



**G M POLYPLAST LIMITED**  
 (Formerly known as “G. M. Polyplast Private Limited”)

Our Company was originally incorporated as G. M. Polyplast Private Limited on November 27, 2003 at Mumbai, Maharashtra as a Private Limited Company under the Companies Act, 1956 with the Registrar of Companies, Mumbai, Maharashtra. Subsequently, our Company was converted into Public Limited Company pursuant to Shareholders Resolution passed at the Extraordinary General Meeting of our Company held on July 06, 2020 and the name of our Company was changed to “G M Polyplast Limited” and a Fresh Certificate of Incorporation consequent upon conversion from Private Company to Public Company dated July 30, 2020 was issued by Registrar of Companies, Mumbai, being Corporate Identification Number U25200MH2003PLC143299. For further details of incorporation, change of name and Registered Office of our Company, please refer to section titled ‘Our History and Certain Other Corporate Matters’ beginning on page 115 of this Prospectus.

**Registered Office:** A-66, New Empire Industrial Estate, Kondivita Road, Andheri East, Mumbai- 400059, Maharashtra, India

**Contact Person:** Ms. Dimple Amrit Parmar, Company Secretary and Compliance Officer

**Tel:** +91 – 022-2820 9552; **E-mail:** info@gmpolyplast.com; **Website:** www.gmpolyplast.com

**OUR PROMOTERS: MR. DINESH BALBIRSHING SHARMA AND MS. SARITA DINESH SHARMA**

**THE OFFER**

PUBLIC OFFER OF 5,08,800 EQUITY SHARES OF FACE VALUE OF ₹10.00 EACH (“EQUITY SHARES”) OF G M POLYPLAST LIMITED (THE “COMPANY” OR THE “ISSUER”) FOR CASH AT A PRICE OF ₹159.00 PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹149.00 PER EQUITY SHARE (THE “OFFER PRICE”) AGGREGATING TO ₹808.99 LAKH (“THE OFFER”) COMPRISING OF A FRESH ISSUE OF 3,22,800 EQUITY SHARES AGGREGATING TO ₹513.25 LAKH (THE “FRESH ISSUE”) AND AN OFFER FOR SALE OF 1,86,000 EQUITY SHARES BY THE PROMOTER SELLING SHAREHOLDERS (“OFFER FOR SALE”) AGGREGATING TO ₹295.74 LAKH OF WHICH 25,600 EQUITY SHARES OF FACE VALUE OF ₹10.00 EACH FOR CASH AT A PRICE OF ₹159.00 PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹149.00 PER EQUITY SHARE AGGREGATING TO ₹40.70 LAKH WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE OFFER (THE “MARKET MAKER RESERVATION PORTION”). THE OFFER LESS THE MARKET MAKER RESERVATION PORTION i.e. NET OFFER OF 4,83,200 EQUITY SHARES OF FACE VALUE OF ₹10.00 EACH AT A PRICE OF ₹159.00 PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹149.00 PER EQUITY SHARE AGGREGATING TO ₹768.29 LAKH (THE “NET OFFER”). THE OFFER AND THE NET OFFER WILL CONSTITUTE 26.46% AND 25.13% RESPECTIVELY OF THE POST OFFER PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY

**THE FACE VALUE OF THE EQUITY SHARE IS ₹10.00 AND THE OFFER PRICE IS 15.9 TIMES OF THE FACE VALUE OF THE EQUITY SHARES**

In terms of Rule 19(2)(b)(i) of the SCRR this Offer is being made for at least 25% of the post-offer paid-up Equity Share capital of our Company. This Offer is being made through Fixed Price Offer in accordance and compliance with Chapter IX and other applicable provisions of ICDR Regulations wherein a minimum of 50% of the Net Offer is allocated for Retail Individual Investors and the balance shall be offered to individual Applicants other than Retail Individual Investors and other investors including corporate bodies or institutions, QIBs and Non -Institutional Applicants. However, if the aggregate demand from the Retail Individual Investors 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 Offer Price. Additionally, if the Retail Individual Investors category is entitled to more than 50% on proportionate basis, the Retail Individual Investors shall be allocated that higher percentage. For further details please refer the section titled ‘Offer Related Information’ beginning on page 226 of this Prospectus.

In terms of Regulation 256 of ICDR Regulations read with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, and Unified Payments Interface (“UPI”) introduced vide SEBI Circular Ref: SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, all potential Applicants shall participate in the Offer through an Application Supported by Blocked Amount (“ASBA”) process providing details about the bank accounts which will be blocked by the Self Certified Syndicate Banks (“SCSBs”) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, Retail Individual Investors applying in public offer may use either ASBA process or UPI payment mechanism by providing UPI-ID in the Application Form which is linked from bank account of the Applicant. For details in this regard, specific attention is invited to ‘Offer Procedure’ beginning on page 235 of this Prospectus.

**RISK IN RELATION TO THE FIRST OFFER**

This being the first Public Offer of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹10.00. The Offer Price (as determined by our Company in consultation with the Lead Manager as stated in ‘Basis for Offer Price’ beginning on page 77 of this Prospectus) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

**GENERAL RISKS**

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Offer 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 offering. For taking an investment decision, investors must rely on their own examination of the Issuer and the Offer including the risks involved. The Equity Shares in the Offer have neither been recommended nor approved by Securities and Exchange Board of India (“SEBI”) nor does SEBI guarantee the accuracy or adequacy of this Prospectus. Specific attention of the investors is invited to the section titled ‘Risk Factors’ beginning on page 24 of this Prospectus.

**ISSUER’S AND SELLING SHAREHOLDERS ABSOLUTE RESPONSIBILITY**

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to Our Company and the Offer which is material in the context of the Offer, that the information contained in this Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading, in any material respect. Further, the Selling Shareholders assumes responsibility that this Prospectus contains all information about themselves as a Selling Shareholders in the context of the Offer for Sale and further assumes responsibility for statements in relation to them included in this Prospectus

**LISTING**

The Equity Shares issued through the Prospectus are proposed to be listed on the SME Platform of BSE Limited. Our Company has received ‘in-principle’ approvals from BSE for the listing of the Equity Shares pursuant to letter no. LO/SME IPO/VM/IP/73/2020-21 dated September 22, 2020. For the purposes of the Offer, the Designated Stock Exchange shall be BSE Limited. A signed copy of the Prospectus shall be delivered to the RoC in accordance with Section 26(4) of the Companies Act 2013. For details of the material contracts and documents available for inspection from the date of the Prospectus up to the Offer Closing Date, see ‘Material Contracts and Documents for Inspection’ beginning on page 317 of this Prospectus.

**LEAD MANAGER TO THE OFFER**

 **GRETEX CORPORATE SERVICES PRIVATE LIMITED**  
 Office No. 13, 1<sup>st</sup> Floor, New Bansilal Building, Raja Bahadur Mansion, 9-15, Homi Modi Street, Fort, Mumbai – 400 001  
**Tel No.:** +91 – 22 – 4002 5273 / 98368 22199/ 98368 21999  
**Email:** info@gretexgroup.com/ mbk@gretexgroup.com  
**Website:** www.gretexcorporate.com  
**Contact Person:** Ms. Amina Khan  
**SEBI Registration No:** INM000012177  
**CIN:** U74999MH2008PTC288128

**REGISTRAR TO THE OFFER**

 **BIGSHARE SERVICES PRIVATE LIMITED**  
 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai – 400 059  
**Tel No.:** +91 – 22 – 6263 8200; **Fax No.:** +91 – 22 – 6263 8299  
**E-mail:** ipo@bigshareonline.com  
**Investor Grievance E-mail:** investor@bigshareonline.com  
**Website:** www.bigshareonline.com  
**Contact Person:** Mr. Arvind Tandel  
**SEBI Registration No.:** INR000001385  
**CIN:** U99999MH1994PTC076534

**OFFER PROGRAMME**

**OFFER OPENS ON: WEDNESDAY, SEPTEMBER 30, 2020**

**OFFER CLOSURES ON: TUESDAY, OCTOBER 06, 2020**

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## SECTION I: GENERAL

### DEFINITIONS AND ABBREVIATIONS

*This Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning as provided below. References to any legislation, act, regulation, rules, guidelines or policies shall be to such legislation, act, regulation, rules, guidelines or policies, as amended, supplemented or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.*

*The words and expressions used in this Prospectus but not defined herein shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, the SEBI (ICDR) Regulations, the SCRA, the Listing Regulations, the Depositories Act or the Rules and Regulations made thereunder.*

*Notwithstanding the foregoing, terms used in of the sections “Statement of Possible Tax Benefits”, “Financial Statement as Restated”, “Main Provisions of Articles of Association”, “Basis for Offer Price”, “Our History and Certain Corporate Matters”, “Other Regulatory and Statutory Disclosures” and “Outstanding Litigations and Material Developments” beginning on pages 80, 148, 302, 77, 115, 213 and 206 respectively, shall have the meaning ascribed to such terms in the relevant section.*

#### COMPANY RELATED TERMS

Term	Description
“G M Polyplast Limited”, “G M Polyplast”, “GMPL”, “We” or “us” or “Our Company” or “the Issuer”	Unless the context otherwise indicates or implies, refers to G M Polyplast Limited, a public limited company incorporated as private limited under the Companies Act, 1956 and having Registered Office at A-66 New Empire Industrial Estate Kondivita Road, Andheri East, Mumbai – 400059, Maharashtra, India.
AOA/Articles / Articles of Association	Unless the context otherwise requires, refers to the Articles of Association of G M Polyplast Limited, as amended from time to time
Audit Committee	Audit Committee of our Company constituted in accordance Section 177 of the Companies Act, 2013 and as described in the chapter titled “ <b>Our Management</b> ” beginning on page 119 of this Prospectus.
Auditor of our Company/ Statutory Auditor	The Statutory Auditors of our Company, being M/s. Anay Gogte & CO., Chartered Accountants holding a valid peer review certificate as mentioned in the section titled “ <b>General Information</b> ” beginning on page 52 of this Prospectus.
Banker to our Company	Yes Bank Limited, as disclosed in the section titled “ <b>General Information</b> ” beginning on page 52 of this Prospectus.
Board/ Board of Directors / Our Board	The Board of Directors of our Company, including all duly constituted Committees thereof. For further details of our Directors, please refer to chapter titled “ <b>Our Management</b> ” beginning on page 119 of this Prospectus.
Companies Act	The Companies Act, 2013, as amended from time to time.
Chief Financial Officer / CFO	The Chief Financial Officer of our Company as mentioned in the chapter titled “ <b>General Information</b> ” beginning on page 52 of this Prospectus.
Company Secretary & Compliance Officer	The Company Secretary and Compliance Officer of our Company as mentioned in the chapter titled “ <b>General Information</b> ” beginning on page 52 of this Prospectus.
Director(s)/ our Directors	Director(s) of our company unless otherwise specified
Depositories Act	The Depositories Act, 1996, as amended from time to time
Depositories	National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
Equity Shares / Shares	The equity shares of our Company of face value of ₹10.00 each unless otherwise specified in the context thereof
Equity Shareholders / Shareholders	Persons/ Entities holding Equity Shares of the Company

Term	Description
Financial Statements as Restated	The Financial Statements as Restated of our Company which comprises of the restated balance sheet, the profit and loss account and the restated cash flow statement for the Financial Years ended March 31,2020; 2019; and 2018, together with the annexures and the notes thereto, which we have been prepared in accordance with the Companies Act, the applicable Accounting Standards and restated in accordance with the SEBI (ICDR) Regulations.
Group Companies/Entities	Such companies/ entities as covered under the applicable accounting standards and such other companies as considered material by the Board. For details of our Group Companies/ entities, please refer <b>“Our Group Entities”</b> beginning on page 145 of this Prospectus.
Indian GAAP	Generally Accepted Accounting Principles in India
Independent Directors	Independent directors on the Board, and eligible to be appointed as an independent director under the provisions of Companies Act and SEBI Listing Regulations. For details of the Independent Directors, please refer chapter titled <b>“Our Management”</b> beginning on page 119 of this Prospectus
ISIN	International Securities Identification Number, being INE0E2801015
Key Management Personnel / KMP	Key Managerial Personnel of our Company in terms of the Companies Act, 2013 and Regulation 2(1) (bb) of the SEBI (ICDR) Regulations 2018 and Section 2(51) of the Companies Act, 2013. For details, see section entitled <b>“Our Management”</b> beginning on page 119 of this Prospectus.
MD or Managing Director	The Managing Director of our Company, Mr. Dinesh Balbirsingh Sharma
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board on September 05, 2020 in accordance with the requirements of the SEBI (ICDR) Regulations
MoA / Memorandum of Association	The Memorandum of Association of our Company, as amended from time to time
Nomination & Remuneration Committee	The nomination and remuneration committee of our Company constituted in accordance with Section 178 of the Companies Act, 2013, as disclosed in the chapter titled <b>“Our Management”</b> beginning on page 119 of this Prospectus.
Promoters	The promoters of our Company being Mr. Dinesh Balbirsingh Sharma and Ms. Sarita Dinesh Sharma, for further details, please refer to chapter titled <b>“Our Promoters and Promoter Group”</b> beginning on page 140 of this Prospectus.
Promoter Group	Includes individuals, companies and entities forming part of our Promoter Group as per Regulation 2(1)(pp) the SEBI ICDR Regulations, 2018 and as disclosed in the chapter titled <b>“Our Promoters and Promoter Group”</b> beginning on page 140 of this Prospectus
Registered Office	The registered office of our Company situated at A-66 New Empire Industrial Estate Kondivita Road, Andheri East, Mumbai – 400059, Maharashtra, India
RoC / Registrar of Companies	Registrar of Companies, Mumbai situated at Registrar of Companies, 100, Everest, Marine Drive, Mumbai – 400 002, Maharashtra, India.
Selling Shareholders	Mr. Dinesh Balbirsingh Sharma and Ms. Sarita Dinesh Sharma
Stakeholders’ Relationship Committee	The Stakeholder’s Relationship Committee of our Company constituted in accordance with Section 178 of Companies Act, 2013 and as described under the chapter titled <b>“Our Management”</b> beginning on page 119 of this Prospectus.

#### OFFER RELATED TERMS

Term	Description
Abridged Prospectus	Abridged Prospectus to be issued under Regulation 255 of SEBI ICDR Regulations and appended to the Application Form
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of having accepted the Application Form.
Allocation/ Allocation of Equity Shares	Unless the context otherwise requires, the allotment of the Equity Shares pursuant to the Offer.
Allot / Allotment /Allotted	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Offer of Equity Shares to the successful Applicants

Term	Description
Allottee(s)	A successful Applicant(s) to whom the Equity Shares are being/ have been allotted
Applicant/Investor	Any prospective investor who makes an application pursuant to the terms of the Prospectus and the Application Form.
Application	An indication to make an offer during the Offer Period by an Applicant, pursuant to submission of Application Form, to subscribe for or purchase our Equity Shares at the Offer Price including all revisions and modifications thereto, to the extent permissible under the SEBI (ICDR) Regulations
Application Amount	The number of Equity Shares applied for and as indicated in the Application Form multiplied by the price per Equity Share payable by the Applicants on submission of the Application Form
Application Form	The form in terms of which an Applicant shall make an Application and which shall be considered as the application for the Allotment pursuant to the terms of this Prospectus
Application Supported by Blocked Amount/ ASBA	The application (whether physical or electronic) by an Applicant to make an Application authorizing the relevant SCSB to block the Application Amount in the relevant ASBA Account.
ASBA Account	Account maintained with an SCSB and specified in the Application Form which will be blocked by such SCSB to the extent of the appropriate Application Amount in relation to an Application by an Applicant
ASBA Applicant(s)	Any prospective investors in this Offer who apply for Equity Shares of our Company through the ASBA process in terms of this Prospectus
Bankers to the Offer/ Refund Banker	Bank which is a clearing member and registered with SEBI as banker to an Offer and with whom the Public Offer Account will be opened, in this case being ICICI Bank Limited
Bankers to the Offer Agreement	Bank which is a clearing member and registered with SEBI as Banker to the Offer and with whom the Public Offer Account will be opened, in this case being ICICI Bank Limited.
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Applicants under the Offer, described in “ <i>Offer Procedure</i> ” beginning on page 235 of this Prospectus
Broker Centers	Broker centers notified by the Stock Exchanges, where the Applicants can submit the Application Forms to a Registered Broker. The details of such broker centers, along with the name and contact details of the Registered Brokers, are available on the website of the BSE Limited on the following link- <a href="http://www.bseindia.com">www.bseindia.com</a>
Brokers to the Offer	All recognized members of the stock exchange would be eligible to act as the Brokers to the Offer
Business Day	Any day on which commercial banks are open for the business
CAN / Confirmation of Allocation Note	Confirmation of Allocation Note/the note or advice or intimation of Allotment, sent to each successful Applicant who has been or is to be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange
Client ID	Client identification number of the Applicant’s beneficiary account
Collecting Depository Participant or CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Application Forms at the Designated CDP Locations in terms of circular no. GR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Controlling Branches/ Controlling Branches of the SCSBs.	Such branches of the SCSBs which co-ordinate Application Forms by the ASBA Applicants with the Registrar to the Issue and SME Platform of BSE Limited 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 and UPI ID wherever applicable.

Term	Description
Depository / Depositories	A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 1996
Depository Participant / DP	A depository participant as defined under the Depositories Act
Designated CDP Locations	Such locations of the CDPs where Applicants can submit the Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the website of the Stock Exchange ( <a href="http://www.bseindia.com">www.bseindia.com</a> )
Designated Date	The date on which the amounts blocked by the SCSBs are transferred from the ASBA Accounts to the Public Offer Account or unblock such amounts, as appropriate in terms of this Prospectus
Designated Intermediaries / Collecting Agent	An SCSB with whom the bank account to be blocked, is maintained, a syndicate member (or sub-syndicate member), a Registered Broker, Designated CDP Locations for CDP, a Registrar to the Offer and Share Transfer Agent (RTA) (whose names are mentioned on website of the stock exchange as eligible for this activity)
Designated Market Maker / Market Maker	In our case, Gretex Share Broking Private Limited having its registered office at Office No. 13, 1 <sup>st</sup> Floor, New Bansilal Building, Raja Bahadur Mansion, 9-15, Homi Modi Street, Fort Mumbai – 400 023, Maharashtra, India.
Designated RTA Locations	Such locations of the RTAs where Applicants can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the website of the Stock Exchange ( <a href="http://www.bseindia.com">www.bseindia.com</a> )
Designated SCSB Branches	Such branches of the SCSBs which shall collect the Application Forms, a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/">http://www.sebi.gov.in/</a> or at such other website as may be prescribed by SEBI from time to time
Designated Stock Exchange/ Stock Exchange	BSE Limited
Draft Prospectus	This Draft Prospectus dated September 18, 2020, filed with the BSE Limited
DP	Depository Participant
DP ID	Depository Participant's Identity number
Eligible NRI	NRI eligible to invest under the FEMA Regulations, from jurisdictions outside India where it is not unlawful to make an offer or invitation to participate in the Offer and in relation to whom the Application Form and the Prospectus will constitute an invitation to subscribe for Equity Shares and who have opened dematerialized accounts with SEBI registered qualified depository participants
Eligible QFI	Qualified Foreign Investors from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the Prospectus constitutes an invitation to purchase the Equity Shares offered thereby and who have opened dematerialized accounts with SEBI registered Qualified Depository Participants as QFIs and are deemed as FPIs under the SEBI FPI Regulations
Fresh Issue	Fresh Issue of 3,22,800 Equity Shares of face value ₹10.00 each of G M Polyplast Limited for cash at a price of ₹159.00 per Equity Shares (including premium of ₹149.00 per Equity Shares) aggregating ₹513.25 Lakh by our Company
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of Fugitive Economic Offenders Act, 2018
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

Term	Description
General Corporate Purposes	Include such identified purposes for which no specific amount is allocated or any amount so specified towards general corporate purpose or any such purpose by whatever name called, in the offer document. Provided that any issue related expenses shall not be considered as a part of general corporate purpose merely because no specific amount has been allocated for such expenses in the offer document.
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 23rd October, 2013, notified by SEBI read with SEBI Circular dated November 10, 2015 and bearing Reference No. CIR/CFD/POLICYCELL/11/2015 as amended and modified by the circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, and SEBI Circular bearing number (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 and Circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018.
Offer / Public Offer / Offer size / Initial Public Offer / Initial Public Offering/ IPO/ Present Offer	Public Offer of 5,08,800 Equity Shares of face value of ₹10.00 each of our Company for cash at a price of ₹159.00 per Equity Shares (including premium of ₹149.00 per Equity Shares) aggregating to ₹808.99 Lakh comprising of Fresh Issue of 3,22,800 Equity Shares of face value ₹10.00 each of our Company for cash at a price of ₹159.00 per Equity Shares (including premium of ₹149.00 per Equity Shares) aggregating ₹513.25 Lakh and Offer for Sale of 1,86,000 equity Shares of face value ₹10.00 each for cash at a price of ₹159.00 per Equity Shares (including premium of ₹149.00 per Equity Shares) aggregating to ₹295.74 Lakh by the Selling Shareholders.
Offer Agreement	The agreement dated September 05, 2020, entered into between our Company, the Selling Shareholders and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Offer.
Offer Closing Date	The date on which the Offer closes for subscription
Offer Opening Date	The date on which the Offer opens for subscription
Offer Period	The period between the Offer Opening Date and the Offer Closing Date, inclusive of both days during which prospective Applicants can submit their Applications, including any revisions thereof
Offer Price	The price at which Equity Shares are being issued by our Company being ₹159.00 per Equity Share (including premium of ₹149.00 per Equity Share)
Offer Proceeds	The proceeds of the Offer as stipulated by the Company. For further information about use of the Offer Proceeds please see the chapter titled “ <i>Objects of the Offer</i> ” beginning on page 71 of this Prospectus
Lead Manager / LM	The Lead Manager to the Offer, in this case being Gretex Corporate Services Private Limited
Listing Agreement	Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our Company and the BSE Limited.
Lot Size	The Market lot and Trading lot for the Equity Share is 800 and in multiples of 800 thereafter; subject to a minimum allotment of 800 Equity Shares to the successful applicants.
Market Making Agreement	Market Making Agreement dated September 05, 2020 between our Company, the Selling Shareholders, the Lead Manager and Market Maker.
Market Maker Reservation Portion	25,600 Equity Shares of ₹10.00 each at ₹159.00 per Equity Share (including premium of ₹149.00 per Equity Share) aggregating to ₹40.70 Lakh reserved for subscription by the Market Maker.
Net Offer	The Offer excluding the Market Maker Reservation Portion of 4,83,200 Equity Shares of face value of ₹10.00 each fully paid up for cash at a price of ₹159.00 per Equity Share (including premium of ₹149.00 per Equity Share) aggregating ₹768.29 Lakh by our Company
Net Proceeds	Proceeds of the Offer that will be available to our Company, which shall be the gross proceeds of the Offer less the Offer expenses

Term	Description
Non-Institutional Investors / NIIs	All Applicants, including Category III FPIs that are not QIBs or Retail Individual Investors who have made Application for Equity Shares for an amount of more than ₹2.00 Lakh (but not including NRIs other than Eligible NRIs)
Non-Resident	A person resident outside India, as defined under FEMA Regulations
Non-Resident Indian/ NRI	A person resident outside India, who is a citizen of India or a Person of Indian Origin as defined under FEMA Regulations, as amended
Offer for Sale/ OFS	The offer for sale of up to 1,86,000 Equity Shares for cash at a price of ₹159.00 per Equity Share (including premium of ₹149.00 per Equity Share) aggregating up to ₹295.74 Lakh by the Selling Shareholders at the Offer Price in terms of the Prospectus
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, Company, partnership, limited liability Company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires
Prospectus	The Prospectus to be filed with the RoC in accordance with the provisions of Section 26 and Section 28 of the Companies Act, 2013
Public Offer Account	The account to be opened with the Banker to the Offer under Section 40 of the Companies Act, 2013 to receive monies from the ASBA Accounts on the Designated Date
Qualified Institutional Buyers or QIBs	A qualified institutional buyer as defined under Regulation 2(1) (ss) of the SEBI ICDR Regulations, 2018
Refund Account	Account to which Application monies to be refunded to the Applicants
Registered Brokers	Stockbrokers registered with the stock exchanges having nationwide terminals
Registrar Agreement	The Agreement between the Registrar to the Offer and the Issuer Company dated September 05, 2020 in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer
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
Registrar to the Offer	Registrar to the Offer being Bigshare Services Private Limited.
Retail Individual Investors/ RIIs	Applicants (including HUFs, in the name of Karta and Eligible NRIs) whose Application Amount for Equity Shares in the Offer is not more than ₹2.00 Lakh.
Revision Form	The form used by the Applicants to modify the quantity of Equity Shares or the Application Amount in any of their Application Forms or any previous Revision Form(s), as applicable
SME Platform of BSE	The SME platform of BSE Limited, approved by SEBI as an SME Exchange for listing of equity shares offered under Chapter IX of the SEBI ICDR Regulations
Self-Certified Syndicate Banks or SCSB's	Banks registered with SEBI, offering services in relation to ASBA, a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> and updated from time to time and at such other websites as may be prescribed by SEBI from time to time
Share Escrow Agent	Share Escrow agent appointed pursuant to the Share Escrow Agreement, being Bigshare Services Private Limited
Share Escrow Agreement	Agreement dated September 05, 2020 entered into between the Selling Shareholders, our Company, the Escrow Agent and the Lead Manager in connection with the transfer of Equity Shares under the Offer for Sale by the Selling Shareholders and credit of such Equity Shares to the demat account of the Allottees
SME Platform of BSE	The SME platform of BSE Limited, approved by SEBI as an SME Exchange for listing of equity shares offered under Chapter IX of the SEBI ICDR Regulations, 2018.



Term	Description
Sponsor Bank	The Banker to the Offer registered with SEBI which is appointed by the issuer to act as a conduit between the Stock Exchanges and the National Payments Corporation of India in order to push the mandate collect requests and / or payment instructions of the RILs into the UPI, the Sponsor Bank in this case being ICICI Bank Limited
Underwriter	Gretex Corporate Services Private Limited
Underwriting Agreement	The agreement dated September 05, 2020 entered into between the Underwriters, our Company and the Selling Shareholders.
UPI	Unified Payments Interface (UPI) is an instant payment system developed by the NPCI. It enables merging several banking features, seamless fund routing & merchant payments into one hood. UPI allows instant transfer of money between any two persons bank accounts using a payment address which uniquely identifies a person's bank a/c.
UP ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI)
UPPIN	Password to authenticate UPI transaction
Working Days	<b>“Working days”</b> means all days on which commercial banks in the city as specified in the offer document are open for business. However, till issue period, working day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in the city as notified in the offer document are open for business. The time period between the bid/issue closing date and the listing of the specified securities on the stock exchanges, working day shall mean all trading days of the stock exchanges, excluding Sundays and bank holidays, as per circulars issued by the Board, as per the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 and in terms of regulation 2(1)(mmm) of SEBI ICDR Regulations 2018.

#### CONVENTIONAL AND GENERAL TERMS AND ABBREVIATIONS

Term	Description
A/c	Account
ACS	Associate Company Secretary
AGM	Annual General Meeting
AIF(s)	Alternative Investment Funds as defined in and registered with SEBI under SEBI AIF Regulations
Air Act	The Air (Prevention and Control of Pollution) Act, 1981
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India
ASBA	Applications Supported by Blocked Amount
Authorized Dealers	Authorized Dealers registered with RBI under the Foreign Exchange Management (Foreign Currency Accounts) Regulations, 2000
AY	Assessment Year
B. A.	Bachelor of Arts
B. Com	Bachelor of Commerce
Bn	Billion
CAGR	Compounded Annual Growth Rate
Category I Foreign Portfolio Investor(s)	FPIs registered as Category I Foreign Portfolio Investors under the SEBI FPI Regulations.
Category II Foreign Portfolio Investor(s)	An FPI registered as a Category II Foreign Portfolio Investor under the SEBI FPI Regulations
Category III Foreign Portfolio Investor(s)	FPIs registered as category III FPIs under the SEBI FPI Regulations, which shall include all other FPIs not eligible under category I and II foreign portfolio investors, such as endowments, charitable societies, charitable trusts, foundations, corporate bodies, trusts, individuals and family offices
CCI	The Competition Commission of India

Term	Description
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CGST	Central GST
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
COPRA	The Consumer Protection Act, 1986
CST	Central Sales Tax
Companies Act	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the Notified Sections) and the Companies Act, 2013, to the extent in force pursuant to the notification of the Notified Sections, read with the rules, regulations, clarifications and modifications thereunder
Companies Act 1956	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the Notified Sections)
Companies Act 2013	Companies Act, 2013, to the extent in force pursuant to the notification of the Notified Sections, read with the rules, regulations, clarifications and modifications thereunder
Consolidated FDI Policy	The current consolidated FDI Policy, effective from 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 time
Contract Act	The Indian Contract Act, 1872
CSR	Corporate Social Responsibility
Depositories Act	The Depositories Act, 1996
Depository	A depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GOI
DP	Depository Participant
DP ID	Depository Participant's identity number
DTC	Direct Tax Code, 2013
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortization
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
Electricity Act	The Electricity Act, 2003
EPA	The Environment Protection Act, 1986
EPF Act	The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
EPS	Earnings per share
ER Act	The Equal Remuneration Act, 1976
ESI Act	The Employees' State Insurance Act, 1948
FCNR Account	Foreign Currency Non-Resident (Bank) account established in accordance with the FEMA
FDI	Foreign direct investment
FEMA	The Foreign Exchange Management Act, 1999 read with rules and regulations there under
FEMA 2000	The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000
FII(s)	Foreign Institutional Investors as defined under SEBI FPI Regulations
Financial Year / Fiscal Year / FY	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year
FIPB	Foreign Investment Promotion Board
Foreign Portfolio Investor or FPIs	A foreign portfolio investor, as defined under the SEBI FPI Regulations and registered with SEBI under applicable laws in India.

Term	Description
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI
GAAP	Generally Accepted Accounting Principles
GIR Number	General Index Registry Number
GoI/Government	Government of India
Gratuity Act	The Payment of Gratuity Act, 1972
GST Act	The Central Goods and Services Tax Act, 2017
Hazardous Wastes Rules	Hazardous Wastes (Management, Handling and Trans boundary Movement) Rules, 2008
ICAI	The Institute of Chartered Accountants of India
ICSI	The Institute of Company Secretaries of India
ID Act	The Industrial Disputes Act, 1947
IDRA	The Industrial (Development and Regulation) Act, 1951
IE Act	The Indian Easements Act, 1882
IEM	Industrial Entrepreneurs Memorandum
IFRS	International Financial Reporting Standards
IFSC	Indian Financial System Code
IGST	Integrated GST
IT Act	Income Tax Act, 1961
Indian GAAP	Generally Accepted Accounting Principles in India
INR or Rupee or ₹ or Rs.	Indian Rupee, the official currency of the Republic of India
Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended.
IPO	Initial Public Offering
ISIN	International Securities Identification Number
KMP	Key Managerial Personnel
Ltd.	Limited
Maternity Benefit Act	Maternity Benefit Act, 1961
M. A	Master of Arts
M.B.A	Master of Business Administration
MCA	The Ministry of Corporate Affairs, GoI
M. Com	Master of Commerce
MCI	Ministry of Commerce and Industry, GoI
MSME	Micro, Small and Medium Enterprise
MWA	Minimum Wages Act, 1948
Mn	Million
MoEF	Ministry of Environment and Forests
MoF	Ministry of Finance, Government of India
MOU	Memorandum of Understanding
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
NA	Not Applicable
NAV	Net asset value
NI Act	The Negotiable Instruments Act, 1881
No.	Number
Noise Regulation Rules	The Noise Pollution (Regulation & Control) Rules 2000
Notified Sections	The sections of the Companies Act, 2013 that have been notified by the MCA and are currently in effect
NPV	Net Present Value
NR/ Non-resident	A person resident outside India, as defined under the FEMA and includes a Non-resident Indian
NRE Account	Non-Resident External Account established and operated in accordance with the FEMA
NRIs	Non-Resident Indians

Term	Description
NRO Account	Non-Resident Ordinary Account established and operated in accordance with the FEMA
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Bodies
p.a.	per annum
Pcs	Pieces
P/E Ratio	Price/Earnings Ratio
PAN	Permanent account number
PAT	Profit after Tax
PIL	Public Interest Litigation
POB Act	Payment of Bonus Act, 1965
PPP	Public Private Partnership
Public Liability Act/PLI Act	The Public Liability Insurance Act, 1991
Pvt./(P)	Private
PWD	Public Works Department of state governments
QFI(s)	Qualified Foreign Investor(s) as defined under the SEBI FPI Regulations
QIC	Quarterly Income Certificate
RBI	The Reserve Bank of India
R&D	Research & Development
Registration Act	The Indian Registration Act, 1908
RoC or Registrar of Companies	The Registrar of Companies
ROE	Return on Equity
RONW	Return on Net Worth
RTGS	Real Time Gross Settlement
Rule 144A	Rule 144A under the U.S. Securities Act, 1933
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time.
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act
SEBI (ICDR) Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, including instructions and clarifications issued by SEBI from time to time
SEBI (LODR) Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including instructions and clarifications issued by SEBI from time to time
SEBI Act	The Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternate Investment Funds) Regulations, 2012
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
Sec.	Section
SGST	State GST
SHWW/SHWW Act	The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
SME	Small and Medium Enterprise
STT	Securities Transaction Tax
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time.
TM Act	The Trademarks Act, 1999
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
U.S. Securities Act	The United States Securities Act, 1933
US\$ or USD or US Dollars	United States Dollar, the official currency of the United States of America
USA or U.S. or US	United States of America

Term	Description
VAT	Value Added Tax
Wages Act	Payment of Wages Act, 1936
Water Act	The Water (Prevention and Control of Pollution) Act, 1974
WCA	The Workmen's Compensation Act, 1923
Wilful Defaulter	A wilful defaulter, as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations, means a person or an issuer who or which is categorized as a wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India

#### TECHNICAL / INDUSTRY RELATED TERMS

Term	Description
A.B.S	Acrylonitrile Butadiene Styrene
A-PET	Amorphous Polyethylene Terephthalate
ASSOCHAM	Associated Chambers of Commerce and Industry of India
BCG	Boston Consulting Group
B2B	Business-to-business
CAGR	Compound Annual Growth Rate
CPI	Consumer Price Index
EMCs	Electronics Manufacturing Clusters
EPC	Engineering Procurement Construction
ESD materials	Electrostatic discharge materials
EUR	EURO
FCI	Food Corporation of India
FDI	Foreign Direct Investment
FTP	Foreign Trade Policy
GDP	Gross Domestic Product
GFSR	Global Financial Stability Report
GST	Goods and Service Tax
GVA	Gross Value Added
GW	gigawatt
HDPE	High Density Polyethylene
H.I.P.S	High Impact Polystyrene
IIP	Index of Industrial Production
ILO	International Labour Organisation
ITI	Industrial Training Institutes
LDPE	low-density polyethylene
M&A	mergers and acquisition
MEIS	Merchandise Exports from India Scheme
MMR	Maternal Mortality Ratio
MOSPI	Ministry of Statistics and Programme Implementation
NASSCOM	The National Association of Software and Services Companies
NPE	National Policy on Electronics
P.E.T	Polyethylene Terephthalate
PE	private equity
PP	Polypolyne
PPE	produce polyphenylene ether
PPP	purchasing power parity
PLEXCONCIL	Plastics Export Promotion Council
PMI	Purchasing Managers' Index
PMAY(U)	Pradhan Mantri Awas Yojana (Urban)
PMGK	Pradhan Mantri Garib Kalyan Package
PMKK	Pradhan Mantri Kaushal Kendras
PMKVY	Pradhan Mantri Kaushal Vikas Yojana
PMSBHGY	Pradhan Mantri Sahaj Bijli Har Ghar Yojana (SAUBHAGYA)



<b>Term</b>	<b>Description</b>
PVC	polyvinyl chloride
R-PET	Recycled Polyethylene Terephthalate
RBI	Reserve Bank of India
SEIS	Service Exports from India Scheme
TARI	Thought Arbitrage Research Institute
US	United States
USA	United States of America
USD	United States Dollar
WEO	World Economic Outlook
WTO	World Trade Organisation



## CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND MARKET DATA AND CURRENCY OF FINANCIAL PRESENTATION

In this Prospectus, the terms “we”, “us”, “our”, the “Company”, “our Company”, “G M Polyplast” and “GMPL”, unless the context otherwise indicates or implies, refers to G M Polyplast Limited.

### CERTAIN CONVENTION

All references in this Prospectus to “India” are to the Republic of India.

Unless indicated otherwise, all references to page numbers in this Prospectus are to page numbers of this Prospectus.

### FINANCIAL DATA

Unless stated otherwise, the financial data in this Prospectus is derived from our audited restated financial statements for the Financial Years ended March 31, 2020; 2019; and 2018 prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI (ICDR) Regulations and the Indian GAAP which are included in this Prospectus, and set out in “*Financial Statements as Restated*” beginning on page 148 of this Prospectus.

In this Prospectus, any discrepancies in any table between the total and the sum of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal place and all percentage figures have been rounded off to two decimal places and accordingly there may be consequential changes in this Prospectus.

Our Company’s financial year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year, so all references to a particular financial year are to the 12-month period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year.

There are significant differences between Indian GAAP and IND (AS). Accordingly, the degree to which the Restated Financial Statements included in this Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices, Indian GAAP, IND (AS), the Companies Act and the SEBI (ICDR) Regulations, on the Restated Financial Statements presented in this Prospectus should accordingly be limited. Although we have included a summary of qualitative and quantitative differences between Indian GAAP and IND (AS), our financial statements reported under IND (AS) in future accounting periods may not be directly comparable with our financial statements historically prepared in accordance with Indian GAAP, including disclosed in this Prospectus. You should consult your own advisors regarding such differences and their impact on our financial data.

