ISSUE</b> <b>INE0000000000</b>		Bid cum Application Form No. _____																						
<b>SYNDICATE MEMBER'S STAMP &amp; CODE</b>  <b>SUB-BROKER'S / SUB-AGENT'S STAMP &amp; CODE</b>  <b>BANK BRANCH SERIAL NO.</b>		<b>BROKER/SCSB/DP/RTA STAMP &amp; CODE</b>  <b>ESCROW BANK/SCSB BRANCH STAMP &amp; CODE</b>  <b>SCSB SERIAL NO.</b>		<b>1. NAME &amp; CONTACT DETAILS OF SOLE / FIRST BIDDER</b> Mr./Ms. _____ Address _____ Email _____ Tel. No (with STD code) / Mobile _____																						
<b>3. BIDDER'S DEPOSITORY ACCOUNT DETAILS</b> <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL <small>For NSDL, enter 8 digit DP ID followed by 3 digit Client ID / For CDSL, enter 16 digit Client ID</small>		<b>4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")</b>		<b>5. CATEGORY</b> <input type="checkbox"/> Retail Investor Bidder <input type="checkbox"/> Non-Institutional Bidder <input type="checkbox"/> QIB																						
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2">Bid Options</th> <th rowspan="2">No. of Equity Shares Bid (In Figures) <small>(Must be in multiples of Bid Lot as advertised)</small></th> <th colspan="3">Price per Equity Share (₹) "Cut-off" <small>(Price in multiples of ₹ 1/- only) (In Figures)</small></th> </tr> <tr> <th>Bid Price</th> <th>Retail Discount</th> <th>Net Price</th> </tr> </thead> <tbody> <tr> <td>Option 1</td> <td>_____</td> <td>_____</td> <td>_____</td> <td>_____</td> </tr> <tr> <td>(OR) Option 2</td> <td>_____</td> <td>_____</td> <td>_____</td> <td>_____</td> </tr> <tr> <td>(OR) Option 3</td> <td>_____</td> <td>_____</td> <td>_____</td> <td>_____</td> </tr> </tbody> </table>		Bid Options	No. of Equity Shares Bid (In Figures) <small>(Must be in multiples of Bid Lot as advertised)</small>	Price per Equity Share (₹) "Cut-off" <small>(Price in multiples of ₹ 1/- only) (In Figures)</small>			Bid Price	Retail Discount	Net Price	Option 1	_____	_____	_____	_____	(OR) Option 2	_____	_____	_____	_____	(OR) Option 3	_____	_____	_____	_____	<b>6. INVESTOR STATUS</b> <input type="checkbox"/> Individual(s) - IND <input type="checkbox"/> Hindu Undivided Family* - HUF <input type="checkbox"/> Bodies Corporate - CO <input type="checkbox"/> Banks & Financial Institutions - FI <input type="checkbox"/> Mutual Funds - MF <input type="checkbox"/> Non-Resident Indians - NRI (Non-Repatriation basis) <input type="checkbox"/> National Investment Fund - NIF <input type="checkbox"/> Insurance Funds - IF <input type="checkbox"/> Insurance Companies - IC <input type="checkbox"/> Venture Capital Funds - VCF <input type="checkbox"/> Alternative Investment Funds - AIF <input type="checkbox"/> Others (Please specify) - OTH	
Bid Options	No. of Equity Shares Bid (In Figures) <small>(Must be in multiples of Bid Lot as advertised)</small>			Price per Equity Share (₹) "Cut-off" <small>(Price in multiples of ₹ 1/- only) (In Figures)</small>																						
		Bid Price	Retail Discount	Net Price																						
Option 1	_____	_____	_____	_____																						
(OR) Option 2	_____	_____	_____	_____																						
(OR) Option 3	_____	_____	_____	_____																						
<b>7. PAYMENT DETAILS</b> Amount paid (₹ in figures) _____ (₹ in words) _____		<b>PAYMENT OPTION : FULL PAYMENT <input type="checkbox"/> PART PAYMENT <input type="checkbox"/></b>																								
<b>ASBA Bank A/c No.</b> _____ <b>Bank Name &amp; Branch</b> _____		<b>8. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S)</b> <small>(AS PER BANK RECORDS)</small> I/We authorize the SCSB to do all acts as are necessary to make the Application in the line: 1) _____ 2) _____ 3) _____ Date : _____																								
<b>9A. SIGNATURE OF SOLE / FIRST BIDDER</b> _____ Date : _____		<b>9B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S)</b> <small>(AS PER BANK RECORDS)</small> I/We authorize the SCSB to do all acts as are necessary to make the Application in the line: 1) _____ 2) _____ 3) _____ Date : _____		<b>BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)</b> _____																						
<b>LOGO</b> <b>XYZ LIMITED</b> <b>INITIAL PUBLIC ISSUE - R</b>		<b>Acknowledgement Slip for Broker/SCSB/DP/RTA</b>		<b>Bid cum Application Form No.</b> _____ <b>PAN of Sole / First Bidder</b> _____																						
<b>DPID / CLID</b> _____		<b>Amount paid (₹ in figures)</b> _____ <b>Bank &amp; Branch</b> _____		<b>Stamp &amp; Signature of SCSB Branch</b> _____																						
<b>ASBA Bank A/c No.</b> _____		<b>Received from Mr./Ms.</b> _____		<b>Telephone / Mobile</b> _____ <b>Email</b> _____																						
<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - R</b>		<b>Option 1    Option 2    Option 3</b> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>No. of Equity Shares</td> <td>_____</td> <td>_____</td> <td>_____</td> </tr> <tr> <td>Bid Price</td> <td>_____</td> <td>_____</td> <td>_____</td> </tr> <tr> <td>Amount Paid (₹)</td> <td>_____</td> <td>_____</td> <td>_____</td> </tr> <tr> <td>ASBA Bank A/c No.</td> <td colspan="3">_____</td> </tr> <tr> <td>Bank &amp; Branch</td> <td colspan="3">_____</td> </tr> </table>		No. of Equity Shares	_____	_____	_____	Bid Price	_____	_____	_____	Amount Paid (₹)	_____	_____	_____	ASBA Bank A/c No.	_____			Bank & Branch	_____			<b>Stamp &amp; Signature of Broker / SCSB / DP / RTA</b> _____ <b>Name of Sole / First Bidder</b> _____ <b>Acknowledgement Slip for Bidder</b> <b>Bid cum Application Form No.</b> _____		
No. of Equity Shares	_____	_____	_____																							
Bid Price	_____	_____	_____																							
Amount Paid (₹)	_____	_____	_____																							
ASBA Bank A/c No.	_____																									
Bank & Branch	_____																									



#### 4.1.1 FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/ FIRST APPLICANT

Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.

- (a) **Mandatory Fields:** Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/ mobile number fields are optional. Applicants should note that the contact details mentioned in the Application Form may be used to dispatch communications) in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Application Form may be used by the Issuer, the members of the Syndicate, the Registered Broker and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.
- (b) The Designated Intermediaries and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.
- (c) **Joint Applications:** In the case of Joint Applications, the Applications should be made in the name of the Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Applicant would be required in the Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Applicant whose name appears in the Application Form or the Revision Form and all communications may be addressed to such Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.
- (d) **Impersonation:** Attention of the Applicants is specifically drawn to the provisions of sub section (1) of Section 38 of the Companies Act, 2013 which is reproduced below: Any person who:
  - makes or abets making of an application in a fictitious name to a Company for acquiring, or subscribing for, its securities; or
  - makes or abets making of multiple applications to a Company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
  - otherwise induces directly or indirectly a Company to allot, or register any transfer of securities to him, or to any other person in a fictitious name, Shall be liable for action under section 447 of the said Act.
- (e) **Nomination Facility to Applicant:** Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Applicants should inform their respective DP.

#### 4.1.2 FIELD NUMBER 2: PAN NUMBER OF SOLE /FIRST APPLICANT

- (a) PAN (of the sole/ first Applicant) provided in the Application Form should be exactly the same as the PAN of the person(s) in whose name the relevant beneficiary account is held as per the Depositories' records.
- (b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Applications on behalf of the Central or State Government, Applications by officials appointed by the courts and Applications by Applicants residing in Sikkim ("PAN Exempted Applicants"). Consequently, all Applicants, other than the PAN Exempted Applicants, are required to disclose their PAN in the Application Form, irrespective of the Application Amount. An Application Form without PAN, except in case of Exempted Applicants, is liable to be rejected. Applications by the

Applicants whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.

- (c) The exemption for the PAN Exempted Applicants is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.
- (d) Application Forms which provide the General Index Register Number instead of PAN may be rejected.
- (e) Applications by Applicants whose demat accounts have been ‘suspended for credit’ are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as “Inactive demat accounts” and demographic details are not provided by depositories.

#### **4.1.3 FIELD NUMBER 3: APPLICANTS DEPOSITORY ACCOUNT DETAILS**

- (a) Applicants should ensure that DP ID and the Client ID are correctly filled in the Application Form. The DP ID and Client ID provided in the Application Form should match with the DP ID and Client ID available in the Depository database, otherwise, the Application Form is liable to be rejected.
- (b) Applicants should ensure that the beneficiary account provided in the Application Form is active.
- (c) Applicants should note that on the basis of DP ID and Client ID as provided in the Application Form, the Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for sending allocation advice and for other correspondence(s) related to an Issue.
- (d) Applicants are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Applicants’ sole risk.

#### **4.1.4 FIELD NUMBER 4: APPLICATION DETAILS**

- (a) The Issuer may mention Price in the Draft Prospectus. However a prospectus registered with RoC contains one price.
- (b) Minimum And Maximum Application Size

##### **(i) For Retail Individual Applicants**

The Application must be for a minimum of 1,200 Equity Shares. As the Application Price payable by the Retail Individual Applicants cannot exceed Rs. 2,00,000, they can make Application for only minimum Application size i.e. for 1,200 Equity Shares.

##### **(ii) 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 Rs. 2,00,000 and in multiples of 1,200 Equity Shares thereafter. An Application cannot be submitted for more than the Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application. In case of revision in Applications, the Non Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than Rs. 2,00,000 for being considered for allocation in the Non Institutional Portion. Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum

number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Prospectus.

- (c) **Multiple Applications:** An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or to any other Application Collecting Intermediary and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.
- (d) Applicants are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple applications:
  - i. All applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds and FPI sub-accounts, Applications bearing the same PAN may be treated as multiple applications by an Applicant and may be rejected.
  - ii. For applications from Mutual Funds and FPI sub-accounts, submitted under the same PAN, as well as Applications on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. In any such applications which have the same DP ID and Client ID, these may be treated as multiple applications and may be rejected.
- (e) The following applications may not be treated as multiple Applications:
  - i. Applications by Reserved Categories in their respective reservation portion as well as that made by them in the Net Issue portion in public category.
  - ii. Separate applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Applications clearly indicate the scheme for which the Application has been made.
  - iii. Applications by Mutual Funds, and sub-accounts of FPIs (or FPIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

#### **4.1.5 FIELD NUMBER 5: CATEGORY OF APPLICANTS**

- (a) The categories of applicants identified as per the SEBI ICDR Regulations, 2009 for the purpose of Application, allocation and allotment in the Issue are RIIs, individual applicants other than RII's and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).
- (b) An Issuer can make reservation for certain categories of Applicants permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, applicants may refer to the Prospectus.
- (c) The SEBI ICDR Regulations, 2009 specify the allocation or allotment that may be made to various categories of applicants in an Issue depending upon compliance with the eligibility conditions. For details pertaining to allocation and Issue specific details in relation to allocation, applicant may refer to the Prospectus.

#### **4.1.6 FIELD NUMBER 6: INVESTOR STATUS**

- (a) Each Applicant should check whether it is eligible to apply under applicable law and ensure that any prospective allotment to it in the Issue is in compliance with the investment restrictions under applicable law.
- (b) Certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details

- (c) Applicants should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Application Form and Non-Resident Application Form.
- (d) Applicants should ensure that their investor status is updated in the Depository records.

#### **4.1.7 FIELD 7: PAYMENT DETAILS**

- (a) All Applicants are required to use ASBA facility to block the full Amount (net of any Discount, as applicable) along-with the Application Form. If the Discount is applicable in the Issue, the RIIs should indicate the full Amount in the Application Form and the funds shall be blocked for Amount net of Discount. Only in cases where the Prospectus indicates that part payment may be made, such an option can be exercised by the Applicant.
- (b) All categories of investors can participate in the Issue only through ASBA mechanism.
- (c) Application Amount cannot be paid in cash, through money order or through postal order or through stock invest.

##### **4.1.7.1 Payment instructions for Applicants**

- (a) Applicants may submit the Application Form in physical mode to the Application Collecting Intermediaries.
- (b) Applicants should specify the Bank Account number in the Application Form.
- (c) Applicants should ensure that the Application Form is also signed by the ASBA Account holder(s) if the Applicant is not the ASBA Account holder;
- (d) Applicants shall note that that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.
- (e) From one Bank Account, a maximum of five Application Forms can be submitted.
- (f) Applicants applying directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained. In case Applicant applying through Application Collecting Intermediary other than SCSB, after verification and upload, the Application Collecting Intermediary shall send to SCSB for blocking of fund.
- (g) Upon receipt of the Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form.
- (h) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Application Amount mentioned in the Application Form and may upload the details on the Stock Exchange Platform.
- (i) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Applications on the Stock Exchange platform and such Applications are liable to be rejected.
- (j) Upon submission of a completed Application Form each ASBA Applicant may be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount specified in the Application Form in the ASBA Account maintained with the SCSBs.
- (k) The Application Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of allotment and subsequent transfer of the Application Amount against the Allotted Equity Shares, if any, to the Public Issue Account, or until withdrawal or failure of the Issue, or until

withdrawal or rejection of the Application, as the case may be.

- (l) SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB; else their Applications are liable to be rejected.

#### **4.1.8 Unblocking of ASBA Account**

- (a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Application, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Application, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected/ partial/ non allotment ASBA Applications, if any, along with reasons for rejection and details of withdrawn or unsuccessful Applications, if any, to enable the SCSBs to unblock the respective bank accounts.
- (b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful ASBA Application to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.
- (c) In the event of withdrawal or rejection of the Application Form and for unsuccessful Applications, the Registrar to the Issue may give instructions to the SCSB to unblock the Application Amount in the relevant ASBA Account within 6 Working Days of the Issue Closing Date.

##### **4.1.8.1 Discount (if applicable)**

- (a) The Discount is stated in absolute rupee terms.
- (b) RIIs, Employees and Retail Individual Shareholders are only eligible for discount. For Discounts offered in the Issue, applicants may refer to the Prospectus.
- (c) The Applicants entitled to the applicable Discount in the Issue may make payment for an amount
- (d) i.e. the Application Amount less Discount (if applicable).

##### **4.1.8.2 Additional Payment Instructions for NRIs**

The Non-Resident Indians who intend to block funds in their Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis). In the case of applications by NRIs applying on a repatriation basis, payment shall not be accepted out of NRO Account.

#### **4.1.9 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS**

- (a) Only the First Applicant is required to sign the Application Form. Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.
- (b) If the ASBA Account is held by a person or persons other than the Applicant, then the Signature of the ASBA Account holder(s) is also required.
- (c) In relation to the Applications, signature has to be correctly affixed in the authorization/undertaking box in the Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the application amount mentioned in the Application Form.
- (d) Applicants must note that Application Form without signature of Applicant and /or ASBA Account holder is liable to be rejected.

#### **4.1.10 ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

Applicants should ensure that they receive the acknowledgment duly signed and stamped by Application Collecting Intermediaries, as applicable, for submission of the Application Form.

- (a) All communications in connection with Applications made in the Issue should be addressed as under:
  - i. In case of queries related to Allotment, non-receipt of Allotment Advice, credit of allotted equity shares, unblocking of funds, the Applicants should contact the Registrar to the Issue.
  - ii. In case of applications submitted to the Designated Branches of the SCSBs, the Applicants should contact the relevant Designated Branch of the SCSB.
  - iii. Applicant may contact the Company Secretary and Compliance Officer or LM(s) in case of any other complaints in relation to the Issue.
- (b) The following details (as applicable) should be quoted while making any queries -
  - i. Full name of the sole or First Applicant, Application Form number, Applicants' DP ID, Client ID, PAN, number of Equity Shares applied for, amount blocked on application And ASBA Account Number and Name.
  - ii. name and address of the Designated Intermediary, where the Application was submitted; or
  - iii. In case of ASBA applications, ASBA Account number in which the amount equivalent to the application amount was blocked.

For further details, Applicant may refer to the Prospectus and the Application Form.

#### **4.2 INSTRUCTIONS FOR FILING THE REVISION FORM**

- (a) During the Issue Period, any Applicant (other than QIBs and NIIs, who can only revise their application amount upwards) who has registered his or her interest in the Equity Shares for a particular number of shares is free to revise number of shares applied using revision forms available separately.
- (b) RII may revise/withdraw their applications till closure of the Issue period
- (c) Revisions can be made only in the desired number of Equity Shares by using the Revision Form.
- (d) The Applicant can make this revision any number of times during the Issue Period. However, for any revision(s) in the Application, the Applicants will have to use the services of the SCSB through which such Applicant had placed the original Application.

A sample Revision form is reproduced below:

Other than instructions already highlighted at paragraph 4.1 above, point wise instructions regarding filling up various fields of the Revision Form are provided below:



## Revision Form - R

<b>COMMON BID REVISION FORM</b>	<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - R</b>	<b>FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs, AND ELIGIBLE NRI, APPLYING ON A NON-REPATRIATION BASIS</b>																												
LOGO	TO, THE BOARD OF DIRECTORS XYZ LIMITED	<div style="border: 1px solid black; padding: 2px; display: inline-block;">BOOK BUILT ISSUE</div> <div style="border: 1px solid black; padding: 2px; display: inline-block;">ISIN : .....</div>																												
		Bid cum Application Form No. <div style="border: 1px solid black; width: 150px; height: 20px; display: inline-block;"></div>																												
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SYNDICATE MEMBER'S STAMP & CODE  SUB-BROKER'S / SUB-AGENT'S STAMP & CODE  BANK BRANCH SERIAL NO.	BROKER/SCSB/DP/RTA STAMP & CODE  ESCROW BANK/SCSB BRANCH STAMP & CODE  SCSB SERIAL NO.	<b>1. NAME &amp; CONTACT DETAILS OF SOLE / FIRST BIDDER</b> Mr. / Ms. <div style="border: 1px solid black; width: 100%; height: 15px;"></div> Address <div style="border: 1px solid black; width: 100%; height: 15px;"></div> Tel. No (with STD code) / Mobile <div style="border: 1px solid black; width: 100%; height: 15px;"></div> Email <div style="border: 1px solid black; width: 100%; height: 15px;"></div> <b>2. PAN OF SOLE / FIRST BIDDER</b> <div style="border: 1px solid black; width: 100%; height: 15px;"></div> <b>3. BIDDER'S DEPOSITORY ACCOUNT DETAILS</b> <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL <div style="border: 1px solid black; width: 100%; height: 15px;"></div> <small>For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID</small>																												
<b>PLEASE CHANGE MY BID</b>																														
<b>4. FROM (AS PER LAST BID OR REVISION)</b> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th rowspan="2">Bid Options</th> <th rowspan="2">No. of Equity Shares Bid (Bid must be in multiples of Bid Lot as advertised) (In Figures)</th> <th colspan="4">Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only)</th> </tr> <tr> <th>Bid Price</th> <th>Retail Discount</th> <th>Net Price</th> <th>"Cut-off" (Please tick)</th> </tr> <tr> <td>Option 1</td> <td><div style="border: 1px solid black; width: 100%; height: 15px;"></div></td> <td><div style="border: 1px solid black; width: 100%; height: 15px;"></div></td> <td><div style="border: 1px solid black; width: 100%; height: 15px;"></div></td> <td><div style="border: 1px solid black; width: 100%; height: 15px;"></div></td> <td><div style="border: 1px solid black; width: 100%; height: 15px;"></div></td> </tr> <tr> <td>(OR) Option 2</td> <td><div style="border: 1px solid black; width: 100%; height: 15px;"></div></td> <td><div style="border: 1px solid black; width: 100%; height: 15px;"></div></td> <td><div style="border: 1px solid black; width: 100%; height: 15px;"></div></td> <td><div style="border: 1px solid black; width: 100%; height: 15px;"></div></td> <td><div style="border: 1px solid black; width: 100%; height: 15px;"></div></td> </tr> <tr> <td>(OR) Option 3</td> <td><div style="border: 1px solid black; width: 100%; height: 15px;"></div></td> <td><div style="border: 1px solid black; width: 100%; height: 15px;"></div></td> <td><div style="border: 1px solid black; width: 100%; height: 15px;"></div></td> <td><div style="border: 1px solid black; width: 100%; height: 15px;"></div></td> <td><div style="border: 1px solid black; width: 100%; height: 15px;"></div></td> </tr> </table>			Bid Options	No. of Equity Shares Bid (Bid must be in multiples of Bid Lot as advertised) (In Figures)	Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only)				Bid Price	Retail Discount	Net Price	"Cut-off" (Please tick)	Option 1	<div style="border: 1px solid black; width: 100%; height: 15px;"></div>	<div style="border: 1px solid black; width: 100%; height: 15px;"></div>	<div style="border: 1px solid black; width: 100%; height: 15px;"></div>	<div style="border: 1px solid black; width: 100%; height: 15px;"></div>	<div style="border: 1px solid black; width: 100%; height: 15px;"></div>	(OR) Option 2	<div style="border: 1px solid black; width: 100%; height: 15px;"></div>	<div style="border: 1px solid black; width: 100%; height: 15px;"></div>	<div style="border: 1px solid black; width: 100%; height: 15px;"></div>	<div style="border: 1px solid black; width: 100%; height: 15px;"></div>	<div style="border: 1px solid black; width: 100%; height: 15px;"></div>	(OR) Option 3	<div style="border: 1px solid black; width: 100%; height: 15px;"></div>	<div style="border: 1px solid black; width: 100%; height: 15px;"></div>	<div style="border: 1px solid black; width: 100%; height: 15px;"></div>	<div style="border: 1px solid black; width: 100%; height: 15px;"></div>	<div style="border: 1px solid black; width: 100%; height: 15px;"></div>
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<b>5. TO (Revised Bid) (Only Retail Individual Bidders can Bid at "Cut-off")</b> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th rowspan="2">Bid Options</th> <th rowspan="2">No. of Equity Shares Bid (Bid must be in multiples of Bid Lot as advertised) (In Figures)</th> <th colspan="4">Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only)</th> </tr> <tr> <th>Bid Price</th> <th>Retail Discount</th> <th>Net Price</th> <th>"Cut-off" (Please tick)</th> </tr> <tr> <td>Option 1</td> <td><div style="border: 1px solid black; width: 100%; height: 15px;"></div></td> <td><div style="border: 1px solid black; width: 100%; height: 15px;"></div></td> <td><div style="border: 1px solid black; width: 100%; height: 15px;"></div></td> <td><div style="border: 1px solid black; width: 100%; height: 15px;"></div></td> <td><div style="border: 1px solid black; width: 100%; height: 15px;"></div></td> </tr> <tr> <td>(OR) Option 2</td> <td><div style="border: 1px solid black; width: 100%; height: 15px;"></div></td> <td><div style="border: 1px solid black; width: 100%; height: 15px;"></div></td> <td><div style="border: 1px solid black; width: 100%; height: 15px;"></div></td> <td><div style="border: 1px solid black; width: 100%; height: 15px;"></div></td> <td><div style="border: 1px solid black; width: 100%; height: 15px;"></div></td> </tr> <tr> <td>(OR) Option 3</td> <td><div style="border: 1px solid black; width: 100%; height: 15px;"></div></td> <td><div style="border: 1px solid black; width: 100%; height: 15px;"></div></td> <td><div style="border: 1px solid black; width: 100%; height: 15px;"></div></td> <td><div style="border: 1px solid black; width: 100%; height: 15px;"></div></td> <td><div style="border: 1px solid black; width: 100%; height: 15px;"></div></td> </tr> </table>			Bid Options	No. of Equity Shares Bid (Bid must be in multiples of Bid Lot as advertised) (In Figures)	Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only)				Bid Price	Retail Discount	Net Price	"Cut-off" (Please tick)	Option 1	<div style="border: 1px solid black; width: 100%; height: 15px;"></div>	<div style="border: 1px solid black; width: 100%; height: 15px;"></div>	<div style="border: 1px solid black; width: 100%; height: 15px;"></div>	<div style="border: 1px solid black; width: 100%; height: 15px;"></div>	<div style="border: 1px solid black; width: 100%; height: 15px;"></div>	(OR) Option 2	<div style="border: 1px solid black; width: 100%; height: 15px;"></div>	<div style="border: 1px solid black; width: 100%; height: 15px;"></div>	<div style="border: 1px solid black; width: 100%; height: 15px;"></div>	<div style="border: 1px solid black; width: 100%; height: 15px;"></div>	<div style="border: 1px solid black; width: 100%; height: 15px;"></div>	(OR) Option 3	<div style="border: 1px solid black; width: 100%; height: 15px;"></div>	<div style="border: 1px solid black; width: 100%; height: 15px;"></div>	<div style="border: 1px solid black; width: 100%; height: 15px;"></div>	<div style="border: 1px solid black; width: 100%; height: 15px;"></div>	<div style="border: 1px solid black; width: 100%; height: 15px;"></div>
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<small>I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID REVISION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE "BIDDERS UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID REVISION FORM GIVEN OVERLEAF.</small>																														
<b>7A. SIGNATURE OF SOLE / FIRST BIDDER</b> <div style="border: 1px solid black; width: 100%; height: 40px;"></div> Date : <div style="border: 1px solid black; width: 100%; height: 15px;"></div>	<b>7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS)</b> I/We authorize the SCSB to do all acts as are necessary to make the Application in the line <div style="border: 1px solid black; width: 100%; height: 40px;"></div>	<b>BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)</b> <div style="border: 1px solid black; width: 100%; height: 40px;"></div>																												
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#### **4.2.1. FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST APPLICANT, PAN OF SOLE/FIRST APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE APPLICANT**

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

#### **4.2.2. FIELD 4 & 5: BID OPTIONS REVISION ‘FROM’ AND ‘TO’**

- (a) Apart from mentioning the revised number of shares in the Revision Form, the Applicant must also mention the details of shares applied for given in his or her Application Form or earlier Revision Form.
- (b) In case of revision of applications by RIIs, Employees and Retail Individual Shareholders, such Applicants should ensure that the application amount should exceed Rs. 2,00,000/- due to revision and the application may be considered, subject to eligibility, for allocation under the Non-Institutional Category.

#### **4.2.3. PAYMENT DETAILS**

- (a) All Applicants are required to make payment of the full application amount along with the Revision Form.
- (b) Applicant may Issue instructions to block the revised amount in the ASBA Account, to Designated Branch through whom such Applicant had placed the original application to enable the relevant SCSB to block the additional application amount, if any.

#### **4.2.4. SIGNATURES AND ACKNOWLEDGEMENTS**

Applicants may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

### **4.3 SUBMISSION OF REVISION FORM/ APPLICATION FORM**

#### **4.3.1 Applicants may submit completed application form / Revision Form in the following manner:-**

<b>Mode of Application</b>	<b>Submission of Application Form</b>
All Investors Application	To the Application Collecting Intermediaries as mentioned in the Prospectus/ Application Form

## **SECTION 5: ISSUE PROCEDURE IN FIXED PRICE ISSUE**

### **5.1 APPLICANTS MAY NOTE THAT THERE IS NO BID CUM APPLICATION FORM IN A FIXED PRICE ISSUE**

As the Issue Price is mentioned in the Fixed Price Issue therefore on filing of the Prospectus with the RoC, the Application so submitted is considered as the application form.

Applicants may only use the specified Application Form for the purpose of making an Application in terms of the Prospectus which may be submitted through Application Collecting Intermediaries and apply only through ASBA facility.

ASBA Applicants may submit an Application Form either in physical/electronic form to the Application Collecting Intermediaries authorising blocking of funds that are available in the bank account specified in the Application Form only (“ASBA Account”). The Application Form is also made available on the websites of the Stock Exchanges at least one day prior to the Issue Opening Date.

In a fixed price Issue, allocation in the net offer to the public category is made as follows: minimum fifty per cent to Retail Individual Investors; and remaining to (i) individual investors other than Retail Individual Investors; and (ii) other Applicants including corporate bodies or institutions, irrespective of the number of specified securities applied for. The unsubscribed portion in either of the categories

specified above may be allocated to the Applicants in the other category.

## 5.2 GROUNDS OF REJECTIONS

Applicants are advised to note that Applications are liable to be rejected inter alia on the following technical grounds:

- Amount blocked does not tally with the amount payable for the 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 (other than minor having valid depository accounts as per demographic details provided by the depository);
- 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 Prospectus;
- 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/ cheque/ demand draft/ pay order;
- 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 Regulation S or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- Applications not duly signed by the sole/ first Applicant;
- Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Applications 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 Rs. 2,00,000, received after 3.00 pm on the Issue Closing Date, unless the extended time is permitted by National Stock Exchange of India Limited.
- Details of ASBA Account not provided in the Application form

For details of instructions in relation to the Application Form, Applicants may refer to the relevant section the GID.