Any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*”, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” and elsewhere in this 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 restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Statutory Auditor, set out in the section titled “*Financial Statements as Restated*” beginning on page 148 of this Prospectus.

### CURRENCY AND UNITS OF PRESENTATION

In this Prospectus, unless the context otherwise requires, all references to (a) ‘Rupees’ or ‘₹.’ or ‘Rs.’ or ‘INR’ are to Indian rupees, the official currency of the Republic of India; (b) ‘US Dollars’ or ‘US\$’ or ‘USD’ or ‘\$’ are to United States Dollars, the official currency of the United States of America; (c) ‘EURO’ or ‘EUR’ or ‘€’ are to official currency of 19 of the 27 member states of the European Union. All references to the word ‘Lakh’ or ‘Lakhs’, ‘Lac’ or ‘Lacs’, means ‘One hundred thousand’ and the word ‘Million’ means ‘Ten lakh’ and the word ‘Crore’ means ‘Ten Million’ and the word ‘Billion’ means ‘One Thousand Million’.



Any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*”, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” and elsewhere in this Prospectus, unless otherwise indicated, have been calculated based on our financial statements as restated prepared in accordance with Indian GAAP.

#### INDUSTRY AND MARKET DATA

Unless stated otherwise, industry and market data used throughout this Prospectus has been obtained or derived from internal Company reports and industry and Government publications, publicly available information and sources. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed, and their reliability cannot be assured. Although, our Company believes that industry data used in this Prospectus is reliable, it has not been independently verified either by the Company or the Lead Manager or any of their respective affiliates or advisors.

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

#### EXCHANGE RATE

This Prospectus may contain conversion of certain other currency amounts into Indian Rupees that has been presented solely to comply with the SEBI (ICDR) Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

The following table sets forth, for the dates indicated, information with respect to the exchange rate between the Rupee and the respective foreign currencies:

Currency	March 31, 2020	March 31, 2019 <sup>(1)</sup>	March 31, 2018 <sup>(2)</sup>
1 USD (\$)	75.3859	69.1713	65.0441
1 EUR (€)	83.0496	77.7024	80.6222

Source: [www.rbi.org.in](http://www.rbi.org.in) and [www.fbil.org.in](http://www.fbil.org.in)

(1) The reference rate is not available for March 31, 2019 being a Sunday and March 30, 2019 being a Saturday.

(2) The reference rate is not available for March 31, 2018 being a Saturday and March 30, 2018 and March 29, 2018 being public holidays

Please note that the above exchange rates have been provided for indicative purposes only and the amounts reflected in our Financial Statements as Restated may not have been converted using any of the above mentioned exchange rates.



## FORWARD LOOKING STATEMENTS

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

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

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

1. Impact of the COVID-19 pandemic on our business and operations;
2. General economic and business conditions in India and other countries;
3. Pricing pressure due to intense competition in the market from local and big players;
4. Our operations are subject to having impact due to changes in Government policies;
5. Any change or shift of focus of Government policies may adversely impact our financials;
6. Effect of lack of infrastructure facilities on our business;
7. Our ability to attract, retain and manage qualified personnel;
8. Our ability to successfully implement our growth strategy and expansion plans;
9. Changes in fiscal, economic or political conditions in India;
10. Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
11. The performance of the financial markets in India and globally;
12. Any adverse outcome in the legal proceedings in which we are involved;
13. The occurrence of natural disasters or calamities;
14. Failure to adapt to the changing technology in our industry of operation may adversely affect our business and financial condition;
15. Failure to obtain any approvals, licenses, registrations and permits in a timely manner;
16. Conflict of Interest with group companies, the promoter group and other related parties
17. Other factors beyond our control; and
18. Our ability to manage risks that arise from these factors.



For further discussions of factors that could cause our actual results to differ, please see the section titled “**Risk Factors**”, chapters titled “**Our Business**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” beginning on pages 24, 93 and 189 of this Prospectus, respectively

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

## SECTION II: SUMMARY OF OFFER DOCUMENT

### OVERVIEW OF INDUSTRY

The Indian plastics industry made a promising beginning in 1957 with the production of polystyrene. Thereafter, significant progress has been made, and the industry has grown and diversified rapidly. The industry spans the country and hosts more than 2,000 exporters. It employs about 4 million people and comprises more than 30,000 processing units, 85-90 percent of which are small and medium-sized enterprises.

- In FY20, plastic and linoleum export from India stood at US\$ 7.55 billion.
- During April 2019-January 2020, plastic export stood at US\$ 7.045 billion with the highest contribution from plastic raw material at US\$ 2.91 billion, plastic sheets, films and plates at US\$ 1.22 billion and packaging materials at US\$ 722.47 million.
- The Indian plastics industry produces and export a wide range of raw materials, plastic-moulded extruded goods, polyester films, moulded/ soft luggage items, writing instruments, plastic woven sacks and bags, polyvinyl chloride (PVC), leather cloth and sheeting, packaging, consumer goods, sanitary fittings, electrical accessories, laboratory/ medical surgical ware, tarpaulins, laminates, fishnets, travel ware, and others.
- The Indian plastics industry offer excellent potential in terms of capacity, infrastructure, and skilled manpower. It is supported by many polymer producers, plastic process machinery and mould manufacturers in the country.
- Among the industry's major strengths is the availability of raw materials in the country. Thus, plastic processors do not have to depend on import. These raw materials, including polypropylene, high-density polyethylene, low-density polyethylene, and PVC, are manufactured domestically.  
(Source: <https://www.ibef.org/exports/plastic-industry-india.aspx>)

*For further details please see the chapter titled “Industry Overview” beginning on page 83 of this Prospectus.*

### OVERVIEW OF BUSINESS

We started our operations way back in the year 2003 in the name of G. M. Polyplast Private Limited. We are engaged in the business of manufacturing of H.I.P.S, A.B.S & P.E.T sheets, along with sheets we also manufacture the raw material used to manufacture the sheets called as granules. Our company is known in the industry for manufacturing and supplying of high-grade Sheets and Granules in India. Our company believes in the phrase “Innovation as key to future” and we have been keeping pace with modernization in all sphere of development, manufacturing, and marketing, emphasis on product quality & client satisfaction. A professional approach and constant interaction ensure client requirement is met with high standard within the agreed guideline of time and cost. Its impressive growth has been largely due to confidence in its own capability and impressive infrastructure it has created over the years. Our company has been steadily diversifying as well as adding new products to its portfolio, besides adding additional infrastructure for increasing its manufacturing capability for its existing products. Our product range includes Acrylonitrile Butadiene Styrene (ABS) Plastic Sheets, High Impact Polystyrene (HIPS) Sheets, PET (Polyethylene Terephthalate) Sheets / Rolls, Amorphous Polyethylene Terephthalate (A-PET) Sheet, Recycled Polyethylene Terephthalate (R-PET) Sheet, HDPE (High Density Polyethylene) Sheets / Rolls, PP (Polypolyne) Sheets / Rolls, Electrostatic discharge materials (ESD materials).

Our Company actively works for the benefit of their employees and labours with prime focus being health, hygiene and welfare of the workforce and also undergoes audit conducted by its recognised suppliers to ensure that the safety and management norms are being complied with. Quality is of the paramount importance as it can essentially make or break a brand. A failure to maintain quality standard can prove to be extremely detrimental to the business of our Company. We give quality the utmost priority at all stages of production to ensure our customers are thoroughly satisfied. We have three levels of quality checks in place to make sure that the requisite quality of the product is being achieved at every stage of manufacture from raw materials to boxed stock. We constantly endeavour to maintain and exceed customer expectations consistently in all aspects of quality.

*For, further details regarding business see the chapter titled “Our Business” beginning on page 93 of this Prospectus and risk involved in Business of the Company and risk in relation to the offer, refer to chapter titled “Risk Factor” beginning on page 24 of this Prospectus.*

## NAMES OF THE PROMOTERS

As on date of this Prospectus, the Promoters of our company are Mr. Dinesh Balbirsingh Sharma and Ms. Sarita Dinesh Sharma.

## DETAILS OF THE OFFER

Initial public offer consisting of fresh issue of 3,22,800 equity shares and 1,86,000 equity shares as offer for sale of face value of ₹10.00 each (“equity shares”) by Selling Shareholders of G M Polyplast Limited (the “company” or the “issuer”) for cash at a price of ₹159.00 per equity share including a share premium of ₹149.00 per equity share (the “offer price”) aggregating to ₹808.99 Lakh (“the offer”), of which 25,600 equity shares of face value of ₹ 10.00 each for cash at a price of ₹159.00 per equity share including a share premium of ₹149.00 per equity share aggregating to ₹40.70 Lakh will be reserved for subscription by market maker to the issue (the “market maker reservation portion”). the offer less the market maker reservation portion i.e. net issue of 4,83,200 equity shares of face value of ₹10.00 each at a price of ₹159.00 per equity share aggregating to ₹768.29 Lakh are herein after referred to as the “net offer”. The Offer and the Net Offer will constitute 26.46 % and 25.13 % respectively of the post offer paid up equity share capital of the company.

## OBJECTS OF THE OFFER

### Offer for sale

The Selling Shareholders will be entitled to the proceeds of the Offer for Sale of his/her respective portion of the Offered Shares, respectively net of his/her proportion of Offer related expenses. The fees and expenses relating to Offer shall be shared in proportion mutually agreed between our Company and the respective Selling Shareholders in accordance with applicable law. Our Company will not receive any proceeds from the Offer for Sale.

### Fresh Issue

The details of the proceeds of the Fresh Issue are summarized below:

Particulars	(₹ in Lakh)
	Amount
Gross Proceeds from the Fresh Issue	513.25
Less: Offer related expenses*	25.30
Net Proceeds of the Fresh Issue	487.95

*\*Except for the Listing fees and Market making fees, which will be borne by our Company, all other expenses relating to the Offer as mentioned above will be borne by our Company and the Selling Shareholder in proportion to the Equity Shares contributed / issued in the offer*

### Requirement of Funds

After deducting the Offer related expenses in relation to the Fresh Issue, we estimate the proceeds of the fresh Issue to be ₹487.95 Lakh (“Net Proceeds”). The Object for which our Company intends to use the Net Proceeds is:

Sl. No.	Particulars	(₹ in Lakh)
		Amount
1.	To Meet working capital requirement	370.00
2.	General Corporate Purposes	117.95
	<b>Total</b>	<b>487.95</b>

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.

### PRE-ISSUE SHAREHOLDING OF PROMOTERS AND PROMOTER GROUP, SELLING SHAREHOLDERS

Our Promoters and Promoter Group are collectively holding 16,00,000 equity shares of our Company aggregating to 100.00 % of the pre-issue paid-up share capital of our Company. Following are the details of shareholding of Promoter and promoter group:

Sr.	Particulars	Pre-Offer	
		No. of Shares	% Holding
A)	<b>Promoters</b>		
1.	Mr. Dinesh Balbirsingh Sharma*	8,00,000	50.00
2.	Ms. Sarita Dinesh Sharma*	7,99,995	50.00
	<b>Total (A)</b>	<b>15,99,995</b>	<b>100.00</b>
B)	<b>Promoter Group</b>		
3.	Ms. Jyoti Dinesh Sharma	1	Negligible
4.	Mr. Balbirsingh Bholuram Sharma	1	Negligible
5.	Ms. Gaytridevi Balbeersingh Sharma	1	Negligible
6.	Ms. Sheetal Mukesh Sharma	1	Negligible
7.	Mr. Mukesh Balbeersingh Sharma	1	Negligible
	<b>Total (B)</b>	<b>5</b>	<b>Negligible</b>
	<b>Total (A+B)</b>	<b>16,00,000</b>	<b>100.00</b>

\* Mr. Dinesh Balbirsingh Sharma and Ms. Sarita Dinesh Sharma offering 75,000 and 1,11,000 equity shares respectively to public in this Offer and post offer the holding of Mr. Dinesh Balbirsingh Sharma and Ms. Sarita Dinesh Sharma will reduce to 7,25,000 and 6,88,995 equity shares respectively.

### SUMMARY OF FINANCIAL INFORMATION

Following are details as per the restated consolidated financial statements for the financial years ended on March 31, 2020, 2019 and 2018:

Particulars	(Amount (₹) in Lakh)		
	March 31, 2020	March 31, 2019	March 31, 2018
Share Capital	10.00	10.00	10.00
Net Worth	794.17	567.37	429.33
Total Revenue	6,342.98	6,834.50	5,551.24
Profit after tax	231.80	138.04	92.20
Basic and Diluted Earnings per share (in ₹)			
- Pre-Bonus	14.49	9.14	921.98
- Post Bonus	14.49	9.14	6.11
NAV per equity share (in ₹)	794.17	5,673.66	4,293.30
Adjusted NAV per equity share for bonus issue of equity shares (in ₹)	49.64	37.57	4,293.30
Total borrowings	265.23	304.19	440.83

### AUDITOR QUALIFICATIONS

There is no Auditor qualification which have not been given effect to in the Financial Statements as Restated.

### SUMMARY OF OUTSTANDING LITIGATIONS

Our Company, Promoters and Directors are currently involved in certain litigation, which is currently pending at various stages, the details of the same are summarized in the table set forth below:

Category	Type of cases	Number of Outstanding Matters	Aggregate Amount involved (₹ in Lakh)
<b>A. Cases filed against our Company</b>			
Taxation Matters*	Income Tax	--	--
	Tax Deduction at Source	4	0.28
	GST, Sales Tax and Service Tax	--	--
Criminal Litigations		--	--
Other Matters		--	--
<b>B. Cases filed against our Promoters other than Director</b>			
Taxation Matters*	Income Tax	--	--
	Tax Deduction at Source	--	--
	GST, Sales Tax and Service Tax	--	--
Criminal Litigations		--	--
Other Matters		--	--
<b>C. Cases filed against our Directors</b>			
Taxation Matters*	Income Tax	1	NA
	Tax Deduction at Source	--	--
	GST, Sales Tax and Service Tax	--	--
Criminal Litigations		--	--
Other Matters		--	--

\*Outstanding Tax Demand.

For further details in relation to legal proceedings involving our Company, Promoters and Directors, refer chapter titled “*Outstanding Litigation and Material Developments*” beginning on page 206 of this Prospectus.

## RISK FACTORS

An investment in the Equity Shares involves a high degree of risk. Potential Investors should carefully consider all the information in this Prospectus and are advised to read the section titled — “*Risk Factors*” beginning on page 24 of this Prospectus, including the risks and uncertainties, before making/taking an investment decision in our Equity Shares.

In making an investment decision prospective investor must rely on their own examination of our Company and the terms of this issue including the merits and risks involved. The risks described in the said chapter are relevant to the industries our Company is engaged in, our Company and our Equity Shares. Any potential investor in, and subscriber of, the Equity Shares should also pay particular attention to the fact that we are governed in India by a legal and regulatory environment in which some material respects may be different from that which prevails in other countries. For further details, please refer to the Section titled — “*Risk Factors*” beginning from page 24 of this Prospectus.

## SUMMARY OF CONTINGENT LIABILITIES

The contingent liabilities as on March 31, 2020 as per our Restated Consolidated Financial Information is as under:

Particulars	Amount (₹ in Lakh)
Outstanding bank guarantees	71.20

In the event any such contingencies mentioned above were to materialize or if our contingent liabilities were to increase in the future, our financial condition could be adversely affected. For further details, see the section entitled “*Financial Statements as Restated*” on page 148 of this Prospectus.

**SUMMARY OF RELATED PARTY TRANSACTIONS**

Following is the summary detail of the related party transactions entered by the Company for the financial year ended on March 31, 2020, 2019 and 2018:

(Amount (₹) in Lakh)

<b>STATEMENT OF RELATED PARTIES TRANSACTIONS</b>			
<b>PARTICULARS</b>	<b>For the year ending on 31.03.2020</b>	<b>For the year ending on 31.03.2019</b>	<b>For the year ending on 31.03.2018</b>
<b>REVENUE ITEMS</b>			
Remuneration to Directors	24.00	24.00	24.00
Rent	33.60	18.40	-
Sales	-	66.32	-
Purchase of Raw Materials	-	1,033.26	432.06
Sales Commission	24.82	-	-
Stipend	1.50	-	-
Salary to CFO	6.02	6.02	5.45
<b>NON-REVENUE ITEMS</b>			
Loan Taken	110.00	98.79	282.20
Loan Repaid	160.00	242.94	195.20
<b>Total</b>	<b>364.77</b>	<b>1,492.02</b>	<b>940.34</b>

**Year Wise RPT transactions bifurcated amongst name of related parties**

<b>PARTICULARS</b>	<b>For the year ending on 31.03.2020</b>	<b>For the year ending on 31.03.2019</b>	<b>For the year ending on 31.03.2018</b>
<b>G M Plastics</b>			
Sales	-	66.32	-
Purchase of Raw Materials	-	1,033.26	432.06
<b>Balber B Sharma</b>			
Loan Taken	-	-	100.00
Loan Repaid	-	100.00	-
<b>Mukesh B Sharma</b>			
Loan Repaid	-	94.15	13.00
<b>Gayatri B Sharma</b>			
Loan Taken	-	-	50.00
Loan Repaid	-	-	50.00
<b>Dinesh Sharma</b>			
Remuneration	12.00	12.00	12.00
Rent	29.28	16.00	-
Loan Taken	90.00	41.29	77.20
Loan Repaid	90.00	41.29	77.20

<b>Sarita Sharma</b>			
Remuneration	12.00	12.00	12.00
Rent	4.32	2.40	
Loan Taken	20.00	57.50	55.00
Loan Repaid	70.00	7.50	55.00
<b>Balbeer Sharma HUF</b>			
Sales Commission	8.01	-	-
<b>Mukesh Sharma HUF</b>			
Sales Commission	7.49	-	-
<b>Mahima Mukesh Sharma</b>			
Sales Commission	7.82	-	-
<b>Tushar N Pandya</b>			
Salary	6.02	6.02	5.45
<b>Jyoti Dinesh Sharma</b>			
Stipend	1.50	-	-

For further details of the same refer the Related Party Transactions under Chapter titled “*Financial Statement as Restated*” beginning on page 148 of this Prospectus.

#### DETAILS OF FINANCING ARRANGEMENTS

There are no financing arrangements whereby the Promoters, member of Promoter Group, the Directors of the Company which a Promoters of the Issuer, the Director of our company and 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 the financing entity during the period of six months immediately preceding the date of filing of this Prospectus.

#### WEIGHTED AVERAGE PRICE AT WHICH THE EQUITY SHARES ACQUIRED BY OUR PROMOTERS AND SELLING SHAREHOLDERS IN LAST 1 (ONE) YEAR PRECEEDING THE DATE OF THIS PROSPECTUS

During the preceding 1 year from the date of this Prospectus, our Promoters and Selling Shareholders, Mr. Dinesh Balbirsingh Sharma and Ms. Sarita Dinesh Sharma was allotted 7,50,000 Equity Shares each pursuant to bonus issue of Equity Shares made by our Company on June 22, 2020. Since the bonus allotment did not involve any consideration, the weighted average price of such Equity Shares is “NIL”.

#### AVERAGE COST OF ACQUISITION OF SHARES FOR PROMOTERS AND SELLING SHAREHOLDERS

The average cost of acquisition of or subscription to Equity Shares by our Promoters and Selling Shareholders is set forth in the table below:

Name	No. of Equity Shares held	Average cost of Acquisition (in ₹)
Mr. Dinesh Balbirsingh Sharma	8,00,000	0.63
Ms. Sarita Dinesh Sharma	7,99,995	0.63

#### DETAILS OF PRE-IPO PLACEMENT

Our Company does not contemplate any issuance or placement of Equity Shares from the date of this Prospectus till the listing of the Equity Shares.



**EQUITY SHARES ISSUED FOR CONSIDERATION OTHER THAN CASH IN LAST ONE YEAR**

Our Company has not issued any Equity Shares for consideration other than cash, except as follows:

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Reasons for Allotment	Benefits accrued to our Company	Allottees	No. of Shares Allotted
June 22, 2020	15,00,000	10.00	--	Bonus Issue in the ratio of 15 equity shares for every 1 equity share held	Capitalization of free reserves of the company	Mr. Dinesh Balbirsingh Sharma	7,50,000
						Ms. Sarita Dinesh Sharma	7,50,000

**SPLIT / CONSOLIDATION OF EQUITY SHARES IN THE LAST ONE YEAR**

Except as stated below, Our Company has not undertaken any split or consolidation of Equity Shares during the last one year from the date of this Prospectus:

**Sub-division of Equity Share Capital of 10,000 equity shares of ₹100.00 each to 1,00,000 Equity Shares of ₹10.00 each on February 27, 2020:**

S.N.	Name	No. of Equity Shares
1.	Mr. Dinesh Balbirsingh Sharma	50,000
2.	Ms. Sarita Dinesh Sharma	50,000
<b>Total</b>		<b>1,00,000</b>

### SECTION III: RISK FACTORS

*An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of this offer including the merits and risks involved. Any potential investor in, and subscriber of, the Equity Shares should also pay particular attention to the fact that we are governed in India by a legal and regulatory environment in which some material respects may be different from that which prevails in other countries. The risks and uncertainties described in this section are not the only risks and uncertainties we currently face. Additional risks and uncertainties not known to us or that we currently deem immaterial may also have an adverse effect on our business. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations and financial condition could suffer, the price of our Equity Shares could decline, and you may lose all or part of your investment. Additionally, our business operations could also be affected by additional factors that are not presently known to us or that we currently consider as immaterial to our operations.*

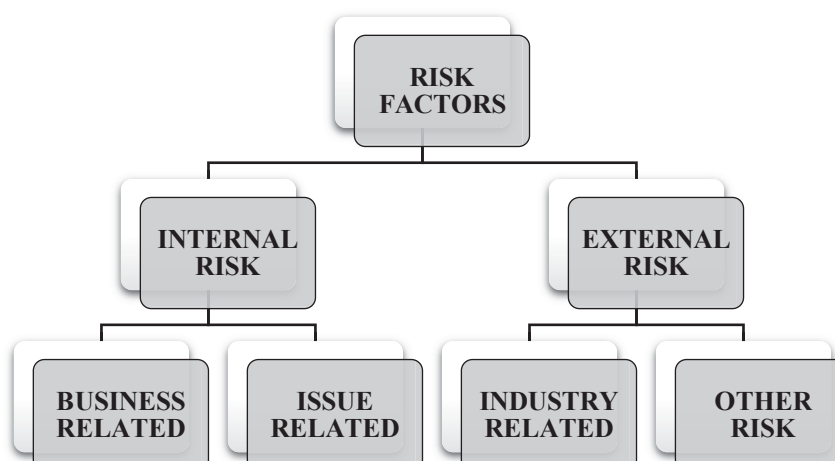
Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. Unless otherwise stated, the financial information of our Company used in this section is derived from our restated financial statements prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI ICDR Regulations. To obtain a better understanding, you should read this section in conjunction with the chapters titled “*Our Business*” beginning on page 93 “*Industry Overview*” beginning on page 83 and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page 189 respectively, of this Prospectus as well as other financial information contained herein.

The following factors have been considered for determining the materiality of Risk Factors:

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

The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risk factors where the impact may not be quantifiable and hence the same has not been disclosed in such risk factors. Unless otherwise stated, the financial information of the Company used in this section is derived from our financial statements under Indian GAAP, as restated in this Prospectus. Unless otherwise stated, we are not in a position to specify or quantify the financial or other risks mentioned herein. For capitalized terms used but not defined in this chapter, refer to the chapter titled “*Definitions and Abbreviations*” beginning on page 1 of this Prospectus. The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another.

The risk factors are classified as under for the sake of better clarity and increased understanding:



## INTERNAL RISKS

### A. BUSINESS RELATED RISKS

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

We are involved in certain legal proceedings which are pending at different levels of adjudication before various courts, tribunals, enquiry officers, and appellate authorities. We cannot provide assurance that these legal proceedings will be decided in our favour. Any adverse decisions in any of the proceedings may have a significant adverse effect on our business, results of operations, cash flows and financial condition.

A summary of the pending legal proceedings Our Company, Promoters and Directors are mentioned below:

Category	Type of cases	Number of Outstanding Matters	Aggregate Amount involved (₹ in Lakh)
<b>A. Cases filed against our Company</b>			
Taxation Matters*	Income Tax	--	--
	Tax Deduction at Source	4	0.28
	GST, Sales Tax and Service Tax	--	--
Criminal Litigations		--	--
Other Matters		--	--
<b>B. Cases filed against our Promoters other than Directors</b>			
Taxation Matters*	Income Tax	--	--
	Tax Deduction at Source	--	--
	GST, Sales Tax and Service Tax	--	--
Criminal Litigations		--	--
Other Matters		--	--
<b>C. Cases filed against our Directors</b>			
Taxation Matters*	Income Tax	1	NA
	Tax Deduction at Source	--	--
	GST, Sales Tax and Service Tax	--	--
Criminal Litigations		--	--
Other Matters		--	--

\*Outstanding Tax Demand.

2. *The continuing effect of the COVID-19 pandemic on our business and operations is highly uncertain and cannot be predicted.*

The continuing effect of the COVID-19 pandemic on our business and operations is highly uncertain and cannot be predicted. In late calendar 2019, COVID-19, commonly known as “novel coronavirus” was first reported in Wuhan, China. Since then, the virus has progressively spread globally too many countries. The World Health Organization declared the COVID-19 outbreak as a health emergency of international concern on January 30, 2020 and thereafter categorised the outbreak as a pandemic on March 11, 2020. In order to contain the spread of COVID-19 virus, the Government of India initially announced a 21-day lockdown on March 24, 2020, which, after being subject to successive extensions, is being relaxed currently. During the duration of the lockdown, there were several restrictions in place including travel restrictions and directive to all citizens to not move out of their respective houses unless essential. Whilst the lockdown required private, commercial and industrial establishments to remain closed, manufacturing units of essential commodities were permitted to be functional. The team members have been working from home during lockdown and have been able to execute their responsibilities and service clients without any disruption, difficulty or delay. Due to the rising number of infected cases of COVID-19 in the country, there is no certainty if additional restrictions will be put back in place or if another lockdown would be re-imposed to control the spread of the pandemic. We cannot assure you that we may not face any difficulty in our operations due to such restrictions and such a prolonged instance of lockdown may adversely affect our business, financial condition and results of operations. Further, our ability to



ensure the safety of our workforce and continuity of operations while confirming with measures implemented by the central and state governments in relation to the health and safety of our employees may result in increased costs. In the event a member or members of our senior management team contract COVID-19, it may potentially affect our operations. Further, in the event any of our employees contact COVID-19, we may be required to quarantine our employees and shut down a part of or the entire operating facility as necessary. Risks arising on account of COVID-19 can also threaten the safe operation of our facility, loss of life, injuries and impact the wellbeing of our employees. The ultimate impact will depend on a number of factors, many of which are outside our control. These factors include the duration, severity and scope of the pandemic, the impact of the pandemic on economic activity in India and globally, the eventual level of infections in India, and the impact of any actions taken by governmental bodies or health organisations (whether mandatory or advisory) to combat the spread of the virus. These risks could have an adverse effect on our business, results of operations, cash flows and financial condition. To the extent that the COVID-19 pandemic adversely affects our business and operations, it may also have the effect of heightening many of the other risks described in this “**Risk Factors**” section.

**3. We have certain contingent liabilities that have not been provided for in our financials which if materialized, could adversely affect our financial condition.**

Our contingent liabilities as on March 31, 2020 as per our Restated Consolidated Financial Information is as under:

Particulars	Amount (₹ in Lakh)
Outstanding bank guarantees	71.20

In the event any such contingencies mentioned above were to materialize or if our contingent liabilities were to increase in the future, our financial condition could be adversely affected. For further details, see the section entitled “**Financial Statements as Restated**” on page 148 of this Prospectus.

**4. We require a number of approvals, NOCs, licenses, registrations and permits in the ordinary course of our business. Some of the approvals are required to be transferred in the name of G M Polyplast Limited from G. M. Polyplast Private Limited pursuant to name change of our company and any failure or delay in obtaining the same in a timely manner may adversely affect our operations.**

We require a number of approvals, licenses, registrations and permits in ordinary course of our business. Additionally, we need to apply for renewal of approvals which expire, from time to time, as and when required in the ordinary course. Also, we were a private limited company in the name of “GM Polyplast Private limited” which was carrying business. After complying with the relevant procedure of Companies Act, 2013, the said private limited company was converted into a public limited company in the year 2020. After conversion there was change of name of the company from “GM Polyplast Private Limited” to “GM Polyplast Limited”. We shall be taking necessary steps for transferring the approvals in new name of our Company. In case we fail to transfer/obtain the same in name of the Company the same may adversely affect our business or we may not be able to carry our business.

Any failure to renew the approvals that have expired, or to 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, could result in delaying the operations of our business, which may adversely affect our business, financial condition, results of operations and prospects. For more information, see chapter “**Government and Other Statutory Approvals**” on page 210 of this Prospectus.

**5. There are certain discrepancies/errors noticed in some of our corporate records relating to forms filed with the Registrar of Companies and other provisions of Companies Act, 1956/2013. Any penalty or action taken by any regulatory authorities in future for non-compliance with provisions of corporate and other law could impact the financial position of the Company to that extent.**

The Company has not complied with certain statutory provisions and there are the following discrepancies have been mentioned in the forms filed by the company with the Registrar of Companies under provisions of Companies Act, 2013/1956:

1. E-forms (Form 18, ADT-1, GNL-2) which are filed by the company with ROC requires certain documents to be attached along with E forms, there has be instances where company has not attached any documents in the form and at some places the attached documents in the form were not stamped & signed by the requisite authority when filed to Roc.
  2. The Roc has levied additional fees for late filing of some forms, (23AC / 23ACA / AOC-4) if the company continues to file the forms after the due date it may attract some penalties in the form of additional fees which may in turn effect the financial performance of the company.
  3. Our company has filed Form-PAS-3 for the allotment of equity shares made on March 20, 2014 through preferential allotment issue under Companies Act, 1956, however the required form 23 in this matter was not filed by the company in the year 2014.
  4. Provisions of SS-1, SS-2 of the Companies Act, 2013/ 1956; and
  5. Provisions of Section 12 of the Companies Act, 2013.
6. ***No assurance of business and availability of certificates, consents and approvals due to the pandemic Covid-19 and Lockdown at certain places being designated as contaminated zone.***

Covid-19 has emerged as a pandemic, declared by WHO (World Health Organization) on March 11, 2020.

We require several statutory and regulatory permits, NOCs, licenses, consents, and approvals in the ordinary course of our business, some of which our Company has either received, applied for or is in the process of application in case of renewal as and when required in the ordinary course. Our Company has contacted concerned authorities for obtaining certificates/registration/approvals/consents but due to pandemic covid-19 many government offices and Banks are operating in a restricted manner, because of the same there are some Certificates/Approvals/Consents/registrations/NoCs, which the Company was either in process of renewal or applications were made but not yet obtained.

The following are the Certificates/ Approvals/ Consents/ Registrations applied by our Company and are still awaited:

Sr. No	Certificates/ Approvals/ Consents/ Registrations/ NoCs	Details	Date of Application	Concerned Authority
1.	Change of Name in TAN data for Allotted TAN	The registration under TAN is in the previous name of the Company i.e. G. M. Polyplast Private Limited. The Company has applied for its change in name from G. M. Polyplast Private Limited to G. M. Polyplast Limited in its registration certificate.	September 10, 2020	Income Tax Department
2.	Factory License	The Factory License is in the previous name of the Company i.e. G. M. Polyplast Private Limited. The Company has applied for its change in name from G. M. Polyplast Private Limited to G. M. Polyplast Limited in its registration certificate.	Yet to apply	Chief Inspector of Factories & Boilers Administration of Dadra & Nagar Haveli, Silvassa
3.	Provident Fund Registration Certificate	The Provident Fund Registration Certificate of the Company is in the previous name of the Company i.e. G. M. Polyplast Private Limited. The Company has applied for its change in name from G. M. Polyplast Private Limited to G. M. Polyplast Limited in its registration certificate.	Yet to apply	Employees' Provident Fund Organization



Any failure in obtaining those Certificates/ registration/ approvals may adversely effect on the operations of the Company.

7. ***If we are unable to renew our existing leases or secure new leases for our existing or premises, or offices on commercially acceptable terms, or if we fail to comply with the terms and conditions of our leases resulting in termination of our leases, it could have a material adverse effect on our business, financial condition and results of operations.***

Some of our existing offices are on leased/licensed basis. We typically enter into lease agreements for a period of 3 to 5 years for our offices. For details on the duration of existing leases for our delivery centres, see "***Our Business***" beginning on page 93 of this Prospectus. In the event that if we fail to comply with the terms and conditions of our lease or that these existing leases are terminated, or they are not renewed on commercially acceptable terms, we may suffer a disruption in our operations. If alternative premises are not available at the same or similar costs, size or locations, our business, financial condition and results of operations may be adversely affected. In addition, any adverse development relating to the landlord's title or ownership rights to such properties may entail incurring significant legal expenses and adversely affect our operations, a significant interest penalty for any delays in payment of rent and fixed price escalation clauses that provide for a periodic increase in rent. If our sales do not increase in line with our rent and costs, our profitability and results of operations could be adversely affected.

8. ***We are subject to foreign currency exchange rate fluctuations which could have a material and adverse effect on our results of operations and financial conditions***

We import raw material and export our products outside India and payment for these purchases and sales is made in foreign currency. Changes in value of currencies with respect to the Rupee may cause fluctuations in our operating results expressed in Rupees. The exchange rate between the Rupee and other currencies is variable and may continue to fluctuate in future. Any adverse or unforeseen fluctuations with respect to the unhedged exchange rate of any foreign currency for Indian Rupees may affect our Company's results of operations.

9. ***There may be potential conflict of interests between our Company and other venture or enterprises promoted by our promoter or directors.***

Our Directors and promoters are interested in Ace Extrusions Private Limited & G. M. Plasto Pack LLP as Director, Shareholder and profit-sharing partner respectively. The main business object/activities of a company and LLP named, permit it to undertake similar business to that of our business, which may create a potential conflict of interest and which in turn, may have an implication on our operations and profits. Conflicts of interests may arise in allocating business opportunities between our Company and our Group Company in circumstances where our respective interests diverge. In cases of conflict, our Promoters may favour other companies in which our Promoters have interest.

10. ***Name of our Promoters / Directors / KMP being different in some government identification proof which may result in defamation of him resulting the negative impact on our Company.***

Name of our Promoters / Directors / KMP, Mr. Dinesh Balbirsingh Sharma, Mr. Dinesh Ravjibhai Rathod, Mr. Subramanian Ramaswamy Vaidya, Mr. Tushar Nitinchandra Pandya being different in some government identification proof which may result in defamation of him resulting the negative impact on our Company.

11. ***Our Company is using a registered trademark which originally is owned by and registered in the name of our Promoter Mr. Dinesh Balbirsingh Sharma.***

As on the date of this Prospectus the trademark currently used by our Company is registered in the name of our Promoter Mr. Dinesh Balbirsingh Sharma. The said trademark is being used by the Company vide No Objection Certificate ("NOC") granted by Mr. Dinesh Balbirsingh Sharma on perpetual basis. Further, we cannot assure that said trademark being used by the Company will not be invalidated or circumvented. For further details, pertaining to our intellectual property, please refer to the chapter titled "***Our Business***" beginning on page 93 of this Prospectus.

12. ***Some of our corporate records including forms filed with the Registrar of Companies are not traceable.***



Our Company was incorporated in the year 2003 under the Companies Act, 1956, hence Company is unable to trace certain corporate and other documents in relation to our Company including forms filed with the Registrar of Companies prior to the year 2006. Due to change in methods of record keeping over the years, certain forms filed with ROC prior to the year 2006 like Appointment of Auditors, etc., could not be traced by our Company. Further online filing of RoC documents was initiated in the year 2006 and all forms prior to the said year were physically filed, hence some of these forms could not be retrieved from Ministry of Corporate Affairs (MCA) portal. As such under the circumstances elaborated above, our Company cannot assure you that the filings were made in a timely manner or the information gathered through other available documents of the Company are correct. Also, our Company may not be in a position to attend to and / or respond appropriately to any legal matter due to lack of lost destroyed records and to that extent the same could adversely affect our business operations.

**13. *An increase in the prices of our basic raw material could raise our manufacturing costs and could adversely affect our profitability.***

We typically do not enter into any long-term supply agreements with our suppliers and our major requirement is met in the spot market. We may be unable to control the factors affecting the price at which we procure our raw material. We also face the risks associated with compensating for or passing on such increase in our cost of production on account of such fluctuations in prices to our customers. Upward fluctuations in the prices of raw material may thereby affect our margins and profitability, resulting in a material adverse effect on our business, financial condition and results of operations.

**14. *We do not own Registered Office from which we currently operate. We do not own our registered office premises situated at A-66 New Empire Industrial Estate Kondivita Road, Andheri East Mumbai City Maharashtra- 400059 India.***

We have obtained the said premises from our Promoter, Mr. Dinesh Balbirsingh Sharma vide rent agreement dated August 31, 2016 on rent basis for a period of around 5 years starting from 01.08.2016 at Rs. 10,000/- consideration and which can be renewed on the basis of mutual consent. The said rent agreement is also not registered which may make the same inadmissible in evidence in case of the dispute with our Promoter. Further, we cannot give an assurance that our Lease Agreement for the said premises would be renewed on commercially acceptable terms or at all.