**APPLICANTS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE APPLICATION COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID**

**AVAILABLE IN THE DEPOSITORY DATABASE, THE APPLICATION FORM IS LIABLE TO BE REJECTED.**

## **SECTION 6- ISSUE PROCEDURE IN BOOK BUILT ISSUE**

This being Fixed Price Issue, this section is not applicable for this Issue.

## **SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT**

### **7.1 BASIS OF ALLOTMENT**

Allotment will be made in consultation with the EMERGE Platform of National Stock Exchange of India (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth hereunder:

- (a) 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).
- (b) 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).
- (c) For applications where the proportionate allotment works out to less than 1,200 equity shares the allotment will be made as follows:
  - i. Each successful Applicant shall be allotted 1,200 equity shares; and
  - ii. The successful Applicants out of the total applicants for that category shall be determined by the drawl 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.
- (d) If the proportionate allotment to an Applicant works out to a number that is not a multiple of 1,200 equity shares, the Applicant would be allotted Shares by rounding off to the nearest multiple of 1,200 equity shares subject to a minimum allotment of 1,200 equity shares.
- (e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Applicants in that category, the balance available Shares or 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 Applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of 1,200 Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the issue specified under the Capital Structure mentioned in this Draft Prospectus.
- (f) The above proportionate allotment of Shares in an Issue that is oversubscribed shall be subject to the reservation for Retail individual Applicants as described below:
  - i. As per Regulation 43(4) of SEBI (ICDR), as the retail individual investor category is entitled to more than fifty per cent on proportionate basis, the retail individual investors shall be allocated that higher percentage.
  - ii. The balance net issue of shares to the public shall be made available for allotment to
    - individual applicants other than retails individual investors and
    - other investors, including corporate bodies/institutions irrespective of number of shares applied for.
  - iii. The unsubscribed portion of the net issue to any one of the categories specified in a) or b) shall/may be made available for allocation to applicants in the other category,

if so required.

'Retail Individual Investor' means an investor who applies for shares of value of not more than Rs. 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 National Stock Exchange of India Limited.

The Executive Director / Managing Director of National Stock Exchange of India Limited - the Designated Stock Exchange in addition to Lead Manager 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.

## **7.2 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES**

- (a) **Designated Date:** On the Designated Date, the SCSBs shall transfer the funds represented by allocation of Equity Shares into the 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 the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. Applicants **are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.**
- (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.
- (d) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.
- (e) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) initiate corporate action for credit of shares to the successful Applicants Depository Account will be completed within 4 Working Days of the Issue Closing Date. The Issuer also ensures the credit of shares to the successful Applicant's 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.

## **SECTION 8: INTEREST AND REFUNDS**

### **8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING**

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 6 Working Days of the Issue Closing Date. The Registrar to the Issue may give instructions for credit to Equity Shares the beneficiary account with DPs, and dispatch the Allotment Advice within 6 Working Days of the Issue Closing Date.

### **8.2 GROUNDS FOR REFUND**

#### **8.2.1 NON RECEIPT OF LISTING PERMISSION**

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in Prospectus. The Designated Stock Exchange may be as disclosed in the Prospectus with which the Basis of Allotment may be finalised.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith repay, without interest, all moneys received from the Applicants in pursuance of the Prospectus.

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 prescribed under Section 73 of the Companies Act, and as disclosed in the Prospectus.

#### **8.2.2 MINIMUM SUBSCRIPTION**

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. As per Section 39 of the Companies Act, 2013, if the “stated minimum amount” has not been subscribed and the sum payable on 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 the Issuer does not receive the subscription of 100% of the Issue through this offer document including devolvement of Underwriters within sixty days from the date of closure of the Issue, the Issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after the Issuer becomes liable to pay the amount, the Issuer shall pay interest prescribed under section 73 of the Companies Act, 1956 (or the Company shall follow any other substitutional or additional provisions as has been or may be notified under the Companies Act, 2013).

#### **8.2.3 MINIMUM NUMBER OF ALLOTTEES**

The Issuer may ensure that the number of prospective Allottees to whom Equity Shares may be allotted may not be less than 50 failing which the entire application monies may be refunded forthwith.

##### **Mode of Unblocking of Funds**

Within 6 Working Days of the Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Application and also for any excess amount blocked on Application.

#### **8.3 MODE OF REFUND**

Within 6 Working Days of the Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Application and also for any excess amount blocked on Application.

##### **8.3.1 Mode of making refunds**

The Registrar to 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 Bids or in the event of withdrawal or failure of the Issue.

#### **8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND**

The Issuer may pay interest at the rate of 15% per annum /or demat credits are not made to Applicants or instructions for unblocking of funds in the ASBA Account are not done within the 4 Working days of the Issue Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 6 days from the Issue Closing Date, if Allotment is not made.

### **SECTION 9: GLOSSARY AND ABBREVIATIONS**

*Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time.*

<b>Term</b>	<b>Description</b>
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application.
Allocation/ Allocation of Equity Shares	The Allocation of Equity Shares of our Company pursuant to Issue of Equity Shares to the successful Applicants.
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders/Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchange.
Allotment/ Allot/ Allotted	Issue and allotment of Equity Shares of our Company pursuant to Issue of the Equity Shares to the successful Applicants.
Allottee(s)	Successful Applicant(s) to whom Equity Shares of our Company have been allotted.
Applicant/ASBA Applicant	Any prospective investor who makes an application for Equity Shares of our Company in terms of the Draft Prospectus. All the applicants should make application through ASBA only.
Application Amount	The amount at which the Applicant makes an application for Equity Shares of our Company in terms of the Prospectus.
Application Collecting Intermediaries	<ol style="list-style-type: none"> <li>1. a SCSB with whom the bank account to be blocked, is maintained</li> <li>2. a syndicate member (or sub-syndicate member), if any</li> <li>3. 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')</li> <li>4. a depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)</li> <li>5. a registrar to an issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)</li> </ol>
Application Form	The Form in terms of which the prospective investors shall apply for our Equity Shares in the Issue.
ASBA / Application Supported by Blocked Amount	An application, whether physical or electronic, used by Bidders, to make a Bid authorising an SCSB to block the Bid Amount in the ASBA Account.
ASBA Account	An account maintained with an SCSB and specified in the Application Form submitted by Applicant for blocking the Bid Amount mentioned in the Application Form.
ASBA Application Location(s) / Specified Cities	Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata, Ahmedabad.
Banker(s) to the Issue/ Public Issue Bank(s)	The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public Issue Account will be opened and in this case being HDFC Bank Limited.
Basis of Allotment	The basis on which Equity Shares will be Allotted to the successful Applicant under the Issue and which is described under chapter titled " <i>Issue Procedure</i> " beginning on page 248 of this Draft Prospectus.
Broker Centres	Broker centers notified by the Stock Exchange, where the applicants can submit the Application forms to a Registered Broker.
CAN/Confirmation of Allocation Note	The amount at which the bidder makes a bid for Equity Shares of our Company in terms of the Draft Prospectus.
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account.
Collecting Centres	Centres at which the Designated Intermediaries shall accept the Application Forms, being the Designated SCSB Branch for SCSBs, Specified Locations for Syndicate, Broker Centers for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.



<b>Term</b>	<b>Description</b>
Controlling Branch of SCSBs	Such branch of the SCSBs which co-ordinate Applications under this Issue by the ASBA Applicants with the Lead Manager, 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.
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.
Depository/Depositories	Depositories registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time, being NSDL and CDSL.
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996.
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Application Form from the ASBA Applicant and a list of which is available on <a href="http://www.sebi.gov.in/sebiweb/home/detail/32791/no/List-of-SelfCertified-Syndicate-Banks-under-the-ASBA-facility">http://www.sebi.gov.in/sebiweb/home/detail/32791/no/List-of-SelfCertified-Syndicate-Banks-under-the-ASBA-facility</a> .
Designated CDP Locations	Such centres of the CDPs where Applicant can submit the Application Forms. 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 website of the Stock Exchange ( <a href="http://www.nseindia.com">www.nseindia.com</a> ) and updated from time to time
Designated Date	The date on which the amount blocked by the SCSBs is transferred from the ASBA Account to the Public Issue Account or the amount is unblocked in the ASBA Account, as appropriate, after the Issue is closed, following which the Equity Shares shall be allotted to the successful Applicants.
Designated RTA Locations	Such centres of the RTAs where Applicants can submit the Application Forms. The details of such Designated RTA Locations, along with the names and contact details of the RTAs are available on the website of the Stock Exchange ( <a href="http://www.nseindia.com/emerge">www.nseindia.com/emerge</a> ) and updated from time to time.
Designated Stock Exchange	National Stock Exchange of India Limited.
Draft Prospectus	The Draft Prospectus dated May 29, 2018 issued in accordance with section 26 of the Companies Act, 2013 and filed with the EMERGE Platform of National Stock Exchange of India Limited under SEBI (ICDR) Regulations.
Eligible NRIs	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom this Draft Prospectus constitutes an invitation to subscribe to the Equity Shares offered herein.
Emerge Platform of National Stock Exchange of India Limited	The EMERGE Platform of National Stock Exchange of India Limited for listing of Equity Shares offered under Chapter XB of the SEBI (ICDR) Regulations which was approved by SEBI as an EMERGE Platform of National Stock Exchange of India Limited on October 14, 2011.
Escrow Account(s)	Account(s) opened with the Escrow Collection Bank(s) for the Issue and in whose favour the Applicants (excluding ASBA Applicants) will issue cheques or drafts in respect of the Application Amount when submitting any Application(s) pursuant to this Issue
Escrow Agreement	Agreement entered into amongst the Company, Lead Manager, 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



<b>Term</b>	<b>Description</b>
FII / Foreign Institutional Investors	Foreign Institutional Investor (as defined under SEBI Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
First/ Sole Applicant	The Applicant whose name appears first in the Application Form or Revision Form.
General Information Document	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 read with SEBI Circular dated November 10, 2015 and bearing Reference No. CIR/CFD/POLICYCELL/11/2015 which shall be applicable for all public issues opening on or after January 1, 2016, all the investors can apply through ASBA process.
Issue/ Issue Size/ Initial Public Issue/ IPO	Public Issue aggregating up to 33,45,600 Equity Shares of face value of Rs. 10 each fully paid of B.R.Goyal Infrastructure Limited for cash at a price of Rs. 91/- per Equity Share (including a premium of Rs. 81/- per Equity Share) aggregating Rs. 3,044.50 Lakhs.
Issue Agreement	The agreement dated May 25, 2018 between our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Closing date	[●], the date on which Issue Closes for Subscription
Issue Opening Date	[●], the date on which Issue Opens for Subscription
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both the days during which prospective Investors may submit their application.
Issue Price	The price at which the Equity Shares are being issued by our Company under this Draft Prospectus being Rs. 91/- per Equity Share of face value of Rs. 10/- each fully paid.
Issue Proceeds/Gross Proceeds	Proceeds from the Issue that will be available to our Company, being Rs. 3,044.50 Lakhs
Lead Manager / LM	Lead Manager to the Issue in this case being Systematix Corporate Services Limited.
Listing Agreement	The Equity Listing Agreement to be signed between our Company and the National Stock Exchange of India Limited.
Market Making Agreement	Market Making Agreement dated May 25, 2018 between our Company, Lead Manager and Market Maker.
Market Maker	Market Maker appointed by our Company from time to time, in this case being Systematix Shares & Stocks (India) Limited who 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
Mutual Fund(s)	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time.
Net Issue	The Issue excluding the Market Maker Reservation Portion of 31,77,600 Equity Shares of face value of Rs. 10 each fully paid for cash at a price of Rs 91/- per Equity Share aggregating Rs. 2,891.62 Lakhs by our Company.
Net Proceeds	The Issue Proceeds, less the Issue related expenses, received by the Company.
Non Institutional Investors	All Applicants that are not Qualified Institutional Buyers or Retail Individual Investors and who have applied for Equity Shares for an amount more than Rs. 2,00,000.
NSE/ NSE EMERGE/ NSE Ltd.	National Stock Exchange of India Limited
OCB/ Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is

<b>Term</b>	<b>Description</b>
	irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Issue.
Payment through electronic transfer of funds	Payment through NECS, NEFT or Direct Credit, as applicable.
Person/ 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 Date in accordance with Section 26 of the Companies Act, 2013, and the SEBI ICDR Regulations containing, inter alia, the Issue Price, the size of the Issue and certain other information.
Public Issue Account	Account opened with the Banker to the Issue i.e. HDFC Bank Limited under Section 40 of the Companies Act, 2013 to receive monies from the SCSBs from the bank accounts of the ASBA Applicants on the Designated Date.
Public Issue Account Agreement/Banker to issue agreement	Agreement entered on May 28, 2018 amongst our Company, Lead Manager, the Registrar to the Issue and Banker to the Issue for collection of the Application Amount on the terms and conditions thereof.
Qualified Institutional Buyers or QIBs	A Mutual Fund, Venture Capital Fund, Alternative Investment Fund and Foreign Venture Capital investor registered with the Board, foreign portfolio investor other than Category III foreign portfolio investor, registered with the Board; a public financial institution as defined in Section 2(72) of the Companies Act, 2013; a scheduled commercial bank; a multilateral and bilateral development financial institution; a state industrial development corporation; an insurance company registered with the Insurance Regulatory and Development Authority; a provident fund with minimum corpus of Rs. 25.00 Crore; a pension fund with minimum corpus of Rs. 25.00 Crore rupees; National Investment Fund set up by resolution No. F. No. 2/3/2005 - DDII dated November 23, 2005 of the Government of India published in the Gazette of India, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India.
Refund Account	Account to which Application monies to be refunded to the Applicants.
Refund Bank/ Refund Banker	Bank which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Account will be opened, in this case being HDFC Bank Limited.
Refund through electronic transfer of funds	Refund through ASBA process.
Registered Broker	Individuals or companies registered with SEBI as "Trading Members" (except Syndicate/Sub-Syndicate Members) who hold valid membership of National Stock Exchange of India Limited having right to trade in stocks listed on Stock Exchanges, through which investors can buy or sell securities listed on stock exchanges, a list of which is available on <a href="http://www.nseindia.com/membership/dynaContent/find_a_broker.htm">http://www.nseindia.com/membership/dynaContent/find_a_broker.htm</a>
Registrar /Registrar to the Issue	Registrar to the Issue, in this case being Link Intime India Private Limited, C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai-400 083, India.
Registrar Agreement	The agreement dated May 25, 2018 entered into by and among our

<b>Term</b>	<b>Description</b>
	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 or 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.
Resident Indian	A person resident in India, as defined under FEMA.
Retail Individual Investor	Individual Applicants, or minors applying through their natural guardians, including HUFs (applying through their Karta), who apply for an amount less than or equal to Rs 2,00,000.
Revision Form	The form used by the Applicants to modify the quantity of Equity Shares in any of their Application Forms or any previous Revision Form(s).
SCSB/ Self Certified Syndicate Banker	Shall mean a Banker to an Issue registered under SEBI (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which Issue the service of making Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a> or at such other website as may be prescribed by SEBI from time to time.
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and to the extent applicable.
SME Exchange	Emerge Platform of National Stock Exchange of India Limited.
Specified Locations	Collection centres where the SCSBs shall accept application form, a list of which is available on the website of the SEBI ( <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> ) and updated from time to time.
Underwriter	Systematix Corporate Services Limited.
Underwriting Agreement	The agreement dated May 25, 2018 entered into between the Underwriter and our Company.
US GAAP	Generally Accepted Accounting Principles in the United States of America.
Working Day	(i) Till Application / Issue closing date: All days other than a Saturday, Sunday or a public holiday; (ii) Post Application / Issue closing date and till the Listing of Equity Shares: All trading days of stock exchanges excluding Sundays and bank holidays in accordance with the SEBI circular no. SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016.