**15. *Our Company is dependent on third party transportation providers for the delivery of our products and any disruption in their operations or a decrease in the quality of their services could affect our Company's reputation and results of operations.***

We are depended on third-party transportation to receive input materials required for our products and to deliver our finished products to our customers. Third-party logistics providers for all of our product distribution and input materials procurement. This makes us dependent on such third-party transportation providers. Weather-related problems, strikes, or other events which affects third-party transportation could impair our ability to receive the raw materials and/or deliver the requisite quantities of products in time to our customers, which may result in cancellation or non-renewal of purchase orders, and could adversely affect the performance of our business, results of operations and cash flows.

**16. *We are dependent upon few suppliers for our raw material for our current manufacturing facility. In an eventuality where our suppliers are unable to deliver us the required materials in a time-bound manner it may have a material adverse effect on our business operations and profitability.***

We are dependent upon few suppliers for our raw material for our current manufacturing facility. Major portion of raw materials are coming from our top ten suppliers. In Financial Year 2019-20, majority of raw material has been received from top ten suppliers. Identifying a suitable supplier involves a process that requires us to become satisfied with their quality control, consistency, responsiveness and service, financial stability and other ethical practices and specifically they must be reputed suppliers. Typically, we do not enter into long term contracts with our suppliers and prices for these items are normally based on the quotes we receive from various approved suppliers. 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 items which is critical to our business. Any delay, interruption or increased cost in the supply of any items



thereof pertaining to our project arising from a lack of long-term contracts could have an adverse effect on our ability to meet our targets and client satisfaction from our service and our business, financial performance and cash flows may be adversely affected. Further, we may not be able to locate alternative suppliers of these items with approved specification on terms acceptable to us, or at all. For further details pertaining to details of Suppliers, please refer to the chapter titled “*Financial Statement as Restated*” beginning on page 148 of this Prospectus.

- 17. *Our Company is dependent on the continuing operation of our manufacturing facilities. Any significant interruption in manufacturing at our facilities could have a material adverse effect on our business, results of operations and financial condition.***

Our Company manufactures substantially all of the products at our manufacturing facilities located at Dadra & Nagar Haveli which are subject to the normal risks of industrial production, including equipment breakdowns, labour stoppages, natural disasters, industrial accidents, power interruptions etc. In case of any disruption at such facilities, it may adversely affect the manufacturing cycle, and may lead to time over-run in the execution of the project. All of these manufacturing facilities require a significant amount and continuous supply of electricity and any shortage or non-availability of electricity may adversely affect our operations. The manufacturing process of our products requires significant electricity. For further information, refer “*Government and Other Statutory Approvals*” on page 210 of this Prospectus.

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

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

- 19. *We may not be successful in implementing our business strategies.***

The success of our business depends substantially on our ability to implement our business strategies effectively. Even though we have successfully executed our business strategies in the past, there is no guarantee that we can implement the same on time and within the estimated budget going forward, or that we will be able to meet the expectations of our targeted clients. Changes in regulations applicable to us may also make it difficult to implement our business strategies. Failure to implement our business strategies would have a material adverse effect on our business and results of operations.

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

Modernization and technology upgradation is essential to provide better quality products. Although we strive to keep our technology in line with the latest standards, we may be required to implement new technology or upgrade. Further, the costs in upgrading our technology could be significant which could substantially affect our finances and operations.

- 21. *Our Company in the past has entered into Related Party Transactions and may continue to do so in future also, which may adversely affect our competitive edge and better bargaining power if entered with non-related parties resulting into relatively more favourable terms and conditions and better margins.***

Our Company had entered into various transactions with our Directors, Promoters and Promoter Group. These transactions, inter-alia include issue of shares, remuneration, loans and advances etc. Our Company has entered into such transactions due to easy proximity and quick execution. However, there is no assurance that we could not have obtained better and more favourable terms than from transaction with related parties. Our Company may enter into such transactions in future also and we cannot assure that in such events there would be no adverse effect on results of our operations.





- 22. The success of the products manufactured by us depends on the success of the end product of our customer. Reduction in sales of the products of our customer, or defects in our customers' products which may be attributable to us, may adversely affect our business, financial condition, results of operations and prospects.**

The success of our business depends on the growth in the business of our customers. The production and sales volumes of our customers may be affected by a number of factors such as change in economic, change in regulatory requirements, government initiatives, products becoming obsolete or being phased out. Any decline in the demand for our customers' products may adversely affect the sales of our products to our customers and in turn may adversely affect our business, financial condition, results of operations and prospects. Further, defects in our customers' products, which may be attributable to us, directly or indirectly, may also adversely affect our financial condition and prospects.

- 23. Our ability to attract, train and retain executives and other qualified employees is critical to our business, results of operations and future growth.**

Our business and future growth is substantially dependent on the continued services and performance of our key executives, senior management and skilled personnel, especially personnel with experience in our industry. In particular, our Managing Director, Mr. Dinesh Balbirsingh Sharma and our senior management team are critical to the overall management of our Company. Their inputs and experience are also valuable for the development of our services, our work culture and the strategic direction taken by our Company. Further, our business depends upon our employees for its successful execution. All the projects are time-consuming to acquire and/or develop; as a result, such skilled personnel are often in short supply. We may require a long period of time to hire and train replaced personnel when skilled personnel terminate their employment with our Company. Our ability to compete effectively depends on our ability to attract new employees and to retain and motivate our existing employees. We may 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. If we do not succeed in attracting well-qualified employees or retaining or motivating existing employees, our business and prospects for growth could be adversely affected.

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

This Offer comprises of an offer for sale of 1,86,000 Equity Shares by our Promoters and Promoter Group (Selling Shareholders) and fresh issue of 3,22,800 Equity Shares. The proceeds from the Offer pertaining to the above sale shares will be paid to the aforesaid persons in proportion of the Equity Shares offered by them in the Offer and we will not receive any proceeds from the Offer. For further details, please refer the chapter titled "**Objects of the Offer**" beginning on page 71 of the Prospectus.

- 25. Some of our Directors have interests other than reimbursement of expenses incurred and normal remuneration or benefits in our Company**

Our Directors namely, Mr. Dinesh Balbirsingh Sharma and Ms. Sarita Dinesh Sharma are interested in our Company to the extent of the Equity Shares held by them in the Company, and any dividends, bonuses or other distributions on such Equity Shares. The premises where registered office & manufacturing facility of our Company is situated is taken on lease from Mr. Dinesh Balbirsingh Sharma and Ms. Sarita Dinesh Sharma, the Promoters and Director of our Company. For details, refer chapters titled "**Our Management**", "**Our Promoters and Promoter Group**" and section titled "**Financial Statements as Restated**" beginning on pages 119, 140 and 148 of this Prospectus, respectively.

- 26. Our Company has a negative cash flow in its operating activities as well as investing activities in the past 3 years, details of which are given below. Sustained negative cash flow could impact our growth and business.**

Our Company had negative cash flows from our operating activities as well as investing activities in the previous year(s) as per the Restated Financial Statements and the same are summarized as under:

Particulars	(₹ in Lakh)		
	For the year ended March 31,		
	2020	2019	2018
Net cash (used in)/ generated from operating Activities	294.87	158.98	243.98
Net cash (used in)/ generated from investing Activities	(64.64)	(107.00)	(145.84)

Net cash (used in)/ generated from financing Activities	(97.46)	(161.81)	59.04
Net increase/ (decrease) in cash and cash Equivalents	132.77	(109.83)	157.17
Cash and Cash Equivalents at the beginning of the period	139.19	249.01	91.84
Cash and Cash Equivalents at the end of the Period	271.95	139.19	249.01

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

**27. Our manufacturing activities are dependent upon availability of skilled and unskilled labour.**

We do not have any permanent arrangement of labour and recruitments are made on daily basis as per requirements except for those who are on permanent pay rolls. Our manufacturing activities are dependent on availability of skilled and unskilled labour. Non-availability of labour at any time or any disputes with them may affect our production schedule and timely delivery of our products to customers which may adversely affect our business and result of operations. Shortage of skilled/unskilled personnel or work stoppages caused by disagreements with employees could have an adverse effect on our business and results of operations. Though we have not experienced any major disruptions in our business operations due to disputes or other problems with our work force in the past; however, there can be no assurance that we will not experience such disruptions in the future. Such disruptions may adversely affect our business and results of operations and may also divert the management's attention and result in increased costs. India has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. We are also subject to laws and regulations governing relationships with employees, in such areas as minimum wage and maximum working hours, overtime, working conditions, hiring and terminating of employees and work permits. Although our employees are not currently unionized, there can be no assurance that they will not unionize in the future. If our employees unionize, it may become difficult for us to maintain, flexible labour policies, and we may face the threat of labour unrest, work stoppages and diversion of our management's attention due to union intervention, which may have a material adverse impact on our business, results of operations and financial condition.

**28. Significant disruptions in our information technology systems or breaches of data security could adversely affect our business and reputation.**

We may also face cyber threats such as: (i) Phishing and Trojans - targeting our customers, wherein fraudsters send unsolicited codes or mails to our customers seeking account sensitive information or to infect customer machines to search and attempt ex-filtration of account sensitive information; (ii) Hacking – wherein attackers seek to hack into our infrastructure with the primary intention of causing reputational damage to us by disrupting services; (iii) Data theft – This can be internal i.e. by someone who has access to data of our Company or external wherein unconnected cyber criminals may attempt to intrude into our network with the intention of stealing our data or information; and (iv) Advanced persistent threat – a network attack in which an unauthorized person gains access to our network and remains undetected for a long period of time. In the event of a significant decline in the demand for our products, our business, results of operations and financial condition may be materially and adversely affected.

Our systems are potentially vulnerable to data security breaches, whether by our employees, or our service providers or others that may expose sensitive data to unauthorized persons. We process and transfer data, including personal information, financial information and other confidential data provided to us by our clients. Although we maintain systems and procedures to prevent unauthorized access and other security breaches, it is possible that unauthorized individuals could improperly access our systems, or improperly obtain or disclose sensitive data that we process or handle. Data security breaches could lead to the loss of intellectual property or could lead to the public exposure of personal information (including sensitive financial and personal information) of our clients' investors or our employees. Any such security breaches or compromises of technology systems could result in institution of legal proceedings against us and potential imposition of penalties, which may have an adverse effect on our business and reputation.



- 29. *The nature of our business exposes us to liability claims and contract disputes and our indemnities may not adequately protect us. Any liability in excess of our reserves or indemnities could result in additional costs, which would reduce our profits.***

Time is often of the essence in our business work. In the event there are delays in our current or future service, we will not be able to get extensions from our customers. Further, in some contracts, in case of delay due to deficiency in services by us, clients may have the right to complete the work at our risk and cost by engaging a third party. In the event we fail to perform under the terms of a particular contract that could adversely affect our financial conditions and business operations. Failure to effectively cover ourselves against any of these reasons could expose us to substantial costs and potentially lead to material losses. In addition, if there is a customer dispute regarding our performance or workmanship, the customer may delay or withhold payment to us.

- 30. *We have not entered into any long-term contracts with any of our customers, which could adversely impact our revenue and profitability.***

We do not have any long-term contracts with our customers. We cater our products on an order to order basis. Our customers can terminate their relationship with us by giving notice and as such terms and conditions as mutually agreed upon, which could materially and adversely impact our business. Although we believe that we have satisfactory business relation with our customers and have received business from them in the past and will regularly receive the business in future also but there is no certainty that we will receive business in future from them and may affect our profitability.

- 31. *Employee fraud or misconduct could harm us by impairing our ability to attract and retain clients and subject us to significant legal liability and reputational harm.***

Our business is exposed to the risk of employee misappropriation, fraud or misconduct. Our employees could make improper use or disclose confidential information, which could result in regulatory sanctions and serious reputational or financial harm. While we strive to monitor, detect and prevent fraud or misappropriation by our employees, through various internal control measures, we may be unable to adequately prevent or deter such activities in all cases. Our dependence upon automated systems to record and process transactions may further increase the risk that technical system flaws or employee tampering or manipulation of those systems will result in losses that are difficult to detect. While we have not been able to identify such issues in the past, there could be instances of fraud and misconduct by our employees, which may go unnoticed for certain periods of time before corrective action is taken. In addition, we may be subject to regulatory or other proceedings, penalties or other actions in connection with any such unauthorized transaction, fraud or misappropriation by our agents or employees, which could adversely affect our goodwill, business prospects and future financial performance. We may also be required to make good any monetary loss to the affected party. Even when we identify instances of fraud and other misconduct and pursue legal recourse or file claims with our insurance carriers, we cannot assure you that we will recover any amounts lost through such fraud or other misconduct.

- 32. *The average cost of acquisition of Equity Shares by our Promoters is lower than the offer price.***

Our Promoters' average cost of acquisition of Equity Shares in our Company is lower than the Offer Price as decided by the Company in consultation with the Lead Manager. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company and build-up of Equity Shares by our Promoters in our Company, please refer chapter title "*Capital Structure*" beginning on page 60 of this Prospectus.

- 33. *Our top 10 customers contribute major portion of our revenues for the period March 31, 2020. Any loss of business from one or more of them may adversely affect our revenues and profitability.***

Our top ten customers contribute to a substantial portion of our revenues for the year ended March 31, 2020. Any decline in our quality standards, growing competition and any change in the demand for our service by these customers may adversely affect our ability to retain them. We believe we have maintained good and long-term relationships with our customers. However, there can be no assurance that we will continue to have such long-term relationship with them, also any delay or default in payment by these customers may adversely affect our business, financial condition and results of operations. We cannot assure that we shall generate the same quantum of business, or any business at all, from these customers, and loss of business from one or more of them may adversely affect our revenues and profitability.

Due to COVID-19 pandemic, there may have been a temporary reduction in demand for our services and there may have been an overall slowdown in the industry. Further, such pandemic situations may also arise in the future and that could materially and adversely affect our business, financial condition and results of operations. Our growth has required and will continue to require increased investments in management personnel and systems, financial systems and controls, and office facilities. However, we cannot assure you that such investments will yield desired results and we may incur costs that we may not be able to recover. We may also be unable to hire additional qualified personnel to support the offering of a wider range of services. If we fail to manage our growth, we may experience operating inefficiencies, dissatisfaction among our client base, and lost revenue opportunities, which may adversely affect our business, results of operations and financial condition.

The contribution of our top 10 customers to our total revenue are as follows:

Particulars	Customers
Top 10 (%)	46.63

**34. Our Company requires significant amounts of working capital for a continued growth. Our inability to meet our working capital requirements may have an adverse effect on our results of operations.**

Our business is working capital intensive. A significant portion of our working capital is utilized towards trade receivables. Summary of our working capital position is given below:

Particulars	(₹ in Lakh)			
	March 31, 2019	March 31, 2020	March 31, 2021	March 31, 2022
	<b>Restated</b>	<b>Restated</b>	<b>Estimated</b>	<b>Estimated</b>
<b>Current Assets</b>				
Inventories	454.93	370.50	447.45	442.95
Trade Receivables	1,369.39	1,247.00	1,078.77	1,436.44
Cash and Cash Equivalents	139.19	271.95	319.82	211.50
Short Term Loans & Advances	146.97	143.72	214.87	179.60
<b>Total (I)</b>	<b>2,110.48</b>	<b>2,033.17</b>	<b>2,060.90</b>	<b>2,270.49</b>
<b>Current Liabilities</b>				
Trade Payables	1,491.51	1,191.77	825.62	757.21
Other Current Liabilities	181.23	199.42	152.65	214.75
Short Term Borrowings	198.24	226.47	-	-
Short Term Provisions	9.10	44.04	-	-
<b>Total (II)</b>	<b>1,880.08</b>	<b>1,661.70</b>	<b>978.27</b>	<b>971.96</b>
<b>Net Working Capital (I) – (II)</b>	<b>230.40</b>	<b>371.47</b>	<b>1,082.64</b>	<b>1,298.53</b>
<b>Incremental Working Capital</b>			<b>711.17</b>	
<b>Funding Pattern:</b>				
Internal Accruals			341.17	
Part of the IPO Proceeds			370.00	

We intend to continue growing by expanding our business operations. This may result in increase in the quantum of current assets particularly trade receivables. Our inability to maintain sufficient cash flow, credit facility and other sources of fund, in a timely manner, or at all, to meet the requirement of working capital could adversely affect our financial condition and result of our operations. For further details regarding working capital requirement, please refer to the chapter titled “*Objects of the Offer*” beginning on page 71 of this Prospectus.

**35. We face intense competition in our businesses, which may limit our growth and prospects. The markets for our services continue to evolve and are competitive.**

We compete with a number of entities that produces similar products in which we operate. Our competitors may be able to respond more quickly to new or changing opportunities, technologies, and client requirements and may offer better technological services, more attractive terms to clients and adopt more aggressive pricing policies than we will be able to offer or adopt. In addition, we expect that the markets in which we compete will continue to attract new competitors and new technologies, including international providers of services similar



to ours. We compete on the basis of a number of factors, including execution, depth of product offerings, innovation, reputation, price and convenience. Our competitors may have advantages over us.

We cannot assure you that we will be able to compete effectively with current or future competitors or that we will be successful in attracting new customers for our business. These competitive pressures may affect our business, and our growth will largely depend on our ability to respond in an effective and timely manner to these competitive pressures.

**36. *We are dependent on a number of Key Managerial Personnel and our senior management, and the loss of, or our inability to attract or retain such persons could adversely affect our business, results of operations and financial condition.***

Our performance depends largely on the efforts, expertise and abilities of our Key Managerial Personnel, senior management, and our operational personnel who possess significant experience in the industry in which we operate. We believe that the inputs and experience of our KMP and senior management, in particular, and other key personnel are valuable for the development of our business, operations and the strategic directions taken by our Company. We cannot assure you that these individuals or any other member of our senior management team will not leave us or join a competitor or that we will be able to retain such personnel or find adequate replacements in a timely manner, or at all. We may require a long period of time to hire and train replacement personnel when qualified personnel terminate their employment with our Company. Moreover, we may be required to substantially increase the number of our qualified personnel in connection with any future growth plans, and we may face difficulty in doing so due to the intense competition in the technology industry for such personnel. We may also be required to increase our levels of employee compensation more rapidly than in the past in order to remain competitive in retaining.

Further, the COVID -19 pandemic has dynamically altered the approach on workplace hygiene and safety and continuity of operations while confirming with measures implemented by the central and state governments in relation to the health and safety of our employees may result in increased costs. In the event a member or members of our senior management team contract COVID-19, it may potentially affect our operations. Further, in the event any of our employees' contract COVID-19, we may be required to quarantine our employees and shut down a part of or the entire operating facility as necessary. Risks arising on account of COVID-19 can also threaten the safe operation of our facility, loss of life, injuries and impact the well-being of our employees.

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

As on August 31, 2020, we employed 52, personnel (permanent employees) across our operations. Although we have not experienced any employee unrest in the past, we cannot assure you that we will not experience disruptions in work due to disputes or other problems with our work force, which may adversely affect our ability to continue our business operations. Any employee unrest directed against us, could directly or indirectly prevent or hinder our normal operating activities, and, if not resolved in a timely manner, could lead to disruptions in our operations. These actions are impossible for us to predict or control and any such event could adversely affect our business, results of operations and financial condition. Further we may also enter into contracts with independent contractors and service providers to complete specific assignments and these contractors and service providers would be required to provide the workforce necessary to complete such assignments by hiring labourers. Although we may not engage the workforce directly and our contracts with such independent contractors and service providers may contain indemnity provisions to protect us from any claims by statutory authorities, the occurrence of such events could adversely affect our business, results of operations and financial condition. Additionally, none of our employees are affiliated with any labour unions. However, there can be no assurance that our employees will not form a union, join any existing union or otherwise organize themselves. India has stringent labour legislations that protect the interests of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. Although, we currently have harmonious relations with our employees and they are not unionized at present, there can be no assurance that we will continue to have such relations. If our relations with our employees are strained, it may become difficult for us to maintain our existing labour policies, and our business may be adversely affected.

**38. *Compliance with, and changes in, safety, health and environmental laws and regulations may adversely affect our business, prospects, financial condition and results of operations.***

Due to the nature of our business, we expect to be or continue to be subject to extensive and increasingly stringent environmental, health and safety laws and regulations and various labour, workplace and related laws and regulations. We are also subject to environmental laws and regulations, including but not limited to:

- a. Environment (Protection) Act, 1986
- b. Air (Prevention and Control of Pollution) Act, 1981
- c. Water (Prevention and Control of Pollution) Act, 1974
- d. Other regulations promulgated by the Ministry of Environment and Forests and the Pollution Control Board of the state of Maharashtra.

which govern the discharge, emission, storage, handling and disposal of a variety of substances that may be used in or result from the operations of our business. The scope and extent of any new environmental regulations, including their effect on our operations, cannot be predicted and hence the costs and management time required to comply with these requirements could be significant. Amendments to such statutes may impose additional provisions to be followed by our Company and accordingly the Company needs to incur clean-up and remediation costs, as well as damages, payment of fines or other penalties, closure of production facilities for non-compliance, other liabilities and related litigation, could adversely affect our business, prospects, financial condition and results of operations.

**39. *Our future success will depend on our ability to anticipate and respond to technological advances, new standards and changing consumer preferences.***

Our success will depend on our ability to anticipate technological advances, new standards and changing consumer preferences and develop new products to meet consumer needs. There is a significant shift towards the energy efficient products driven by the Governments' drive to reduce energy costs. In several categories, products which are more energy efficient are being promoted and preferred.

Our future success in the manufacturing segment depends upon our ability to keep up with the continuing evolution of technology to capture the growing market opportunity. The development and introduction of new products may result in additional product introduction expenses.

**40. *Our operating expenses include overheads that may remain fixed in the medium term. In case there is any decline in our operating performance, we may be unable to reduce such expenses.***

Our operating expenses include various fixed costs, which are as such, not dependent on sales revenue. Any shortfall in sales may cause significant variations in operating results in any particular quarter, as we would not be able to reduce our fixed operating expenses in the short term. The effect of any decline in sales may thereby be magnified because a portion of our earnings are committed to paying these fixed costs. Accordingly, we believe that period-to-period comparisons of our results may not necessarily give a correct presentation of the performance and should not be relied upon as indications of future performance.

**41. *If we are unable to raise additional capital, our business prospects could be adversely affected.***

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. We expect our long-term capital requirements to increase significantly to fund our intended growth.

We cannot assure you that we will have sufficient capital resources for any future expansion plans that we may have. While we expect our cash on hand, cash flow from operations to be adequate to fund our existing commitments, our ability to pay these amounts is dependent upon the success of our operations. Additionally, the inability to obtain sufficient financing could adversely affect our ability to complete expansion plans. Moreover, we cannot assure you that market conditions and other factors would permit us to obtain future financing on terms acceptable to us, or at all.

**42. *Our insurance policies do not cover all risks, specifically risks like loss of profits, terrorism, etc. In the event of occurrence of such events, our insurance coverage may not adequately protect us against possible risk of loss.***



Our company has obtained insurance coverage in respect of certain risks. Our significant accounting policies consists of, amongst others, standard fire and special perils, earthquakes, etc. While we believe that we maintain insurance coverage in adequate amounts consistent with size of our business, our insurance policies do not cover all risks, specifically risks like loss of profits, terrorism, etc. There can be no assurance that our insurance policies will be adequate to cover the losses in respect of which the insurance has been availed. If we suffer a significant uninsured loss or if insurance claim in respect of the subject-matter of insurance is not accepted or any insured loss suffered by us significantly exceeds our insurance coverage, our business, financial conditions and results of operations may be materially and adversely affected.

**43. *There are no alternate arrangements for meeting our working capital requirements for the Objects of the Offer. Any shortfall in raising / meeting the same could adversely affect our growth plans, operations and financial performance.***

As on date, we have not made any alternate arrangements for meeting our capital requirements for the Objects of the Offer. We meet our working capital requirements through our owned funds and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our working capital requirements, which in turn will negatively affect our financial condition and results of operations. Further we have not yet identified any alternate source of funding and hence any failure or delay on our part to raise money from this Offer or any shortfall in the Offer Proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details, please refer chapter titled “*Objects of the Offer*” beginning on page 71 of this Prospectus.

**44. *Guarantees from Promoters, Directors as well as others have been taken in relation to the debt facilities provided to us.***

In an event any of the guarantors withdraws or terminates this guarantee, the lender for such facilities may ask for alternate guarantee/s, repayment of amounts outstanding under such facilities, or even terminate such facilities. We may not be successful in procuring guarantee/s satisfactory to the lender and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could adversely affect our financial condition. For more information, please see the chapter titled “*Statement of Financial Indebtedness*” beginning on page 203 of this Prospectus.

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

We may retain all our future earnings, if any, for use in the operations and expansion of our 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 deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Additionally, under some of our loan agreements, we may not be permitted to declare any dividends, if there is a default under such loan agreements or unless our Company has paid all the dues to the lender up to the date on which the dividend is declared or paid or has made satisfactory provisions thereof. Accordingly, realization of a gain on shareholder’s investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our dividend history, see “*Dividend Policy*” beginning on page 147 of this Prospectus.

**46. *Our lenders have charge over immovable properties in respect of finance availed by us.***

Our company has taken secured loans from banks by creating a charge over our movable and immovable properties in respect of loans/facilities availed by us. The total amount outstanding and payable by us for secured loans were ₹265.23 Lakh as on March 31, 2020. 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 detail please refer to chapter titled “*Financial Statements as Restated*” beginning on page 148 and financial indebtedness in chapter titled “*Statement of Financial Indebtedness*” beginning on page 203 of this Prospectus.



- 47. *Our future funds requirements, in the form of fresh issue of capital or securities and/or loans taken by us, may be prejudicial to the interest of the shareholders depending upon the terms on which they are eventually raised.***

We may require additional capital from time to time depending on our business needs. Any fresh issue of shares or convertible securities would dilute the shareholding of the existing shareholders and such issuance may be done on terms and conditions, which may not be favorable to the then existing shareholders. If such funds are raised in the form of loans or debt, then it may substantially increase our interest burden and decrease our cash flows, thus prejudicially affecting our profitability and ability to pay dividends to our shareholders.

- 48. *Underutilization of capacity of our manufacturing facility may adversely affect our business, results of operations and financial conditions.***

We cannot assure that we shall be able to utilize our facility to their full capacity or up to an optimum capacity, and non-utilization of the same may lead to loss of profits or can result in losses, and may adversely affect our business, results of operations and financial condition. Even use of the proposed production capacity is subject to several variables like availability of raw material, power, water, proper working of machinery, orders on hand, supply/demand, manpower, etc.

- 49. *We may not be successful in implementing our business strategies.***

The success of our business depends substantially on our ability to implement our business strategies effectively. Even though we have successfully executed our business strategies in the past, there is no guarantee that we can implement the same on time and within the estimated budget going forward, or that we will be able to meet the expectations of our targeted clients. Changes in regulations applicable to us may also make it difficult to implement our business strategies. Failure to implement our business strategies would have a material adverse effect on our business and results of operations.

- 50. *Our lenders have imposed certain restrictive conditions on us under our financing arrangements. Under our financing arrangements, we are required to obtain the prior, written lender consent for, among other matters, changes in our capital structure, and formulation of a scheme of amalgamation or reconstruction and entering into any other borrowing arrangement. Further, we are required to maintain certain financial ratios.***

There can be no assurance that we will be able to comply with these financial or other covenants or that we will be able to obtain the consents necessary to take the actions we believe are necessary to operate and grow our business. Our level of existing debt and any new debt that we incur in the future has important consequences. Any failure to comply with these requirements or other conditions or covenants under our financing agreements that are not waived by our lenders or are not otherwise cured by us, may require us to repay the borrowing in whole or part and may include other related costs. Our Company may be forced to sell some or all of its assets or limit our operations. This may adversely affect our ability to conduct our business and impair our future growth plans. Though these covenants are restrictive to some extent to the Company however it ensures financial discipline, which would help the Company in the long run to improve its financial performance. We did not get most of the NOC from our lenders.

For further information, see the chapter titled “*Statement of Financial Indebtedness*” beginning on page 203 of the Prospectus.

- 51. *Our future funds requirements, in the form of fresh issue of capital or securities and/or loans taken by us, may be prejudicial to the interest of the shareholders depending upon the terms on which they are eventually raised.***

We may require additional capital from time to time depending on our business needs. Any fresh issue of shares or convertible securities would dilute the shareholding of the existing shareholders and such issuance may be done on terms and conditions, which may not be favorable to the then existing shareholders. If such funds are raised in the form of loans or debt, then it may substantially increase our interest burden and decrease our cash flows, thus prejudicially affecting our profitability and ability to pay dividends to our shareholders.

- 52. *Certain agreements/deeds may be inadequately stamped or may not have been registered as a result of which our operations may be impaired.***





Our certain agreements/deeds may not have been stamped adequately or registered. The effect of inadequate stamping is that the document is not admissible as evidence in legal proceedings and parties to that agreement may not be able to legally enforce the same, except after paying a penalty for inadequate stamping. The effect of non-registration, in certain cases, is to make the document inadmissible in legal proceedings. Any potential dispute vis-à-vis the said premises and our non-compliance of local laws relating to stamp duty and registration may adversely impact the continuance of our activity from such premises. Our deed of registered office and corporate office are not registered.

**53. *Certain Agreements /deeds may be in the previous name of the company.***

Our certain agreements and deeds may be in the name of the erstwhile name of the company i.e. G M Polyplast Limited. In case we fail to change the name in the agreements and deeds, it may cause adverse effect on Our company's business.

**54. *Some of the KMPs is associated with our company for less than one year.***

Our Key Management Personnel, Company Secretary is associated with the Company for a period of less than one year therefore they may not have been accustomed to the company affairs till date. For details of Key Management Personnel and their appointment, please refer to chapter "***Our Management***" beginning on page 119 of this Prospectus.

**55. *Fraud, theft, employee negligence or similar incidents may adversely affect our results of operations and financial condition.***

Our operations may be subject to incidents of theft or damage to inventory in transit, prior to or during stocking and display. Although till date we have never experienced any such instance, there can be no assurance that we will not experience any fraud, theft, employee negligence, security lapse, loss in transit or similar incidents in the future, which could adversely affect our results of operations and financial condition.

Additionally, losses due to theft, fire, breakage or damage caused by other casualties, could adversely affect our results of operations and financial condition.

**56. *There is no guarantee that our Equity Shares will be listed on the Stock Exchanges in a timely manner or at all.***

In accordance with Indian law and practice, permission to list the Equity Shares will not be granted until after the Equity Shares have been issued and allotted. Approval will require all other relevant documents authorizing the issuing of our Equity Shares to be submitted. There could be a failure or delay in listing our Equity Shares on the Stock Exchanges. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares.

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

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

**58. *Excessive reliance on our information technology systems and their failure could harm our relationship with customers, expose us to lawsuits or administrative sanctions or otherwise adversely affect our provision of service to customers and our internal operation.***

As part of our business strategy, we use high quality of information technology system to deliver our services in the best possible way. We have an exemplary track record for completion of the projects within the stipulated



time period but there may be the system interruptions, errors, or downtime which could result from a variety of causes including changes in technology, technology failure, changes in system, and power failure etc. these may affect our business adversely.

**59. *The deployment of funds raised through this Offer shall not be subject to any Monitoring Agency and shall be purely dependent on the discretion of the management of Our Company.***

Since, the Offer size is less than ₹10,000 Lakh, there is no mandatory requirement of appointing an Independent Monitoring Agency for overseeing the deployment of utilization of funds raised through this Offer. The deployment of these funds raised from this Offer, is hence, at the discretion of the management and the Board of Directors of Our Company and Our Company's management will have flexibility in applying the proceeds of the Offer and will not be subject to monitoring by any independent agency. The fund requirement and deployment mentioned in the Objects of the Offer is based on internal management estimates and have not been appraised by any bank or financial institution. Any inability on our part to effectively utilize the Offer proceeds could adversely affect our financials. However, our Audit Committee will monitor the utilization of the proceeds of this Offer and prepare the statement for utilization of the proceeds of this Offer. Also, in accordance with Section 27 of the Companies Act, 2013, a company shall not vary the objects of the Offer without the Company being authorized to do so by our shareholders by way of special resolution and other compliances as applicable in this regard. Our Promoters and controlling shareholders shall provide 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.

**60. *Our operations may be adversely affected in case of industrial accidents at our working sites***

Usage of heavy machinery, handling of sharp parts of machinery by labour during production processor otherwise, short circuit of power supply for machines, etc. may result in accidents and fires, which could cause indirect injury to our labour, employees, other persons on the site and could also damage our properties thereby affecting our operations. Further, our plant and machinery and personnel may not be covered under adequate insurance for occurrence of particular types of accidents which could adversely hamper our cash flows and profitability.

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

After completion of the Offer, our Promoters and Promoter Group will collectively own 73.65% of the Equity Shares. As a result, our Promoters together with the members of the Promoter Group will be able to exercise a significant degree of influence over us and will be able to control the outcome of any proposal that can be approved by a majority shareholder vote, including, the election of members to our Board, in accordance with the Companies Act. Such a concentration of ownership may also have the effect of delaying, preventing or deterring a change in control of our Company. In addition, our Promoters will continue to have the ability to cause us to take actions that are not in, or may conflict with, our interests or the interests of some or all of our creditors or minority shareholders, and we cannot assure you that such actions will not have an adverse effect on our future financial performance or the price of our Equity Shares.

**62. *Negative publicity could adversely affect our revenue model and profitability.***

We work in the market where trust of the customers on us and upon the services provided by us matters a lot. Any negative publicity regarding our company or the services rendered by the company due to any other unforeseen events may affect our reputation and image which leads to the adverse effect on our business and goodwill as well.

**63. *Industry information included in this Prospectus has been derived from industry reports commissioned by us for such purpose. There can be no assurance that such third-party statistical, financial and other industry information is either complete or accurate.***

We have relied on the reports of certain independent third party for purposes of inclusion of such information in this Prospectus. These reports are subject to various limitations and based upon certain assumptions that are subjective in nature. We have not independently verified data from such industry reports and other sources.



Although we believe that the data may be considered to be reliable, their accuracy, completeness and underlying assumptions are not guaranteed and their dependability cannot be assured. While we have taken reasonable care in the reproduction of the information, the information has not been prepared or independently verified by us, or any of our respective affiliates or advisors and, therefore, we make no representation or warranty, express or implied, as to the accuracy or completeness of such facts and statistics. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced for other economies and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. Statements from parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Prospectus.

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

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

**Offer Specific Risks:**

**65. *There are restrictions on daily/weekly/monthly movements in the price of the Equity Shares, which may adversely affect a shareholders' ability to sell, or the price at which it can sell, Equity Shares at a particular point in time.***

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

**66. *After this Offer, the price of the Equity Shares may be highly volatile, or an active trading market for the Equity Shares may not develop.***

The price of the Equity Shares on the Stock Exchanges may fluctuate as a result of the factors, including:

- a. Volatility in the Indian and global capital market;
- b. Company's results of operations and financial performance;
- c. Performance of Company's competitors,
- d. Adverse media reports on Company or pertaining to the agriculture Industry;
- e. Changes in our estimates of performance or recommendations by financial analysts;
- f. Significant developments in India's economic and fiscal policies; and
- g. Significant developments in India's environmental regulations.

Current valuations may not be sustainable in the future and may also not be reflective of future valuations for our industry and our Company. There has been no public market for the Equity Shares and the prices of the Equity Shares may fluctuate after this Offer. There can be no assurance that an active trading market for the



Equity Shares will develop or be sustained after this Offer or that the price at which the Equity Shares are initially traded will correspond to the price at which the Equity Shares will trade in the market subsequent to this Offer.

**67. *You will not be able to sell immediately on Stock Exchange any of the Equity Shares you purchase in the Offer until the Offer receives appropriate trading permissions.***

The Equity Shares will be listed on the Stock Exchange. Pursuant to Indian regulations, certain actions must be completed before the Equity Shares can be listed and trading may commence. We cannot assure you that the Equity Shares will be credited to investor's demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in the Prospectus. Any failure or delay in obtaining the approval would restrict your ability to dispose of the Equity Shares. In accordance with section 40 of the Companies Act, 2013, in the event that the permission of listing the Equity Shares is denied by the stock exchanges, we are required to refund all monies collected to investors.

**68. *The Offer price of our Equity Shares may not be indicative of the market price of our Equity shares after the Offer.***

The Offer price of our equity Shares has been determined by fixed price method. This price is based on numerous factors and may not be indicative of the market price of our Equity Shares after the Offer. The market price of our Equity Shares could be subject to significant fluctuation after the Offer and may decline below the Offer price. We cannot assure you that you will be able to sell your Equity Shares at or above the Offer price. For further details you may refer chapter titled "**Basis for Offer Price**" beginning on the page 77 of this prospectus.

Some of the factors which may affect our share price without limitations are as follows:

- Reports on research by analysts.
- Changes in revenue.
- Variations in growth rate of our financial indicators such as earning per share, income, profit etc.
- General Market Condition
- Domestic and International Economy.

**69. *Sale of Equity Shares by our Promoters or other significant shareholder(s) may adversely affect the Trading price of the Equity Shares.***

Any instance of disinvestments of equity shares by our Promoters or by other significant shareholder(s) may significantly affect the trading price of our Equity Shares. Further, our market price may also be adversely affected even if there is a perception or belief that such sales of Equity Shares might occur.

**EXTERNAL RISKS**

**Industry Related Risks:**

**70. *Changes in government regulations or their implementation could disrupt our operations and adversely affect our business and results of operations.***

Our business and industry are regulated by different laws, rules and regulations framed by the Central and State Government. These regulations can be amended/ changed on a short notice at the discretion of the Government. If we fail to comply with all applicable regulations or if the regulations governing our business or their implementation change adversely, we may incur increased costs or be subject to penalties, which could disrupt our operations and adversely affect our business and results of operations.