## 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 Foreign Exchange Management Act, 1999 ("**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 the Reserve Bank of India ("**RBI**") and Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("**DIPP**") and the concerned Ministry/ Department as laid out in the FDI Policy 2017.

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment ("**FDI**") through press notes and press releases. The DIPP, has issued consolidated FDI Policy Circular of 2017 ("**FDI Policy 2017**"), with effect from August 28, 2017, which consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2017 will be valid until the DIPP issues an updated circular.

The Reserve Bank of India also issues Master Circular on Foreign Investment in India every year. Presently, FDI in India is being governed by Master Circular on Foreign Investment dated July 01, 2015 as updated from time to time by RBI. In terms of the Master Circular, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Circular. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including filing of Form FC-GPR.

Under the current FDI Policy of 2017, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations. At present 100% foreign direct investment through automatic route is permitted in the sector in which our Company operates.

The transfer of shares between an Indian resident to a non-resident does not require the prior approval of the RBI, subject to fulfilment of certain conditions as specified by DIPP/RBI, from time to time. Such conditions include:

- i. where the transfer of shares requires the prior approval of the Government as per the extant FDI policy provided that:
  - a. the requisite approval of the Government has been obtained; and
  - b. the transfer of shares adheres with the pricing guidelines and documentation requirements as specified by the Reserve Bank of India from time to time.;
- ii. where the transfer of shares attract SEBI (SAST) Regulations subject to the adherence with the pricing guidelines and documentation requirements as specified by Reserve Bank of India from time to time;
- iii. where the transfer of shares does not meet the pricing guidelines under the FEMA, 1999 provided that:
  - a. The resultant FDI is in compliance with the extant FDI policy and FEMA regulations in terms of sectoral caps, conditionality's (such as minimum capitalization, etc.), reporting requirements, documentation etc.;
  - b. The pricing for the transaction is compliant with the specific/explicit, extant and relevant SEBI regulations/guidelines (such as IPO, Book building, block deals, delisting, exit, open offer/substantial acquisition/SEBI SAST); and Chartered Accountants Certificate to the effect that compliance with the relevant SEBI regulations/guidelines as indicated above is attached to the form FC-TRS to be filed with the AD bank; and
- iv. where the investee company is in the financial sector provided that:
  - a. Any fit and proper/due diligence requirements as regards the non-resident investor as stipulated by the respective financial sector regulator, from time to time, have been complied with; and
  - b. The FDI policy and FEMA regulations in terms of sectoral caps, conditionalities (such as

minimum capitalization, pricing, etc.), reporting requirements, documentation etc., are complied with.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of our Company. Investors will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

#### **Investment conditions/restrictions for overseas entities**

Under the current FDI Policy 2017, the maximum amount of Investment (sectoral cap) by foreign investor in an issuing entity is composite unless it is explicitly provided otherwise including all types of foreign investments, direct and indirect, regardless of whether it has been made for FDI, FPI, NRI/OCI, LLPs, FVCI, Investment Vehicles and DRs under Schedule 1, 2, 3, 6, 7, 8, 9, 10 and 11 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations, 2017. Any equity holding by a person resident outside India resulting from conversion of any debt instrument under any arrangement shall be reckoned as foreign investment under the composite cap.

Portfolio Investment upto aggregate foreign investment level of 49% or sectoral/statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, if such investment does not result in transfer of ownership and/or control of Indian entities from resident Indian citizens to non-resident entities. Other foreign investments will be subject to conditions of Government approval and compliance of sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in the issuing entity will not exceed the sectoral/statutory cap.

#### **Investment by FPIs under Portfolio Investment Scheme (PIS)**

With regards to purchase/sale of capital instruments of an Indian company by an FPI under PIS, the total holding by each FPI or an investor group as referred in SEBI (Foreign Portfolio Investor) Regulations, shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or less than 10% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all FPIs put together shall not exceed 24% of paid-up equity capital on fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10% and 24% will be called the individual and aggregate limit, respectively. However, this limit of 24% may be increased up to sectoral cap/statutory ceiling, as applicable, by the Indian company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its general body. For arriving at the ceiling on holdings of FIIs, shares/ convertible debentures acquired both through primary as well as secondary market will be included. However, the ceiling will not include investment made by FII through off-shore Funds, Global Depository receipts and Euro- Convertible Bonds. With regard to convertible debentures, these investments permitted to be made shall not exceed 5 % of the total paid-up equity capital or 5% of the paid-up value of each series of convertible debentures issued by an Indian Company, and shall also not exceed the over-all ceiling limit of 24 % of paid-up equity capital or paid up value of each series of convertible debentures.

#### **Investment by NRI or OCI on repatriation basis:**

The purchase/sale of equity shares, debentures, preference shares and share warrants issued by a listed Indian company (hereinafter referred to as "Capital Instruments") on a recognised stock exchange in India by Non-Resident Indian (NRI) or Overseas Citizen of India (OCI) on repatriation basis is allowed subject to certain conditions under Schedule 3 of the FEMA (Transfer or Issue of security by a person resident outside India) Regulations, 2017 i.e.:

- The total holding by any individual NRI or OCI shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or

preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants; provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

#### **Investment by NRI or OCI on non-repatriation basis**

As per current FDI Policy 2017, schedule 4 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations – Purchase/ sale of Capital Instruments or convertible notes or units or contribution to the capital of an LLP by a NRI or OCI on non- repatriation basis – will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions.

**The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("US Securities Act") or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of "US Persons" as defined in Regulation S of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws.**

**Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.**

**Further, no offer to the public (as defined under Directive 2003/71/EC, together with any amendments) and implementing measures thereto, (the "Prospectus Directive") has been or will be made in respect of the Offer in any member State of the European Economic Area which has implemented the Prospectus Directive except for any such offer made under exemptions available under the Prospectus Directive, provided that no such offer shall result in a requirement to publish or supplement a prospectus pursuant to the Prospectus Directive, in respect of the Offer.**

**Any forwarding, distribution or reproduction of this document in whole or in part may be unauthorised. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions. Any investment decision should be made on the basis of the final terms and conditions and the information contained in this Red Herring Prospectus.**

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 Application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.

## SECTION VIII – MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

ARTICLE NO.	INTERPRETATION	HEADING
1.	In these Articles unless there be something in the subject matter or context inconsistent therewith	
i.	<b>“The Act”</b> means the Companies Act, 2013 and the applicable provisions of the Companies Act, 1956 and includes any statutory modification or re-enactment thereof for the time being in force.	<b>The Act</b>
ii.	<b>“Articles”</b> means Articles of Association of the Company as originally framed or altered from time to time.	<b>Articles</b>
iii.	<b>“Beneficial Owner”</b> shall have the meaning assigned thereto by Section 2(1) (a) of the Depositories Act, 1996.	<b>Beneficial Owner</b>
iv.	<b>“Board or Board of Director”</b> means the Collective body of the Board of Directors of the Company.	<b>Board or Board of Directors</b>
v.	<b>“Chairman”</b> means the Chairman of the Board of the Directors of the Company.	<b>Chairman</b>
vi.	<b>“The Company”</b> means <b>B.R. GOYAL INFRASTRUCTURE LIMITED.</b>	<b>The Company</b>
vii.	<b>“Depositories Act, 1996”</b> shall mean Depositories Act, 1996 and include any Statutory modification or re-enactment thereof for the time being in force.	<b>Depositories Act, 1996</b>
viii.	<b>“Depository”</b> shall have the meaning assigned thereto by Section 2 (1) (e) of the Depositories Act, 1996.	<b>Depository</b>
ix.	<b>“Directors”</b> means the Directors appointed to the board for the time being of the Company.	<b>Directors</b>
x.	<b>“Dividend”</b> includes any interim dividend	<b>Dividend</b>
xi.	<b>“Document”</b> means a document as defined in Section 2 (36) of the Companies Act, 2013.	<b>Document</b>
xii.	<b>“Equity Share Capital”</b> , with reference to any Company limited by shares, means all share capital which is not preference share capital	<b>Equity Capital</b> <b>Share</b>
xiii.	<b>“KMP”</b> means Key Managerial Personnel of the Company provided as per the relevant sections of the Act.	<b>KMP</b>
xiv.	<b>“Managing Director”</b> means a Director who by virtue or an agreement with the Company or of a resolution passed by the Company in general meeting or by its Board of Directors or by virtue of its Memorandum or Articles of Association is entrusted with substantial powers of management and includes a director occupying the position of managing director, by whatever name called.	<b>Managing Director</b>
xv.	<b>“Month”</b> means Calendar month	<b>Month</b>
xvi.	<b>“Office”</b> means the registered office for the time being of the Company.	<b>Office</b>
xvii.	<b>“Paid-up share capital”</b> or “share capital paid-up” means such aggregate amount of money credited as paid-up as is equivalent to the amount received as paid up in respect of shares issued and also includes any amount credited as paid-up in respect of shares of the company but does not include any other amount received in respect of such shares, by whatever name called.	<b>Paid-up Capital</b> <b>share</b>
xviii.	<b>“Postal Ballot”</b> means voting by post or through any electronic mode.	<b>Postal Ballot</b>

ARTICLE NO.	INTERPRETATION	HEADING
	xix. <b>“Proxy”</b> includes attorney duly constituted under the power of attorney to vote for a member at a General Meeting of the Company on poll.	<b>Proxy</b>
	xx. <b>“Public Holiday”</b> means a Public Holiday within the meaning of the Negotiable Instruments Act, 1881 (XXVI of 1881); provided that no day declared by the Central Government to be such a holiday shall be deemed to be such a holiday in relation to any meeting unless the declaration was notified before the issue of the notice convening such meeting.	<b>Public Holiday</b>
	xxi. <b>“Registrar”</b> means the Registrar of Companies of the state in which the Registered Office of the Company is for the time being situated and includes an AdditionalRegistrar,aJointRegistrar,aDeputyRegistraroranAssistantRegistrar having the duty of registering companies and discharging various functions under thisAct.	<b>Registrar</b>
	xxii. <b>“Rules”</b> means the applicable rules as prescribed under the relevant sections of the Act for time being in force.	<b>Rules</b>
	xxiii. <b>“SEBI”</b> means Securities & Exchange Board of India established under Section 3 of the Securities & Exchange Board of India Act, 1992.	<b>SEBI</b>
	xxiv. <b>“Securities”</b> means the securities as defined in clause (h) of Section 2 of the Securities Contracts (Regulation) Act, 1956 (42 of 1956).	<b>Securities</b>
	xxv. <b>“Share”</b> means share in the Share Capital of the Company and includes stock except where a distinction between stock and share is expressed or implied	<b>Share</b>
	xxvi. <b>“Seal”</b> means the common seal of the Company.	<b>Seal</b>
	xxvii. <b>“Preference Share Capital”</b> , with reference to any Company limited by shares,means that part of the issued share capital of the Company which carries or would carry a preferential right with respect to—	<b>Preference Share Capital</b>
	xxviii. Payment of dividend, either as a fixed amount or an amount calculated at a fixed rate, which may either be free of or subject to income-tax; and	
	xxix. Repayment, in the case of a winding up or repayment of capital, of the amount of the share capital paid-up or deemed to have been paid-up, whether or not, there is a preferential right to the payment of any fixed premium or premium on any fixed scale, specified in the memorandum or articles of the Company;	
	Words imparting the plural number also include, where the context requires or admits, the singular number, and vice versa.	
	Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the Company.	
	‘In writing’ and ‘written’ includes printing, lithography and other modes of representing or reproducing words in a visible form.	
2.	The Authorized Share Capital of the Company shall be such amount and be divided into such shares as may from time to time be provided in Clause V of the Memorandum of Association with	<b>Share Capital</b>



ARTICLE NO.	INTERPRETATION	HEADING
	power to increase or reduce the capital and divide the shares in the capital of the Company (including Preferential Share Capital, if any) and to attach thereto respectively any preferential, qualified or special rights, privileges or conditions as may be determined in accordance with these presents and to modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be permitted by the said Act.	
3.	Subject to the provisions of the Act and these Articles, the shares in the capital of the Company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit. Further provided that the option or right to call of shares shall not be given to any person except with the sanction of the Company in general meeting.	
4.	Subject to provisions of Section 54 of the Act read with Companies (Share Capital and Debentures) Rules, 2014, and any other applicable provisions of the Act or any law for the time being in force, the Company may issue Sweat Equity Shares on such terms and in such manner as the Board may determine.	<b>Issue of Sweat Equity Shares</b>
5.	The Company shall have powers to issue any debentures, debenture-stock or other securities at Par, discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending the General Meetings (but not voting on any business to be conducted), appointment of Directors on Board 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 a Special Resolution.	<b>Issue of Debentures</b>
6.	<p>i. Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for registration of transfer or transmission or within such other period as the conditions of issue shall be provided —</p> <p>a) one certificate for all his shares without payment of any charges; or</p> <p>b) several certificates, each for one or more of his shares, upon payment of Rupees twenty for each certificate after the first</p> <p>ii. The Company agrees to issue certificate within fifteen days of the date of lodgment of transfer, sub-division, consolidation, renewal, exchange or endorsement of calls/allotment monies or to issue within fifteen days of such lodgment for transfer, Pucca Transfer Receipts in denominations corresponding to the market units of trading autographically signed by a responsible official of the Company and bearing an endorsement that the transfer has</p>	<b>Issue of Share Certificates</b>

ARTICLE NO.	INTERPRETATION	HEADING
	<p>been duly approved by the Directors or that no such approval is necessary;</p> <p>iii. Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-upthereon.</p> <p>iv. In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all suchholders.</p>	
7.	If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty Rupees for each certificate.	<b>Issue of Share Certificates</b>
8.	Except as required by law, no person shall be recognized by the Company as holding any share upon any trust, and the Company shall not be bound by, or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.	
9.	The provisions of these Articles relating to issue of Certificates shall mutatis mutandis apply to any other securities including Debentures (except where the Act otherwise requires) of the Company.	
10.	<p>i. The Company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.</p> <p>ii. The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.</p> <p>iii. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other</p>	<b>Power to pay Commission in connection with the Securities issued</b>
11.	i. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the Company is being wound up, be varied	<b>Variations of Shareholder's rights</b>

ARTICLE NO.	INTERPRETATION	HEADING
	<p>with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.</p> <p>ii. To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.</p>	
12.	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 paripassu therewith	
13.	Subject to the provisions of section 55 and 62, any preference shares may with the sanction of ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the Company before the issue of the shares may, by special resolution, determine	<b>Issue of Preference Shares</b>
14.	<p>(1) Where at any time Company having Share Capital proposes to increase its subscribed capital by the issue of further Shares, such shares shall be offered:</p> <p>(a) to persons who, at the date of the offer, are holders of equity shares of the company in proportion, as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the conditions specified in the relevant provisions of Section 62 of the Act.</p> <p>(b) to employees under a scheme of employees' stock option, subject to special resolution passed by company and subject to such other conditions as may be prescribed under the relevant rules of Section 62.</p> <p>(c) to any persons, if it is authorized by a special resolution, whether or not those persons include the persons referred to in clause (a) or clause (b), either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be prescribed under the relevant rules of Section 62.</p> <p>(2) The notice shall be dispatched through registered post or speed post or through electronic mode to all the existing shareholders at least three days before the opening of the issue.</p> <p>(3) Nothing in this Article shall apply to the increase of the subscribed capital of company caused by the exercise of an option as a term attached to the debentures issued or loan raised by the company to convert such debentures or loans into shares in the company:</p> <p>Provided that the terms of issue of such debentures or loan containing such an option have been approved, before the issue of such</p>	<b>Further Issue of shares</b>

ARTICLE NO.	INTERPRETATION	HEADING
	debentures or the raising of loan, by a special resolution passed by the company in general meeting.	
15.	<p>i. The Company shall have a first and paramount lien—</p> <p>a. on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and/or Every fully paid shares shall be free from all lien and that in the case of partly paid shares the Issuer's lien shall be restricted to moneys called or payable at fixed time in respect of such shares; and</p> <p>b. on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the Company: Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.</p> <p>c. The Company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.</p> <p>ii. The Company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.</p>	<b>Lien</b>
16.	<p>The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has lien:</p> <p>Provided that no sale shall be made—</p> <p>a. unless a sum in respect of which the lien exists is presently payable; or</p> <p>b. until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.</p>	
17.	<p>i. To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof.</p> <p>ii. The purchaser shall be registered as the holder of the shares comprised in any such transfer.</p> <p>iii. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.</p>	
18.	<p>i. The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.</p> <p>ii. The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.</p>	

ARTICLE NO.	INTERPRETATION	HEADING
19.	<p>Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint-tenants with benefits of survivorship subject to the following and other provisions contained in these Articles: -</p> <ul style="list-style-type: none"> <li>a) The Company shall at its discretion, be entitled to decline to register more than three persons as the joint-holders of anyshare.</li> <li>b) The joint-holders of any shares shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of suchshare.</li> <li>c) On the death of any 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 otherperson.</li> <li>d) Any one of such joint-holders may give effectual receipts of any dividends or other moneys payable in respect of suchshare.</li> <li>e) 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 delivery of the certificate, if any, relating to such share or to receive documents from the Company and any documents served on or sent to such person shall be deemed served on all thejoint-holders.</li> <li>f) <ul style="list-style-type: none"> <li>(i) Any one of the two or more joint-holders may vote at General Meeting either personally or by attorney or by proxy in respect of such shares as if they were solely entitled hereto and if more than one such joint-holders be present at any meeting personally or by proxy or by attorney then one of such joint holders so present whose name stand first in the Register in respect of such shares shall alone be entitled to vote in respect thereof but the other or others of the joint-holders shall be entitled to vote in preference to a joint-holder present by attorney or by proxy although the name of such joint-holder present by attorneyorbyproxystandsfirstinRegisterinrespectofsuchshares.</li> <li>(ii) Several executors or administrators of a deceased member in whose (deceased member) sole name any share stands, shall for the purpose of this Clause be deemed asJoint-Holders.</li> </ul> </li> <li>g) The provisions of these Articles relating to joint-holding of shares shall mutatis mutandis apply to any other securities including Debentures of the company registered inJoint-names.</li> </ul>	<b>Joint Holdings</b>
20	<ul style="list-style-type: none"> <li>i. The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by</li> </ul>	<b>Calls on shares</b>

ARTICLE NO.	INTERPRETATION	HEADING
	<p>way of premium) and not by the conditions of allotment thereof made payable at fixed times:</p> <p>Provided that no call shall exceed one fourth of the nominal value of the shares or be payable at less than one month from the date fixed for the payment of the last preceding call.</p> <p>ii. Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.</p> <p>iii. A call may be revoked or postponed at the discretion of the Board.</p>	
21	A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by installments.	
22.	The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.	
23.	<p>i. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. per annum or at such lower rate, if any, as the Board may determine.</p> <p>ii. The Board shall be at liberty to waive payment of any such interest wholly or in part.</p>	
24.	<p>i. Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.</p> <p>ii. In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture</p> <p>iii. or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.</p>	
25.	<p>The Board—</p> <p>i. may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and</p> <p>ii. upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the Company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance.</p>	

ARTICLE NO.	INTERPRETATION	HEADING
26.	Any uncalled amount paid in advance shall not in any manner entitle the member so advancing the amount, to any dividend or participation in profit or voting right on such amount remaining to be called, until such amount has been duly called-up.  Provided however that any amount paid to the extent called – up, shall be entitled to proportionate dividend and voting right.	
27.	The Board may at its discretion, extend the time fixed for the payment of any call in respect of any one or more members as the Board may deem appropriate in any circumstances.	
28.	The provisions of these Articles relating to call on shares shall mutatis mutandis apply to any other securities including debentures of the company.	
29.	<ul style="list-style-type: none"> <li>i. The shares or other interest of any member in the Company shall be a movable property, transferable in the manner provided by the Articles.</li> <li>ii. Each share in the Company shall be distinguished by its appropriate number.</li> <li>iii. A Certificate under the Common Seal of the Company, specifying any shares held by any member shall be prima facie evidence of the title of the member of such shares.</li> </ul>	<b>Transfer of shares</b>
30.	<ul style="list-style-type: none"> <li>i. The instrument of transfer of any share in the Company shall be executed by or on behalf of both the transferor and transferee.</li> <li>ii. The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.</li> </ul>	
31.	<p>The Board may, subject to the right of appeal conferred by section 58 of Companies Act, 2013 and Section 22A of the Securities Contracts (Regulation) Act, 1956, decline to register, by giving notice of intimation of such refusal to the transferor and transferee within timelines as specified under the Act—</p> <ul style="list-style-type: none"> <li>i. the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or</li> <li>ii. any transfer of shares on which the Company has alien.</li> <li>iii. Provided however that the Company will not decline to register or acknowledge any transfer of shares 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.</li> <li>iv. Ensure to have common form of transfers.</li> </ul>	
32.	<p>The Board shall decline to recognize any instrument of transfer unless—</p> <ul style="list-style-type: none"> <li>i. the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;</li> <li>ii. the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and the instrument of</li> </ul>	

ARTICLE NO.	INTERPRETATION	HEADING
	transfer is in respect of only one class of shares.	
	Provided that, transfer of shares in whatever lot shall not be refused.	
	<p>iii. The Company agrees that when proper documents are lodged for transfer and there are no material defects in the documents except minor difference in signature of the transferor(s),</p> <p>Then the Company will promptly send to the first transferor an intimation of the aforesaid defect in the documents, and inform the transferor that objection, if any, of the transferor supported by valid proof, is not lodged with the Company within fifteen days of receipt of the Company's letter, then the securities will be transferred;</p> <p>iv. If the objection from the transferor with supporting documents is not received within the stipulated period, the Company shall transfer the securities provided the Company does not suspect fraud or forgery in the matter.</p>	
33.	The Company agrees that in respect of transfer of shares where the Company has not affected transfer of shares within 1 month or where the Company has failed to communicate to the transferee any valid objection to the transfer within the stipulated time period of 1 month, the Company shall compensate the aggrieved party for the opportunity losses caused during the period of the delay.	
34.	<p>On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine.</p> <p>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.</p>	
35.	The provisions of these Articles relating to transfer of Shares shall mutatis mutandis apply to any other securities including debentures of the company.	
36.	The Company shall keep a book to be called the "Register of Transfers" and therein shall be fairly and distinctly entered the particulars of every transfer or transmission of any shares.	<b>Register of Transfers</b>
37.	<p>i. The provisions of this Article shall apply notwithstanding anything to the contrary contained in any other Article of these Articles.</p> <p>a. The Company shall be entitled to dematerialize its securities and to offer securities in a dematerialized form pursuant to the Depository Act, 1996.</p> <p>b. Option for Investors:</p>	<b>Dematerialization of Securities</b>



ARTICLE NO.	INTERPRETATION	HEADING
	<p>Every holder of or subscriber to securities of the Company shall have the option to receive security certificates or to hold the securities with a Depository. Such a person who is the beneficial owner of the Securities can at any time opt out of a Depository, if permitted, by the law, in respect of any security in the manner provided by the Depositories Act, 1996 and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required Certificates for the Securities.</p> <p>If a person opts to hold its Security with a Depository, the Company shall intimate such depository the details of allotment of the Security</p>	
	<p>c. Securities in Depository to be in fungible form: -</p> <ul style="list-style-type: none"> <li>• All Securities of the Company held by the Depository shall be dematerialized and be in fungible form.</li> <li>• Nothing contained in Sections 88, 89, 112 &amp; 186 of the Companies Act, 2013 shall apply to a Depository in respect of the Securities of the Company held by it on behalf of the beneficial owners.</li> </ul>	
	<p>d. Rights of Depositories &amp; Beneficial Owners: -</p> <p>Notwithstanding anything to the contrary contained in the Act a Depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of Security of the Company on behalf of the beneficial owner.</p>	
	<p>e. Save as otherwise provided in (d) above, the depository as the registered owner of the Securities shall not have any voting rights or any other rights in respect of the Securities held by it.</p>	
	<p>f. Every person holding Securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of Securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his Securities which are held by a depository.</p>	
	<p>ii. Notwithstanding anything contained in the Act to the contrary, where Securities of the Company are held in a depository, the records of the beneficial ownership may be served by such depository to the Company by means of electronic mode or by delivery of floppies or discs.</p>	
	<p>iii. Nothing contained in Section 56 of the Companies Act, 2013 shall apply to a transfer of Securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.</p>	

ARTICLE NO.	INTERPRETATION	HEADING
	<p>iv. Notwithstanding anything contained in the Act, where Securities are dealt with by a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.</p> <p>v. Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for Securities issued by the Company shall apply to Securities held with a Depository.</p> <p>vi. The Company shall cause to be kept at its Registered Office or at such other place as may be decided, Register and Index of Members in accordance with Section 88 and other applicable provisions of the Companies Act 2013 and the Depositories Act, 1996 with the details of Shares held in physical and dematerialized forms in any media as may be permitted by law including in any form of electronic media.</p> <p>vii. The Register and Index of beneficial owners maintained by a depository under Section 11 of the Depositories Act, 1996, shall be deemed to be the Register and Index of Members for the purpose of this Act. The Company shall have the power to keep in any state or country outside India, a Register of Members for the residents in that state or Country.</p>	
38.	<p>i. On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognized by the Company as having any title to his interest in the shares.</p> <p>ii. Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.</p>	<b>Transmission of shares</b>
39.	<p>i. Any person becoming entitled to a share, in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—</p> <p>a. to be registered himself as holder of the share; or</p> <p>b. to make such transfer of the share as the deceased or insolvent member could have made.</p> <p>ii. The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.</p>	
40.	<p>i. If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.</p>	

ARTICLE NO.	INTERPRETATION	HEADING
	<p>ii. If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.</p> <p>iii. All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.</p>	
41.	<p>A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company:</p> <p>Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.</p>	
42.	<p>The provisions of these Articles relating to transmission of shares shall mutatis mutandis apply to any other securities including debentures of the Company.</p> <p>No fee shall be charged for requisition of transfer, transmission, probate, succession certificate and letter of administration, Certificate of Death or marriage, power of attorney or similar other documents.</p>	
43.	<p>If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.</p>	<b>Forfeiture of Shares</b>
44.	<p>The notice aforesaid shall—</p> <p>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</p> <p>ii. state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.</p>	
45.	<p>If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.</p>	

ARTICLE NO.	INTERPRETATION	HEADING
46.	<ul style="list-style-type: none"> <li>i. A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.</li> <li>ii. At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.</li> </ul>	
47.	<ul style="list-style-type: none"> <li>i. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares.</li> <li>ii. The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares.</li> </ul>	
48.	<ul style="list-style-type: none"> <li>i. A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;</li> <li>ii. The Company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute transfer of the shares in favor of the person to whom the share is sold or disposed of;</li> <li>iii. The transferee shall thereupon be registered as the holder of the share; and</li> <li>iv. The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.</li> </ul>	
49.	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.	
50.	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.	
51.	Upon any sale, re-allotment or other disposal under the provisions of the preceding 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) entitled thereto.	