**71. *Malpractices by some players in the industry affect overall performance of emerging Companies***

The industry in which our Company operates is subject to risk associated with unethical business practices such as unethical marketing, dishonest advertising, questionable pricing practices, inaccurate claims with regards to safety and efficacy of the product etc. Consumers' attitude toward the industry today is dominated by a sense of mistrust, paving a way for regulators for stricter entry barriers and introduction of code of conducts; making the entire industry environment regulated and controlled. Malpractices by some players in the industry affects the overall performance of the emerging Companies like our as the industry norms are applicable to all at parity.



Any unethical business practices by any industry player or intermediary may impact our business and results of operations.

**Other Risks:**

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

Under current Indian tax laws and regulations, capital gains arising from the sale of equity shares in an Indian Company are generally taxable in India. Any gain on the sale of shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if the securities transaction tax (“STT”) has been paid on the transaction. The STT will be levied on and collected by an Indian stock exchange on which equity shares are sold. Any gain on the sale of shares held for more than 12 months to an Indian resident, which are sold other than on a stock exchange and as a result of which no STT has been paid, will be subject to long term capital gains tax in India. Further, any gain on the sale of shares held for a period of 12 months or less will be subject to capital gains tax in India. Further, any gain on the sale of listed equity shares held for a period of 12 months or less which are sold other than on a stock exchange and on which no STT has been paid, will be subject to short term capital gains tax at a relatively higher rate as compared to the transaction where STT has been paid in India.

In Finance Bill 2017, section 10(38) was amended to provide that exemption under this section for income arising on transfer of equity share acquired on or after 1st day of October 2004 shall be available only if the acquisition of share is chargeable to Securities Transactions Tax (STT) under Chapter VII of the Finance (No 2) Act, 2004. In case this provision becomes effective, sale shares acquired on or after 1st day of October 2004 on which STT was not charged will attract tax under provisions of Long-Term Capital Gains.

As per Finance Bill 2018, exemption under section 10(38) for income arising from long term gains on transfer of equity share shall not be available on or after 1st day of April 2018 if the long-term capital gains exceed ₹ 1.00 Lakh p.a. Such income arising from long term gains on transfer of equity share on or after 1st day of April 2018 in excess of ₹1.00 Lakh p.a. shall be chargeable at the rate of 10%. Capital gains arising from the sale of shares will be exempt from taxation in India in cases where an exemption is provided under a tax treaty between India and the country of which the seller is a 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 jurisdictions on gains arising from a sale of the shares subject to relief available under the applicable tax treaty or under the laws of their own jurisdiction.

**73. *Significant differences exist between Indian GAAP and other accounting principles, such as U.S. GAAP and IFRS, which may be material to the financial statements, prepared and presented in accordance with SEBI ICDR Regulations contained in this Prospectus.***

As stated in the reports of the Auditor included in this Prospectus under chapter “**Financial Statements as Restated**” beginning on page 148. The financial statements included in this Prospectus are based on financial information that is based on the audited financial statements that are prepared and presented in conformity with Indian GAAP and restated in accordance with the SEBI ICDR Regulations, and no attempt has been made to reconcile any of the information given in this Prospectus to any other principles or to base it on any other standards. Indian GAAP differs from accounting principles and auditing standards with which prospective investors may be familiar in other countries, such as U.S. GAAP and IFRS. Significant differences exist between Indian GAAP and U.S. GAAP and IFRS, which may be material to the financial information prepared and presented in accordance with Indian GAAP contained in this Prospectus. Accordingly, the degree to which the financial information included in this Prospectus will provide meaningful information is dependent on familiarity with Indian GAAP, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian GAAP on the financial disclosures presented in this Prospectus should accordingly be limited.

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

The Government of India has traditionally exercised and continues to exercise influence over many aspects of the economy. Our business and the market price and liquidity of our Equity Shares may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. The rate of economic liberalization could change, and specific laws and policies affecting the information technology sector, foreign investment and other matters affecting investment

in our securities could change as well. Any significant change in such liberalization and deregulation policies could adversely affect business and economic conditions in India, generally, and our business, prospects, financial condition and results of operations, in particular.

**75. *Financial instability in Indian Financial Markets could adversely affect our Company's results of operation and financial condition.***

In this globalized world, the Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, say in the United States of America, Europe, China or other emerging economies, 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. Indian financial markets have also experienced the contagion effect of the global financial turmoil. Any prolonged financial crisis may have an adverse impact on the Indian economy, thereby resulting in a material and adverse effect on our Company's business, operations, financial condition, profitability and price of its Shares. Stock exchanges in India have in the past experienced substantial fluctuations in the prices of listed securities.

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

While facts and other statistics in this Prospectus relating to India, the Indian economy and our industry has been based on various government publications and reports from government agencies that we believe are reliable, we cannot guarantee the quality or reliability of such materials. While we have taken reasonable care in the reproduction of such information, industry facts and other statistics have not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore we make no representation as to their accuracy or completeness. These facts and other statistics include the facts and statistics included in the chapter titled "**Industry Overview**" beginning on page 83 of this Prospectus. Due to possibly flawed or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

**77. *Global economic, political and social conditions may harm our ability to do business, increase our costs and negatively affect our stock price.***

Global economic and political factors that are beyond our control, influence forecasts and directly affect performance. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, inflation, deflation, foreign exchange fluctuations, consumer credit availability, fluctuations in commodities markets, consumer debt levels, unemployment trends and other matters that influence consumer confidence, spending and tourism. Increasing volatility in financial markets may cause these factors to change with a greater degree of frequency a magnitude, which may negatively affect our stock prices.

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

Under the foreign exchange regulations currently in force in India, transfers of shares between 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 Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/ tax clearance certificate from the income tax authority. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

**79. *The extent and reliability of Indian infrastructure could adversely affect our Company's results of Operations and financial condition.***

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

**80. *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, tsunami, 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.

**81. *Terrorist attacks, civil unrests and other acts of violence or war involving India or other countries could adversely affect the financial markets, our business, financial condition and the price of our Equity Shares.***

Any major hostilities involving India or other acts of violence, including civil unrest or similar events that are beyond our control, could have a material adverse effect on India's economy and our business. Incidents such as the terrorist attacks, other incidents such as those in US, Indonesia, Madrid and London, and other acts of violence may adversely affect the Indian stock markets where our Equity Shares will trade as well the global equity markets generally. Such acts could negatively impact business sentiment as well as trade between countries, which could adversely affect our Company's business and profitability. Additionally, such events could have a material adverse effect on the market for securities of Indian companies, including the Equity Shares.

**82. *The nationalized goods and services tax (GST) regimes implemented by the Government of India have impact on our operations.***

The Government of India has from July 01, 2017 has implemented the Goods and Service Tax a comprehensive national goods and service tax (GST) regime that combines taxes and levies by the Central and State Governments into a unified rate structure.

**83. *Any downgrading of India's sovereign rating by an independent agency may harm our ability to raise financing.***

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

## SECTION IV: INTRODUCTION

### THE OFFER

The following is the summary of the Offer:

<b>Equity Shares Offered</b> <sup>(1)</sup> Present Offer of Equity Shares by our Company and the Selling Shareholders <sup>(2)</sup>	Offer of 5,08,800 Equity Shares of ₹10.00 each for cash at a price of ₹159.00 per Equity Share (including premium of ₹149.00 per Equity Share) aggregating to ₹808.99 Lakh
<b>Out of which:</b>	
<b>Fresh Issue</b>	3,22,800 Equity Shares of ₹10.00 each fully paid-up of our Company for cash at a price of ₹159.00 per Equity Share (including premium of ₹149.00 per Equity Share) aggregating to ₹513.25 Lakh
<b>Offer for Sale</b>	1,86,000 Equity Shares of ₹10.00 each fully paid-up of our Company for cash at a price of ₹159.00 per Equity Share (including premium of ₹149.00 per Equity Share) aggregating to ₹295.74 Lakh
<b>Out of which:</b>	
<b>Market Maker Reservation Portion</b>	25,600 Equity Shares of ₹10.00 each fully paid-up of our Company for cash at a price of ₹159.00 per Equity Share (including premium of ₹149.00 per Equity Share) aggregating to ₹40.70 Lakh
<b>Net Offer to the Public</b>	4,83,200 Equity Shares of ₹10.00 each for cash at a price of ₹159.00 per Equity Share (including premium of ₹149.00 per Equity Share) aggregating to ₹768.29 Lakh
<b>Out of which:</b>	
<b>Allocation to Retail Individual Investors for upto ₹2.00 Lakh</b>	2,41,600 Equity Shares of ₹10.00 each at a price of ₹159.00 per Equity Share (including premium of ₹149.00 per Equity Share) aggregating to ₹384.14 Lakh
<b>Allocation to Non-Institutional Investors for above ₹2.00 Lakh</b>	2,41,600 Equity Shares of ₹10.00 each at a price of ₹159.00 per Equity Share (including premium of ₹149.00 per Equity Share) aggregating to ₹384.14 Lakh
<b>Pre and Post-Offer Equity Shares</b>	
<b>Equity Shares outstanding prior to the Offer</b>	16,00,000 Equity Shares of ₹10.00 each
<b>Equity Shares outstanding after the Offer*</b>	19,22,800 Equity Shares of ₹10.00 each
<b>Objects of the Offer</b>	Please refer to the chapter titled “ <i>Objects of the Offer</i> ” beginning on page 71 of this Prospectus

\*Assuming full allotment

<sup>(1)</sup> This Offer is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. For further details, please see the section titled “**Offer Related Information**” beginning on page 226 of this Prospectus.

<sup>(2)</sup> The present Offer has been authorized pursuant to a resolution of our Board dated August 30, 2020 and by Special Resolution passed under Section 62(1)(C) of the Companies Act, 2013 at an Extra-Ordinary General Meeting of our shareholders held on September 03, 2020.

The Selling Shareholders have consented to participate in the Offer for Sale in the following matter:

Name of the Selling Shareholders	Authorisation Letter dated	Consent Letter dated	No. of Equity Shares held	No. of Equity Shares Offered
Mr. Dinesh Balbirsingh Sharma	August 28, 2020	September 07, 2020	8,00,000	75,000
Ms. Sarita Dinesh Sharma	August 28, 2020	September 07, 2020	7,99,995	1,11,000

The Selling Shareholders has confirmed that the Equity Shares proposed to be offered and sold in the Offer are eligible in term of SEBI (ICDR) Regulations, 2018 and that they have not been prohibited from dealings in





*securities market and the Equity Shares offered and sold are free from any lien, encumbrance or third-party rights. The Selling Shareholders has also severally confirmed that they are the legal and beneficial owners of the Equity Shares being offered by them under the Offer for Sale.*

As per Regulation 253(2) of the SEBI (ICDR) Regulations, 2018, as amended from time to time, the allocation in the net offer to the public category shall be made as follows:

- Minimum 50% (fifty percent) to Retail Individual Investors; and
- Remaining to:
  - a) Individual applicants other than retail individual investors; and
  - b) Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;

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

***Explanation to Regulations 253 of SEBI (ICDR) Regulations, 2018: If the retail individual investor category is entitled to more than fifty percent of the offer size on proportionate basis, accordingly the retail individual investors shall be allocated that higher percentage.***

## SUMMARY OF FINANCIAL INFORMATION

RESTATED SUMMARY STATEMENT OF ASSET AND LIABILITIES			
(Rs. In Lacs)			
Particulars	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018
<b>I. EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	10.00	10.00	10.00
Reserve and Surplus (excluding Revaluation Reserves, if any)	784.17	557.37	419.33
<b>Non Current Liabilities</b>			
Long-term Borrowings	26.81	89.58	204.92
Deffered tax Liabilities (Net)	-	-	-
<b>Current Liabilities</b>			
Short-term Borrowings	226.47	198.24	219.48
Trade Payables	1,191.77	1,491.51	1,500.71
Other Current Liabilities	199.41	181.23	171.80
Short-term Provisions	44.04	9.10	7.00
<b>Total</b>	<b>2,482.68</b>	<b>2,537.03</b>	<b>2,533.25</b>
<b>II. Asset</b>			
<b>Non Current Asset</b>			
Fixed Asset			
(i) Tangible Asset	295.45	286.96	243.09
Non Current Investment	104.43	101.26	82.64
Deferred tax Asset (Net)	7.31	2.51	4.82
Long-term Loan and Advances	42.31	35.81	25.81
<b>Current Asset</b>			
Inventories	370.50	454.93	436.34
Trade Receivables	1,247.00	1,369.39	1,337.68
Cash and Cash Equivalents	271.95	139.19	249.01
Short-term Loan and Advances	143.72	146.97	153.85
<b>Total</b>	<b>2,482.68</b>	<b>2,537.03</b>	<b>2,533.25</b>

**Note:-**

The above statement should be read with the significant accounting policies (Annexure IV) and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexure I, II and III.

As per our report attached of even date

For and on behalf of the Board of Directors

For Anay Gogte & Co.

Chartered Accountants

FRN: 100398W

Dinesh Sharma  
Managing Director

Sarita Sharma  
Director

[A.R.Gogte]

Partner

Mem No: 037046

Date : 15/09/2020

Place : Mumbai

Tushar N Pandya  
Chief Financial Officer

Date : 15/09/2020

Place : Mumbai

Dimple Parmar  
Company Secretary

<b>RESTATED SUMMARY STATEMENT OF PROFIT AND LOSS</b>			
<b>(Rs. In Lacs)</b>			
<b>Particulars</b>	<b>For the year ending on 31.03.2020</b>	<b>For the year ending on 31.03.2019</b>	<b>For the year ending on 31.03.2018</b>
Revenue from Operations	6,314.53	6,811.87	5,546.74
Other Income	28.44	22.63	4.50
<b>Total Revenue</b>	<b>6,342.98</b>	<b>6,834.50</b>	<b>5,551.24</b>
<b>Expenses:</b>			
Cost of Material Consumed	5,483.79	6,073.48	5,077.96
Changes in inventories of finished goods	28.21	42.85	(34.64)
Employee Benefits Expenses	146.45	119.68	78.17
Finance Costs	23.19	36.47	30.67
Depreciation and Amortization Expense	63.15	58.54	46.04
Other Expenses	281.31	311.95	224.66
<b>Total Expenses</b>	<b>6,026.11</b>	<b>6,642.96</b>	<b>5,422.85</b>
Profit before exceptional and extraordinary items and tax (A-B)	<b>316.87</b>	<b>191.54</b>	<b>128.39</b>
Exceptional/Prior Period items	-	-	-
<b>Profit before extraordinary items and tax</b>	<b>316.87</b>	<b>191.54</b>	<b>128.39</b>
Extraordinary items	-	-	-
<b>Profit Before Tax</b>	<b>316.87</b>	<b>191.54</b>	<b>128.39</b>
Provision for Tax			
- Current Tax	89.87	51.19	37.76
- Deferred Tax Liability / (Asset)	(4.80)	2.31	(1.57)
- MAT Credit	-	-	-
- Income Tax for Earlier years	-	-	-
<b>Restated profit after tax for the period from continuing operations</b>	<b>231.80</b>	<b>138.04</b>	<b>92.20</b>
Profit/(Loss) from Discontinuing operations	-	-	-
Tax expenses of discontinuing operations	-	-	-
<b>Restated profit for the period</b>	<b>231.80</b>	<b>138.04</b>	<b>92.20</b>

**Note:-**

The above statement should be read with the significant accounting policies (Annexure IV) and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexure I, II and III.

*As per our report attached of even date*

*For Anay Gogte & Co.*

*Chartered Accountants*

*FRN: 100398W*

*[A.R.Gogte]*

*Partner*

*Mem No: 037046*

*Date : 15/09/2020*

*Place : Mumbai*

**For and on behalf of the Board of Directors**

**Dinesh Sharma**

**Managing Director**

**Sarita Sharma**

**Director**

**Tushar N Pandya**

**Chief Financial Officer**

*Date : 15/09/2020*

*Place : Mumbai*

**Dimple Parmar**

**Company Secretary**

<b>RESTATED SUMMARY STATEMENT OF CASH FLOW</b>			
<b>(Rs. In Lacs)</b>			
<b>Particulars</b>	<b>For the Year Ended on</b>		
	<b>31.03.2020</b>	<b>31.03.2019</b>	<b>31.03.2018</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Net Profit before tax	316.87	191.54	128.39
<b>Adjustment for:</b>			
Add Depreciation	63.15	58.54	46.04
Add Interest Expenses	23.19	36.47	30.67
Less Interest Income	(6.29)	(5.44)	(4.42)
Less Dividend Income	(0.04)	(0.04)	(0.08)
Less Profit on sale of Fixed Assets	(3.83)	(8.55)	-
Add Contribution for Gratuity & Leave Encashment	2.40	1.38	0.87
Less Impact of change in accounting policy	-	-	-
<b>Operating profit before working capital changes</b>	<b>395.45</b>	<b>273.90</b>	<b>201.47</b>
<b>Adjustment for :</b>			
(Increase)/Decrease in Trade Receivable	122.39	(31.71)	(128.26)
(Increase)/Decrease in Current Investment	-	-	-
(Increase)/Decrease in Inventories	84.43	(18.59)	(110.63)
(Increase)/Decrease in Short-term Loan and Advances	3.24	0.53	(25.32)
(Increase)/Decrease in Other Current Asset	-	-	-
Increase/(Decrease) in Trade Payables	(299.74)	(9.21)	97.63
Increase/(Decrease) in Provisions	5.67	0.73	(0.15)
Increase/(Decrease) in Other Current Liabilities	18.18	9.44	123.09
Increase/(Decrease) in Short-term Borrowings	28.23	(21.24)	126.18
<b>Net Adjustments</b>	<b>(37.60)</b>	<b>(70.06)</b>	<b>82.53</b>
Cash generated from / (used in) operations	357.85	203.84	284.00
Income Tax Paid (Net)	(62.99)	(44.86)	(40.02)
<b>Net cash generated from/(used in) Operating Activities - (A)</b>	<b>294.87</b>	<b>158.98</b>	<b>243.98</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase of tangible fixed assets	(74.32)	(109.31)	(94.18)
Sale / (Purchase ) of Investments	(3.16)	(18.62)	(36.66)
Sale of tangible fixed assets	6.51	15.46	-
Long Term Loans & Advances			(19.50)
Dividend Income	0.04	0.04	0.08
Interest Income	6.29	5.44	4.42
<b>Net cash generated from/(used in) Investing Activities - (B)</b>	<b>(64.64)</b>	<b>(107.00)</b>	<b>(145.84)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Procees from Issue of Share Capital (including Share Premium)	-	-	-
IPO Expenses	(5.00)	-	-
Borrowing/(Repayment) from or to Bank / Related Party	(62.77)	(115.34)	89.71
Deposit given	(6.50)	(10.00)	-
Finance cost	(23.19)	(36.47)	(30.67)
<b>Net cash generated from/(used in) Financing Activities - (C)</b>	<b>(97.46)</b>	<b>(161.81)</b>	<b>59.04</b>
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	<b>132.77</b>	<b>(109.83)</b>	<b>157.17</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>139.19</b>	<b>249.01</b>	<b>91.84</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>271.95</b>	<b>139.19</b>	<b>249.01</b>



*Note:-*

**1. Components of cash and cash equivalents:**

<b>Particulars</b>	<b>31.03.2020</b>	<b>31.03.2019</b>	<b>31.03.2018</b>
Cash on hands	6.40	9.64	4.46
Balances with Banks			
-In current accounts	265.55	129.55	244.56
<b>Total Cash and Cash Equivalents</b>	<b>271.95</b>	<b>139.19</b>	<b>249.01</b>

2. The Cash Flow Statements has been prepared under indirect method as set out in Accounting Standard - 3 on Cash Flow Statement, specified under the Companies Act, 1956 (which are deemed to be applicable as Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of Companies (Accounts) Rules,2014).

3. Figures in Brackets represents outflow.

4. The above statement should be read with significant accounting policies (Annexure IV) and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing I, II and III.

*As per our report attached of even date*

*For Anay Gogte & Co.*

*Chartered Accountants*

*FRN: 100398W*

*[A.R.Gogte]*

*Partner*

*Mem No: 037046*

*Date : 15/09/2020*

*Place : Mumbai*

**For and on behalf of the Board of Directors**

**Dinesh Sharma**  
**Managing Director**

**Sarita Sharma**  
**Director**

**Tushar N Pandya**  
Chief Financial Officer

**Dimple Parmar**  
Company Secretary

*Date: 15/09/2020*

*Place : Mumbai*

### SECTION V: GENERAL INFORMATION

Our Company was originally incorporated as G. M. Polyplast Private Limited on November 17, 2003 at Mumbai, Maharashtra as a Private Limited Company under the Companies Act, 1956 with the Registrar of Companies, Mumbai. Subsequently, our Company was converted into Public Limited Company pursuant to Shareholders resolution passed at the Extraordinary General Meeting of our Company held on July 06, 2020 and the name of our Company was changed to “G M Polyplast Limited” and a Fresh Certificate of Incorporation consequent upon conversion of Company to Public Limited dated July 30, 2020 was issued by Registrar of Companies, Mumbai, being Corporate Identification Number U25200MH2003PLC143299.

<b>BRIEF COMPANY AND OFFER INFORMATION</b>	
<b>Registration Number</b>	143299
<b>Corporate Identification Number</b>	U25200MH2003PLC143299
<b>Address of Registered Office</b>	A-66 New Empire Industrial Estate Kondivita Road, Andheri East, Mumbai - 400059 Maharashtra, India <b>Tel:</b> +91 – 022-2820 9552 <b>E-mail:</b> info@gmpolyplast.com <b>Website:</b> <a href="http://www.gmpolyplast.com">www.gmpolyplast.com</a>
<b>Manufacturing Unit</b>	Plot No. 15, 16 & 17 Survey. No 217, Next to Vinod Medical System, Dadra & Nagar Haveli - 396230
<b>Address of Registrar of Companies</b>	<b>Registrar of Companies, Mumbai</b> 100, Everest, Marine Drive, Mumbai – 400002, Maharashtra, India <b>Tel:</b> +91 – 022-2281 2627/ 2202 0295/ 2284 6954 <b>Fax:</b> +91 – 022-2281 1977
<b>Designated Stock Exchange</b>	<b>BSE Limited</b> <b>(SME Platform of BSE Limited)</b> P J Towers, Dalal Street, Fort, Mumbai – 400 001 Maharashtra, India
<b>Offer Programme</b>	Offer Opens on: Wednesday, September 30, 2020 Offer Closes on: Tuesday, October 06, 2020
<b>Company Secretary and Compliance Officer</b>	<b>Ms. Dimple Amrit Parmar</b> A-66 New Empire Industrial Estate Kondivita Road, Andheri East, Mumbai - 400059 Maharashtra, India <b>Tel:</b> +91 – 022-2820 9552 <b>E-mail:</b> compliance@gmpolyplast.com <b>Website:</b> <a href="http://www.gmpolyplast.com">www.gmpolyplast.com</a>
<b>Chief Financial Officer</b>	<b>Mr. Tushar Nitinchandra Pandya</b> A-66 New Empire Industrial Estate Kondivita Road, Andheri East, Mumbai - 400059 Maharashtra, India <b>Tel:</b> +91 – 022-2820 9552 <b>E-mail:</b> tushar@gmpolyplast.com <b>Website:</b> <a href="http://www.gmpolyplast.com">www.gmpolyplast.com</a>

For details in relation to the changes to the name of our Company, Registered office and other details, please refer to the chapter titled “*Our History and Certain Other Corporate Matters*” beginning on page 115 of this Prospectus.

### **OUR BOARD OF DIRECTORS**

Details regarding our Board of Directors as on the date of this Prospectus are set forth in the table hereunder:

Name	Designation	Address	Age (Years)	DIN
Mr. Dinesh Balbirsingh Sharma	Managing Director	103, Lumiere CHS Limited, J P Road, Pic Nic Cottage, Andheri West, Versava (Versova), Mumbai- 400061, Maharashtra, India	43	00418667
Ms. Sarita Dinesh Sharma	Executive Director	103, Lumiere CHS Limited, J P Road, Pic Nic Cottage, Andheri West, Versava (Versova), Mumbai- 400061, Maharashtra, India	41	00128337
Mr. Balbirsingh Bholoram Sharma	Non- Executive Director	103, Lumiere CHS Limited, J P Road, Pic Nic Cottage, Andheri West, Versava (Versova), Mumbai- 400061, Maharashtra, India	67	00374565
Mr. Dinesh Ravjibhai Rathod	Independent Director	639, Char Rasta, Nani Tambadi Ta-Pardi, Valsad- 396193, Gujarat, India	53	08854988
Mr. Subramanian Ramaswamy Vaidya	Independent Director	6/8 Nilkanth Sadan, Peru Baug, Aarey Road, Near Purav Marg, Goregaon East, Mumbai- 400063, Maharashtra, India	77	03600249

For detailed profile of our Managing Director and other Directors, refer “*Our Management*” and “*Our Promoters and Promoter Group*” on pages 119 and 140 respectively of this Prospectus.

#### DETAILS OF KEY INTERMEDIARIES PERTAINING TO THIS OFFER OF OUR COMPANY:

LEAD MANAGER OF THE OFFER	REGISTRAR TO THE OFFER
<b>Gretex Corporate Services Private Limited</b> Office No.13, 1st Floor, New Bansilal Building, Raja Bahadur Mansion, 9-15, Homi Modi Street, Fort, Mumbai – 400 001, Maharashtra, India <b>Tel. No.:</b> +91 – 22 – 4002 5273/ 98368 22199 <b>Fax No.:</b> NA <b>Email:</b> <a href="mailto:info@gretexgroup.com">info@gretexgroup.com</a> / <a href="mailto:mbk@gretexgroup.com">mbk@gretexgroup.com</a> <b>Website:</b> <a href="http://www.gretexcorporate.com">www.gretexcorporate.com</a> <b>Contact Person:</b> Ms. Amina Khan <b>SEBI Registration No.:</b> INM000012177 <b>CIN:</b> U74999MH2008PTC288128	<b>Bigshare Services Private Limited</b> 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai – 400 059, Maharashtra, India <b>Tel. No.:</b> +91 – 22 – 6263 8200; <b>Fax No.:</b> +91 – 22 – 6263 8299 <b>Email:</b> ipo@bigshareonline.com <b>Website:</b> www.bigshareonline.com <b>Contact Person:</b> Mr. Arvind Tandel <b>SEBI Registration No.:</b> INR000001385 <b>CIN:</b> U99999MH1994PTC076534
LEGAL ADVISOR TO THE OFFER	STATUTORY AND PEER REVIEW AUDITOR OF THE COMPANY*
<b>M V Kini, Law Firm</b> Kini House, 6/39 Jangpura-B, New Delhi - 110014, India <b>Tel No.:</b> 011-24371038/ 39/ 40/ +91 9899016169 <b>Email:</b> raj@mvkini.com <b>Website:</b> <a href="http://www.mvkini.com">www.mvkini.com</a> <b>Contact Person:</b> Ms. Raj Rani Bhalla	<b>Anay Gogte &amp; Co.</b> 1/F-6, Krishna Nagar, Chandavarkar Road, Borivali West, Mumbai – 400092, Maharashtra, India <b>Tel No.:</b> 022-2894 3101 <b>Email:</b> anaygogte@gmail.com <b>Contact Person:</b> Mr. A.R. Gogte <b>Membership No:</b> 037046

\*M/s. Anay Gogte & Co, has been appointed as the peer review auditor of our Company and hold a valid peer review certificate No. 009483 dated January 11, 2017 issued by the “Peer Review Board” of the ICAI.

BANKER TO THE COMPANY	BANKERS TO THE OFFER / SPONSOR BANK
<b>YES BANK LIMITED</b> Shop No. 19 & 20, GF, Ahura Centre, Mahakali Caves Road, MIDC, Andheri, Next to HDFC Bank, Mumbai – 400093 <b>Tel. No.:</b> 7738114494 <b>Fax No.:</b> NA <b>Email:</b> <a href="mailto:kenali.shah@yesbank.in">kenali.shah@yesbank.in</a> <b>Website:</b> NA <b>Contact Person:</b> Ms. Kenali Shah	<b>ICICI BANK LIMITED</b> Capital Market Division, 1 <sup>st</sup> Floor, 122, Mistry Bhavan, Dinshaw Vaccha Road, Backbay Reclamation, Churchgate, Mumbai – 400020, Maharashtra, India <b>Tel. No.:</b> 022-66818911/ 23/24 <b>Fax No.:</b> 022-22611138 <b>Email:</b> <a href="mailto:kmr.saurabh@icicibank.com">kmr.saurabh@icicibank.com</a> <b>Website:</b> <a href="http://www.icicibank.com">www.icicibank.com</a> <b>Contact Person:</b> Mr. Saurabh Kumar <b>SEBI Registration No.:</b> INBI00000004

**Applicants can contact the Compliance Officer or the Lead Manager or the Registrar to the Offer in case of any pre-offer or post-offer related problems, such as non-receipt of letters of Allotment, credit of Allotted Equity Shares in the respective beneficiary account and refund orders, etc. All complaints, queries or comments received by Stock Exchange/ SEBI shall be forwarded to the Lead Manager, who shall respond to the same.**

Applicants may contact the Lead Manager for complaints, information or clarifications pertaining to the Offer.

All grievances may be addressed to the Registrar to the Offer 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 Applicant, 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.

#### **SELF-CERTIFIED SYNDICATE BANKS**

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

#### **ISSUER BANKS FOR UPI**

The list of Self Certified Syndicate Banks that have been notified by SEBI to act as Issuer Bank for UPI mechanism are provide on the website of SEBI on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yesandintmId=40>. For details on Designated Branches of SCSBs collecting the Application Forms, please refer to the above-mentioned SEBI link.

#### **REGISTERED BROKERS**

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

#### **REGISTRAR AND SHARE TRANSFER AGENTS**

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



**COLLECTING DEPOSITORY PARTICIPANTS**

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

**STATEMENT OF RESPONSIBILITY OF THE LEAD MANAGER/ STATEMENT OF INTER SE ALLOCATION OF RESPONSIBILITIES**

Since Gretex Corporate Services Private Limited is the sole Lead Manager to this Offer, a statement of inter se allocation of responsibilities amongst Lead Managers is not required.

**CREDIT RATING**

This being an Offer of Equity Shares, there is no requirement of credit rating for the Offer.

**IPO GRADING**

Since the Offer is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, there is no requirement of appointing an IPO Grading agency.

**EXPERT OPINION**

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

Except the report of the Auditor on statement of special tax benefits and report on restated financial statements for the financial year ended on March 31, 2020; 2019; and 2018 as included in this Prospectus, our Company has not obtained any expert opinion.

**TRUSTEES**

This is an offer of equity shares hence appointment of trustees is not required.

**DEBENTURE TRUSTEES**

This is an offer of equity shares hence appointment of debenture trustees is not required.

**MONITORING AGENCY**

As per regulation 262(1) of the SEBI (ICDR) Regulations, 2018, the requirement of Monitoring Agency is not mandatory if the offer size is below ₹10,000 Lakh. Since the offer size is only of ₹ 808.99 Lakh, our Company has not appointed any monitoring agency for this offer. However, as per Section 177 of the Companies Act, 2013, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the offer.

**APPRAISAL AGENCY**

Our Company has not appointed any appraising agency for appraisal of the Project.

**FILING OF OFFER DOCUMENT**

The Draft Prospectus has not been filed with SEBI, nor has SEBI issued any observation on the Offer Document in terms of Regulation 246 of SEBI (ICDR) Regulation, 2018. However, pursuant to sub regulation (5) of Regulation 246, the copy of Draft Prospectus shall also be furnished to the board in a soft copy. Pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of the Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>. A copy of the Prospectus along

with the documents required to be filed under Section 26 and Section 28 of the Companies Act, 2013 will be delivered to the Registrar of Company, Mumbai, situated at 100, Everest, Marine Drive, Mumbai – 400 002.

#### WITHDRAWAL OF THE OFFER

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

If our Company withdraws the Offer any time after the Offer Opening Date but before the allotment of Equity Shares, a public notice will be issued by our Company within two (2) Working Days of the Offer Closing Date, providing reasons for not proceeding with the Offer. The notice of withdrawal will be issued in the same newspapers where the pre-offer advertisements have appeared, and the Stock Exchange will also be informed promptly.

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

This Offer is 100% Underwritten. The Underwriting agreement is dated September 05, 2020. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions specified therein.

The Underwriter have indicated its intention to underwrite the following number of specified securities being offered through this Offer:

Details of the Underwriter	No. of shares underwritten *	Amount Underwritten (₹ in Lakh)	% of the Total Offer Size Underwritten
<b>Gretex Corporate Services Private Limited</b> Office No. 13, 1st Floor, New Bansilal Building, Raja Bahadur Mansion, 9-15 Homi Modi Street, Fort, Mumbai – 400001, Maharashtra, India <b>Tel. No.:</b> +91 22 4002 5273/ 98368 22199 / 98368 21999 <b>Email:</b> <a href="mailto:info@gretexgroup.com/">info@gretexgroup.com/</a> <a href="mailto:mbk@gretexgroup.com">mbk@gretexgroup.com</a> <b>Website:</b> <a href="http://www.gretexcorporate.com">www.gretexcorporate.com</a> <b>Contact Person:</b> Mr. Alok Harlalka <b>SEBI Registration No.:</b> INM000012177 <b>CIN:</b> U74999MH2008PTC288128	5,08,800	808.99	100.00
<b>TOTAL</b>	<b>5,08,800</b>	<b>808.99</b>	<b>100.00</b>

\*Includes 25,600 Equity shares of ₹10.00 each for cash 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 261 of the SEBI (ICDR) Regulations, 2018, as amended.

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

### CHANGES IN AUDITORS DURING LAST THREE FINANCIAL YEARS

Except as mentioned below, there has been no change in the auditors of our Company during the last 3 years:

Sl. No.	Particulars of Auditor	Date of change	Reason
1.	<b>VIVEK V. JOSHI &amp; ASSOCIATES</b> A-708, 7 <sup>th</sup> Floor, Zaitoon Apartments, Station Road, Goregaon (West), Mumbai – 400062, Maharashtra, India Email: vjca@mumbai.com Contact Person: Mr. Vivek V Joshi Membership No: 038293 Firm Registration No: 121829W Peer Review No.: NA	June 20, 2020	Resignation of Statutory Auditors of our Company before completion of term
2.	<b>ANAY GOGTE &amp; CO.</b> 1/F-6, Krishna Nagar, Chandavarkar Road, Borivali West, Mumbai – 400092, Maharashtra, India Email: anaygogte@gmail.com Contact Person: Mr. A.R. Gogte Membership No: 037046 Firm Registration No: 100398W Peer Review No.: 009483	July 06, 2020	Appointed as Statutory Auditors of our Company pursuant to casual vacancy

### DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THIS OFFER

Our Company has entered into Market Making Agreement dated September 05, 2020, with the Lead Manager, the Selling Shareholders and the Market Maker to fulfill the obligations of Market Making:

The details of Market Maker are set forth below:

<b>Name</b>	Gretex Share Broking Private Limited
<b>Address</b>	Office No.13, 1 <sup>st</sup> Floor, New Bansilal Building, Raja Bahadur Mansion, 9-15, Homi Modi Street, Fort, Mumbai - 400 023, Maharashtra, India
<b>Tel no.</b>	+91-22-4002 5273
<b>Email</b>	<a href="mailto:sherwoodpvtltd@yahoo.co.in">sherwoodpvtltd@yahoo.co.in</a>
<b>Contact Person</b>	Mr. Alok Harlalka
<b>CIN</b>	U65900MH2010PTC289361
<b>SEBI Registration No.</b>	INZ000166934
<b>Market Maker Registration No. (SME Segment of BSE)</b>	SME MM0617628062012

Gretex Share Broking Private Limited, registered with SME Platform of BSE Limited will act as the market maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI (ICDR) Regulations, 2018.

The Market Maker shall fulfill the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, 2018, and its amendments from time to time and the circulars issued by the BSE 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 shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. Further, the Market Maker shall inform the Stock Exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.



- 2) The minimum depth of the quote shall be ₹1.00 Lakh. However, the investors with holdings of value less than ₹1.00 Lakh shall be allowed to offer their holding to the Market Maker in that scrip provided that they sell their entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
- 3) 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%. (Including the 5% of Equity Shares of the Offer) Any Equity Shares allotted to Market Maker under this Offer over and above 25% of equity shares would not be taken in to consideration of computing the threshold of 25%. As soon as the Shares of market maker in our Company reduce to 24%, the market maker will resume providing 2-way quotes.
- 4) There shall be no exemption/threshold on downside. However, in the event the market maker exhausts his inventory through market making process, the concerned stock exchange may intimate the same to SEBI after due verification.
- 5) Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by him.
- 6) There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors. At this stage, Gretex Share Broking Private Limited is acting as the sole Market Maker.
- 7) The shares of the Company will be traded in continuous trading session from the time and day the company gets listed on SME Platform of BSE Limited and Market Maker will remain present as per the guidelines mentioned under the BSE Limited and SEBI circulars.
- 8) There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while *force-majeure* will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
- 9) The Market Maker shall have the right to terminate said arrangement by giving a three month notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker.
- 10) 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(s) in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 261 of the SEBI (ICDR) Regulations, 2018. Further the Company and the Lead Manager reserve the right to appoint other Market Maker(s) 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 5 (five) or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our Registered Office from 11:00 a.m. to 5:00 p.m. on working days.
- 11) BSE Limited SME Exchange will have all margins which are applicable on the BSE Limited Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE Limited can impose any other margins as deemed necessary from time-to-time.
- 12) BSE Limited SME Exchange will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties/ fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties/ fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering

two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities/ trading membership.

- 13) 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.
- 14) Price Band and Spreads: SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for offer size up to ₹ 250 crores, the applicable price bands for the first day shall be:
- In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
  - In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the offer price.

Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading. The following spread will be applicable on the SME Exchange Platform.

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

- 15) Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for market maker(s) during market making process has been made applicable, based on the offer size and as follows:

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

- 16) 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.

### SECTION VI: CAPITAL STRUCTURE

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

Sl. No.	Particulars	Amount (₹ in Lakh except share data)	
		Aggregate Nominal Value	Aggregate value at Offer Price
<b>A.</b>	<b>Authorised Share Capital</b>		
	20,00,000 Equity Shares of ₹10.00 each	200.00	-
<b>B.</b>	<b>Issued, Subscribed and Paid-Up Share Capital before the Offer</b>		
	16,00,000 Equity Shares of ₹10.00 each	160.00	-
<b>C.</b>	<b>Present Offer in terms of this Prospectus*</b>		
	Offer of 5,08,800 Equity Shares of ₹10.00 each for cash at a price of ₹159.00 per Equity Share (including premium of ₹149.00 per Equity Share)	50.88	808.99
	Fresh Issue of 3,22,800 Equity Shares of ₹10.00 each fully paid-up of our Company for cash at a price of ₹159.00 per Equity Share (including premium of ₹149.00 per Equity Share)	32.28	513.25
	Offer for Sale of 1,86,000 Equity Shares of ₹10.00 each fully paid-up of our Company for cash at a price of ₹159.00 per Equity Share (including premium of ₹149.00 per Equity Share)	18.60	295.74
	<i>Which comprises:</i>		
<b>D.</b>	<b>Reservation for Market Maker portion</b>		
	25,600 Equity Shares of ₹10.00 each for cash at a price of ₹159.00 per Equity Share (including premium of ₹149.00 per Equity Share)	2.56	40.70
<b>E.</b>	<b>Net Offer to the Public</b>		
	4,83,200 Equity Shares of ₹10.00 each for cash at a price of ₹159.00 per Equity Share (including premium of ₹149.00 per Equity Share)	48.32	768.29
	<i>Of which:</i>		
	2,41,600 Equity Shares of ₹10.00 each at a price of ₹159.00 per Equity Share (including premium of ₹149.00 per Equity Share) will be available for allocation to Retail Individual Investors of up to ₹2.00 Lakh	24.16	384.14
	2,41,600 Equity Shares of ₹10.00 each at a price of ₹159.00 per Equity Share (including premium of ₹149.00 per Equity Share) will be available for allocation to Non-Institutional Investors including Qualified Institutional Buyers of above ₹2.00 Lakh	24.16	384.14
<b>F.</b>	<b>Issued, Subscribed and Paid-up Share Capital after the Offer</b>		
	19,22,800 Equity Shares of ₹10.00 each	192.28	-
<b>G.</b>	<b>Securities Premium Account</b>		
	Before the Offer		NIL
	After the Offer		480.97

- The present Offer of 3,22,800 Equity Shares in terms of Prospectus has been authorized pursuant to a resolution of our Board of Directors dated August 30, 2020 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 September 03, 2020.*
- The Selling Shareholders have consented to participate in the Offer for Sale in the following matter:*

Name of the Selling Shareholders	Authorisation Letter dated	Consent Letter dated	No. of Equity Shares held	No. of Equity Shares Offered
Mr. Dinesh Balbirsingh Sharma	August 28, 2020	September 07, 2020	8,00,000	75,000
Ms. Sarita Dinesh Sharma	August 28, 2020	September 07, 2020	7,99,995	1,11,000

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

The Selling Shareholders has confirmed that the Equity Shares proposed to be offered and sold in this Offer is eligible in term of SEBI (ICDR) Regulations, 2018 and that has not been prohibited from dealings in securities market and the Equity Shares offered and sold are free from any lien, encumbrance or third-party rights. The Selling Shareholders has also confirmed that he is the legal and beneficial owner of the Equity Shares being offered by him under the Offer for Sale.

#### CLASS OF SHARES

Our Company has only one class of share capital i.e. Equity Shares of ₹10.00 each. All Equity Shares issued are fully paid up. Our Company does not have any outstanding convertible instruments as on the date of the Prospectus.

#### NOTES TO CAPITAL STRUCTURE

##### 1. Details of changes in Authorized Share Capital of Our Company since incorporation

Since the 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/EOGM
From	To		
The authorized share capital of our Company on incorporation comprises of ₹10,00,000.00 divided into 10,000 Equity Shares of ₹100.00 each		On Incorporation November 27, 2003	
Sub-division the share capital from 10,000 (Ten Thousand) equity shares of Rs.100/- (Hundred Rupees) each to 1,00,000 (One Lakh) equity shares of Rs.10/- (Ten Rupees) each.		February 27, 2020	EGM
₹10,00,000.00 divided into 1,00,000 equity shares of ₹10.00 each	₹2,00,00,000.00 divided into 20,00,000 shares of ₹10.00 each	March 19, 2020	EGM

##### 2. History of Issued and Paid Up Share Capital of our Company

The history of the equity share capital of our Company is set forth below:

Date of allotment	Number of Equity Shares allotted	Face value (₹)	Issue Price (₹)	Nature of Consideration	Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)	Cumulative Securities Premium (₹)
On Incorporation November 27, 2003	1,000	100.00	100.00	Cash	Subscription to MoA upon Incorporation <sup>(i)</sup>	1,000	1,00,000	--
March 20, 2014	9,000	100.00	100.00	Cash	Preferential Issue <sup>(ii)</sup>	10,000	10,00,000	

Date of allotment	Number of Equity Shares allotted	Face value (₹)	Issue Price (₹)	Nature of Consideration	Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)	Cumulative Securities Premium (₹)
February 27, 2020	1,00,000	10.00	--	--	Sub-Division <sup>(iii)</sup>	1,00,000	10,00,000	--
June 22, 2020	15,00,000	10.00	--	Other than Cash	Bonus Issue (15:1) <sup>(iii)</sup>	16,00,000	1,60,00,000	-

**(i) Initial Subscribers to the Memorandum of Association of our Company:**

S.N.	Name	No. of Equity Shares
1.	Mr. Dinesh Balbirsingh Sharma	500
2.	Ms. Sarita Dinesh Sharma	500
<b>Total</b>		<b>1,000*</b>

\*The equity share capital was sub-divided on February 27, 2020.

**(ii) Preferential Issue of 9,000 Equity Shares on March 20, 2014:**

S.N.	Name	No. of Equity Shares
1.	Mr. Dinesh Balbirsingh Sharma	4,500
2.	Ms. Sarita Dinesh Sharma	4,500
<b>Total</b>		<b>9,000*</b>

\*The equity share capital was sub-divided on February 27, 2020.

**(iii) Sub-division of equity share capital of 10,000 equity shares of ₹100.00 each to 1,00,000 equity shares of ₹10.00 each on February 27, 2020, the equity shares tabled in (i) and (ii) will read as follows:**

S.N.	Name	No. of Equity Shares
1.	Mr. Dinesh Balbirsingh Sharma	50,000
2.	Ms. Sarita Dinesh Sharma	50,000
<b>Total</b>		<b>1,00,000</b>

**(iv) Bonus Issue of 15,00,000 Equity Shares in the ratio of 15 (Fifteen) Equity Shares for every 1 (One) Equity Shares held (i.e. the ratio of 15:1 equity shares) on June 22, 2020:**

S.N.	Name	No. of Equity Shares
1.	Mr. Dinesh Balbirsingh Sharma	7,50,000
2.	Ms. Sarita Dinesh Sharma	7,50,000
<b>Total</b>		<b>15,00,000</b>

Bonus Issues dated June 22, 2020 have been made out of Capitalization of Free Reserves (Profit and Loss Account).

**3. Offer of Equity Shares for Consideration other than Cash.**

We have not issued any Equity Shares for consideration other than cash, except as follows:

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Reasons for Allotment	Benefits accrued to our Company	Allottees	No. of Shares Allotted
June 22, 2020	15,00,000	10.00	--	Bonus Issue in the ratio of 15 equity shares for every 1 equity share held	Capitalization of free reserves of the company	Mr. Dinesh Balbirsingh Sharma	7,50,000
						Ms. Sarita Dinesh Sharma	7,50,000



4. Our Company has not allotted any Equity Shares pursuant to any scheme approved under Section 391-394 of the Companies Act, 1956 and Section 230-234 of the Companies Act, 2013.
5. We have not re-valued our assets since inception and have not issued any equity shares (including bonus shares) by capitalizing any revaluation reserves.
6. Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme for our employees, and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Scheme from the proposed Offer. 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.
7. **The shareholding pattern of our Promoters and Promoter Group before and after the Offer is set forth below:**

Sr. No.	Particulars	Pre-Offer		Post-Offer	
		No. of Shares	% Holding	No. of Shares	% Holding
A)	<b>Promoters</b>				
1.	Mr. Dinesh Balbirsingh Sharma	8,00,000	50.00	7,25,000*	37.76
2.	Ms. Sarita Dinesh Sharma	7,99,995	50.00	6,88,995*	35.89
	<b>Total (A)</b>	<b>15,99,995</b>	<b>100.00</b>	<b>14,13,995</b>	<b>73.54</b>
B)	<b>Promoter Group</b>				
3.	Ms. Jyoti Dinesh Sharma	1	Negligible	1	Negligible
4.	Mr. Balbirsingh Bholuram Sharma	1	Negligible	1	Negligible
5.	Ms. Gaytridevi Balbeersingh Sharma	1	Negligible	1	Negligible
6.	Ms. Sheetal Mukesh Sharma	1	Negligible	1	Negligible
7.	Mr. Mukesh Balbeersingh Sharma	1	Negligible	1	Negligible
	<b>Total (B)</b>	<b>5</b>	<b>50.00</b>	<b>5</b>	<b>Negligible</b>
	<b>Total (A+B)</b>	<b>16,00,000</b>	<b>100.00</b>	<b>14,14,000</b>	<b>73.54</b>

\*Mr. Dinesh Balbirsingh Sharma and Ms. Sarita Dinesh Sharma offering 75,000 and 1,11,000 equity shares respectively to public in this Offer.

#### 8. Our Shareholding Pattern

Pursuant to Regulation 31 of the SEBI (LODR) Regulations, 2015, the shareholding pattern of our company is as below:



Category	(I)	(II)	No. of shareholders	(IV)	No. of Party paid-up Equity Shares held	(V)	No. of shares underlying Depository Receipt	Total no. of shares held (VII) = (IV) + (V) + (VI)	(VIII)	(IX)			(X)	(XI) = (VII)+(X)	(XII)		(XIII)		(XIV)
										Class: Equity Shares	Total Rights	Total as a % of (A+B+C)			No. of Locked in shares	As a % of total Shares held (b)	No. of Shares pledged or otherwise encumbered	As a % of total Shares held (b)	
(A)	Promoters and Promoter Group		7	16,00,000				16,00,000	100	16,00,000	100	100							16,00,000
(B)	Public																		
(C)	Non Promoter- Non Public																		
(C1)	Shares underlying DRs																		
(C2)	Shares held by Employee Trusts																		
	<b>Total</b>		<b>7</b>	<b>16,00,000</b>				<b>16,00,000</b>	<b>100</b>	<b>16,00,000</b>	<b>100</b>	<b>100</b>							<b>16,00,000</b>

Note:

- As on the date of this Prospectus 1 Equity Share holds 1 vote.
- PAN of the shareholders have been provided by our Company prior to listing of Equity Share on the Designated Stock Exchange.
- Our Company will file the shareholding pattern of our Company, in the form prescribed under Regulation 31 of the SEBI (LODR) Regulations, 2015, 1 day prior to the listing of the Equity Shares. The shareholding pattern will be uploaded on the website of the BSE before commencement of trading of such Equity Shares.
- The term "Encumbrance" has the same meaning as assigned under Regulation 28(3) of SAST Regulations.
- All pre-IPO Equity Shares of our Company will be locked-in prior to listing of Equity Shares on SME Platform of BSE.

In terms of SEBI circular no. Cir/ISD/3/2011 dated June 17, 2011 and SEBI circular bearing no. SEBI/Cir/ISD/05 /2011, dated September 30, 2011, our Company shall ensure that the Equity Shares held by the Promoters / members of the Promoter Group shall be dematerialized prior to listing of shares.

#### 9. Details of Major Shareholders:

##### (a) List of shareholders holding 1% or more of the paid-up capital of our Company as on date of this Prospectus:

Sr. No.	Name of shareholder	No. of Equity Shares	% of Pre-Offer Capital
1.	Mr. Dinesh Balbirsingh Sharma	8,00,000*	50.00
2.	Ms. Sarita Dinesh Sharma	7,99,995*	50.00

\*Mr. Dinesh Balbirsingh Sharma and Ms. Sarita Dinesh Sharma offering 75,000 and 1,11,000 equity shares respectively to public in this Offer.

##### (b) List of shareholders holding 1% or more of the paid-up capital of our company as on date ten days prior to the date of the Prospectus:

Sr. No.	Name of shareholder	No. of Equity Shares	% of Pre-Offer Capital
1.	Mr. Dinesh Balbirsingh Sharma	8,00,000*	50.00
2.	Ms. Sarita Dinesh Sharma	7,99,995*	50.00

\*Mr. Dinesh Balbirsingh Sharma and Ms. Sarita Dinesh Sharma offering 75,000 and 1,11,000 equity shares respectively to public in this Offer.

##### (c) List of shareholders holding 1% or more of the paid-up capital of our company as on date one year prior to the date of the Prospectus:

Sr. No.	Name of shareholder	No. of Equity Shares*	% of Pre-Offer Capital
1.	Mr. Dinesh Balbirsingh Sharma	5,000	50.00
2.	Ms. Sarita Dinesh Sharma	5,000	50.00

\* Sub-division of equity share capital of 10,000 equity shares of ₹100.00 each to 1,00,000 equity shares of ₹10.00 each on February 27, 2020

##### (d) List of shareholders holding 1% or more of the paid-up capital of our company as on date two year prior to the date of the prospectus:

Sr. No.	Name of shareholder	No. of Equity Shares*	% of Pre-Offer Capital
1.	Mr. Dinesh Balbirsingh Sharma	5,000	50.00
2.	Ms. Sarita Dinesh Sharma	5,000	50.00

\* Sub-division of equity share capital of 10,000 equity shares of ₹100.00 each to 1,00,000 equity shares of ₹10.00 each on February 27, 2020

10. Our Company has not issued any convertible instruments like warrants, debentures etc. since its Incorporation and there are no outstanding convertible instruments as on date of the Prospectus.

11. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, and rights issue or in any other manner during the period commencing from the date of this Prospectus until the Equity Shares have been listed. Further, our Company presently does not have any intention or proposal to alter our capital structure for a period of six months from the date of opening of this Issue, by way of split / consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into exchangeable, directly or indirectly, for our Equity Shares) whether preferential or otherwise, except that if we enter into acquisition(s) or joint venture(s), we may consider additional capital to fund such activities or to use Equity Shares as a currency for acquisition or participation in such joint ventures.

## 12. Details of our Promoters' Shareholding

As on the date of this Prospectus, our Promoters holds 100.00% of the pre-issued, subscribed and paid-up Equity Share capital of our Company.

### *Build-up of our Promoters' shareholding in Our Company*

#### (i) Mr. Dinesh Balbirsingh Sharma

Date of Allotment / Acquisition/ Sale*	Number of Equity Shares	Cumulative No. of Equity Share	Face Value (₹)	Issue/ Acquisition/ Sale Price per Equity Share (₹)	Nature of Consideration (Cash/ Other than Cash)	Nature of transaction	% of pre-offer equity share capital	% of post offer equity share capital	Sources of funds
On Incorporation November 27, 2003	5,000*	5,000	10.00*	10.00*	Cash	Subscription to MoA	0.31	0.26	Owned Funds
March 20, 2014	45,000*	50,000	10.00*	10.00*	Cash	Preferential Issue	2.81	2.34	Owned Funds
June 22, 2020	7,50,000	8,00,000	10.00	--	Other than Cash	Bonus Issue of shares in Ratio 15:1	46.88	35.11#	Capitalization of reserves
<b>Total</b>	<b>8,00,000**</b>						<b>50.00</b>	<b>37.71</b>	

\*considering the effect of sub-division.

\*\* Mr. Dinesh Balbirsingh Sharma is offering 75,000 equity shares respectively to public in this Offer.

#The offered shares are adjusted for calculating the % of post offer equity share capital.

#### (i) Ms. Sarita Dinesh Sharma

Date of Allotment / Acquisition/ Sale*	Number of Equity Shares	Cumulative No. of Equity Share	Face Value (₹)	Issue/ Acquisition/ Sale Price per Equity Share (₹)	Nature of Consideration (Cash/ Other than Cash)	Nature of transaction	% of pre-offer equity share capital	% of post offer equity share capital	Sources of funds
On Incorporation November 27, 2003	5,000*	5,000	10.00*	10.00*	Cash	Subscription to MoA	0.31	0.26	Owned Funds
March 20, 2014	45,000*	50,000	10.00*	10.00*	Cash	Preferential Issue	2.81	2.34	Owned Funds
June 22, 2020	7,50,000	8,00,000	10.00	--	Other than Cash	Bonus Issue of shares in Ratio 15:1	46.88	33.23#	Capitalization of reserves
June 22, 2020	(1)	7,99,999		1,577	Cash	Transfer of Shares	Negligible	Negligible	NA

Date of Allotment / Acquisition/ Sale*	Number of Equity Shares	Cumulative No. of Equity Share	Face Value (₹)	Issue/ Acquisition/ Sale Price per Equity Share (₹)	Nature of Consideration (Cash/ Other than Cash)	Nature of transaction	% of pre-offer equity share capital	% of post offer equity share capital	Sources of funds
June 22, 2020	(1)	7,99,998	10.00	1,577	Cash	Transfer of Shares	Negligible	Negligible	NA
June 22, 2020	(1)	7,99,997	10.00	1,577	Cash	Transfer of Shares	Negligible	Negligible	NA
June 22, 2020	(1)	7,99,996	10.00	1,577	Cash	Transfer of Shares	Negligible	Negligible	NA
June 22, 2020	(1)	7,99,995	10.00	1,577	Cash	Transfer of Shares	Negligible	Negligible	NA
<b>Total</b>	<b>7,99,995**</b>						<b>50.00</b>	<b>35.83</b>	

\*considering the effect of sub-division.

\*\* Ms. Sarita Dinesh Sharma is offering 1,11,000 equity shares respectively to public in this Offer.

#The offered shares are adjusted for calculating the % of post offer equity share capital.

### 13. Acquisition and sale/transfer of Equity Shares by our Promoters in last 6 months:

Except as mentioned below there has been no acquisition, sale or transfer of Equity Shares by our Promoters in the last 6 months preceding the date of filing of this Prospectus.

Date of allotment/ transfer	Name of allottee/ transferee/ transferor	Number of Equity Shares allotted	Face Value per Equity Share (₹)	Issue price per Equity Share (₹)	Reason for allotment/ transfer
June 22, 2020	Mr. Dinesh Balbirsingh Sharma	7,50,000	10.00	--	Bonus Issue of shares in Ratio 15:1
June 22, 2020	Ms. Sarita Dinesh Sharma	7,50,000	10.00	--	Bonus Issue of shares in Ratio 15:1

### 14. The average cost of acquisition of or subscription to Equity Shares by our Promoters and Selling Shareholders are set forth in the table below:

Name of the Promoters	No. of Equity Shares held	Average cost of Acquisition (in ₹)
Mr. Dinesh Balbirsingh Sharma	8,00,000	0.63
Ms. Sarita Dinesh Sharma	7,99,995	0.63

15. We have 7 (Seven) Shareholders as on the date of this Prospectus.

16. No financing arrangements have been entered into by the members of the Promoter Group, the Directors, or their relatives for the purchase by any other person of the securities of our Company other than in the normal course of business of the financing entity during a period of six months preceding the date of filing of this Prospectus.

### 17. Details of Promoters' Contribution and Lock-in for Three Years

Pursuant to the Regulation 236 and 238 of SEBI (ICDR) Regulations, 2018, an aggregate of at least 20% of the post offer Equity Share capital of our Company held by our Promoters shall be considered as Promoters' contribution ("Promoters' Contribution") and locked-in for a period of three years from the date of Allotment.



Our Promoters have granted consent to include such number of Equity Shares held by them as may constitute of the post offer Equity Share capital of our Company as Promoters' Contribution and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters' Contribution from the date of filing of this Prospectus until the commencement of the lock-in period specified above. Details of the Equity Shares forming part of Promoters' Contribution and proposed to be locked-in for a period of three years are as follows:

Name of the Promoters	Number of Equity Shares locked-in	Date of allotment of Equity Shares	Nature of allotment	Face Value per Equity Share (₹)	Issue Price per Equity Share (₹)	% of pre-offer shareholding	% of post-offer shareholding	Date up to which Equity Shares are subject to lock-in
Mr. Dinesh Balbirsingh Sharma	1,92,300	June 22, 2020	Bonus Issue	10.00	--	12.02	10.04	November 01, 2023
Ms. Sarita Dinesh Sharma	1,92,300	June 22, 2020	Bonus Issue	10.00	--	12.02	10.04	November 01, 2023
<b>TOTAL</b>	<b>3,84,600</b>					<b>24.04</b>	<b>20.04</b>	

The Equity Shares that are being locked-in are not, and will not be, ineligible for computation of Promoters' Contribution under Regulation 237 of the SEBI (ICDR) Regulations, 2018. In this computation, as per Regulation 237 of the SEBI (ICDR) Regulations, our Company confirms that the Equity Shares locked-in do not, and shall not, consist of:

- The Equity Shares offered for minimum 20% Promoters' Contribution have not been acquired in the three years preceding the date of this 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 Prospectus at a price lower than the Offer Price;
- No equity shares have been issued to our promoters upon conversion of a partnership firm during the preceding one year at a price less than the Offer Price.
- The Equity Shares held by the Promoters and offered for minimum Promoters' contribution are not subject to any pledge;
- All the Equity Shares of our Company held by the Promoters are in dematerialized form; and
- 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 Promoters for inclusion of its subscription in the Promoter's contribution subject to lock-in.

#### 18. Equity Shares locked-in for one year other than Minimum Promoters' Contribution

Pursuant to regulation 238(b) and 239 of the SEBI (ICDR) Regulations, 2018, other than the Equity Shares held by our Promoters, which will be locked-in as minimum Promoters' contribution for three years, all pre-offer Equity Shares shall be subject to lock-in for a period of one year from the date of Allotment in this Offer, other than the Equity Shares allotted and subscribed pursuant to the Offer for Sale.

#### 19. Inscription or Recording of non-transferability

In terms of Regulation 241 of the SEBI (ICDR) Regulations, 2018, our Company confirms that certificates of Equity Shares which are subject to lock in shall contain the inscription "Non-Transferable" and specify the lock-

in period and in case such equity shares are dematerialized, the Company shall ensure that the lock in is recorded by the Depository.

#### **20. Pledge of Locked in Equity Shares**

Pursuant to Regulation 242 of the SEBI (ICDR) Regulations, 2018, the locked-in Equity Shares held by our Promoters can be pledged with any scheduled commercial bank or public financial institution or systematically important non-banking finance company or a housing finance company as collateral security for loans granted by them, provided that:

- a) if the equity shares are locked-in in terms of clause (a) of Regulation 238, the loan has been granted to the company or its subsidiary(ies) for the purpose of financing one or more of the objects of the offer and pledge of equity shares is one of the terms of sanction of the loan;
- b) if the specified securities are locked-in in terms of clause (b) of Regulation 238 and the pledge of specified securities is one of the terms of sanction of the loan.

Provided that such lock-in shall continue pursuant to the invocation of the pledge and such transferee shall not be eligible to transfer the equity shares till the lock-in period stipulated in these regulations has expired.

#### **21. Transferability of Locked in Equity Shares**

In terms of Regulation 243 of the SEBI (ICDR) Regulations, 2018 and subject to provisions of SEBI (SAST) Regulations, 2011 as applicable;

- a) The Equity Shares held by our Promoters and locked in as per Regulation 238 of the SEBI (ICDR) Regulations, 2018 may be transferred to another Promoters or any person of the Promoters' Group or to a new promoter(s) or persons in control of our Company, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated has expired.
- b) The equity shares held by persons other than promoters and locked in as per Regulation 239 of the SEBI (ICDR) Regulations, 2018 may be transferred to any other person (including Promoters and Promoters' Group) holding the equity shares which are locked-in along with the equity shares proposed to be transferred, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated has expired.

22. An over-subscription to the extent of 10% of the Net Offer can be retained for the purpose of rounding off to the nearest integer during finalizing the Allotment subject to minimum Allotment, which is the minimum application size. Consequently, the actual Allotment may go up by a maximum of 10% of the Net Offer, as a result of which, the post-Offer paid-up capital after the Offer would also increase by the excess amount of Allotment so made. In such an event, the Equity Shares held by our Promoters and subject to lock-in shall be suitably increased; so as to ensure that a minimum of 20% of the post-Offer paid-up capital is locked in.

23. Our Company, our Directors and the Lead Manager to this Offer have not entered into any buy-back or similar arrangements with any person for purchase of our Equity Shares issued by our Company.

24. As on date of the Prospectus, there are no partly paid-up equity shares and all the Equity Shares of our Company are fully paid up. Further, since the entire money in respect of the Offer is being called on application, all the successful applicants will be issued fully paid-up equity shares.

25. Neither the Lead Manager, nor their associates hold any Equity Shares of our Company as on the date of the Prospectus.

26. Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme for our employees and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Scheme from the proposed offer. 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.



27. Prior to this Initial Public Offer, our Company has not made any public issue or right issue to public at large.
28. There are no safety net arrangements for this public offer.
29. As on the date of filing of this Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other financial instruments into our Equity Shares.
30. As per RBI regulations, OCBs are not allowed to participate in this offer.
31. Our Company has not raised any bridge loan against the proceeds of this Offer. However, depending on business requirements, we might consider raising bridge financing facilities, pending receipt of the Net Proceeds.
32. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
33. Our Company shall comply with such accounting and disclosure norms as specified by SEBI from time to time.
34. No payment, direct or indirect in the nature of discount, commission, allowances or otherwise shall be made either by us or our Promoters to the persons who receive allotments, if any, in this Offer.
35. Our Promoters and the members of our Promoter Group will not participate in this Offer.
36. Our Company has not made any public issue since its incorporation.
37. As on the date of this Prospectus, the Lead Manager and their respective associates (determined as per the definition of 'associate Company' under Section 2(6) of the Companies Act, 2013) do not hold any Equity Shares in our Company.
38. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group between the date of filing this Prospectus and the Offer 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 during the Financial Years ended March 31, 2020, 2019, and 2018 please refer to the paragraph titled '**Related Parties Transactions**' in the section titled "**Financial Statements as Restated**" beginning on page 148 of this Prospectus. None of our Directors or Key Managerial Personnel holds Equity Shares in our Company, except as stated in the section titled "**Our Management**" beginning on page 119 of the Prospectus.
40. For the details of transactions by our Company with our Promoter Group during the financial years ended March 31, 2020, 2019 and 2018 please refer "**Financial Statements as Restated**" beginning on page 148 of this Prospectus.



## SECTION VII: PARTICULARS TO THE OFFER

### OBJECTS OF THE OFFER

The Offer includes a fresh Issue of 3,22,800 Equity Shares and an Offer for Sale of 1,86,000 Equity Shares by the Selling Shareholders of our Company at an Offer Price of ₹159.00 per Equity Share.

#### Offer for sale

The Selling Shareholders will be entitled to the proceeds of the Offer for Sale of his/her respective portion of the Offered Shares, respectively net of his/her proportion of Offer related expenses. The fees and expenses relating to Offer shall be shared in proportion mutually agreed between our Company and the respective Selling Shareholders in accordance with applicable law. Our Company will not receive any proceeds from the Offer for Sale.

#### Fresh Issue

The details of the proceeds of the Fresh Issue are summarized below:

Particulars	(₹ in Lakh) Amount
Gross Proceeds from the Fresh Issue	513.25
Less: Offer related expenses*	25.30
Net Proceeds of the Fresh Issue	487.95

*\*Except for the Listing fees and Market making fees, which will be borne by our Company, all other expenses relating to the Offer as mentioned above will be borne by our Company and the Selling Shareholder in proportion to the Equity Shares contributed / issued in the offer*

#### Requirement of Funds

After deducting the Offer related expenses in relation to the Fresh Issue, we estimate the proceeds of the fresh Issue to be ₹487.95 Lakh ("Net Proceeds"). The Object for which our Company intends to use the Net Proceeds is:

Sl. No.	Particulars	(₹ in Lakh) Amount
1.	To Meet working capital requirement	370.00
2.	General Corporate Purposes	117.95
<b>Total</b>		<b>487.95</b>

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 engaged in the business of manufacturing of H.I.P.S, A.B.S & P.E.T sheets, along with sheets we also manufacture the raw material used to manufacture the sheets called as granules. Our company is known in the industry for manufacturing and supplying of high-grade Sheets and Granules in India. 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 Offer. 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.

#### Utilization of Net Offer Proceeds

The Net Proceeds are proposed to be used in the manner set out in in the following table:

Sr. No.	Particulars	Amount to be financed from Net Proceeds of the Offer (₹ in Lakh)	% of Gross Proceeds	% of Net Proceeds
1.	Funding the working capital requirements of our Company	370.00	72.09	75.83
2.	General Corporate Purposes	117.95	22.98	24.17
<b>TOTAL</b>		<b>487.95</b>	<b>95.07</b>	<b>100.00</b>

**Means of Finance:** The above-mentioned fund requirement will be met from the proceeds of the Offer. We intend to fund the shortfall, if any, from internal accruals. Set forth below are the means of finance for the above-mentioned fund requirement:

(₹ in Lakh)		
Sl. No.	Particulars	Amount
1.	Net Offer Proceeds	487.95

The requirements of the objects detailed above are intended to be funded from the Proceeds of the Fresh Issue and Internal Accruals.

*Since the fund requirements set out for the aforesaid objects of the Offer are proposed to be met entirely from the Net Proceeds and internal accruals. Accordingly, we confirm that we are in compliance with the requirement to make firm arrangements of finance under Regulation 230(1)(e) of the SEBI (ICDR) Regulations, 2018 through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Net Proceeds and existing identifiable internal accruals.*

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 Offer, 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 the chapter titled "**Risk Factors**" beginning on page 24 of this 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. Considering the existing and future growth, the incremental working capital needs of our Company, as assessed based on the internal workings of our Company is expected to reach ₹1,082.64 Lakh and ₹1,298.53 Lakh respectively for FY 2020-2021 and FY 2021-2022. We intend to meet our working capital requirements to the extent of ₹370.00 Lakh from the Net Proceeds of this Offer and the balance will be met from internal accruals 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, 2019, March 31, 2020, March 31, 2021 and March 31, 2022 based on the Restated Summary Statements and working capital estimates. Further the source of funding of the same are as set out in the table below:

(₹ in Lakh)

Particulars	March 31, 2019	March 31, 2020	March 31, 2021	March 31, 2022
	<b>Restated</b>	<b>Restated</b>	<b>Estimated</b>	<b>Estimated</b>
<b>Current Assets</b>				
Inventories	454.93	370.50	447.45	442.95
Trade Receivables	1,369.39	1,247.00	1,078.77	1,436.44
Cash and Cash Equivalents	139.19	271.95	319.82	211.50
Short Term Loans & Advances	146.97	143.72	214.87	179.60
<b>Total (I)</b>	<b>2,110.48</b>	<b>2,033.17</b>	<b>2,060.90</b>	<b>2,270.49</b>
<b>Current Liabilities</b>				
Trade Payables	1,491.51	1,191.77	825.62	757.21
Other Current Liabilities	181.23	199.42	152.65	214.75
Short Term Borrowings	198.24	226.47	-	-
Short Term Provisions	9.10	44.04	-	-
<b>Total (II)</b>	<b>1,880.08</b>	<b>1,661.70</b>	<b>978.27</b>	<b>971.96</b>
<b>Net Working Capital (I) – (II)</b>	<b>230.40</b>	<b>371.47</b>	<b>1,082.64</b>	<b>1,298.53</b>
<b>Incremental Working Capital</b>			<b>711.17</b>	
<b>Funding Pattern:</b>				
Internal Accruals			341.17	
Part of the IPO Proceeds			370.00	

**Assumptions for working capital requirement**

Assumptions for Holding Levels

(In days)

Particulars	Holding level as on March 31, 2019	Holding level as on March 31, 2020	Holding level as on March 31, 2021	Holding level as on March 31, 2022
<b>Current Assets</b>				
Inventories	24	21	31	22
Trade Receivables	73	72	75	70
<b>Current Liabilities</b>				
Trade Payables	93	83	70	45

**Justification for Holding Period Levels**

Particulars	Detail
Inventories (Raw Materials and Finished Goods)	We have assumed inventories holding level of 31 days in the financial year 2020-21 which is almost in line with the holding level of financial year 2019-20 as 21 days, we intend to continue the same holding policy and expect the same clearance levels as maintained in past.
Trade Receivables	We have assumed trade receivables credit period of 75 days in the financial year 2020-21 which is in line with the credit period of financial year 2019-20 as we expect to realise our receivables in the same manner as done previously to grow our operations.
Trade Payables	We have assumed trade payables credit period of 70 days for the financial year 2020-21 as against 83 days in the financial year 2019-20, as going forward, we intend to pay our creditors more quickly than past as more funds would be available with us through our proposed initial public offer which would help us in paying our liabilities quickly. This would help us in maintaining good terms with our creditors. This would help us to avail good cash discounts and negotiate with our vendors on better price to our advantage.

Pursuant to the certificate dated September 15, 2020, M/s. Anay Gogte & Co., Chartered Accountants, have verified the working capital requirements for the Financial Year 2020 from the Restated Standalone Financial Information and working capital estimates for the financial year 2021 and 2022 as approved by the Board pursuant to its resolution dated September 15, 2020.



### General Corporate Purposes

The Net Proceeds will be first utilized towards the Objects as mentioned as mentioned above. The balance is proposed to be utilized for general corporate purposes, subject to such utilization not exceeding 25% of the Net Proceeds, in compliance with the SEBI (ICDR) Regulations, 2018. Our Company intends to deploy the balance Net Proceeds, if any, for general corporate purposes, subject to above mentioned limit, as may be approved by our management, including but not restricted to, the following:

- (i) strategic initiatives
- (ii) brand building and strengthening of marketing activities; and
- (iii) on-going general corporate exigencies or any other purposes as approved by the Board subject to compliance with the necessary regulatory provisions.

The quantum of utilization of funds towards each of the above purposes will be determined by our Board of Directors based on the permissible amount actually available under the head “General Corporate Purposes” and the business requirements of our Company, from time to time. We, in accordance with the policies of our Board, will have flexibility in utilizing the Net Proceeds for general corporate purposes, as mentioned above.

### 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 Offer Proceeds is as under:

(₹ in Lakh)			
Sl. No.	Particulars	Amount already incurred	Amount to be deployed in F.Y. 2020-21
1.	Working Capital Requirement	--	370.00
2.	General Corporate Purposes	--	117.95
3.	Offer Expenses	11.08	14.22
	<b>Total</b>	<b>11.08</b>	<b>502.17</b>
	<b>Offer Proceeds</b>		<b>513.25</b>

### Public Offer Expense

The estimated Offer related expenses include Offer Management Fee, Underwriting and Selling Commissions, Printing and Distribution Expenses, Legal Fee, Advertisement Expenses, Registrar’s Fees, Depository Fee and Listing Fee. The total expenses for this Offer are estimated to be approximately ₹40.00 Lakh. All the Offer related expenses shall be met out of the proceeds of the Offer and the break-up of the same is as follows:

Particulars	Expenses (₹ In Lakh)	% of Total Offer Expenses	% of Total Offer size
Payment to the Lead Manager (including underwriting fees)	26.00	65.00%	5.07%
Fees payable to Registrar to the Offer	0.50	1.25%	0.10%
Fees to the legal advisor	2.00	5.00%	0.39%
Advertising expenses	2.00	5.00%	0.39%
Fees payable to regulators including stock exchanges	3.00	7.50%	0.58%
Printing and distribution expenses	1.50	3.75%	0.29%
Statutory & Other Reports	2.00	5.00%	0.39%
Others, if any (including commission and processing fees for SCSBs <sup>(1)</sup> )	3.00	7.50%	0.58%
<b>Total</b>	<b>40.00</b>	<b>100.00%</b>	<b>7.79%</b>

\*\* SCSBs will be entitled to a processing fee of ₹2.00 per Application Form for processing of the Application Forms procured by other Application Collecting Intermediary and submitted to them.

Selling commission payable to Registered broker, SCSBs, RTAs, CDPs on the portion directly procured from Retail Individual Applicants and Non-Institutional Applicants, would be 0.001% on the Allotment Amount# or ₹50.00 whichever is less on the Applications wherein shares are allotted.



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 Offer Price.

### Funds Deployed and Sources of Funds Deployed

Our Statutory Auditor, M/s. Anay Gogte & Co., Chartered Accountants, vide their certificate dated September 23, 2020 have confirmed that as on September 23, 2020 the following funds have been deployed for the proposed object of the Offer:

		(₹ in Lakh)
Sl. No.	Particulars	Amount deployed
	<b>Offer Expenses</b>	
1.	Gretex Corporate Services Private Limited (Lead Manager) (Excluding Goods & Service Tax)	5.00
2.	Other Intermediaries	6.08
	<b>Total</b>	<b>11.08</b>

### Sources of Financing for the Funds Deployed

Our Statutory Auditor, M/s. Anay Goget & Co., Chartered Accountants, vide their certificate dated September 23, 2020 have also confirmed the amount deployed so far towards part of the Offer expenses has been financed through internal sources.

		(₹ in Lakh)
Sl. No.	Particulars	Amount deployed
1.	Internal Accruals	11.08
	<b>Total</b>	<b>11.08</b>

### Appraisal by Appraising Fund

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 Offer 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.

### Bridge Financing Facilities

As on the date of this 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 Offer.