ARTICLE NO.	INTERPRETATION	HEADING
52.	The Board may, subject to the provision of the Act, accept a surrender of any share from or by any member desirous of surrendering them on such terms as they think fit.	
53.	The Provisions of these regulations as to forfeiture shall apply in the case of non- payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.	
54.	The provisions of these articles relating to forfeiture of shares shall mutatis mutandis apply to any other securities including debentures of the Company.	
55.	Neither a judgment in favor of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction there under nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member to the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from proceeding to enforce forfeiture of such shares as hereinafter provided.	<b>Initial payment not to preclude forfeiture</b>
56.	The Company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.	<b>Alteration of capital</b>
57.	<p>Subject to the provisions of section 61, the Company may, by ordinary resolution, —</p> <ol style="list-style-type: none"> <li>consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;</li> <li>convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;</li> <li>sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;</li> </ol> <p>Cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.</p>	
58.	<p>Where shares are converted into stock, —</p> <ol style="list-style-type: none"> <li>the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:</li> </ol> <p>Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.</p>	<b>Conversion of Shares into Stock</b>

ARTICLE NO.	INTERPRETATION	HEADING
	<p>ii. the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.</p> <p>Such of the articles of the Company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.</p>	
59.	<p>The Company may, by special resolution, reduce in any manner and with, and subject to, any incident authorized and consent required by law,—</p> <p>i. its share capital;</p> <p>ii. any capital redemption reserve account; or</p> <p>iii. Any share premium account.</p>	<b>Reduction of Capital</b>
60.	<p>The Company may issue share warrants subject to, and in accordance with, the provisions of the Act, and accordingly the Board may in its discretion, with respect to any share which is fully paid-up, on application in writing signed by the person registered as holder of the share, and authenticated by such evidence (if any) of the share and the amount of the stamp duty on the warrant and such fee as the Board may from time to time require, issue of a share warrant.</p> <p>The bearer of a share warrant may at any time, deposit the warrant in 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 a member at any meeting held after the expiry of two days from the time of deposit, as if his name were inserted in the register of members as the holder of the shares including in the deposited warrants.</p> <p>Not more than one person shall be recognized as depositor of the share warrant.</p> <p>The Company shall, on two days’ written notice, return the deposited share warrants to the depositor.</p> <p>Subject herein otherwise expressly provided, no person shall, as bearer of a share warrant, sign a requisition for calling a member of the Company or attend or vote or exercise any other privilege of a member at a meeting of the Company, or be entitled to receive any notice from the Company.</p> <p>The bearer of share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the register of members as the holders of shares included in the</p>	<b>Share Warrants</b>

ARTICLE NO.	INTERPRETATION	HEADING
	warrant, and he shall be a member of the Company.	
	The Board may from time to time, make rules as to the terms on which (if it shall think fit) a new share warrant of coupon may be issued by way of renewal in case of defacement, loss or destruction.	
61.	<p>i. The Company in general meeting may, upon the recommendation of the Board, resolve—</p> <p>a. that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution;and</p> <p>b. that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.</p> <p>ii. The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in ortowards—</p> <p>a. Paying up any amounts for the time being unpaid on any shares held by such membersrespectively;</p> <p>b. Paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid-up bonus shares, to and amongst such members in the proportionsaforesaid;</p> <p>c. Partly in the way specified in sub-clause (a) and partly in that specified in sub-clause(b);</p> <p>d. A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares;</p> <p>e. TheBoardshallgiveeffecttotheresolutionpassedbythe Companyin pursuance of this-regulation.</p>	<b>Capitalization of profits</b>
62.	<p>i. Whenever such a resolution as aforesaid shall have been passed, the Board shall—</p> <p>make all appropriations and applications of the undivided profits resolved to be capitalized thereby, and all allotments and issues of fully paid shares if any;and</p> <p>a. generally, to do all acts and things required to give effectthereto.</p> <p>ii. The Board shall havepower—</p> <p>a. to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable infractions;and</p> <p>b. 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</p>	

ARTICLE NO.	INTERPRETATION	HEADING
	<p>respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalization, 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 existingshares;</p> <p>iii. Any agreement made under such authority shall be effective and binding on suchmembers.</p> <p>iv. Capital paid-up in advance of calls may carry interest but shall not in respect thereof confer a right to dividend or to participate inprofits.</p>	
63.	Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities.	<b>Buy-back of Shares</b>
64.	All General Meetings other than annual general meeting shall be called extra-ordinary general meetings.	<b>General Meeting</b>
65.	<p>i. TheBoardmay, wheneveritthinksfit, callanextraordinarygeneral meeting.</p> <p>ii. The General meeting including Annual general meeting shall be convened by giving notice of clear 21 days in advance as per section 101 of Companies Act 2013. The directors if they think fit may convene a General Meeting including Annual General Meeting of the company by giving a notice thereof being not less than three days if consent is given in writing or by electronic mode by not less than ninety-five per cent. of the members entitled to vote at suchmeeting.</p> <p>iii. 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.</p>	
66.	<p>i. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds tobusiness.</p> <p>ii. Unless the number of members as on date of meeting are not more than one thousand, five members personally present shall be the quorum for a general meeting of theCompany.</p> <p>iii. In any other case, the quorum shall be decided asunder:</p> <p>a) fifteen members personally present if the number of members as on the date of meeting is more than one thousand but up to five thousand;</p> <p>b) thirty members personally present if the number of members as on the date of the meeting exceeds</p>	<b>Proceedings at general meetings</b>



ARTICLE NO.	INTERPRETATION	HEADING
	fivethousand;	
67.	The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the Company.	
68.	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.	
69.	If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.	
70.	The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.	
71.	A declaration by the Chairman in pursuance of Section 107 of the Companies Act, 2013 that on a show of hands, a resolution has or has not been carried, either unanimously or by a particular majority, and an entry to that effect in the books containing the minutes of the proceedings of the Company, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes cast in favor of or against such resolution.	
72.	<p>i. Before or on the declaration of the result of the voting on any resolution of a show of hands, a poll may be ordered to be taken by the Chairman of the meeting of his own motion and shall be ordered to be taken by him on a demand made in that behalf by any member or members present in person or by proxy and holding shares in the Company which confer a power to vote on the resolution not being less than one-tenth of the total voting power in respect of the resolution or on which an aggregate sum of not less than five Lac rupees has been paidup.</p> <p>ii. The demand for a poll may be withdrawn at any time by the person or persons who made the demand.</p>	<b>Demand for poll</b>
73.	<p>i. A poll demanded on a question of adjournment shall be taken forthwith.</p> <p>ii. A poll demanded on any other question (not being a question relating to the election of a Chairman which is provided for in Section 104 of the Act) shall be taken at such time not being later than 48 (forty-eight) hours from the time when the demand was made, as the Chairman may direct.</p>	<b>Time of taking poll</b>
74.	i. The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from	<b>Adjournment of meeting</b>

ARTICLE NO.	INTERPRETATION	HEADING
	place to place.	
	<ul style="list-style-type: none"> <li>ii. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.</li> <li>iii. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.</li> <li>iv. Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.</li> </ul>	
75.	<p>Subject to any rights or restrictions for the time being attached to any class or classes of shares,—</p> <ul style="list-style-type: none"> <li>i. on a show of hands, every member present in person shall have one vote; and</li> <li>ii. on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the Company.</li> </ul>	<b>Voting rights</b>
76.	A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.	
77.	<ul style="list-style-type: none"> <li>i. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.</li> <li>ii. For this purpose, seniority shall be determined by the order in which the names stand in the register of members.</li> </ul>	
78.	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.	
79.	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 satisfy the Directors of his right to such shares unless the Directors shall have previously admitted his right to vote at such meeting in respect thereof.	
80.	Any business other than that upon which a poll has been demanded may be preceded with, pending the taking of the poll.	
81.	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.	

ARTICLE NO.	INTERPRETATION	HEADING
82.	<p>i. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.</p> <p>ii. Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.</p>	
83.	No member shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid, or in regard to which the Company has exercised any right of lien.	
84.	In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a casting vote in addition to his own vote or votes to which he may be entitled as a member.	<b>Casting Vote</b>
85.	A body corporate (whether a Company within the meaning of the Act or not) if it is a member or creditor (including a holder of debentures) of the Company may in accordance with the provisions of Section 113 of the Companies Act, 2013 authorize such person by a resolution of its Board of Directors as it thinks fit, to act as its representative at any meeting of the Company or of any class of members of the Company or at any meeting of creditors of the Company.	<b>Representation of Body Corporate</b>
86.	The Company shall comply with provisions of Section 111 of the Companies Act, 2013, relating to circulation of member's resolution.	<b>Circulation of member's resolution</b>
87.	The Company shall comply with provisions of Section 115 of the Act relating to resolution requiring special notice.	<b>Resolution requiring special notice</b>
88.	The provisions of Section 116 of Companies Act, 2013 shall apply to resolutions passed at an adjourned meeting of the Company, or of the holders of any class of shares in the Company and of the Board of Directors of the Company and the resolutions shall be deemed for all purposes as having been passed on the date on which in fact they were passed and shall not be deemed to have been passed on any earlier date.	<b>Resolutions passed at adjourned meeting</b>
89.	The Company shall comply with the provisions of Section 117 and 179 of the Companies Act, 2013 relating to registration of certain resolutions and agreements.	<b>Registration of resolutions and agreements</b>
90.	<p>i. The Company shall cause minutes of all proceedings of general meetings, and of all proceedings of every meeting of its Board of Directors or of every Committee of the Board to be kept by making within thirty days of the conclusion of every such meeting concerned, entries thereof in books kept for the purpose with their pages consecutively numbered.</p>	<b>Minutes of proceedings of general meeting and of Board and other meetings</b>

ARTICLE NO.	INTERPRETATION	HEADING
	<p>ii. Each page of every such book shall be initialed or signed and the last page of the record of proceedings of each meeting in such books shall be dated and signed:</p> <p>A. In the case of minutes of proceedings of the Board or of a Committee thereof by the Chairman of the said meeting or the Chairman of the next succeeding meeting.</p> <p>B. In the case of minutes of proceedings of the general meeting by Chairman of the said meeting within the aforesaid period, of thirty days or in the event of the death or inability of that Chairman within that period, by a Director duly authorized by the Board for the purpose.</p> <p>C. In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.</p> <p>D. The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.</p> <p>E. All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meeting.</p> <p>F. In the case of a meeting of the Board of Directors or of a Committee of the Board, the minutes shall also contain:</p> <p>a. the names of the Directors present at the meetings, and</p> <p>b. in the case of each resolution passed at the meeting, the names of the Directors, if any dissenting from or not concurring in the resolution.</p> <p>iii. Nothing contained in Clauses (a) to (d) of Clause 90 (ii) hereof shall be deemed to require the inclusion in any such minutes of any matter which in the opinion of the Chairman of the meeting:</p> <p>a. is or could reasonably be regarded, as defamatory of any person</p> <p>b. is irrelevant or immaterial to the proceedings; or</p> <p>c. is detrimental to the interests of the Company.</p> <p>iv. The Chairman shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in this clause.</p>	
91.	The minutes of meetings kept in accordance with the provisions of Section 118 of the Companies Act, 2013 shall be evidence of the proceedings recorded therein.	<b>Minutes to be considered to be evidence</b>
92.	No document purporting to be a report of the proceedings of any general meeting of the Company shall be circulated or advertised at the expenses of the Company unless it includes the matters required by Section 118 of the Act to be contained in the Minutes of the proceedings of such meeting.	<b>Publication of reports of proceeding of general meetings</b>

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93.	The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarized copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.	<b>Proxy</b>
94.	An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.	
95.	<p>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:</p> <p>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.</p>	
96.	<p>The first directors of the Company shall be:</p> <ol style="list-style-type: none"> <li>1. Shri Rajendra Kumar Goyal</li> <li>2. Shri Gopal Goyal</li> <li>3. Shri Braj Kishore Goyal</li> <li>4. Shri Om Prakash Goyal</li> </ol>	<b>Board of Directors</b>
97.	The Directors need not hold any "Qualification Share(s)".	
98.	<p>Appointment of Senior Executive as a Whole Time Director subject to the provisions of the Act and within the overall limit prescribed under these Articles for the number of Directors on the Board, the Board may appoint any persons as a Whole Time Director of the Company for such a period and upon such terms and conditions as the Board may decide. The Senior Executive so appointed shall be governed by the following provisions:</p> <p>He shall be liable to retire by rotation as provided in the Act but shall be eligible for re-appointment. His re-appointment as a Director shall not constitute a break in his appointment as Whole Time Director. He shall be reckoned as Director for the purpose of determining and fixing the number of Directors to retire by rotation. He shall cease to be a Director of the Company on the happening of any event specified in Section 164 of the Act. Subject to what is stated herein above, he shall carry out and perform all such duties and responsibilities as may, from time to time, be conferred upon or entrusted to him by Managing Director(s) and / or the Board, shall exercise such powers and authorities subject to such restrictions and conditions and / or stipulations as the Managing Director(s) and /or the Board may, from time to time determine.</p>	

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	<p>Nothing contained in this Article shall be deemed to restrict or prevent the right of the Board to revoke, withdraw, alter, vary or modify all or any such powers, authorities, duties and responsibilities conferred upon or vested in or entrusted to such whole time directors.</p> <p>i. The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.</p> <p>ii. In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them—</p> <p>a. in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or</p> <p>b. in connection with the business of the company.</p>	
99.	The Board may pay all expenses incurred in getting up and registering the company.	
100.	The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.	
101.	All cheque, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.	
102.	Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.	
103.	<p>i. Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles.</p> <p>ii. Such person shall hold office only up to the date of the next annual general meeting of the Company but shall be eligible for appointment by the Company as a director at that meeting subject to the provisions of the Act.</p>	
104.	Not less than two-thirds of the total number of Directors of the Company, excluding the Independent directors if any appointed by the Board, shall be persons whose period of office is liable to determination by retirement of Directors by rotation and save as otherwise expressly provided in the Act and these Articles be appointed by the Company in General Meeting.	<b>Retirement and Rotation of Directors</b>

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105.	The remaining Directors shall be appointed in accordance with the provisions of the Act.	
106.	At the Annual General Meeting in each year one-third of the Directors for the time being as are liable to retire by rotation or, if their number is not three or a multiple of three, the number nearest to one-third shall retire from office.	
107.	Subject to the provisions of the Act and these Articles the Directors to retire by rotation under the foregoing Article at every Annual General Meeting shall be those who have been longest in the office since their last appointment, but as between persons who became Directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lot. Subject to the provision of the Act, a retiring Director shall retain office until the dissolution of the meeting at which his reappointment is decided or successor is appointed.	
108.	Subject to the provisions of the Act and these Articles, the retiring Director shall be eligible for reappointment.	
109.	Subject to the provision of the Act and these Articles, the Company, at the Annual General Meeting at which a Director retires in the manner aforesaid may fill up the vacated office by electing the retiring Director or some other person thereto.	
110.	Notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the Company to any of the Finance Corporation or Credit Corporation or to any other Finance Company or Body out of any loans granted by them to the Company or Body (hereinafter in this Article referred to as "the Corporation") continue to hold debentures or shares in the Company as a result of underwriting or by direct subscription or private placement, or so long as any liability of the Company arising out of any guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint from time to time, any person or persons as a Director or Directors whole time or non- whole time (which Director or Directors is/are hereinafter referred to as "Nominee Director/s") on the Board of the Company and to remove from such office any person or persons so appointed and to appoint any person or persons in his or their places.	<b>Nominee Director</b>
111.	The terms and conditions of appointment of a Nominee Director/s shall be governed by the agreement that may be entered into or agreed with mutual consent with such Corporation. At the option of the Corporation such Nominee Director/s shall not be required to hold any share qualification in the Company. Also at the option of the Corporation such Nominee Director/s shall not be liable to retirement by rotation of Directors.	
112.	The Nominee Directors so appointed shall hold the said office only so long as any money only so long as any moneys remain owing by the Company to the Corporation or so long as the Corporation	