### Monitoring Utilization of Funds

As the size of the Fresh Issue does not exceed ₹10,000 Lakh, in terms of Regulation 262 of the SEBI (ICDR) Regulations, 2018, our Company is not required to appoint a monitoring agency for the purposes of this Offer. Our Board and Audit Committee shall monitor the utilization of the Net Proceeds.

Pursuant to Regulation 32 of the SEBI (LODR) Regulation, 2015, our Company shall on a half yearly basis disclose to the Audit Committee the uses and application of the Net Proceeds. Until such time as any part of the Net Proceeds remains unutilized, our Company will disclose the utilization of the Net Proceeds under separate heads in our Company's balance sheet(s) clearly specifying the amount of and purpose for which Net Proceeds have been utilized so far, and details of amounts out of the Net Proceeds that have not been utilized so far, also indicating interim investments, if any, of such unutilized Net Proceeds. In the event that our Company is unable to utilize the entire amount that we have currently estimated for use out of the Net Proceeds in a Fiscal Year, we will utilize such unutilized amount in the next financial year. Further, in accordance with Regulation 32(1)(a) of the SEBI (LODR) Regulation, 2015 our Company shall furnish to the Stock Exchanges on a half yearly basis, a



statement indicating material deviations, if any, in the utilization of the Net Proceeds for the objects stated in this Prospectus.

#### **Interim Use of Proceeds**

Pending utilization of the Offer proceeds of the Offer 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 13(8) and Section 27 of the Companies Act, 2013, our Company shall not vary the objects of the Offer without our Company being authorized to do so by the Shareholders by way of a special resolution through a postal ballot. Further, pursuant to Regulation 32 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, our Company shall on half- yearly basis disclose to the Audit Committee the applications of the proceeds of the Offer. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (“Postal Ballot Notice”) shall specify the prescribed details as required under the Companies Act. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in Hindi, the vernacular language of the jurisdiction where the Registered Office is situated. Our Promoters will be required to provide an exit opportunity to such shareholders who do not agree to the above stated proposal, at a price as may be prescribed by SEBI, in this regard.

#### **Other Confirmations**

There are no material existing or anticipated transactions with our Promoters, our Directors, our Company’s Key Managerial Personnel 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 except in the normal course of business and in compliance with the applicable laws.



## BASIS FOR OFFER PRICE

*Investors should read the following summary with the chapter titled “Risk Factors”, the details about our Company under the chapter titled “Our Business” and its financial statements under the chapter titled “Financial Statements as Restated” beginning on pages 24, 93 and 148 respectively of the 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 Offer 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 ₹10.00 each and the Offer Price is ₹159.00 which is 15.9 times of the face value.

### QUALITATIVE FACTORS

- Rich Management Experience
- Product Quality
- Semi-Automated Units
- Diversified Product Portfolio Offering Affordable Apparels Across Various Price Segments
- Needs of customers
- Existing distribution and sales networks

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 93 of this 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:

#### Basic Earnings and Diluted Earnings per Equity Share (EPS) as per Accounting Standard 20

##### As per Restated Standalone Financial Statements (Pre-Bonus):

Period	Basic and Diluted EPS (in ₹)	Weight
March 31, 2018	921.98	1
March 31, 2019	9.14	2
March 31, 2020	14.49	3
<b>Weighted Average</b>	<b>163.95</b>	

##### As per Restated Standalone Financial Statements (Post Bonus):

Period	Basic and Diluted EPS (in ₹)	Weight
March 31, 2018	6.11	1
March 31, 2019	9.14	2
March 31, 2020	14.49	3
<b>Weighted Average</b>	<b>11.31</b>	

*Note: The earnings per share has been calculated by dividing the net profit as restated, attributable to equity shareholders by restated weighted average number of Equity Shares outstanding during the period. Restated weighted average number of equity shares has been computed as per AS 20. The face value of each Equity Share is ₹10.00.*

## Price / Earnings Ratio (P/E) in relation to the Offer Price of ₹159.00

Particulars	P/E Ratio
<b>Based on Restated Standalone Financial Statements</b>	
P/E ratio based on the Basic & Diluted EPS, as restated for FY 2019-20	10.97
P/E ratio based on the Weighted Average Basic & Diluted EPS, as restated	14.06

## Return on Net Worth

## As per Restated Standalone Financial Statements:

Period	RONW (%)	Weight
March 31, 2018	21.47	1
March 31, 2019	24.33	2
March 31, 2020	29.19	3
<b>Weighted Average</b>	<b>26.28</b>	

*Note: The RONW has been computed by dividing net profit after tax (as restated), by Net worth (as restated) as at the end of the year.*

## As per Restated Standalone Financial Statements:

Minimum return on Post Offer Net Worth to maintain the Pre-Offer EPS (Post Bonus) for the year ended March 31, 2020 – 17.56%

## Net Asset Value (NAV) per Equity Share

Sl. No.	Particulars	On the basis of Restated Standalone Financial Statements (₹)
a)	As on March 31, 2020 (Post Bonus)	49.64
b)	As on March 31, 2019 (Post Bonus)	37.57
c)	After Offer	68.00
d)	Offer Price	159.00

*Note: NAV has been calculated as net worth divided by number of Equity Shares at the end of the year.*

## Peer Group Comparison of Accounting Ratios:

Particulars	CMP	EPS (₹)	PE Ratio	RONW (%)	NAV (₹)	Face Value (₹)	Revenue from Operations (₹ in Lakh)
G M Polyplast Limited	159.00*	14.49	10.97	29.19	49.64	10.00	6,314.53
<b>Peer Group **</b>							
Axel Polymers Limited	8.00	0.22	36.76	4.71	4.63	10.00	2,289.84
Supreme Industries Limited	868.60	39.08	22.23	23.28	167.88	2.00	5,51,127.00
Astral Poly Technik Limited	924.45	13.33	69.36	15.08	88.39	1.00	2,04,280.00

\* CMP for our Company is considered as Offer Price

\*\* Source: [www.bseindia.com](http://www.bseindia.com).

## Notes:

- The figures of G M Polyplast Limited are based on financial statements as restated.
- Considering the nature and size of business of the Company, the peers are not strictly comparable. However same have been included for broad comparison.
- Current Market Price (CMP) is the closing price of peer group scripts as on March 31, 2020.





(iv) *The figures for the peer group are based on the standalone audited financials for the year ended March 31, 2020.*

The face value of our share is ₹10.00 per share and the Offer Price is of ₹159.00 per share are 15.9 times of the face value.

The Company in consultation with the Lead Manager believes that the Offer Price of ₹159.00 per share for the Public Offer is justified in view of the above parameters. Investor should read the above mentioned information along with the chapter titled “**Risk Factors**” beginning on page 24 of this Prospectus and the financials of our Company including important profitability and return ratios, as set out in the chapter titled “**Financial Statements as Restated**” beginning on page 148 of this Prospectus.



## STATEMENT OF POSSIBLE TAX BENEFITS

To  
The Board of Directors  
**G M Polyplast Limited**  
A-66 New Empire Industrial Estate,  
Kondivita Road, Andheri East,  
Mumbai – 400 059

**Gretex Corporate Services Private Limited**  
Office No. 13, 1st Floor, Bansilal Mansion  
9-15 Homi Modi Street, Fort Mumbai,  
Mumbai – 400001  
(Gretex Corporate Services Private Limited referred to as the “Lead Manager”)

Dear Sirs,

**Sub: Statement of Possible Special Tax Benefits available to G M Polyplast Limited (“the Company”) and its shareholders prepared in accordance with the requirement of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“the regulations”)**

This Report is issued in accordance with the terms of our engagement letter dated 10<sup>th</sup> July, 2020.

We hereby certify that the enclosed Annexure: I, prepared by G M Polyplast Limited (hereinafter referred to as “the Company”) states the possible special tax benefits available to the Company and the shareholders of the Company under the provisions of the Income-tax IT Act, 1961 (‘the IT Act’ or ‘the Tax Laws’), presently in force in India as on signing date for inclusion in the Prospectus (hereinafter referred to as “**Offer Document**”). Several of those 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 possible special tax benefits, is dependent upon the Company or its shareholders fulfilling such conditions, which based on the business imperatives, the Company may face in the future and accordingly, the Company or its shareholders may or may not choose to fulfill.

The benefits discussed in the enclosed Annexure: I cover only the special tax benefits available to the Company and its shareholders and do not cover general tax benefits. Special tax benefits are benefits which are generally not available for all companies. Further, 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 nature of individual tax consequences and the changing tax laws, each of the investor is advised to consult his or her or their own tax consultant with respect to the specific tax implications arising out of their participation in the offer for sale of equity shares of the Company.

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 with;

The contents of the enclosed Annexure: I are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

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



We hereby consent to the use of our name and other details, including reference to our firm as auditors to the Company. We further consent to be named as an expert in the Offer Documents, as defined under the provisions of the Companies Act, 2013 and the rules framed thereunder.

The enclosed annexure is intended for your information and for inclusion in the Offer Documents in connection with the Offer to equity shares by the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

**For Anay Gogte & Co.**  
*Chartered Accountants*  
**Firm Registration No.: 100398W**

[A.R. Gogte]  
*Partner*  
Membership No.037046

Place: Mumbai

**UDIN: 20037046AAAAHB8673**  
**Mumbai, 23<sup>rd</sup> September, 2020**



**Annexure 1:**

**NOTE ON POSSIBLE TAX BENEFITS AVAILABLE TO G M POLYPLAST LIMITED AND ITS SHAREHOLDERS**

**UNDER THE INCOMES TAX ACT 1961 (“the IT Act”)**

G M Polyplast Limited (“the Company”) is an Indian Company, subject to tax in India. The Company is taxed on its profits. Profits are computed after allowing all reasonable business expenditure, laid out wholly and exclusively for the purpose of the business, including depreciation.

Considering the activities and the business of the Company, the following benefits may be available to them.

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

There are no special benefits available to the Company under the provisions of the Income Tax Act, 1961.

**II. SPECIAL TAX BENEFITS AVAILABLE TO THE SHAREHOLDERS (in relation to the business of the Company)**

There are no special benefits available to the shareholder under the provisions of the Income Tax Act, 1961.

*Notes:*

- a. This Statement of Direct Tax Benefits sets out the possible tax benefits available to the Company and its Shareholders under the current tax laws presently in force in India.*
- b. This Statement is only intended to provide general information to the investors and is neither designed nor intended to be 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.*
- c. We have not commented on the taxation aspect under any law for the time being in force, as applicable of any country other than India. Each investor is advised to consult its own tax consultant for taxation in any country other than India.*

## SECTION VIII: ABOUT THE ISSUER

### INDUSTRY OVERVIEW

*(The information in this chapter has been extracted from publicly available documents prepared by various sources etc. This data has not been prepared or independently verified by us or the Lead Manager or any of their or our respective 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” on page 24 of this Prospectus. Accordingly, investment decisions should not be based on such information)*

#### OVERVIEW OF GLOBAL ECONOMY

A Crisis Like No Other, An Uncertain Recovery Global growth is projected at –4.9 percent in 2020, 1.9 percentage points below the April 2020 World Economic Outlook (WEO) forecast. The COVID-19 pandemic has had a more negative impact on activity in the first half of 2020 than anticipated, and the recovery is projected to be more gradual than previously forecast. In 2021 global growth is projected at 5.4 percent. Overall, this would leave 2021 GDP some 6½ percentage points lower than in the pre-COVID-19 projections of January 2020. The adverse impact on low-income households is particularly acute, imperilling the significant progress made in reducing extreme poverty in the world since the 1990s. As with the April 2020 WEO projections, there is a higher-than-usual degree of uncertainty around this forecast. The baseline projection rests on key assumptions about the fallout from the pandemic. In economies with declining infection rates, the slower recovery path in the updated forecast reflects persistent social distancing into the second half of 2020; greater scarring (damage to supply potential) from the larger-than-anticipated hit to activity during the lockdown in the first and second quarters of 2020; and a hit to productivity as surviving businesses ramp up necessary workplace safety and hygiene practices. For economies struggling to control infection rates, a lengthier lockdown will inflict an additional toll on activity. Moreover, the forecast assumes that financial conditions—which have eased following the release of the April 2020 WEO—will remain broadly at current levels. Alternative outcomes to those in the baseline are clearly possible, and not just because of how the pandemic is evolving. The extent of the recent rebound in financial market sentiment appears disconnected from shifts in underlying economic prospects—as the June 2020 Global Financial Stability Report (GFSR) Update discusses—raising the possibility that financial conditions may tighten more than assumed in the baseline. All countries—including those that have seemingly passed peaks in infections—should ensure that their health care systems are adequately resourced. The international community must vastly step up its support of national initiatives, including through financial assistance to countries with limited health care capacity and channelling of funding for vaccine production as trials advance, so that adequate, affordable doses are quickly available to all countries. Where lockdowns are required, economic policy should continue to cushion household income losses with sizable, well-targeted measures as well as provide support to firms suffering the consequences of mandated restrictions on activity. Where economies are reopening, targeted support should be gradually unwound as the recovery gets underway, and policies should provide stimulus to lift demand and ease and incentivize the reallocation of resources away from sectors likely to emerge persistently smaller after the pandemic. Strong multilateral cooperation remains essential on multiple fronts. Liquidity assistance is urgently needed for countries confronting health crises and external funding shortfalls, including through debt relief and financing through the global financial safety net. Beyond the pandemic, policymakers must cooperate to resolve trade and technology tensions that endanger an eventual recovery from the COVID-19 crisis. Furthermore, building on the record drop in greenhouse gas emissions during the pandemic, policymakers should both implement their climate change mitigation commitments and work together to scale up equitably designed carbon taxation or equivalent schemes. The global community must act now to avoid a repeat of this catastrophe by building global stockpiles of essential supplies and protective equipment, funding research and supporting public health systems, and putting in place effective modalities for delivering relief to the neediest.

COVID-19 Crisis: More Severe Economic Fallout than Anticipated Economic data available at the time of the April 2020 WEO forecast indicated an unprecedented decline in global activity due to the COVID-19 pandemic. Data releases since then suggest even deeper downturns than previously projected for several economies. The pandemic has worsened in many countries, levelled off in others. Following the release of the April 2020 WEO, the pandemic rapidly intensified in a number of emerging market and developing economies, necessitating stringent lockdowns and resulting in even larger disruptions to activity than forecast. In others, recorded infections and mortality have instead been more modest on a per capita basis, although limited testing implies considerable uncertainty about the path of the pandemic. In many advanced economies, the pace of new infections and hospital intensive care occupancy rates have declined thanks to weeks of lockdowns and voluntary distancing.



Synchronized, deep downturn. First-quarter GDP was generally worse than expected (the few exceptions include, for example, Chile, China, India, Malaysia, and Thailand, among emerging markets, and Australia, Germany, and Japan, among advanced economies). High-frequency indicators point to a more severe contraction in the second quarter, except in China, where most of the country had reopened by early April. Consumption and services output have dropped markedly. In most recessions, consumers dig into their savings or rely on social safety nets and family support to smooth spending, and consumption is affected relatively less than investment. But this time, consumption and services output have also dropped markedly. The pattern reflects a unique combination of factors: voluntary social distancing, lockdowns needed to slow transmission and allow health care systems to handle rapidly rising caseloads, steep income losses, and weaker consumer confidence. Firms have also cut back on investment when faced with precipitous demand declines, supply interruptions, and uncertain future earnings prospects. Thus, there is a broad-based aggregate demand shock, compounding near-term supply disruptions due to lockdowns. Mobility remains depressed. Globally, lockdowns were at their most intense and widespread from about mid-March through mid-May. As economies have gradually reopened, mobility has picked up in some areas but generally remains low compared to pre-virus levels, suggesting people are voluntarily reducing exposure to one another. Mobility data from cell phone tracking, for example, indicate that activity in retail, recreation, transit stations, and workplaces remains depressed in most countries, although it appears to be returning to baseline in certain areas. Severe hit to the labor market. The steep decline in activity comes with a catastrophic hit to the global labor market. Some countries (notably in Europe) have contained the fallout with effective short-term work schemes. Nonetheless, according to the International Labour Organization, the global decline in work hours in 2020: Q1 compared to 2019: Q4 was equivalent to the loss of 130 million full-time jobs. The decline in 2020: Q2 is likely to be equivalent to more than 300 million full-time jobs. Where economies have been reopening, activity may have troughed in April—as suggested, for example, by the May employment report for the United States, where furloughed workers are returning to work in some of the sectors most affected by the lockdown.

The hit to the labor market has been particularly acute for low-skilled workers who do not have the option of working from home. Income losses also appear to have been uneven across genders, with women among lower-income groups bearing a larger brunt of the impact in some countries. Of the approximately 2 billion informally employed workers worldwide, the International Labour organization estimates close to 80 percent have been significantly affected. Contraction in global trade. The synchronized nature of the downturn has amplified domestic disruptions around the globe. Trade contracted by close to –3.5 percent (year over year) in the first quarter, reflecting weak demand, the collapse in cross-border tourism, and supply dislocations related to shutdowns (exacerbated in some cases by trade restrictions) Weaker inflation. Average inflation in advanced economies had dropped about 1.3 percentage points since the end of 2019, to 0.4 percent (year over year) as of April 2020, while in emerging market economies it had fallen 1.2 percentage points, to 4.2 percent. Downward price pressure from the decline in aggregate demand, together with the effects of lower fuel prices, seems to have more than offset any upward cost-push pressure from supply interruptions so far.

(Source: <https://www.imf.org/en/Publications/WEO/Issues/2020/06/24/WEOUpdateJune2020>)

# Latest World Economic Outlook Growth Projections

(real GDP, annual percent change)	PROJECTIONS		
	2019	2020	2021
<b>World Output</b>	<b>2.9</b>	<b>-4.9</b>	<b>5.4</b>
<b>Advanced Economies</b>	<b>1.7</b>	<b>-8.0</b>	<b>4.8</b>
United States	2.3	-8.0	4.5
Euro Area	1.3	-10.2	6.0
Germany	0.6	-7.8	5.4
France	1.5	-12.5	7.3
Italy	0.3	-12.8	6.3
Spain	2.0	-12.8	6.3
Japan	0.7	-5.8	2.4
United Kingdom	1.4	-10.2	6.3
Canada	1.7	-8.4	4.9
Other Advanced Economies	1.7	-4.8	4.2
<b>Emerging Markets and Developing Economies</b>	<b>3.7</b>	<b>-3.0</b>	<b>5.9</b>
Emerging and Developing Asia	5.5	-0.8	7.4
China	6.1	1.0	8.2
India	4.2	-4.5	6.0
ASEAN-5	4.9	-2.0	6.2
Emerging and Developing Europe	2.1	-5.8	4.3
Russia	1.3	-6.6	4.1
Latin America and the Caribbean	0.1	-9.4	3.7
Brazil	1.1	-9.1	3.6
Mexico	-0.3	-10.5	3.3
Middle East and Central Asia	1.0	-4.7	3.3
Saudi Arabia	0.3	-6.8	3.1
Sub-Saharan Africa	3.1	-3.2	3.4
Nigeria	2.2	-5.4	2.6
South Africa	0.2	-8.0	3.5
Low-Income Developing Countries	5.2	-1.0	5.2

Source: IMF, World Economic Outlook Update, June 2020

Note: For India, data and forecasts are presented on a fiscal year basis, with FY2020/2021 starting in April 2020. India's growth is -4.9 percent in 2020 based on the calendar year.

INTERNATIONAL MONETARY FUND

IMF.org

## ABOUT INDIAN ECONOMY GROWTH RATE & STATISTICS

### INTRODUCTION

India has emerged as the fastest growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships.

### MARKET SIZE

India's gross domestic product (GDP) (at constant 2011-12 prices) was estimated to be Rs 145.65 lakh crore (US\$ 2.06 trillion) for 2019-20, growing 4.2 per cent over the previous year. India retained its position as the third largest start-up base in the world with over 8,900-9,300 start-ups as 1,300 new start-ups got incorporated in 2019 according to a report by NASSCOM. India also witnessed the addition of 7 unicorns in 2019 (till August 2019), taking the total tally to 24. India's labour force is expected to touch 160-170 million by 2020 based on the rate of population growth, increased labour force participation and higher education enrolment among other factors

according to a study by ASSOCHAM and Thought Arbitrage Research Institute. India's foreign exchange reserves reached Rs 37.31 lakh crore (US\$ 493.48 billion) in the week up to May 29, 2020 according to the data from RBI.

#### **RECENT DEVELOPMENTS**

With an improvement in the economic scenario, there have been investments across various sectors of the economy. The mergers and acquisition (M&A) activity in India stood at US\$ 28 billion in 2019, while private equity (PE) deals reached US\$ 48 billion. Some of the important recent developments in Indian economy are as follows:

- Merchandise export and import (in US\$ terms) declined by 4.8 per cent and 9.1 per cent, respectively, in 2019-20.
- Nikkei India Manufacturing Purchasing Managers' Index (PMI) stood at 30.8 in May 2020, showing contraction in the sector because of coronavirus-related restrictions.
- Gross tax revenue stood at Rs 15.04 lakh crore (US\$ 215.28 billion) in 2019-20 – income tax collection contributed Rs 4.80 lakh crore (US\$ 68.14 billion) to it.
- In 2019, companies in India raised around US\$ 2.5 billion through 17 initial public offers (IPO).
- India's Foreign Direct Investment (FDI) equity inflow reached US\$ 469.99 billion between April 2000 to March 2020, with maximum contribution from services, computer software and hardware, telecommunications, construction, trading, and automobiles.
- India's Index of Industrial Production (IIP) for 2019-20 stood at 129.2.
- The combined index of eight core industries stood at 137 in March 2020. Its cumulative growth was 0.6 per cent in 2019-20.
- Consumer Price Index (CPI) – Combined inflation was 5.9 per cent in March 2020 as compared to 6.6 per cent in February 2020. The annual consumer price inflation increased to 4.8 per cent in 2019-20 from 3.4 per cent in 2018-19.
- Around 12 million jobs in a year were created in India during 2015-19.
- India improved its ranking in World Bank's Doing Business Report by 14 spots over last year and was ranked 63 among 190 countries in the 2020 edition of the report.
- India is expected to have 100,000 start-ups by 2025, which will create employment for 3.25 million people and generate US\$ 500 billion in value as per Mr T V Mohan Das Pai, Chairman, Manipal Global Education.

#### **GOVERNMENT INITIATIVES**

The first Union Budget of the third decade of 21st century was presented by Minister for Finance & Corporate Affairs, Ms Nirmala Sitharaman in the Parliament on February 1, 2020. The budget aimed at energising the Indian economy through a combination of short-term, medium-term, and long-term measures.

Total expenditure for 2020-21 is budgeted at Rs 37.14 lakh crore (US\$ 531.53 billion), an increase of 13 per cent from 2019-20 (revised budget estimates). Numerous foreign companies are setting up their facilities in India on account of various Government initiatives like Make in India and Digital India. Mr Narendra Modi, Prime Minister of India, launched Make in India initiative with an aim to boost country's manufacturing sector and increase purchasing power of an average Indian consumer, which would further drive demand and spur development, thus benefiting investors. The Government of India, under its Make in India initiative, is trying to boost the contribution made by the manufacturing sector with an aim to take it to 25 per cent of the GDP from the current 17 per cent. Besides, the Government has also come up with Digital India initiative, which focuses on three core components: creation of digital infrastructure, delivering services digitally and to increase the digital literacy.



Some of the recent initiatives and developments undertaken by the Government are listed below:

- The Prime Minister of India, Mr Narendra Modi announced various economic packages, having a cumulative worth of around Rs 20 lakh crore (US\$ 283.73 billion) and being almost 10 per cent of India's GDP.
- Pradhan Mantri Garib Kalyan Package (PMGK) was introduced in April 2020 to provide relief to underprivileged and help them fight the battle against COVID-19. The budget allocated to the scheme was Rs 1.70 lakh crore (US\$ 24.12 billion).
- India is expected to attract investment of around US\$ 100 billion in developing the oil and gas infrastructure during 2019-23.
- The Government of India is going to increase public health spending to 2.5 per cent of the GDP by 2025.
- For implementation of Agriculture Export Policy, Government approved an outlay Rs 206.8 crore (US\$ 29.59 million) for 2019, aimed at doubling farmers income by 2022.
- Under the Pradhan Mantri Awas Yojana (Urban), Government has sanctioned more than 96.50 lakh houses under PMAY(U) and approved 606 proposals for the construction of 3,31,075 houses with an overall investment of Rs 15,125 crore (US\$ 2.16 billion).
- The Cabinet Committee on Economic Affairs has approved to increase the authorized capital of Food Corporation of India (FCI) from the existing Rs 3,500 crore (US\$ 500.79 million) to Rs 10,000 crore (US\$ 1.43 billion).
- India has registered a 26.9 per cent reduction in Maternal Mortality Ratio (MMR) since 2013: Sample Registration System Bulletin-2016.
- Around 26.02 million households were electrified by 31<sup>st</sup> March 2019 under Pradhan Mantri Sahaj Bijli Har Ghar Yojana (SAUBHAGYA).
- In the mid-term review of Foreign Trade Policy (FTP) 2015-20, the Ministry of Commerce and Industry enhanced the scope of Merchandise Exports from India Scheme (MEIS) and Service Exports from India Scheme (SEIS), increased MEIS incentive for ready-made garments and made-ups by 2 per cent, SEIS incentive by 2 per cent and increased the validity of Duty Credit Scrips from 18 months to 24 months. In April 2020, Government extended FTP for one more year (up to March 31, 2021).

## **ROAD AHEAD**

India's GDP is expected to reach US\$ 5 trillion by FY25 and achieve upper-middle income status on the back of digitization, globalization, favorable demographics, and reforms. India is also focusing on renewable sources to generate energy. It is planning to achieve 40 per cent of its energy from non-fossil sources by 2030, which is currently 30 per cent, and have plans to increase its renewable energy capacity from to 175 gigawatt (GW) by 2022. India is expected to be the third largest consumer economy as its consumption may triple to US\$ 4 trillion by 2025, owing to shift in consumer behavior and expenditure pattern, according to a Boston Consulting Group (BCG) report. It is estimated to surpass USA to become the second largest economy in terms of purchasing power parity (PPP) by 2040 as per a report by PricewaterhouseCoopers.

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

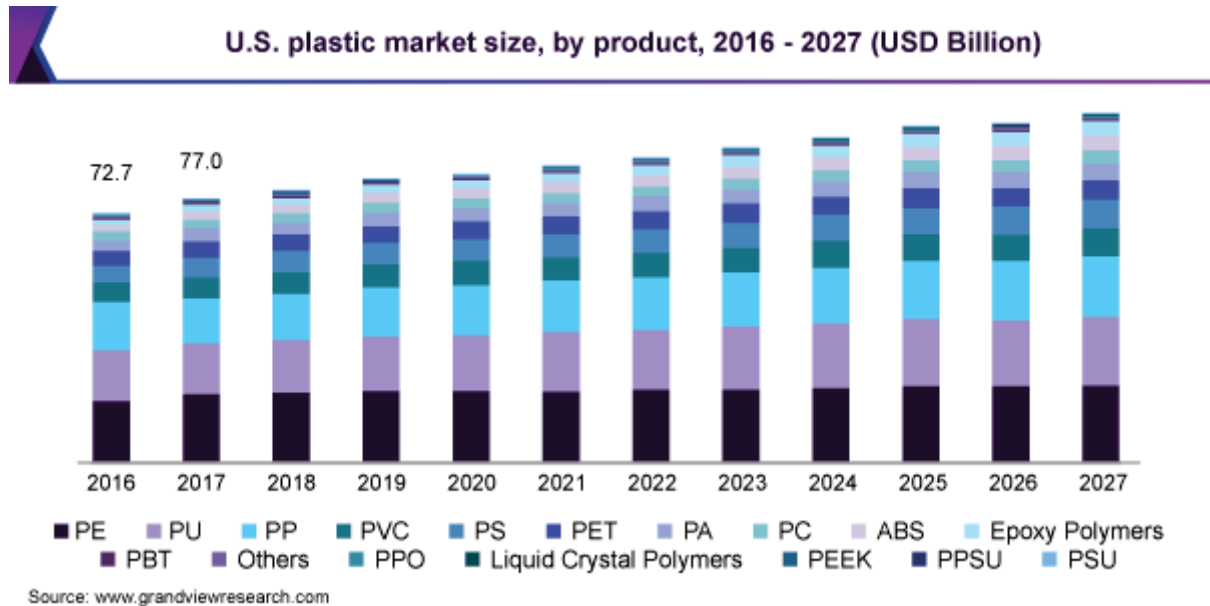
## **GOLBAL PLASTIC INDUSTRY**

### **INTRODUCTION**

The global plastic market size was valued at USD 568.9 billion in 2019 and is expected to grow at a compound annual growth rate (CAGR) of 3.2% from 2020 to 2027. Increasing plastic consumption in the construction, automotive, and electrical and electronics industries is projected to drive the market for plastic over the forecast period. Regulations to decrease gross vehicle weight to improve fuel efficiency and eventually reduce carbon emissions have promoted the use of plastics as a substitute to metals, including aluminum and steel, for the



manufacturing of automotive components. This is further expected to favour the rising demand for plastics in automotive applications over the forecast period.



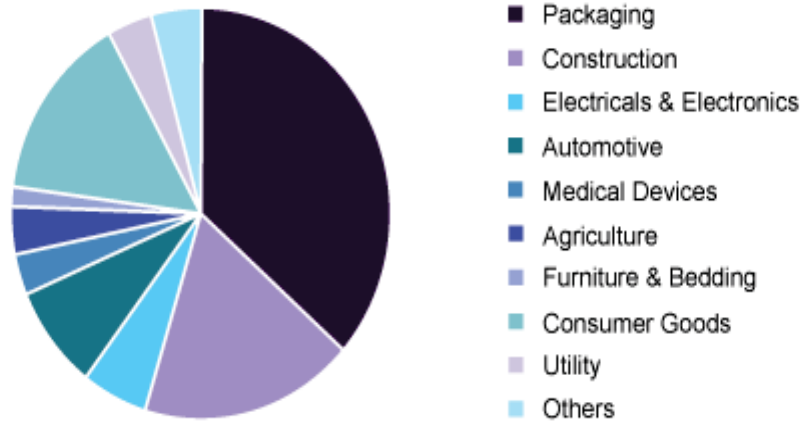
The growth of the construction industry in emerging markets such as Brazil, China, India, and Mexico has been instrumental in fueling the demand for plastics during 2018 and 2019. However, the recent outbreak of COVID-19 has hampered the demand for plastic in various applications including construction, automotive, electrical and electronics, and consumer goods owing to halt in manufacturing operations, restrictions on supply and transport, and economic slowdown across the globe.

Growing population coupled with rapid urbanization and industrialization in emerging economies has been impelling federal governments to increase their construction spending to cater to increasing infrastructure needs. Rising construction spending by governments, particularly in China and India, will drive the demand for plastics in infrastructure and construction applications. Stringent regulations regarding depletion and recyclability of conventional materials such as metal and wood are anticipated to drive the demand for plastic from construction industries in insulation, pipes, cables, floorings, windows, and storage tanks. Polymer fittings are also generally quite simple and easy to install, compared to metals or wood, with a wide range of colour combinations, adding to their aesthetic appeal.

In terms of revenue, polyethylene dominated the market with a share of 25.7% in 2019. This high share is attributable to the rising demand from packaging sector, which includes containers and bottles, plastic bags, plastic films, and geomembranes. Polyethylene is majorly categorized into two types, namely high-density polyethylene (HDPE) and low-density polyethylene (LDPE). Low-density polyethylene is used as a packaging material in consumer goods, food and beverage, and industrial packaging applications. Whereas, HDPE is widely used in laundry detergent packaging, milk cartons, cutting boards, and garbage bins. Rising demand for packaged food, trays, bottles for milk and fruit juices, crates, caps for food packaging, drums, and other liquid food packaging owing to restrictions on the movement of people to reduce the spread of COVID-19 across the world is expected to drive the demand for polyethylene in the coming years.

In terms of revenue, packaging dominated the market with a share of 36.5% in 2019. This high share is attributable to great demand from various end use industries including medical, construction, and electrical and electronics in emerging economies. The impact of coronavirus pandemic on packaging industry is expected to remain moderate over the forecast period. The demand for packaging for healthcare products, groceries, and e-commerce transportation is expected to increase sharply, while the demand for luxury, industrial, and some B2B-transport packaging might show sluggish growth owing to the several restrictions such as stoppage of industrial production and lockdown of cities, imposed by various governments across the world.

Global plastic market share, by application, 2019 (%)



Source: [www.grandviewresearch.com](http://www.grandviewresearch.com)

In addition, decline in consumer spending due to the economic slowdown caused by novel coronavirus is further expected to hamper the growth of various end use industries including construction, automotive, and electrical and electronics in coming year. This, in turn, is anticipated to hinder the growth of the plastic market over the forecast period.

Asia Pacific dominated the market with a share of 20.3% in 2019, in terms of revenue. This is attributable to rising. High economic development and consequent rise in consumer spending in emerging economies such as India and Japan along with Southeast Asian countries. Rapid industrialization and increased skilled workforce are benefitting the growth of the manufacturing sector in the region, which in turn, is further fueling the demand for plastics in the region.

However, the recent outbreak of COVID-19 in countries such as China, India, Japan, Australia, Indonesia, Thailand, and others are anticipated to hamper the product demand majorly in construction, automotive, electrical and electronics, and consumer goods applications. The outbreak has resulted in the slowdown or halt in manufacturing operations, restrictions on supply and transport, and infrastructure slowdown, which is expected to negatively impact the demand for plastics in the aforementioned applications in the region in the coming years.

Competitive rivalry among producers is high owing to presence of several players in the market for plastic. The market is highly fragmented in nature with over larger share occupied by medium and small enterprises engaged in manufacturing of plastic. The principal strategy employed by market players is increased focus on high margin products. Companies are heavily investing in capacity expansion coupled with research and development of plastic to have a balanced product portfolio. This is supported by the fact that in March 2017, BASF SE announced to build a new polymer additives plant at its Caojing site in Shanghai, with an investment of USD 217 million. The strategy comes as a part of BASF’s previous announcement to invest over EUR 200 million (USD 213.2 million) to increase its production network for polymer additives.

In February 2018, SABIC also announced projects in the Netherlands and Asia aimed at expanding its global capacity for two of its high-performance engineering thermoplastic materials, Noryl and Ultem resins. The planned new production facility in Singapore is likely to go online in the first half of 2021. The organization has also proposed to recommission operations at its Netherlands-based Bergen Op Zoom PPE resin plant by the end of this year to produce polyphenylene ether (PPE).

(Source: <https://www.grandviewresearch.com/industry-analysis/global-plastics-market>)



## **INDIAN PLASTICS INDUSTRY AND EXPORTS**

### **INTRODUCTION**

The Indian plastics industry made a promising beginning in 1957 with the production of polystyrene. Thereafter, significant progress has been made, and the industry has grown and diversified rapidly. The industry spans the country and hosts more than 2,000 exporters. It employs about 4 million people and comprises more than 30,000 processing units, 85-90 percent of which are small and medium-sized enterprises.

- In FY20, plastic and linoleum export from India stood at US\$ 7.55 billion.
- During April 2019-January 2020, plastic export stood at US\$ 7.045 billion with the highest contribution from plastic raw material at US\$ 2.91 billion, plastic sheets, films and plates at US\$ 1.22 billion and packaging materials at US\$ 722.47 million.
- The Indian plastics industry produces and export a wide range of raw materials, plastic-moulded extruded goods, polyester films, moulded/ soft luggage items, writing instruments, plastic woven sacks and bags, polyvinyl chloride (PVC), leather cloth and sheeting, packaging, consumer goods, sanitary fittings, electrical accessories, laboratory/ medical surgical ware, tarpaulins, laminates, fishnets, travel ware, and others.
- The Indian plastics industry offer excellent potential in terms of capacity, infrastructure, and skilled manpower. It is supported by many polymer producers, plastic process machinery and mould manufacturers in the country.
- Among the industry's major strengths is the availability of raw materials in the country. Thus, plastic processors do not have to depend on import. These raw materials, including polypropylene, high-density polyethylene, low-density polyethylene, and PVC, are manufactured domestically.

### **RECENT DEVELOPMENTS**

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

### **PLASTICS EXPORT PROMOTION COUNCIL**

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

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

## **INDIAN MANUFACTURING SECTOR IN INDIA INDUSTRY REPORT**

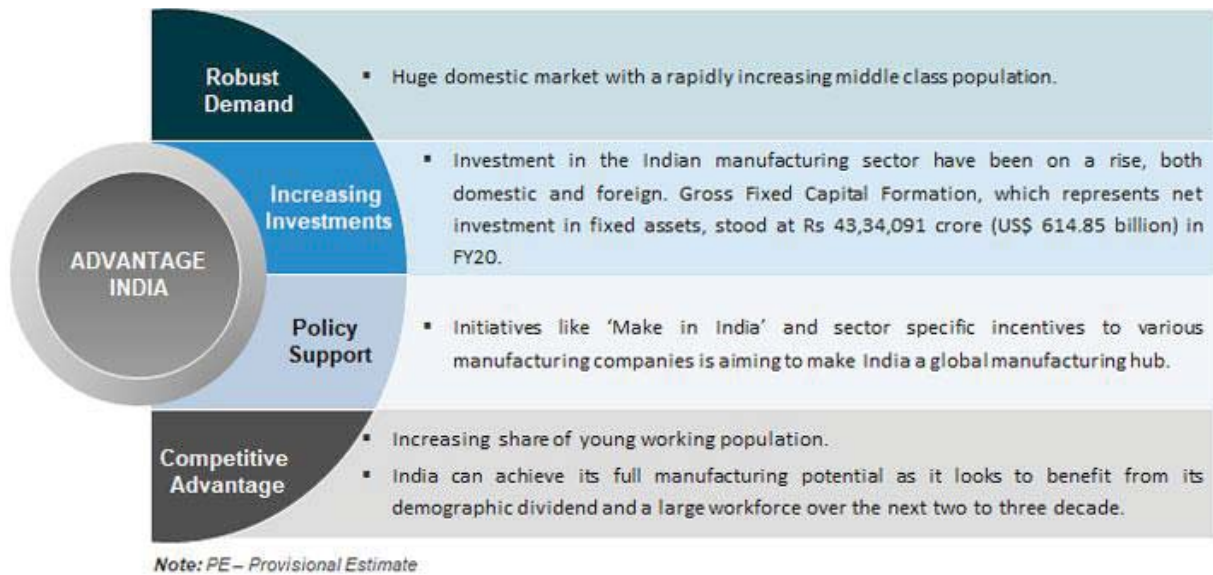
### **Introduction**

Manufacturing has emerged as one of the high growth sectors in India. Prime Minister of India, Mr Narendra Modi, launched the 'Make in India' program to place India on the world map as a manufacturing hub and give global recognition to the Indian economy. Government aims to create 100 million new jobs in the sector by 2022.