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	holds Shares or Debentures in the Company as a result of direct subscription or private placement or the liability of the Company arising out of any Guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power shall ipso facto vacate such office immediately, if the moneys owing by the Company to the Corporation is paid off or on the Corporation ceasing to hold debentures/shares in the Company or on the satisfaction of the liability of the Company arising out of any Guarantee furnished by the Corporation.	
113.	<p>The Nominee Directors appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and/or the Meetings of the Committee of which the Nominee Director/s is/are members as also the minutes of such meetings. The Corporation shall also be entitled to receive all such notices and minutes. The Company shall pay to the Nominee Director/s sitting fees and expenses to which the other Directors of the Company are entitled, but if any other fees, commission monies or remuneration in any form is payable to the Directors of the Company, the fees, commission, monies and remuneration in relation to such Nominee Directors shall accrue to the Corporation and same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or by such Nominee Directors in connection with their appointment or Directorship shall also be paid or reimbursed by the Company to the Corporation or as the case may be to such Nominee Directors.</p> <p>Provided that if any such Nominee Directors is an Officer of the Financial Institution, the sitting fees in relation to such Nominee Directors shall also accrue to the Financial Institution as the case may be and the same shall accordingly be paid by the Company directly to the Corporation.</p>	
114.	Provided also that in the event of the Nominee Directors being appointed as Whole time Directors such Nominee Directors shall exercise such powers and duties as may be approved by the Lenders. Such Nominee Director/s shall be entitled to receive such remuneration, fees, commission and moneys as may be approved by the Lenders.	
115.	The Company may (subject to the provisions of Act and other applicable provisions and these Articles) remove any Director before the expiry of his period of office after giving him a reasonable opportunity of being heard.	<b>Removal of Directors</b>
116.	Special notice as provided in the Act shall be given of any resolution to remove a Director under this Article or to appoint some other person in place of a Director so removed at the meeting at which he is removed.	
117.	On receipt of the notice of a resolution to remove a Director under this Article, the Company shall forthwith send a copy thereof to the Director concerned and the Director (whether or not he is a member of the Company) shall be entitled to be heard on the	



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	resolution at the meeting.	
118.	<p>Where notice is given of a resolution to remove a Director under this Article and the Director concerned makes with respect thereto representations in writing to the Company and requests its notification to members of the Company, the Company shall, if the time permits it to do so-,</p> <p>(a) in any notice of the resolution given to members of the Company state the fact of the representations having been made, and</p> <p>(b) send a copy of the representations to every member of the Company to whom the notice of the meeting is sent (whether before or after the receipt of representation by the Company) and if a copy of the representation is not sent as aforesaid due to insufficient time or for the company's default, the director may without prejudice to his right to be heard orally require that the representation shall be read out at the meeting:</p> <p>Provided that copy of the representation need not be sent out and the representation need not be read out at the meeting if, on the application either of the company or of any other person who claims to be aggrieved, the Tribunal is satisfied that the rights conferred by this sub-section are being abused to secure needless publicity for defamatory matter; and the Tribunal may order the company's costs on the application to be paid in whole or in part by the director notwithstanding that he is not a party to it.</p>	
119.	A vacancy created by the removal of a director under this article, if he had been appointed by the company in general meeting or by the Board, be filled by the appointment of another director in his place at the meeting at which he is removed, provided special notice of the intended appointment has been given as prescribed in the Act.	
120.	A director so appointed shall hold office till the date up to which his predecessor would have held office if he had not been removed.	
121.	<p>If the vacancy is not filled under clause (5) above, it may be filled as a casual vacancy in accordance with the provisions of this Act:</p> <p>Provided that the director who was removed from office shall not be reappointed as a director by the Board of Directors.</p>	
122.	<p>Nothing in this section shall be taken-</p> <p>a) as depriving a person removed under this section of any compensation or damages payable to him in respect of the termination of his appointment as director as per the terms of contract or terms of his appointment as director, or of any other appointment terminating with that as director; or</p> <p>b) as derogating from any power to remove a director under other provisions of this Act.</p>	
123.	Subject to provisions of the Act, the Directors including Managing	<b>Remuneration and</b>

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	<p>or whole time Directors shall be entitled to and shall be paid such remuneration as may be fixed by the Board of Directors from time to time in recognition of the services rendered by them for the company.</p> <p>In addition to the remuneration payable to the Directors as above, they may be paid all travelling, hotel and other expenses incurred by them.</p> <p>a. In attending and returning from meetings of the Board of Directors and committee thereof, all General Meetings of the company and any of their adjourned sittings, or</p> <p>b. In connection with the business of the Company.</p>	<b>sitting fees to Directors including Managing and whole time Directors</b>
124.	<p>Subject to provisions of the Act, the Directors including Managing or whole time Directors shall be entitled to and shall be paid such remuneration as may be fixed by the Board of Directors from time to time in recognition of the services rendered by them for the company.</p> <p>In addition to the remuneration payable to the Directors as above, they may be paid all travelling, hotel and other expenses incurred by them.</p> <p>In attending and returning from meetings of the Board of Directors and committee thereof, all General Meetings of the company and any of their adjourned sittings, or</p> <p>In connection with the business of the Company.</p>	
125.	<p>i. Without derogating from the powers vested in the Board of Directors under these Articles, the Board shall exercise the following powers on behalf of the Company and they shall do so only by means of resolutions passed at meetings of the Board.</p> <p>a. The power to make calls on shareholders in respect of money unpaid on their shares;</p> <p>b. The Power to authorize buy-back of securities under Section 68 of the Act.</p> <p>c. Power to issue securities, including debenture, whether in or outside India</p> <p>d. The power to borrow moneys</p> <p>e. The power to invest the funds of the Company,</p> <p>f. Power to Grant loans or give guarantee or provide security in respect of loans</p> <p>g. Power to approve financial statements and the Board's Report</p> <p>h. Power to diversify the business of the Company</p> <p>i. Power to approve amalgamation, merger or reconstruction</p> <p>j. Power to take over a Company or acquire a controlling or substantial stake in another Company</p> <p>k. Powers to make political contributions;</p> <p>l. Powers to appoint or remove key managerial personnel (KMP);</p> <p>m. Powers to take note of appointment(s) or removal(s) of</p>	<b>Power and duties of Directors: Certain powers to be exercised by the Board only at Meeting.</b>

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	<p>one level below the Key Management Personnel;</p> <p>n. Powers to appoint internal auditors and secretarial auditor;</p> <p>o. Powers to take note of the disclosure of director's interest and shareholding;</p> <p>p. Powers to buy, sell investments held by the Company (other than trade investments), constituting five percent or more of the paid up share capital and free reserves of the investeeCompany;</p> <p>q. Powers to invite or accept or renew public deposits and related matters;</p> <p>r. Powers to review or change the terms and conditions of public deposit;</p> <p>s. Powers to approve quarterly, half yearly and annual financial statements or financial results as the case maybe.</p>	
	<p>Provided that the Board may by resolution passed at the meeting, delegate to any Committee of Directors, the Managing Director, the Manager or any other principal officer of the Company or in the case of a branch office of the Company, a principal officer of the branch office, the powers specified in sub-clauses (d), (e) and (f) to the extent specified in clauses (ii), (iii) and (iv) respectively on such condition as the Board may prescribe.</p>	
	<p>ii. Every resolution delegating the power referred to in sub-clause (d) of clause (i) shall specify the total amount outstanding at any one time up to which moneys may be borrowed by the delegate.</p>	
	<p>iii. Every resolution delegating the power referred to in sub-clause (e) of clause (i) shall specify the total amount up to which the funds of the Company may be invested and the nature of the investments which may be made by the delegate.</p>	
	<p>iv. Every resolution delegating the power referred to in sub-clause (f) of clause (i) shall specify the total amount up to which loans may be made by the delegates, the purposes for which the loans may be made and the maximum amount up to which loans may be made for each such purpose in individual cases.</p>	
	<p>v. Nothing in this Article shall be deemed to affect the right of the Company in general meeting to impose restrictions and conditions on the exercise by the Board of any of the powers referred to in this Article.</p>	

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126.	<p>i. The Board of Directors of the Company shall not except with the consent of the Company in general meeting: -</p> <p>a) sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking of the whole or substantially the whole of any such undertaking;</p> <p>b) remit, or give time for the repayment of any debt, due by a Director;</p> <p>c) invest, otherwise than in trust securities, the amount of compensation received by it as a result of any merger or amalgamation;</p> <p>d) borrow moneys, where the money to be borrowed, together with the moneys already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) will exceed the aggregate of the paid-up capital of the Company and its free reserves that is to say, reserves not set apart for any specific purpose; or</p> <p>e) contribute to <i>bona fide</i> charitable and other funds, aggregate of which in any financial year, exceed five percent of its average net profits during the three financial years, immediately preceding the year in which the contribution is made.</p> <p>ii. Nothing contained in sub-clause (a) above shall affect:</p> <p>a) the title of a buyer or other person who buys or takes a lease of any such undertaking as is referred to in that sub-clause in good faith and after exercising due care and caution; or</p> <p>b) the selling or leasing of any property of the Company where the ordinary business of the Company consists of, or comprises such selling or leasing.</p> <p>iii. Any resolution passed by the Company permitting any transaction such as is referred to in sub-clause (i) (a) above, may attach such conditions to the permission as may be specified in the resolution, including conditions regarding the use, disposal or investment of the sale proceeds which may result from the transaction. Provided that this clause shall not be deemed to authorize the Company to effect any reduction in its capital except in accordance with the provisions contained in that behalf in the Act.</p> <p>iv. No debt incurred by the Company in excess of the limit imposed by sub-clause (d) of clause (i) above, shall be valid or effectual, unless the lender proves that he advanced the loan in good faith and without knowledge that the limit imposed by that clause had been exceeded.</p>	<b>Restriction on powers of Board</b>
127.	Due regard and compliance shall be observed in regard to matters dealt with by or in the Explanation contained in Section 180 of the Companies Act, 2013 and in regard to the limitations on the power of the Company contained in Section 182 of the Companies Act,	

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	2013.	
128.	Subject to the provisions of the Act, the management of the business of the Company shall be vested in the Directors and the Directors 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 statue 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 Act 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 Directors which would have been valid if such regulation had not beenmade.	<b>General powers of the Company vested in Directors</b>
129.	<p>Without prejudice to the general powers conferred by Article above and the other powers conferred by these presents and so as not in anyway to limit any or all of those powers and subject to the provisions of the Act and these Articles, it is hereby expressly declared that the Directors shall have the following powers:</p> <ol style="list-style-type: none"> <li>to pay and charge to the capital account of the Company and interest lawfully payable thereon under the provisions of Sections 76 corresponding to Section 40 of the Companies Act,2013;</li> <li>to purchase or otherwise acquire any lands, buildings, machinery, premises, hereditaments, property effects, assets, rights, credits, royalties, bountiesand goodwill of any person, firm or Company carrying on the business which this Company is authorized to carry on, at or for such price or consideration and generally on such terms and conditions as they may think fit; and in any such purchase or acquisition to accept such title as the Board may believe or may be advised to be reasonablesatisfactory;</li> <li>to purchase, or take on lease for any term or terms of years, or otherwise acquire any mills or factories or any land or lands, with or without buildings and outhouses thereon, situate in any part of India, at such price or rent and under and subject to such terms and conditions as the Directors may think fit; and in any such purchase, lease or other acquisition to accept such title as the Directors may believe or may be advised to be reasonablysatisfactory;</li> <li>to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partially, in cash or in shares, bonds, debentures, debenture stock or other securities of the Company, and any such shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures, debenture stock or other securities may be either specifically charged upon all or any part of the property of</li> </ol>	<b>Specific power given to Directors</b>

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	the Company and its uncalled capital or not so charged;	
v.	To erect, construct, enlarge, improve, alter, maintain, pull down rebuilt or reconstruct any buildings, factories, offices, workshops or other structures, necessary or convenient for the purposes of the Company and to acquire lands for the purposes of the Company;	
vi.	To let, mortgage, charge, sell or otherwise dispose of subject to the provisions of Section 180 of the Companies Act, 2013 any property of the Company either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as they think fit and to accept payment or satisfaction for the same in cash or otherwise, as they may think fit;	
vii.	To insure and keep insured against loss or damage by fire or otherwise, for such period and to such extent as they may think proper, all or any part of the building, machinery, goods, stores, produce and other moveable property of the Company either separately or co-jointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power;	
viii.	Subject to Section 179 of the Companies Act, 2013 to open accounts with any bank or bankers or with any Company, firm, or individual and to pay money into and draw money from any account from time to time as the Directors may think fit;	
ix.	To secure the fulfillment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the properties of the Company and its unpaid capital for the time being or in such other manner as they may think fit;	
x.	To attach to any shares to be issued as the consideration for any contract with or property acquired by the Company, or in payment for services rendered to the Company, such conditions, subject to the provisions of the Act, as to the transfer thereof as they may think fit;	
xi.	To accept from any member on such terms and conditions as shall be agreed, a surrender of his shares or stock or any part thereof subject to the provisions of the Act;	
xii.	To appoint any person or persons (whether incorporated or not) to accept and hold in trust for the Company any property belonging to the Company or in which it is interested or for other purposes and to execute and do all such deeds and things as may be requisite in relation to any such trusts and to provide for the remuneration of such trustee or trustees;	

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	<p>xiii. To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its Officers or otherwise concerning the affairs of the Company and also subject to the provisions of Section 180 of the Companies Act, 2013 to compound and allow time for payment or satisfaction of any debts due, or of any claims or demands by or against the Company;</p> <p>xiv. Subject to the provisions of Sections 180 of the Companies Act, 2013 to invest and deal with any of the moneys of the Company, not immediately required for the purpose thereof, upon such Shares, securities or investments (not being Shares in this Company) and in such manner as they may think fit, and from time to time to vary or realize such investments.</p> <p>xv. Subject to such sanction as may be necessary under the Act or these Articles, to give any Director, Officer, or other person employed by the Company, an interest in any particular business or transaction either by way of commission on the gross expenditure thereon or otherwise or a share in the general profits of the Company, and such interest, commission or share of profits shall be treated as part of the working expenses of the Company.</p> <p>xvi. To provide for the welfare of employees or ex-employees of the Company and their wives, widows, families, dependents or connections of such persons by building or contributing to the building of houses, dwelling, or crawls or by grants of money, pensions, allowances, gratuities, bonus or payments by creating and from time to time subscribing or contributing to provident and other funds, institutions, or trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendances and other assistance as the Directors shall think fit;</p> <p>xvii. To establish and maintain or procure the establishment and maintenance of any contributory or noncontributory pension or superannuation funds for the benefit of, and give or procure the giving of donations, gratuities, pensions, allowances or emoluments, to any persons who are or were at any time in the employment or services of the Company, or of any Company which is a subsidiary of the Company or is allied to or associated with the Company or with any such subsidiary Company, or who are or were at any time Directors or officers of the Company or of any such other Company as aforesaid, and the wives, widows, families and dependents of any such persons and, also to establish and subsidize and subscribe to any institution, association, clubs or funds collected to be for the benefit of or to advance the interests and wellbeing of the Company or of any such other Company as aforesaid, and make payments to or towards the insurance of any such person as aforesaid and do any of the matters aforesaid, either alone or in conjunction with any such other Company as aforesaid;</p>	

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	<p>xviii. To decide and allocate the expenditure on capital and revenue account either for the year or period or spread over the years.</p> <p>xix. To appoint and at their discretion to remove or suspend such Managers, Secretaries, Officers, Clerks, Agents and servants for permanent, temporary or special service as they may from time to time think fit, and to determine their powers and duties, and fix their salaries or emoluments and require security in such instances and to such amounts as they may think fit, and from time to time to provide for the management and transactions of the affairs of the Company in any special locality in India in such manner as they may think fit. The provisions contained in the clause following shall be without prejudice to the general powers conferred by this clause.</p> <p>xx. At any time and from time to time by power of attorney to appoint any person or persons to be the Attorney or Attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these presents) and for such period and subject to such conditions as the Directors may from time to time think fit and any such appointment (if the Directors may think fit) be made in favour of any Company or the members, directors, nominees or managers of any Company or firm or otherwise in favour of any fluctuating body or person whether nominated, directly or indirectly by the Directors and such power of attorney may contain any such powers for the protection or convenience of persons dealing with such Attorneys as the Directors may think fit; and may contain powers enabling any such delegates or Attorneys as aforesaid to sub-delegate all or any of the powers, authorities, and discretion for the time being vested in them.</p> <p>xxi. To enter into all such negotiations, contracts and rescind and/or vary all such contracts and to execute and do all such acts, deeds, and things in the name of on behalf of the Company as they may consider expedient for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company;</p>	
130.	a) Subject to the provisions of the Act and of these Articles the Board shall have power to appoint from time to time one or more Directors as Managing Director or Managing Directors and/or Whole-time Directors of the Company for a fixed term not exceeding five years at a time and upon such terms and conditions as the Board thinks fit, and the Board may by resolution vest in such Managing Director(s)/Whole-time Director(s), such of the power hereby vested in the Board generally as it thinks fit, and such powers may be made exercisable for such period or periods, and upon such condition and subject to such restriction as it may determine, the remuneration of such Directors may be by way of monthly remuneration and/or fee for each meeting and/or	<b>MANAGING DIRECTORS</b> <b>Power to appoint Managing and Whole-time Director</b>



ARTICLE NO.	INTERPRETATION	HEADING
	<p>participation in profits, or by any or all of those modes, or of any other mode not expressly prohibited by the Act.</p> <p>b) Subject to the approval of shareholders in their meeting, the managing director of the Company may be appointed and continue to hold the office of the chairman and managing director or Chief Executive officer of the Company at the same time.</p> <p>c) Subject to the provisions of Sections 197 &amp; 198 of the Act, the appointment and payment of remuneration to the above Director shall be subject to approval of the members in general meeting and of the Central Government.</p>	
131.	<p>a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.</p> <p>b) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.</p>	<b>Proceedings of the Board</b>
132.	The quorum for meetings of Board/Committee shall be as provided in the Act or under the rules.	
133.	<p>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.</p> <p>b) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.</p>	
134.	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.	
135.	The participation of directors in a meeting of the Board/Committees 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.	
136.	<p>a) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.</p> <p>b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.</p>	
137.	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.	<b>Delegation of Powers of Board to Committee</b>

ARTICLE NO.	INTERPRETATION	HEADING
	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.	
138.	a) A committee may elect a Chairperson of its meetings.  b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.	
139.	a) A committee may meet and adjourn as it thinks fit.  b) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.	
140.	All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.	
141.	Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.	
142.	Subject to the provisions of the Act,— a) A chief executive officer, manager, Company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, Company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;  b) A director may be appointed as chief executive officer, manager, Company secretary or chief financial officer.	<b>Chief Executive Officer, Company Secretary or Chief Financial Officer</b>
143.	A provision of the Act or these regulations requiring or authorizing a thing to be done by or to a director and chief executive officers, manager, Company Secretary or chief Financial Officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.	
144.	a) The Board shall provide for the safe custody of the seal.	<b>The Seal</b>

ARTICLE NO.	INTERPRETATION	HEADING
	b) The seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the Company is so affixed in their presence.	
145.	The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.	
146.	Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the Company.	
147.	<p>a) The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalising 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.</p> <p>b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.</p>	
148.	<p>a) 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.</p> <p>b) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.</p> <p>c) 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.</p>	
149.	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	

ARTICLE NO.	INTERPRETATION	HEADING
	of the Company.	
150.	<p>a) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.</p> <p>b) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.</p>	
151.	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.	
152.	Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.	
153.	<p>No dividend shall bear interest against the Company.</p> <p>Provided however that no amount outstanding as unclaimed dividends shall be forfeited unless the claim becomes barred by law and that such forfeiture, when effected, will be annulled in appropriate cases;</p>	
154.	<p>Where a dividend has been declared by a company but has not been paid or claimed within thirty days from the date of the declaration, the company shall, within seven days from the date of expiry of the thirty days, transfer the total amount of dividend which remains unpaid or unclaimed to a special account to be opened by the company in that behalf in any scheduled bank to be called the Unpaid Dividend Account as per provisions of section 124 and any other pertinent provisions in rules made thereof.</p> <p>The company shall transfer any money transferred to the unpaid dividend account of a company that remains unpaid or unclaimed for a period of seven years from the date of such transfer, to the Fund known as Investor Education and Protection Fund established under section 125 of the Act.</p>	
155.	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.	
156.	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.	

ARTICLE NO.	INTERPRETATION	HEADING
157.	<p>a) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection of members not being directors.</p> <p>b) No member (not being a director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorized by the Board or by the Company in general meeting.</p>	<b>Accounts</b>
158.	<p>Minutes Books of General Meetings</p> <p>a) The books containing the minutes of the proceedings of any general meeting of the Company shall;</p> <ol style="list-style-type: none"> <li>be kept at the registered office of the Company, and</li> <li>be open, during the business hours to the inspection of any member without charge subject such reasonable restrictions as the Company may, in general meeting impose so however that not less than two hours in each day are allowed for inspection.</li> </ol> <p>Provided however that any person willing to inspect the minute's books of General Meetings shall intimate to the Company his willingness at least 15 days in advance.</p> <p>b) Any member shall be entitled to be furnished, within seven days after he has made a request in that behalf of the Company, with a copy of any minutes referred to in Clause (a) above, on payment of Rs. 10/- (Ten Rupees only) for each page or part thereof.</p>	<b>Inspection of Statutory Documents of the Company</b>
159.	<p>a) The Company shall keep at its registered office a Register of charges and enter therein all charges and floating charges specifically affecting any property or assets of the Company or any of its undertakings giving in each case the details as prescribed under the provisions of the Act.</p> <p>b) The register of charges and instrument of charges, as per clause (i) above, shall be open for inspection during business hours—</p> <ol style="list-style-type: none"> <li>by any member or creditor without any payment of fees; or</li> <li>by any other person on payment of such fees as may be prescribed,</li> </ol> <p>Provided however, that any person willing to inspect the register of charges shall intimate to the Company at least 15 days in advance, expressing his willingness to inspect the register of charges, on the desired date.</p>	<b>Register of charges</b>
160.	<p>a) The first Auditor of the Company shall be appointed by the Board of Directors within 30 days from the date of registration of the Company and the Auditors so appointed shall hold office until the conclusion of the first Annual</p>	<b>Audit</b>

ARTICLE NO.	INTERPRETATION	HEADING
	General Meeting.	
	<ul style="list-style-type: none"> <li>b) Appointment of Auditors shall be governed by provisions of Companies Act 2013 and rules made thereunder.</li> <li>c) The remuneration of the Auditor shall be fixed by the Company in the Annual General Meeting or in such manner as the Company in the Annual General Meeting may determine. In case of an Auditor appointed by the Board his remuneration shall be fixed by the Board.</li> <li>d) The Board of Director may fill any casual vacancy in the office of the auditor and where any such vacancy continues, the remaining auditor, if any may act, but where such vacancy is caused by the resignation of the auditors and vacancy shall be filled up by the Company in General Meeting.</li> </ul>	
161.	<p>Subject to the provisions of Chapter XX of the Act and rules made there under—</p> <ul style="list-style-type: none"> <li>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.</li> <li>ii. For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.</li> </ul>	<b>Winding up</b>
162.	Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal Subject to the provisions of Chapter XX of the Act and rules made there under—	<b>Indemnity</b>
163.	<ul style="list-style-type: none"> <li>a) Every Director, Manager, Secretary, Trustee, Member or Debenture holder, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in or about the business of the company shall, if so required by the Board before entering upon their duties sign a declaration pledging themselves to observe a strict secrecy respecting all transactions of the Company with its customers and the state of accounts with individuals and in matters which may come to their knowledge in the discharge of their duties except when required to do so by the Board or by any meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions in these presents.</li> <li>b) No member shall be entitled to visit or inspect any works of the Company, without the permission of the Directors or to</li> </ul>	<b>Secrecy</b>

ARTICLE NO.	INTERPRETATION	HEADING
	<p>require discovery of or any information respecting any details of the Company's trading or business or any matter which is or may be in the nature of a trade secret, mystery of trade, secret or patented process or any other matter, which may relate to the conduct of the business of the Company and which in the opinion of the directors ,it would be in expedient in the interests of the Company to disclose.</p>	

## **SECTION IX – OTHER INFORMATION**

### **MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION**

The following contracts (not being contracts entered into in the ordinary course of business carried on by the Company or entered into more than two years before the date of the Draft Prospectus) which are or may be deemed material have been entered or to be entered into by the Company which are or may be deemed material will be attached to the copy of the Draft Prospectus, delivered to the Registrar of Companies, for registration. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered and Corporate Office between 10 a.m. and 5 p.m. on all Working Days from the date of this Draft Prospectus until the Issue Closing Date.

#### **Material Contracts**

1. Issue Agreement dated May 25, 2018 between our Company and the Lead Manager.
2. Registrar Agreement dated May 25, 2018 between our Company and Registrar to the Issue.
3. Underwriting Agreement dated May 25, 2018 between our Company and the Underwriter viz. Lead Manager.
4. Market Making Agreement dated May 25, 2018 between our Company, the Market Maker and the Lead Manager.
5. Bankers to the Issue Agreement dated May 28, 2018, amongst our Company, the Lead Manager, Banker(s) to the Issue and the Registrar to the Issue.
6. Tripartite agreement among the NSDL, our Company and Registrar to the Issue dated [●], 2018.
7. Tripartite agreement among the CDSL, our Company and Registrar to the Issue dated [●], 2018.

#### **Material Documents**

1. Certified copies of the updated Memorandum and Articles of Association of our Company along with certificates of incorporation and certificate of commencement of business as amended from time to time.
2. Resolutions of the Board of Directors dated May 17, 2018 in relation to the Issue and other related matters.
3. Shareholders' resolution dated May 23, 2018 in relation to the Issue and other related matters.
4. Annual Reports of our Company for period ended December 31, 2018 and financial years ended on March 31, 2017, 2016, 2015, 2014 and 2013 of our Company.
5. Statement of Possible Tax Benefits dated May 24, 2018 issued by Mahesh C. Solanki & Co. our Peer review Auditors, Chartered Accountants.
6. Report of the Peer Review Auditor, Mahesh C. Solanki & Co., Chartered Accountants, on the Restated Financial Statements for the period ended December 31, 2018 and Financial Year ended on March 31, 2017, 2016, 2015, 2014 and 2013 of our Company.
7. Consents of Promoters, Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditors, Peer Reviewed Auditors, Bankers to the Company, Legal Advisor to the Issue, the Lead Manager, Registrar to the Issue, Underwriter, Market Maker, Banker to the Issue to act in their respective capacities.



8. Due Diligence Certificate dated May 29, 2018 from Lead Manager.
9. Copy of approval from National Stock Exchange of India Limited *vide* in-principle letter dated [●] to us the name of National Stock Exchange of India Limited in the issue document for listing of Equity Shares on Emerge Platform of National Stock Exchange of India Limited.
10. Copy of Managing Director Agreement with Brijkishore Goyal & Whole-time Directors Agreement with Gopal Goyal and Rajendra Kumar Goyal and our Company dated May 23, 2018 for their re-appointment

## DECLARATION BY THE COMPANY

We, the under signed, hereby certify and declare that, all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the regulations / guidelines issued by SEBI, 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 and Exchange Board of India Act, 1992 or rules made there under or regulations / guidelines issued, as the case may be. We further certify that all the disclosures and statements made in this Draft Prospectus are true and correct.

### Signed by all the Directors of our Company

Name and Designation	Signature
Brijkishore Goyal <i>Managing Director</i> DIN- 00012185	Sd/-
Gopal Goyal <i>Whole-time Director</i> DIN- 00012164	Sd/-
Rajendra Kumar Goyal <i>Whole-time Director</i> DIN- 00012150	Sd/-
Pramod Kumar Bhawsar <i>Non Executive Independent Director</i> DIN- 07825119	Sd/-
Mohit Bhandari <i>Non Executive Independent Director</i> DIN- 08139828	Sd/-
Shreya Bhargava <i>Non Executive Independent Director</i> DIN- 03373849	Sd/-

### Signed by Chief Financial Officer and Company Secretary & Compliance Officer of the Company

Sd/-	Sd/-
Shweta Motwani <i>Company Secretary &amp; Compliance Officer</i> PAN- DJCPM3839M	Dasharath Tomar <i>Chief Financial Officer</i> PAN- ACLPT7677B

**Place:** Indore

**Date:** May 29, 2018.