### **Market Size**

The Gross Value Added (GVA) at basic current prices from the manufacturing sector in India grew at a CAGR of 5 per cent during FY16 and FY20 as per the annual national income published by Government of India. The sector's GVA at current prices was estimated at US\$ 397.14 billion in FY20PE. Business conditions in the Indian manufacturing sector continue to remain positive. The manufacturing component of IIP stood at 129.8 during

FY20. Strong growth was recorded in the production of basic metals (10.8 per cent), intermediate goods (8.8 per cent), food products (2.7 per cent) and tobacco products (2.9 per cent). India’s Index of eight core industries stood at 131.9 in FY20. Merchandise export decreased 4.78 per cent y-o-y to reach US\$ 314.31 billion in FY20.



## Investments

With the help of Make in India drive, India is on a path of becoming the hub for hi-tech manufacturing as global giants such as GE, Siemens, HTC, Toshiba, and Boeing have either set up or are in process of setting up manufacturing plants in India, attracted by India's market of more than a billion consumers and an increasing purchasing power. Cumulative Foreign Direct Investment (FDI) in India’s manufacturing sector reached US\$ 88.45 billion during April 2000-March 2020. India has become one of the most attractive destinations for investment in the manufacturing sector. Some of the major investments and developments in this sector in the recent past are:

- In May 2020, Sterling and Wilson Solar Limited (SWSL) bagged an Engineering Procurement Construction (EPC) contract in Australia for Rs 2,600 crore (US\$ 368.85 million).
- In March 2020, Oricon Enterprises entered into a joint venture agreement with Italy-headquartered Tecnocap Group to set up a new company, Tecnocap Oriental, for manufacturing lug caps.
- In September 2019, Mumbai got its first metro coach manufactured by state-run Bharat Earth Movers (BEML) under the 'Make-in-India' initiative.
- In October 2019, Berger Paints India Ltd, a Kolkata-based company, acquired 95.53 per cent stake of STP Ltd (STPL), which is primarily into waterproofing and protective coatings.
- In September 2019, OnePlus launched its smart TVs in the Indian market.
- In August 2019, Vivo planned to invest around Rs 3,500 crore (US\$ 480 million) in India into capacity expansion.
- Capacity utilisation in India’s manufacturing sector stood at 69.1 per cent in the second quarter of 2019-20.

## Government Initiatives

The Government of India has taken several initiatives to promote a healthy environment for the growth of manufacturing sector in the country. Some of the notable initiatives and developments are:



- In May 2020, Government increased FDI in Defence manufacturing under the automatic route from 49 per cent to 74 per cent.
- In March 2020, the Union Cabinet approved financial assistance to the Modified Electronics Manufacturing Clusters (EMC2.0) Scheme for development of world class infrastructure along with common facilities and amenities through Electronics Manufacturing Clusters (EMCs).
- As per the Ministry of Statistics and Programme Implementation (MOSPI) report on Payroll Reporting in India, number of new subscribers\* under Employees' Provident Fund Scheme reached 4,01,949 in March 2020.
- Under the Pradhan Mantri Kaushal Kendras, 73 lakh people were trained during 2016-20 while 723 Pradhan Mantri Kaushal Kendras were established till Jan 2020.
- As of February 2020, there were 14,602 Industrial Training Institutes (ITI) present in India. (Accessed on March 06, 2020).
- In August 2019, the Government permitted 100 per cent FDI in contract manufacturing through the automatic route.
- Under Pradhan Mantri Kaushal Vikas Yojana (PMKVY) 1.0, 19.85 lakh candidates were trained, out of which 2.62 lakh (13.23 per cent) got placements. Under PMKVY 2.0 (2016-2020), which was launched in October 2016, about 52.12 lakh candidates received training and 12.60 lakh (24.18 per cent) got jobs by June 2019.
- In February 2019, the Union Cabinet passed National Policy on Electronics (NPE), envisaged to create a US\$ 400 billion electronics manufacturing industry in the country by 2025. 32 per cent growth rate has been targeted globally in next five years.
- Under the Make in India initiative, Government aims to increase the share of the manufacturing sector to country's GDP to 25 per cent by 2025.
- Under the Mid-Term Review of Foreign Trade Policy (2015-20), the Government of India increased export incentives available to labour intensive MSME sectors by 2 per cent. In April 2020, Government extended FTP for one more year, up to March 31, 2021.

### **Road Ahead**

India is an attractive hub for foreign investments in the manufacturing sector. Several mobile phone, luxury and automobile brands, among others, have set up or are looking to establish their manufacturing bases in the country. The manufacturing sector of India has the potential to reach US\$ 1 trillion by 2025. The implementation of the Goods and Services Tax (GST) will make India a common market with a GDP of US\$ 2.5 trillion along with a population of 1.32 billion people, which will be a big draw for investors.

With impetus on developing industrial corridors and smart cities, the Government aims to ensure holistic development of the nation. The corridors would further assist in integrating, monitoring and developing a conducive environment for the industrial development and will promote advance practices in manufacturing.



## OUR BUSINESS

The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this Prospectus, including the information contained in the section titled “**Risk Factors**”, beginning on page 24 of this Prospectus.

This section 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 section title “**Risk Factors**” and the chapters titled “**Financial Statement as Restated**” and “**Management Discussion and Analysis of Financial Conditions and Results of Operations**” beginning on pages 24, 148 and 189 of this Prospectus

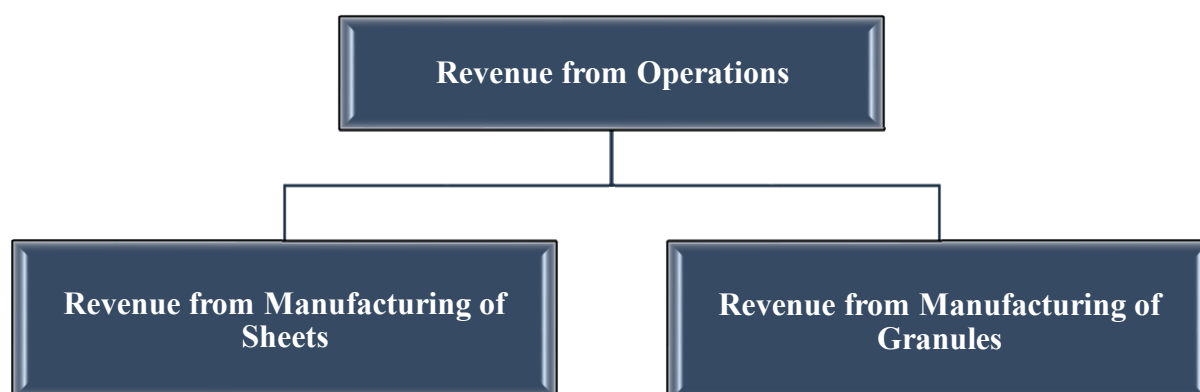
Unless the context otherwise requires, in relation to business operations, in this section of this Prospectus, all references to "we", "us", "our" and "our Company" are to “**G M Polyplast Limited**” and Group Entities as the case may be.

### OVERVIEW

We started our operations way back in the year 2003 in the name of G. M. Polyplast Private Limited. We are engaged in the business of manufacturing of H.I.P.S, A.B.S & P.E.T sheets, along with sheets we also manufacture the raw material used to manufacture the sheets called as granules. Our Company is known in the industry for manufacturing and supplying of high-grade Sheets and Granules in India. Our Company believes in the phrase “Innovation as key to future” and we have been keeping pace with modernization in all sphere of development, manufacturing, and marketing, emphasis on product quality & client satisfaction. A professional approach and constant interaction ensure client requirement is met with high standard within the agreed guideline of time and cost. Its impressive growth has been largely due to confidence in its own capability and impressive infrastructure it has created over the years. Our company has been steadily diversifying as well as adding new products to its portfolio, besides adding additional infrastructure for increasing its manufacturing capability for its existing products. Our product range includes Acrylonitrile Butadiene Styrene (ABS) Plastic Sheets, High Impact Polystyrene (HIPS) Sheets, PET (Polyethylene Terephthalate) Sheets / Rolls, Amorphous Polyethylene Terephthalate (A-PET) Sheet, Recycled Polyethylene Terephthalate (R-PET) Sheet, HDPE (High Density Polyethylene) Sheets / Rolls, PP (Polypolyne) Sheets / Rolls, Electrostatic discharge materials (ESD materials).

Our Company actively works for the benefit of their employees and labours with prime focus being health, hygiene and welfare of the workforce and also undergoes audit conducted by its recognised suppliers to ensure that the safety and management norms are being complied with. Quality is of the paramount importance as it can essentially make or break a brand. A failure to maintain quality standard can prove to be extremely detrimental to the business of our Company. We give quality the utmost priority at all stages of production to ensure our customers are thoroughly satisfied. We have three levels of quality checks in place to make sure that the requisite quality of the product is being achieved at every stage of manufacture from raw materials to boxed stock. We constantly endeavour to maintain and exceed customer expectations consistently in all aspects of quality.

Our revenue model is summarized as below





Our manufacturing facilities are well equipped with streamlined process to ensure quality of products and timely manufacturing. We endeavour to maintain safety in our premises by adhering to key safety norms. Our well-equipped machines. We provide the best in class quality packaging solutions to our esteemed customers spread over all the sectors. We believe that we offer best to all our customers which makes us possible by understanding our client’s needs and strive to deliver beyond their expectations. We are always committed to fulfil the requirements of our clientele according to their needs. In order to meet these requirements, we have adapted to best measure in the industry for quality management systems. We believe that we carry out extensive quality checks and source our raw materials from reliable and recognized suppliers to maintain the standard and quality. We are providing quality that ensures customer satisfaction. We believe that we have long-term and stable relationships developed over the years with our key suppliers and our key customers through the quality of products we provide.

Our Company is being promoted by Mr. Dinesh Balbirsingh Sharma and Ms. Sarita Dinesh Sharma. Mr. Dinesh Balbirsingh having experience of more than 20 years who is the guiding force behind all the strategic decisions of our Company. Mr. Dinesh Balbirsingh Sharma himself handle the sales, raw material procurement and Factory management. Our entire range of products is manufactured with the assistance of our experienced and talented team of employees. We believe that we are a trustworthy brand in the industry and to provide improvement through quality products and customer interaction. Since the early days of our inception, we have gathered the industry knowledge, market awareness and also possess the infrastructure to support our manufacturing activities. Our products can be applied in array of vary industries etc. We have the capability and flexibility to meet the exact specifications and sizes of the products as per the requirements of our customers. We have set manufacturing facilities and team of motivated and experienced staff in production and sales to meet the quality and service expectations of our customers. The basic raw material required in our manufacturing process is called as granules, apart from using granules for our own consumptions we also manufacture and sell the granules. We source some of our raw materials from domestic and international market. To maintain quality of our product we have implemented several quality control mechanisms for sourcing of raw materials. Also, we believe that our current manufacturing facility is well-equipped with automated and semi-automated equipment and facilities.

We have our manufacturing unit located at Plot No. 15, 16 & 17, Survey. No 217, Next to Vinod Medical System, Dadra & Nagar Haveli- 396230 having a total area of approximately 50,000 sq. ft. as on date of filing of prospectus. This manufacturing unit is being recognized for its in-house quality Management. Our manufacturing process starts with manufacturing and procurement of granules and then the manufacturing process and packing of the final products is been carried on.

We primarily sell our products through distributors and retailer. We provide our product samples along with catalogue to distributors for reaching out to the wholesale and retail shops in domestic market. Our distribution channel currently covers states of Maharashtra, Gujrat, Kerala, Tamil Nadu, West Bengal, Dadra & Nagar Haveli, Puducherry, Uttar Pradesh, Delhi, Madhya Pradesh, Haryana, Telangana, Karnataka, Uttar Pradesh, Goa, Karnataka, Chhattisgarh, and also, we supply to other countries such as UAE, Israel, Jordan, Hong Kong.

Our Company was originally incorporated as G. M. Polyplast Private Limited on November 17, 2003 at Mumbai, Maharashtra as a Private Limited Company under the Companies Act, 1956 with the Registrar of Companies, Mumbai. Subsequently, our Company was converted into Public Limited Company pursuant to Shareholders resolution passed at the Extraordinary General Meeting of our Company held on July 06, 2020 and the name of our Company was changed to “G M Polyplast Limited” and a Fresh Certificate of Incorporation consequent upon conversion of Company to Public Limited dated July 30, 2020 was issued by Registrar of Companies, Mumbai, being Corporate Identification Number U25200MH2003PLC143299.

Our total revenue increased from ₹5,551.24 Lakhs in Fiscal 2018 to ₹6,342.98 Lakhs in Fiscal 2020, representing a growth of 14.26%. Our EBIDTA increased from ₹205.10 Lakhs in Fiscal 2018 to ₹403.22 Lakhs in Fiscal 2020, representing a growth of 96.60%. Our Restated PAT increased from ₹92.20 Lakhs in Fiscal 2018 to ₹231.80 Lakhs in Fiscal 2020, representing a growth of 151.42%.

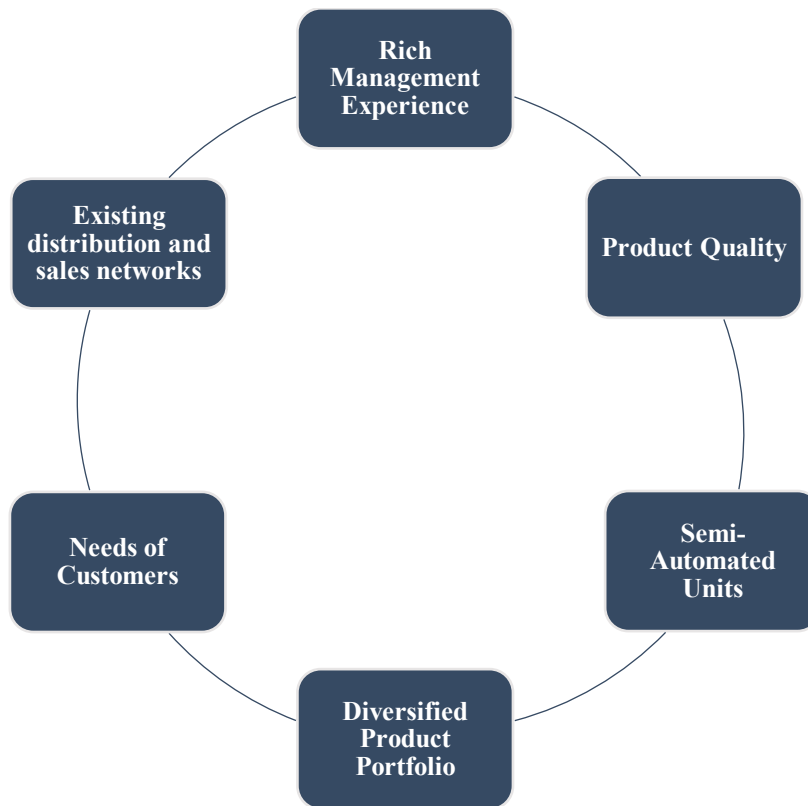
#### **OUR LOCATIONS**

<b>Registered Office</b>	A-66, New Empire Industrial Estate, Kondivita Road, Andheri East Mumbai – 400059, Maharashtra, India.
<b>Manufacturing Unit</b>	Plot No. 15, 16 & 17 survey. No 217, Next to Vinod Medical System, Dadra & Nagar Haveli - 396230, India





**OUR COMPETITIVE STRENGTHS**



**Rich Management Experience**

Our Promoters and management have substantial experience in plastic industry of approximately two decades. Our Company is managed by a team of experienced and professional personnel, exclusively focused on different aspects of the industry. The team comprises of personnel having operational experience and they are capable of creating and facing the challenges of growth within our Company. We believe that our management team’s experience and their understanding of our industry and will enable us to continue to take advantage of both current and future market opportunities. Our Management’s experience and knowledge enables us in addressing and mitigating various risks inherent in our business, including competition, the global economic crisis related effects and fluctuations in the prices.

**Product Quality**

We believe in providing quality and timely service to our customers. We are ISO 9001:2015 certified company. We have a set of standards for ourselves when it comes to timeliness and quality of service we provide to our customers. The stringent systems ensure that all the products reach our customers on stipulated time and there are minimum errors to ensure reduced product rejection. We believe that our quality service for the last 17 years has earned us a goodwill from our customers, which has resulted in customer retention and order repetition. It has also helped us to add to our existing customer base. We have developed internal procedure of checking the client orders at each stage from customer order to delivery. Our company focuses on maintaining the level of consistency in our service, thereby building customer loyalty for our Brand.

**Semi-Automated Units**

The manufacturing facility at which we operate is a semi-automated unit and the manufacturing process is managed through automatic machines and experienced manpower. Further, our raw material losses are minimized due to advanced machines placed in the unit for the manufacturing operations in our plant.



### **Diversified Product Portfolio**

In order to offer new and varied products to our customers, we focus on creating innovative designs and optimizing fit and sizing combined with an emphasis on quality. Our product range includes Acrylonitrile Butadiene Styrene (ABS) Plastic Sheets, High Impact Polystyrene (HIPS) Sheets, PET (Polyethylene Terephthalate) Sheets / Rolls, Amorphous Polyethylene Terephthalate (A-PET) Sheet, Recycled Polyethylene Terephthalate (R-PET) Sheet, HDPE (High Density Polyethylene) Sheets / Rolls, PP (Polypolyne) Sheets / Rolls, Electrostatic discharge materials (ESD materials). Our comprehensive product range offers a wide variety of designs and styles and caters to various customer segments across a wide range of price points, by providing products at various price ranges.

### **Needs of Customers**

We have a system in place which has attained high level of knowledge about the needs of our customers, resulting from continuous two-way communication between our representatives and customers. We have a team of individuals who are constantly analyzing the market scenario and study our customer's requirements. We try to cater to our customer's requirements by offering them a vast basket of product range. Our experience combined with our professionalism and capacity to deliver has helped us to grow at a steady rate in the last 17 years. Our aim is to earn customer's trust and confidence through personal attention, passion for what we do and commitment to long-lasting relationship. We are prepared to go an extra mile to deliver to our customers' a measurable business value and help them adopt and succeed in the industry.

### **Existing distribution and sales networks**

Our Company is having good channel for distribution to many clients be it in India or other countries. We have employed a sales and marketing team, who are responsible to take orders from customers which is then give to the manufacturing unit and then the company starts to pack the finished goods or manufacture the new products depending upon the availability of the stock. Our distribution channel currently covers states of Maharashtra, Gujrat, Kerala, Tamil Nadu, West Bengal, Dadra & Nagar Haveli, Puducherry, Uttar Pradesh, Delhi, Madhya Pradesh, Haryana, Telangana, Karnataka, Uttar Pradesh, Goa, Karnataka, Chhattisgarh, and also we supply to other countries such as UAE, Israel, Jordan, Hong Kong.

## **BUSINESS STRATEGY**

### **Optimum Utilization of Resources**

We are continuously engaged in improving of our production capacity by modernization of machinery, adoption of new technology, skill development of our workers, improved utilization of resources and constant focus on improvement in overall efficiency. We analyse our existing processes on regular intervals and adopt new suitable steps in order to achieve higher efficiency. We identify the areas of bottlenecks and take corrective measure wherever possible. This helps us in improving efficiency and putting resources to optimal use.

### **Increase Brand awareness**

We believe that it's critical for success of direct sales to have strong brand recognition and recall value. We intend to enhance the brand recognition of our products through our retail presence in major cities. We also intend to focus on use of targeted marketing initiatives such as digital and print advertisements, as well as marketing through traditional channels such as outdoor advertising. Our marketing and advertising initiatives shall be directed to increase brand awareness, acquire new customers, drive customer traffic across our retail channels and strengthen our brand recall value.

### **Building-up as a Professional Organisation**

We believe for a business to grow beyond a certain size, it needs to be run as a professional organisation. No organisation run in a promoter-centric or an unorganised structure can become a large business. We believe in transparency, commitment and coordination in our work, with all our stakeholders. We have the right blend of experienced and dynamic team and staff which takes care of our day-to-day operations. We also consult with external agencies on a case to case basis on technical and financial aspects of our business.



**Develop cordial relationship with our Suppliers, Customer and employees**

We believe in maintaining good relationship with our Suppliers and Customers which is the most important factor to keep our Company growing. Our dedicated and focused approach and efficient and timely delivery of products has helped us build strong relationships over a number of years. We bag and place repetitive order with our customers as well as with our suppliers. For us, establishing strong, mutually beneficial long-term relationships with strategic supplier relationship management is a critical step in improving performance across the supply chain, generating greater cost efficiency and enabling the business to grow and develop.

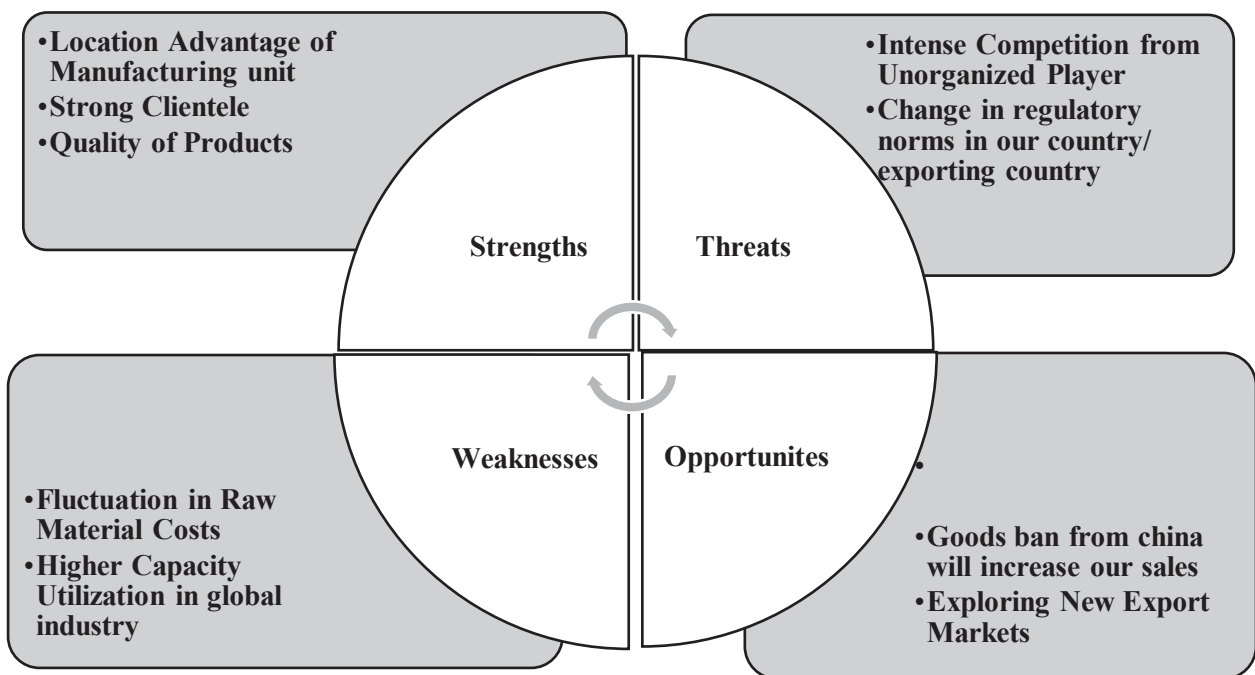
**Focus on dealing in quality standard products**

Quality of the product is very important for the company from both customer point of view and growth point of view. Our Company is focused on dealing in the products which meets with the requisite quality standards as per the applicable regulatory norms. Providing the desired and good quality products help us in enhancing our Company’s image and maintaining long term relationships with customers.

**Increase our presence in Global Market**

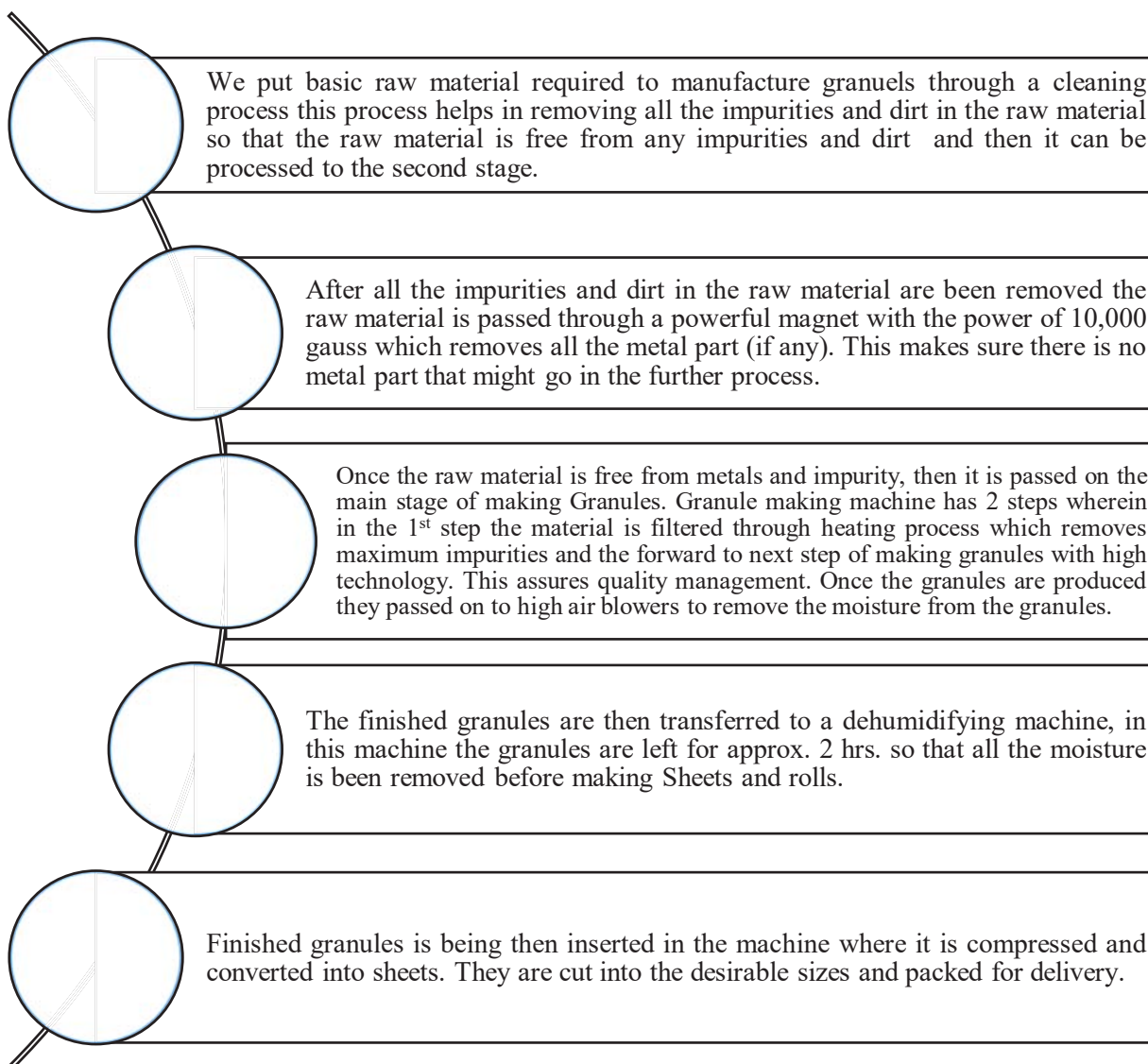
we carry our business operations in India and abroad. We believe that increase in the presence in international market will help us mitigate risk for any unforeseen circumstances in the domestic market and expand our business operations. Our distribution channel currently covers states of Maharashtra, Gujrat, Kerala, Tamil Nadu, West Bengal, Dadra & Nagar Haveli, Puducherry, Uttar Pradesh, Delhi, Madhya Pradesh, Haryana, Telangana, Karnataka, Uttar Pradesh, Goa, Karnataka, Chhattisgarh, and also we supply to other countries such as UAE, Israel, Jordan, Hong Kong. We intend to grow our sales by offering new products in new international markets. Our growth strategy will vary from country to country depending on their specific regulatory requirements.

**SWOT ANALYSIS**



**OUR MANUFACTURING PROCESS**

There are different stages that are involved in our manufacturing process, each stage is crucial and of utmost importance for the product to have its required quality and standard. We ensure quality control check at each of the manufacturing stages. Our manufacturing process consists of the following stages:



**COLLABORATIONS**

Our Company has not entered into any collaboration agreements as on date of this Prospectus.

**DETAILS OF PLANT AND MACHINERY**

Sr. No.	Name of the Machinery	Purpose	Date of Purchase
1	HOT AIR DRYER	Manufacturing of Plastic Rolls / Sheets / Granules	2012
2	COOLING TOWER	Manufacturing of Plastic Rolls / Sheets / Granules	2012
3	75 MM CO-EXTRUSION SHEET LINE	Manufacturing of Plastic Rolls / Sheets / Granules	2012
4	65 MM CO-EXTRUSION SHEET LINE	Manufacturing of Plastic Rolls / Sheets / Granules	2012
5	90 MM CO-EXTRUSION SHEET LINE	Manufacturing of Plastic Rolls / Sheets / Granules	2012

6	90 MM CO-EXTRUSION SHEET LINE	Manufacturing of Plastic Rolls / Sheets / Granules	2012
7	90 MM EXTRUSION LINE (SHEET LINE)	Manufacturing of Plastic Rolls / Sheets / Granules	2018
8	90 MM EXTRUSION LINE (SHEET LINE)	Manufacturing of Plastic Rolls / Sheets / Granules	2012
9	TCP SINGLE SCREW CO-EXTRUSION (DANA MACHINE)	Manufacturing of Plastic Rolls / Sheets / Granules	2012
10	90 MM EXTRUSION LINE (SHEET LINE)	Manufacturing of Plastic Rolls / Sheets / Granules	2012
11	90 MM EXTRUSION LINE (SHEET LINE)	Manufacturing of Plastic Rolls / Sheets / Granules	2013
12	75 MM BLOWN FILM PLANT WITH TAKE UNIT & WINDER	Manufacturing of Plastic Rolls / Sheets / Granules	2013
13	75 MM BLOWN FILM PLANT WITH TAKE UNIT & WINDER	Manufacturing of Plastic Rolls / Sheets / Granules	2013
14	90 MM EXTRUSION LINE (SHEET LINE)	Manufacturing of Plastic Rolls / Sheets / Granules	2014
15	75 MM BLOWN FILM PLANT WITH TAKE UNIT & WINDER	Manufacturing of Plastic Rolls / Sheets / Granules	2014
16	75 MM BLOWN FILM PLANT WITH TAKE UNIT & WINDER	Manufacturing of Plastic Rolls / Sheets / Granules	2014
17	100 MM EXTRUSION LINE (SHEET LINE)	Manufacturing of Plastic Rolls / Sheets / Granules	2014
18	Electric Supply Transfer	Electricity	2017
19	SHJ75C Twin Screw Extruder Pelletizing Line - 1 Set	Dana Making Machine	2018
20	Material Testing Equipments	Material Testing	2018
21	Complete Fire Fighting System Supply & Installation	Fire Fighting Systems	2019
22	75 + 40 Co-Extrusion Sheet Line with Control Panel	Manufacturing of Plastic Rolls / Sheets / Granules	2019
23	SHJ75C Twin Screw Extruder Pelletizing Line - 1 Set	Dana Making Machine	2019
24	Solar Power Plant System	Solar Electricity	2020

## INFRASTRUCTURE FACILITIES FOR UTILITIES LIKE ELECTRICITY WATER & POWER.

### Infrastructure Facilities

Our registered office is situated at A-66 New Empire Industrial Estate Kondivita Road, Andheri East Mumbai Maharashtra- 400059 and our manufacturing unit is situated at Plot No. 15, 16 & 17 survey. No 217, Next to Vinod Medical System, Dadra & Nagar Haveli-396230 and our registered office and manufacturing unit is well equipped with computer systems, internet connectivity, other communication equipment, security and other facilities, which are required for our business operations to function smoothly.

### Power

We have arrangements for regular power supply at our registered office and manufacturing unit. This power is being supplied to us from DNH Power Distribution Corporation Limited at our manufacturing unit. And Adani electricity supplies electricity to us at our registered office.

### Water

Our registered office has adequate water supply arrangements for human consumption purpose. The requirements are fully met at the existing premises.

**RAW MATERIAL**

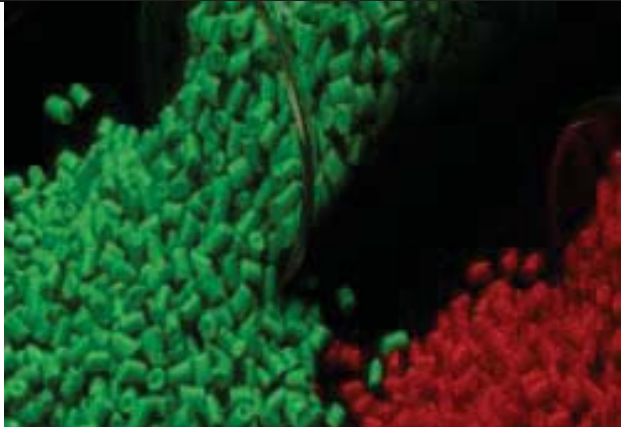

The basic raw material required for manufacturing of Acrylonitrile Butadiene Styrene (ABS) Plastic Sheets, High Impact Polystyrene (HIPS) Sheets, PET (Polyethylene Terephthalate) Sheets / Rolls, Amorphous Polyethylene Terephthalate (A-PET) Sheet, Recycled Polyethylene Terephthalate (R-PET) Sheet, HDPE (High Density Polyethylene) Sheets / Rolls, PP (Polypolyne) Sheets / Rolls, Electrostatic discharge materials (ESD materials). Is Granules. Our company being associated with the suppliers for a brief period of time, we always have the best quality of raw materials supplied to us and also we have the stock of the raw materials in abundance and hence the shortfall of the raw materials is least of the problems.





**EXPORT AND EXPORT OBLIGATIONS**




As on date of this Prospectus, our Company does not have any export and export obligation.

**OUR PRODUCTS PORTFOLIO**

Our company portfolio includes the following

Sr. no	Products	Description
1		<p><b><u>PP Granule Characteristics</u></b></p> <ul style="list-style-type: none"> <li>• High chemical &amp; heat resistance</li> <li>• High level of hardness</li> <li>• Stiffness and tensile strength</li> <li>• Electrical/thermal property</li> </ul> <p><b><u>PP Granule Applications</u></b></p> <ul style="list-style-type: none"> <li>• Polybags</li> <li>• Electrical parts</li> <li>• Bottles &amp; bottle tops</li> <li>• Storage boxes</li> </ul>
2		<p><b><u>ABS Granule Characteristics:</u></b></p> <ul style="list-style-type: none"> <li>• High stiffness</li> <li>• Impact resistance and toughness</li> <li>• Heat resistant</li> <li>• Easy processing ability</li> </ul> <p><b><u>ABS Granule Applications:</u></b></p> <ul style="list-style-type: none"> <li>• Telephones</li> <li>• A/C parts</li> <li>• Automobile parts</li> <li>• Electrical appliances &amp; assemblies</li> <li>• Toys</li> </ul>

<p>3</p>		<p><b><u>HIPS Granule Characteristics:</u></b></p> <ul style="list-style-type: none"> <li>• Hard</li> <li>• Rigid</li> <li>• Translucent</li> <li>• High impact strength</li> </ul> <p><b><u>HIPS GRANULE APPLICATIONS:</u></b></p> <ul style="list-style-type: none"> <li>• Plastic models</li> <li>• CD cases</li> <li>• Construction</li> <li>• Jewellery cases</li> <li>• Frames</li> <li>• Containers</li> </ul>
<p>4</p>		<p><b><u>HIPS APPLICATIONS:</u></b></p> <ul style="list-style-type: none"> <li>• Crates, luggage and industrial containers</li> <li>• Oil, vanaspati and general purpose containers, jerry cans</li> <li>• Liners, sheets, house ware, storage bins</li> <li>• High gloss film for carrier bags and counter bags</li> </ul>
<p>5</p>		<p><b><u>ABS PLASTIC SHEETS</u></b></p> <p>Acrylonitrile Butadiene Styrene (ABS) consists of different grades, such as virgin grade, economy grade, acrylic capped and flame retardant, in smooth and embossed finishes. ABS plastic sheets can be processed with ease and versatility. They can be machined, turned, drilled, milled, sawed, bored, die cut, routed and sheared using high-speed carbide-tipped tools. ABS can be machine finished by filing, grinding, sanding, buffing and polishing.</p>
<p>6.</p>		<p><b><u>High Impact Polystyrene (HIPS) Sheets:</u></b></p> <p>High Impact Polystyrene Sheet / rolls (HIPS) is a lightweight, cost-effective and terrifically versatile material which is highly receptive to thermoforming and printing. It exhibits much higher impact strength and in sheet / roll form is easily fabricated and vacuum formed. It is a very versatile material and provides a cost-effective route to the production of parts for many industrial sectors.</p>


<p>7.</p>		<p><b><u>PET (Polyethylene Terephthalate) Sheets / Rolls</u></b></p> <p>The material is composed of either 100% recycled PET flake OR both recycled PET flake and virgin PET material at percentages specified by the customer. R-PET is produced by collecting, sorting and recycling PET, then refining the material into flakes that can be turned into new products. Using R-PET as an alternative to PVC is a huge step forward on the path toward a greener, safer and cleaner future. R-PET sheet with tight tolerances is ideal for packaging, laminating, and custom thermoforming applications.</p>
<p>8.</p>		<p><b><u>HDPE (High Density Polyethylene) Sheets / Rolls</u></b></p> <p>HDPE has little branching, giving it stronger intermolecular forces and tensile strength than lower-density polyethylene. It is also harder and more opaque. High-density polyethylene, unlike polypropylene, cannot withstand normally-required autoclaving conditions. The lack of branching is ensured by an appropriate choice of catalyst and reaction conditions. HDPE contains the chemical elements carbon and hydrogen.</p>
<p>9.</p>		<p><b><u>PP (Polypropylene) Sheets / Rolls</u></b></p> <p>Polypropylene (PP) is a thermoplastic “addition polymer” made from the combination of propylene monomers. It is used in a variety of applications to include packaging for consumer products, plastic parts for various industries including the automotive industry, special devices like living hinges, and textiles.</p> <p>Very high quality made from virgin materials suitable for food contact application (FDA), also available in post-consumer recycle material for non-food contact application.</p>

**INTELLECTUAL PROPERTY RIGHTS**

Our corporate name and logo have not been registered under the Trade Marks Act, 1999.





Sl. No	Logo	Date of Application / Approval date	Application No. / Trademark No.	Class	Current Status
1.	Trademark* 	18/06/2020	4535353	Class 16	Objected

\* The said trademark is applied in name of our Promoter/ Director Mr. Dinesh Balbirsingh Sharma.

## HUMAN RESOURCE

Our companies have employed the best and qualified employees who have a vast experience in their respective fields. The following table represent the no of employees in the respective department of the company.

Department	No of Employees
Admin & HR	1
Management	3
Finance	1
Legal and Compliances	1
Business Analytics, Marketing and Sales	1
Operations	2
Accounting	3
Others	40
<b>TOTAL</b>	<b>52</b>

The Managing Director of the Company himself does the marketing work, he believes in bringing the customers to the company by himself, this is because he gives importance to the customer's preference and make sure that the customer associated with the company are satisfied by the services of the company. And all the employees who are employed in their respective departments also work with integrity to make sure the operation the company are fulfilled and the targets the company has set are achieved.

## CAPACITY AND CAPACITY UTILISATION

(in metric tonnes)

Product Name	Product-wise utilization			
	Installed Capacity	Actual Utilised		
		2019-20	2018-19	2017-18
Plastic Roll/ Plastic Sheet	10,000	5,773	5,888	5,394

## MARKETING AND DISTRIBUTION STRATEGY

The efficiency of the marketing and sales network is critical to the success of our Company. Our success lies in the strength of our relationship with our customers who have been associated with our Company. To increase our portfolio of customers, we identify the prospective clients, understand their requirements, explain them our product range and value addition we can offer. We strictly adhere to the quality expectations of the customers and at times take inputs from them which help us in improving our product's quality and thus enable us to match up to their expected standards. Our marketing efforts are directed:

- To advertise and promote sales through direct marketing, exhibitions and communication with the other Industry.
- We intend to expand our existing customer base by reaching out to other geographical areas. We are committed to promote our business both domestically and internationally by widening our presence through our marketing network.

**Distribution Strategy:** As company is carrying out business of manufacturing of Sheets and granules, company deliver product as per instruction given by its client. No formal distribution channels owned by the company.

#### OUR PROPERTIES

The following table sets forth the location and significant properties owned by us:

Location	Purchase Agreement	Consideration (In Rs)
Plot No. 16 survey. No 217, Next to Vinod Medical System, Dadra & Nagar Haveli-396230, India.	December 07, 2012	71,00,000

#### Properties taken on rent by the Company

Sr. No	Location	Name of licensee	Document and Date	Rent (In Rs)	Period of Agreement	
					From	To
1.	A-66 New Empire Industrial Estate Kondivita Road, Andheri East Mumbai City Maharashtra- 400059 India.	Dinesh Balbirsingh Sharma	August 31, 2016	10,000/-	August 01, 2016	July 30, 2021
2.	Plot No. 15 survey. No 217, Next to Vinod Medical System, Dadra& Nagar Haveli- 396230	Dinesh Sharma & Sarita Sharma	November 01, 2018	120,000/-	November 11, 2018	October 31, 2020
3.	Plot No. 17 survey. No 217, Next to Vinod Medical System, Dadra& Nagar Haveli- 396230	Dinesh Sharma	November 01, 2018	150,000/-	November 11, 2018	October 31, 2020

#### COMPETITION

We operate in a competitive atmosphere. Some of our competitors may have greater resources than those available to us. While product quality, brand value, distribution network, etc. are key factors in client decisions among competitors, however, price is the deciding factor in most cases. Among listed Companies, we face competition from listed companies in our industry.

We compete against our competitors by effectively ensuring consistent product quality and timely services at competitive prices. No such consignments are accepted which are beyond our control and the best part is the only thing we know is how make Sheets and granules.

#### PERCENTAGE OF CUSTOMERS AND SUPPLIERS

##### Percentage of Top 10 Suppliers of total Purchases

Particulars	For the year ended March 31, 2020
% wise Top 10 of Total Purchase	62.08

##### Percentage of Top 10 Customers of total Sales

Particulars	For the year ended March 31, 2020
% wise Top 10 of Total Sales	46.63

#### INSURANCE DETAILS:

Our Company maintains adequate insurance policies. The details of insurances are as follows:



Sl. No.	Policy No.	Issued by	Premium Paid	Period of Insurance	Sum Assured	Type
1.	11060036190100000296	The New India Assurance Co. Ltd.	30,994.00	December 07, 2019 to December 06, 2020	50,000.00 Sub-limit medical extension	Employee Compensation
2.	11060011190100000000	The New India Assurance Co. Ltd.	800.00	December 03, 2019 to December 02, 2020	20,00,000.00	Standard Fire & Special Perils Policy
3.	11060011190100001450	The New India Assurance Co. Ltd.	2,51,835.00	December 03, 2019 to December 02, 2020	15,45,00,000.00	Standard Fire & Special Perils Policy
4.	11060031200100002959	The New India Assurance Co. Ltd.	17,190.00	June 19, 2020 to June 18, 2021	1,25,000.00	Policy Schedule cum certificate of insurance



## KEY INDUSTRY REGULATIONS AND POLICIES

*Except as otherwise specified in this Prospectus, the Companies Act, 2013, we are subject to several central and state legislations which regulate substantive and procedural aspects of our business.*

*Additionally, our operations require sanctions from the concerned authorities, under the relevant Central and State legislations and local bye-laws. The following is an overview of some of the important laws, policies and regulations which are pertinent to our business as a player in manufacturing industry of H.I.P.S., A.B.S & P.E.T Sheets. Taxation statutes such as the I.T. Act, and applicable Labour laws, contractual laws, intellectual property laws as the case may be, apply to us as they do to any other Indian company. The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. The regulations set out below may not be exhaustive and are only intended to provide general information to Investors and is neither designed nor intended to be a substitute for professional legal advice.*

### APPROVALS

For the purpose of the business undertaken by our Company, its required to comply with various laws, statutes, rules, regulations, executive orders, etc. that may be applicable from time to time. The details of such approvals have more particularly been described for your reference in the chapter titled “**Government and Other Statutory Approvals**” beginning on page 210 of this Prospectus.

### APPLICABLE LAWS AND REGULATIONS

#### BUSINESS/TRADE RELATED LAWS/REGULATIONS

##### **Plastic Waste Management (PWM) Rules, 2018**

The Government of India, through the Ministry of Environment, Forest and Climate Change notified the new Plastic Waste Management Rules, 2018 (through a Gazette notification dated 27 March 2018). This supersedes the Plastic Waste (Management and Handling) Rules, 2016 that governed such activities earlier. It is applicable to every waste generator, local body, Gram Panchayat, manufacturer, importers and producer. This provides the framework for how plastic waste generators, manufacturers, importers etc. shall manage plastic waste. The manufacturer shall have valid registration for using plastic as raw material.

##### **Bureau of Indian Standards Act, 2016 (the “BIS Act”)**

BIS Act was notified on March 22, 2016 and came into effect from October 12, 2017. The BIS Act establishes the Bureau of Indian Standards (BIS) as the National Standards Body of India. The BIS Act has enabling provisions for the Government to bring under compulsory certification regime any goods or article of any scheduled industry, process, system or service which it considers necessary in the public interest or for the protection of human, animal or plant health, safety of the environment, or prevention of unfair trade practices, or national security. The BIS Act also allows multiple type of simplified conformity assessment schemes including self-declaration of conformity against a standard which will give simplified options to manufacturers to adhere to the standards and get certificate of conformity. The BIS Act enables the Central Government to appoint any authority/agency, in addition to the BIS, to verify the conformity of products and services to a standard and issue certificate of conformity. Further, there is also a provision for repair or recall, including product liability of the products bearing standard mark but not conforming to the relevant Indian Standard.

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

In order to promote and enhance the competitiveness of Micro, Small and Medium Enterprise (MSME) the Micro, Small and Medium Enterprises Development Act, 2006 is enacted. A National Board shall be appointed and established by the Central Government for MSME enterprise with its head office at Delhi in the case of the enterprises engaged in the manufacture or production of goods pertaining to any industry mentioned in first schedule to Industries (Development and Regulation) Act, 1951.

The Central Government has vide its notification numbering 1702(E) dated June 1, 2020 amended the

definition of MSME which has come into effect from July 1, 2020. The revised definition is as under:

(i) a micro enterprise, where the investment in Plant and Machinery or Equipment does not exceed one Crore rupees and turnover does not exceed five Crore rupees;

(ii) a small enterprise, where the investment in Plant and Machinery or Equipment does not exceed ten Crore rupees and turnover does not exceed fifty Crore rupees; and

(iii) a medium enterprise, where the investment in Plant and Machinery or Equipment does not exceed fifty Crore rupees and turnover does not exceed two hundred and fifty Crore rupees.

The MSMED Act provides for the memorandum of micro, small and medium enterprises to be submitted by the relevant enterprises to the prescribed authority.

The MSMED Act also provides for the establishment of the Micro and Small Enterprises Facilitation Council ('Council'). The Council has jurisdiction to act as an arbitrator or conciliator in a dispute between the supplier located within its jurisdiction and a buyer located anywhere in India.

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

##### **Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017 (the "Act")**

Under the provisions of the Act, establishments are required to be registered. Such laws regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees.

##### **Maharashtra Tax on Professions, Trade, Callings and Employments Act, 1975 (the "Act")**

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 tax is classified under various tax slabs in India. The tax payable under the State, acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such person before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such person and employer has to obtain the registration from the assessing authority in the prescribed manner.

##### **Maharashtra Stamp Act, 1958 (the "Stamp Act")**

The purpose of Stamp Act was to streamline and simplify transactions of immovable properties and securities by the State Government. The Stamp Act provides for the imposition of stamp duty at the specified rates on instruments listed in Schedule IA of the Stamp Act. Stamp duty is payable on all instruments/ documents evidencing a transfer or creation or extinguishment of any right, title or interest in immovable property. However, under the Constitution of India, the states are also empowered to prescribe or alter the stamp duty payable on such documents executed within the states.

#### **GENERAL CORPORATE COMPLIANCE**

##### **Companies Act, 2013 (the "Companies Act")**

The Companies Act, 2013, has replaced the Companies Act, 1956 in a phased manner. The Act received the assent of President of India on 29th August 2013.



The Companies Act deals with incorporation of companies and the procedure for incorporation and post incorporation. The conversion of private company into public company and vice versa is also laid down under the Companies Act, 2013. The procedure related to appointment of Directors. The procedure relating to winding up, voluntary winding up, appointment of liquidator also forms part of the Act.

Further, Schedule V (read with sections 196 and 197), Part I lays down the conditions to be fulfilled for the appointment of a managing or whole-time director or manager. It provides the list of Acts under which if a person is prosecuted, he cannot be appointed as the director or Managing Director or Manager of a Company. The provisions relating to remuneration of the directors payable by the companies is under Part II of the said schedule.

### **The Registration Act, 1908 (“Registration Act”)**

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

### **EMPLOYMENT AND LABOUR LAWS**

#### **The Code on Wages, 2019 (the “Code”)**

The Code received the assent of the President of India on August 8, 2019. The Code is yet to be notified in the Official Gazette. The Code will replace the four existing ancient laws namely (i) the Payment of Wages Act, 1936, (ii) the Minimum Wages Act, 1948, (iii) the Payment of Bonus Act, 1965, and (iv) the Equal Remuneration Act, 1976. The Code will apply to all employees and allows the Central Government to set a minimum statutory wage.

The four existing laws are as follows:

- **The Payment of Wages Act, 1936**

Payment of Wages Act, 1936, as amended, Payment of Wages (Amendment) Act, 2017 is aimed at regulating the payment of wages to certain classes of persons employed in certain specified industries and to ensure a speedy and effective remedy for them against illegal deductions or unjustified delay caused in paying wages to them. The Act confers on the person(s) responsible for payment of wages certain obligations with respect to the maintenance of registers and the display in such factory/establishment, of the abstracts of this Act and Rules made there under.

- **The Minimum Wages Act, 1948**

The Minimum Wages Act, 1948 came into force with an objective to provide for the fixation of a minimum wage payable by the employer to the employee. Every employer is mandated to pay the minimum wages to all employees engaged to do any work skilled, unskilled, and manual or clerical (including out-workers) in any employment listed in the schedule to this Act, in respect of which minimum rates of wages have been fixed or revised under the Act.

- **The Payment of Bonus Act, 1965 (the “PoB Act”)**

The PoB Act provides for payment of minimum bonus to factory employees and every other establishment in which 20 or more persons are employed and requires maintenance of certain books and registers and filing of monthly returns showing computation of allocable surplus, set on and set off of allocable surplus and bonus due.

- **The Equal Remuneration Act, 1976**

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

employment and for matters connected therewith. The Act was enacted with the aim of state to provide Equal Pay and Equal Work as envisaged under Article 39 of the Constitution.

### **Employees' Provident Funds and Miscellaneous Provisions Act, 1952 ("the EPF Act") and the Employees Provident Fund Scheme, 1952**

The EPF Act is applicable to an establishment employing more than 20 employees and as notified by the government from time to time. All the establishments under the EPF Act are required to be registered with the appropriate Provident Fund Commissioner. Also, in accordance with the provisions of the EPF Act, the employers are required to contribute to the employees' provident fund the prescribed percentage of the basic wages, dearness allowances and remaining allowance (if any) payable to the employees. The employee shall also be required to make the equal contribution to the fund. The Central Government under Section 5 of the EPF Act (as mentioned above) frames Employees Provident Scheme, 1952.

### **Employees Deposit Linked Insurance Scheme, 1976**

The scheme shall be administered by the Central Board constituted under section 6C of the EPF Act. The provisions relating to recovery of damages for default in payment of contribution with the percentage of damages are laid down under Section 8A of the Act. The employer falling under the scheme shall send to the Commissioner within fifteen days of the close of each month a return in the prescribed form. The register and other records shall be produced by every employer to Commissioner or other officer so authorized shall be produced for inspection from time to time. The amount received as the employer's contribution and also Central Government's contribution to the insurance fund shall be credited to an account called as "Deposit-Linked Insurance Fund Account."

### **The Employees' Pension Scheme, 1995**

Family pension in relation to this Act means the regular monthly amount payable to a person belonging to the family of the member of the Family Pension Fund in the event of his death during the period of reckonable service. The scheme shall apply to all the employees who become a member of the EPF or PF of the factories provided that the age of the employee should not be more than 59 years in order to be eligible for membership under this Act. Every employee who is member of EPF or PF has an option of the joining the scheme. The employer shall prepare a Family Pension Fund contribution card in respect of the all the employees who are members of the fund.

### **Employees' State Insurance Act, 1948 (the "ESI Act")**

It is an Act to provide for certain benefits to employees in case of sickness, maternity and 'employment injury' and to make provision for certain other matters in relation thereto. It shall apply to all factories (including factories belonging to the Government) other than seasonal factories. The ESI Act requires all the employees of the establishments to which this Act applies to be insured in the manner provided there under. Employer and employees both are required to make contribution to the fund. The return of the contribution made is required to be filed with the Employee State Insurance department.

### **The Employees' Compensation Act, 1923**

The Employees' Compensation Act, 1923 has been enacted with the objective to provide for the payment of compensation to workmen by employers for injuries by accident arising out of and in the course of employment, and for occupational diseases resulting in death or disablement. The said Act makes every employer liable to pay compensation, if a personal injury/disablement/loss of life is caused to a workman (including those employed through a contractor) by accident arising out of and in the course of his employment.

### **Payment of Gratuity Act, 1972 (the "Act")**

The Act shall apply to every factory, mine plantation, port and railway company; to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a State, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; such other establishments or class of establishments, in which ten or more employees are employed, on any day of the preceding twelve months, as the Central Government, may by notification, specify in this behalf. A shop or establishment to which this Act has become applicable shall be continued to be governed by this Act irrespective

of the number of persons falling below ten at any day. The gratuity shall be payable to an employee on termination of his employment after he has rendered continuous service of not less than five years on superannuation or his retirement or resignation or death or disablement due to accident or disease. The five year period shall be relaxed in case of termination of service due to death or disablement.

#### **Maternity Benefit Act, 1961 (the “Act”)**

The Act provides for leave and right to payment of maternity benefits to women employees in case of confinement or miscarriage etc. The Act is applicable to every establishment which is a factory, mine or plantation including any such establishment belonging to government and to every establishment of equestrian, acrobatic and other performances, to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a state, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; provided that the state government may, with the approval of the Central Government, after giving at least two months’ notice shall apply any of the provisions of this Act to establishments or class of establishments, industrial, commercial, agricultural or otherwise.

#### **Child and Adolescent Labour (Prohibition and Regulation) Act, 1986 (the “Child Labour Act”)**

The Child Labour Act prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. Employment of Child Labour in our industry is prohibited as per Part B (Processes) of the Schedule.

#### **The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013 (the “Act”)**

In order to curb the rise in sexual harassment of women at workplace, this Act was enacted for prevention and redressal of complaints and for matters connected therewith or incidental thereto. The terms sexual harassment and workplace are both defined in the Act. Every employer should also constitute an “Internal Complaints Committee” and every officer and member of the company shall hold office for a period of not exceeding three years from the date of nomination. Any aggrieved woman can make a complaint in writing to the Internal Committee in relation to sexual harassment of female at workplace. Every employer has a duty to provide a safe working environment at workplace which shall include safety from the persons coming into contact at the workplace, organising awareness programs and workshops, display of rules relating to the sexual harassment at any conspicuous part of the workplace, provide necessary facilities to the internal or local committee for dealing with the complaint, such other procedural requirements to assess the complaints.

#### **Industrial Disputes Act, 1947 (“ID Act”) and Industrial Dispute (Central) Rules, 1957**

The ID Act and the Rules made there under provide for the investigation and settlement of industrial disputes. 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 prescribed amount may not generally be afforded statutory benefits or protection, except in certain cases. Employees may also be subject to the terms of their employment contracts with their employer, which contracts are regulated by the provisions of the Indian Contract Act, 1872. The ID Act also sets out certain requirements in relation to the termination of the services of the workman. The ID Act includes detailed procedure prescribed for resolution of disputes with labour, removal and certain financial obligations up on retrenchment. The Industrial Dispute (Central) Rules, 1957 specify procedural guidelines for lock-outs, closures, lay-offs and retrenchment.

### **TAX RELATED LEGISLATIONS**

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

The IT Act is applicable to every Company, whether domestic or foreign whose income is taxable under the provisions of the IT Act or Rules made thereunder depending upon its Residential Status and Type of Income involved. The IT Act provides for the taxation of persons resident in India on global income and persons not resident in India on income received, accruing or arising in India or deemed to have been received, accrued or arising in India. Every Company assessable to income tax under the IT Act is required to comply with the provisions thereof, including those relating to Tax Deduction at Source, Advance Tax, Minimum Alternative Tax and like. Every such Company is also required to file its returns by September 30 of each assessment year.



### **Central Goods and Services Tax Act, 2017 (the "GST Act")**

The GST Act levies indirect tax throughout India to replace many taxes levied by the Central and State Governments. The GST Act was applicable from July 1, 2017 and combined the Central Excise Duty, Commercial Tax, Value Added Tax (VAT), Food Tax, Central Sales Tax (CST), Introit, Octroi, Entertainment Tax, Entry Tax, Purchase Tax, Luxury Tax, Advertisement Tax, Service Tax, Customs Duty, Surcharges. GST is levied on all transactions such as sale, transfer, purchase, barter, lease, or import of goods and/or services. India has adopted a dual GST model, meaning that taxation is administered by both the Union and State Governments. Transactions made within a single state is levied with Central GST (CGST) by the Central Government and State GST (SGST) by the government of that state. For inter-state transactions and imported goods or services, an Integrated GST (IGST) is levied by the Central Government. GST is a consumption-based tax; therefore, taxes are paid to the state where the goods or services are consumed and not the state in which they were produced.

### **ENVIRONMENTAL RELATED LAWS**

#### **The Environment (Protection) Act, 1986 (the "Environment Protection Act")**

The purpose of the Environment Protection Act is to act as an "umbrella" legislation designed to provide a framework for Central government co-ordination of the activities of various central and state authorities established under previous laws. The Environment Protection Act authorizes the central government to protect and improve environmental quality, control and reduce pollution from all sources, and prohibit or restrict the setting and/or operation of any industrial facility on environmental grounds. The Act prohibits persons carrying on business, operation or process from discharging or emitting any environmental pollutant in excess of such standards as may be prescribed. Where the discharge of any environmental pollutant in excess of the prescribed standards occurs or is apprehended to occur due to any accident or other unforeseen act, the person responsible for such discharge and the person in charge of the place at which such discharge occurs or is apprehended to occur is bound to (a) prevent or mitigate the environmental pollution caused as a result of such discharge and should intimate the fact of such occurrence or apprehension of such occurrence; and (b) be bound, if called upon, to render all assistance, to such authorities or agencies as may be prescribed.

#### **National Environmental Policy, 2006**

The dominant theme of this policy is that while conservation of environmental resources is necessary to secure livelihoods and well-being of all, the most secure basis for conservation is to ensure that people dependent on particular resources obtain better livelihoods from the fact of conservation, than from degradation of the resource.

#### **Water (Prevention and Control of Pollution) Act, 1974 (the "Water Act")**

The Water Act was enacted in 1974 in order to provide for the prevention and control of water pollution by factories and manufacturing industries and for maintaining or restoring the wholesomeness of water. In respect to an Industrial Undertaking it applies to the (i) Occupier (the owner and management of the undertaking) (ii) Outlet (iii) Pollution and (iv) Trade effluents. The Act requires that approvals be obtained from the corresponding Pollution Control Boards in the state.

#### **Water (Prevention and Control of Pollution) Cess Act, 1971**

The Water (Prevention and Control of Pollution) Cess Act, 1971 provides for the levy and collection of a cess on water consumed by persons carrying on certain industries and by local authorities, with a view to augment the resources of the Central Board and the State Boards for the prevention and control of water pollution constituted under the Water (Prevention and Control of Pollution) Act, 1974.

#### **Air (Prevention and Control of Pollution) Act, 1981, as amended (the "Air Act")**

With a view to ensuring that the standards for emission of air pollutants are complied with, the State Government shall, in consultation with the State Board, give such instructions as may be deemed necessary to the concerned authority and such authority shall, notwithstanding anything contained in that Act or the rules made thereunder be bound to comply with such instructions.



### **The Public Liability Insurance Act, 1991**

Public Liability Insurance Act, 1991 provides for public liability insurance for the purpose of providing immediate relief to the persons affected by accident occurring while handling any hazardous substance and for matters connected therewith or incidental thereto. It is the duty of the owner to take out one or more insurance policies providing for contracts of insurance whereby he is insured against liability to give relief.

### **Petroleum Act, 1934 (“the Petroleum Act”)**

The Petroleum Act consolidates and amends the law relating to the import, transport, storage, production, refining and blending of petroleum. Petroleum may be any liquid hydrocarbon or mixture of hydrocarbons, and inflammable mixture (liquid, viscous or solid) containing any hydrocarbon, and includes natural gas and refinery gas. As per the Act no one shall import, transport or store any petroleum save in accordance with the rules made except in accordance with the conditions of any licence for the purpose which he may be required to obtain by rule made.

### **Petroleum Rules, 1976 (the “Petroleum Rules”)**

The Petroleum Rules are applicable to all buildings or places in which persons dwell or assemble where any combustible material is stored and includes docks, wharves, public roads and streets, public foot-paths and public parks, but do not include any building or place which forms part of an installation.

### **Noise Pollution (Regulation & Control) Rules 2000 (“Noise Regulation Rules”)**

Noise Regulation Rules regulate noise levels in industrial, commercial and residential zones. The Noise Regulation Rules also establish zones of silence of not less than 100 meters near schools, courts, hospitals, etc. The rules also assign regulatory authority for these standards to the local district courts. Penalty for non-compliance with the Noise Regulation Rules shall be under the Provisions of the Environment (Protection) Act, 1986.

## **INTELLECTUAL PROPERTY LEGISLATIONS**

In general, the Intellectual Property Rights includes but is not limited to the following enactments:

- Indian Copyright Act, 1957
- The Trade Marks Act, 1999
- The Designs Act, 2000
- The Patent Act, 1970

The Acts applicable to our Company will be:

### **Trade Marks Act, 1999 (“TM Act”)**

The Trade Marks Act, 1999 provides for the application and registration of trademarks in India for granting exclusive rights to marks such as a brand, label and heading and obtaining relief in case of infringement for commercial purposes as a trade description. The TM Act prohibits any registration of deceptively similar trademarks or chemical compounds among others. It also provides for penalties for infringement, falsifying and falsely applying for trademarks.

## **ANTI-TRUST LAWS**

### **Competition Act, 2002 (the “Act”)**

The Act is to prevent practices having adverse effect on competition, to promote and sustain competition in markets, to protect interest of consumer and to ensure freedom of trade in India. The Act deals with prohibition of anti-competitive agreements. No enterprise or group shall abuse its dominant position in various circumstances as mentioned under the Act.

## **GENERAL LAWS**

Apart from the above list of laws – which is inclusive in nature and not exhaustive - general laws like the Negotiable Instrument Act 1881 Industrial Employment (Standing Orders) Act, 1946, Employment Exchanges (Compulsory Notification Of Vacancies) Act, 1959, Consumer Protection Act 2019, Indian Contract Act, 1872, Transfer of Property Act, 1882, Information Technology Act, 2000 etc.

## **OTHER LAWS:**

### **Foreign Trade (Development and Regulation) Act, 1992 (the “Act”)**

The Development and Regulation of foreign trade by facilitating imports and exports from and to India. The Import-Export Code number and licence to import or export includes a customs clearance permit and any other permission issued or granted under this Act. The Export and Import policy, provision for development and regulation of foreign trade shall be made by the Central Government by publishing an order. The Central Government may also appoint Director General of Foreign Trade (“DGFT”) for the purpose of Export-Import Policy formulation.

If any person makes any contravention to any law or commits economic offence or imports/exports in a manner prejudicial to the trade relations of India or to the interest of other person engaged in imports or exports then there shall be no Import Export Code number granted by Director-General to such person and if in case granted shall stand cancelled or suspended. Provision of search and seizure of Code of Criminal Procedure, 1973 shall apply to every search and seizure made under this Act. In case of appeals in a case the order made by the appellate authority shall be considered to be final. The powers of the civil court under Code of Civil Procedure, 1908 shall vest in him.

The EXIM Policy is a set of guidelines and instructions established by the DGFT in matters related to the export and import of goods in India. This policy is regulated under the said Act. DGFT is the main governing body in matters related to the EXIM Policy. The Act shall provide development and regulation of foreign trade by facilitating imports into, and augmenting exports from India. Trade Policy is prepared and announced by the Central Government (Ministry of Commerce).

### **Foreign Exchange Management Act, 1999 (“FEMA”)**

Foreign investment in India is primarily governed by the provisions of FEMA and the rules and regulations promulgated there under. FEMA aims at amending the law relating to foreign exchange with facilitation of external trade and payments for promoting orderly developments and maintenance of foreign exchange market in India. It applies to all branches, offices and agencies outside India owned or controlled by a person resident in India and also to any contravention there under committed outside India by any person to whom this Act applies. Every exporter of goods is required to a) furnish to the Reserve Bank or to such other authority a declaration in such form and in such manner as may be specified, containing true and correct material particulars, including the amount representing the full export value or, if the full export value of the goods is not ascertainable at the time of export, the value which the exporter, having regard to the prevailing market conditions, expects to receive on the sale of the goods in a market outside India; b) furnish to the Reserve Bank such other information as may be required by the Reserve Bank for the purpose of ensuring the realization of the export proceeds by such exporter. The Reserve Bank may, for the purpose of ensuring that the full export value of the goods or such reduced value of the goods as the Reserve Bank determines, having regard to the prevailing market conditions, is received without any delay, direct any exporter to comply with such requirements as it deems fit. Every exporter of services shall furnish to the Reserve Bank or to such other authorities a declaration in such form and in such manner as may be specified, containing the true and correct material particulars in relation to payment for such services.

### **FEMA Regulations**

As laid down by the FEMA Regulations, no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the automatic route within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIPB and/or the RBI. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 ("FEMA Regulations") to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India. Foreign investment in India is governed



primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department of Industrial Policy and Promotion, Ministry of Commerce & Industry, Government of India.

### **The Foreign Direct Investment**

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment (“**FDI**”) through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“**DIPP**”), has issued consolidated FDI Policy Circular of 2017 (“**FDI Policy 2017**”), which with effect from August 28, 2017, 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 (“**RBI**”) also issues Master Directions Foreign Investment in India and updates at the same from time to time. Presently, FDI in India is being governed by Master Directions on Foreign Investment No. RBI/FED/2017-18/60 FED Master Direction No. 11/2017-18 dated January 4, 2018, as updated from time to time by RBI. In terms of the Master Directions, 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 Directions. 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 the filing of Form FC-GPR.



## OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS

### CORPORATE PROFILE AND BRIEF HISTORY

Our Company was originally incorporated as G. M. Polyplast Private Limited on November 27, 2003 at Mumbai, Maharashtra as a Private Limited Company under the Companies Act, 1956 with the Registrar of Companies, Mumbai, Maharashtra. Subsequently, our Company was converted into Public Limited Company pursuant to Shareholders Resolution passed at the Extraordinary General Meeting of our Company held on July 06, 2020 and the name of our Company was changed to “G M Polyplast Limited” and a Fresh Certificate of Incorporation consequent upon conversion from Private Company to Public Company dated July 30, 2020 was issued by Registrar of Companies, Mumbai, being Corporate Identification Number U25200MH2003PLC143299.

Our Company is promoted by Mr. Dinesh Balbirsingh Sharma and Ms. Sarita Dinesh Sharma who are the guiding force behind all the strategic decisions of our Company. Our Promoters have Corporate and Entrepreneurial Experience. The Promoters are the frontline force behind the Company, they are leading the Company from the front in departments like Business Development, Sales, Human Resource.

For information on our Company’s Business Profile, Activities, Services, Managerial Competence, and Customers, see chapters titled, “*Our Business*”, “*Financial Statements as Restated*”, and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page 93, 148 and 189 respectively of this Prospectus.

### CHANGES IN OUR REGISTERED OFFICE

At present our Registered Office is located at A-66, New Empire Industrial Estate, Kondivita Road, Andheri East, Mumbai- 400059, Maharashtra, India. Prior to this, following changes were made in the location of our Registered Office:

From	To	With effect from	Reason for Change
A-49, New Empire Industrial Estate, Kondivita Road, Andheri East, Mumbai- 400059, Maharashtra, India		Upon Incorporation i.e. on November 27, 2003	
A-49, New Empire Industrial Estate, Kondivita Road, Andheri East, Mumbai- 400059, Maharashtra, India	Gala No. 1, 2, 3 Meenakshi Industrial Estate No. 2, Naikpada, Vasai (East), Thane- 401208, Maharashtra, India	April 04, 2011	Administrative Convenience
Gala No. 1, 2, 3 Meenakshi Industrial Estate No. 2, Naikpada, Vasai (East), Thane- 401208, Maharashtra, India	A-66, New Empire Industrial Estate, Kondivita Road, Andheri East, Mumbai- 400059, Maharashtra, India	January 29, 2013	Administrative Convenience

### MAJOR EVENTS AND MILESTONES

The table below sets forth some of the key events in the history of our Company:

Calendar Year	Particulars
2003	Company was Incorporated as “G. M. Polyplast Private Limited”
2012	Setup of Factory premises at Sr. No. 217/16, House No. 904, Dadra, Silvassa, Dadra and Nagar Haveli
2018	The Turnover of the Company crossed to Rs. 50.00 Crore
2020	Conversion into Public Limited as “G M Polyplast Limited”
	Company obtained ISO 9001:2015 issued by UQSR Global Private Limited



## MAIN OBJECTS OF OUR COMPANY

The object clauses of the Memorandum of Association of our Company enable us to undertake the activities for which the funds are being raised in the present Offer. Furthermore, the activities of our Company which we have been carrying out until now are in accordance with the objects of the Memorandum. The objects of our Company are:

- To carry on business of manufacturing, processing, extrusioning, moulding, colouring, dipping, processing, exporting, importing, buying, selling, dealing as agents, distributors and dealers of HIP (High Impact Polymers) plastic sheets and roll polypropelene plastic sheets, PVC sheets and rolls, high density and low density plastic sheets and rolls, plastic granuals, plastic drums, resins rubber materials including polythelene, polyvinyl, cellulose acetate, moulding powder, polystyrence, PET, chloride polypropytene and copolymer materials, polyol, isocyanate to be used by consumers, industrial, household, government, commercial, railwayor for defense needs and purposes.*

## AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION OF OUR COMPANY IN LAST TEN (10) YEARS

The following changes have been made in the Memorandum of Association of our Company in last ten (10) years:

Date of Meeting	Type of Meeting	Nature of Amendment
February 27, 2020	EGM	<p><b><u>Sub-Division of Shares of the Company:</u></b></p> <p>The Share Capital of the Company comprising of 10,000 equity shares of Rs. 100/- each aggregating to Rs. 10,00,000/- sub-divided into 1,00,000 equity shares of Rs. 10/- each aggregating to Rs. 10,00,000/-</p>
March 19, 2020	EGM	<p><b><u>Alteration in Capital Clause:</u></b></p> <p>The Authorised Share Capital of our Company increased from Rs. 10 Lakh divided into 1,00,000 equity shares of Rs.10 each to Rs. 2 Crore divided into 20,00,000 Equity shares of Rs. 10 each.</p>
July 06, 2020	EGM	<p><b><u>Alteration in Name Clause:</u></b></p> <p>Change in the name clause from “G. M. Polyplast Private Limited” to “G M Polyplast Limited” pursuant to Conversion from Private Limited Company to Public Limited Company.</p>

## REVALUATION OF ASSETS

There has been no revaluation of our assets in last ten (10) years and we have not issued any Equity Shares including bonus shares by capitalizing any revaluation reserves.

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

There are no Mergers, Amalgamations etc. with respect to our Company and we have not acquired any business / undertakings in last ten (10) years.

## DETAILS REGARDING SUBSIDIARY / SUBSIDIARIES AND JOINT VENTURE

As on date of filing of this Prospectus, our Company does not have any subsidiary or Joint Venture Company.

## HOLDING COMPANY OF OUR COMPANY

As on the date of this Prospectus, our Company does not have a Holding Company.



#### **INJUNCTIONS OR RESTRAINING ORDER AGAINST OUR COMPANY**

There are no injunctions or restraining orders against our Company.

#### **GUARANTEES PROVIDED BY OUR PROMOTERS**

Our Promoters have given personal guarantee to financial institutions in respect of loan and cash credit facility availed by our Company as of the date of this Prospectus.

#### **CHANGES IN THE ACTIVITIES OF OUR COMPANY DURING THE LAST FIVE YEARS**

There have been no changes in the activities of our Company during the last five years which may have had a material effect on the profits and loss account of our Company, including discontinuance of lines of business, loss of agencies or markets and similar factors.

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

No defaults have been called by any financial institution or bank in relation to borrowings from financial institutions or banks. For details of our financing arrangements, please refer "*Statement of Financial Indebtedness*" on beginning page 203 of this Prospectus. Further, none of our loans have been rescheduled or been converted into Equity Shares.

#### **LOCK OUTS AND STRIKES**

There have been no lock outs or strikes at any of the units of our Company.

#### **TIME AND COST OVER RUNS**

Our Company has not implemented any projects and has not, therefore, experienced any time or cost overrun in relation thereto.

#### **SHAREHOLDERS' AGREEMENTS**

As on the date of this Prospectus, our Company has not entered into any Shareholders' Agreements.

#### **AGREEMENTS WITH KEY MANAGERIAL PERSONNEL OR A DIRECTOR OR PROMOTERS OR ANY OTHER EMPLOYEE OF THE COMPANY**

There are no agreements entered into by Key Managerial Personnel or a Director or Promoters or any other employee of the Company, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company except that Our Managing Director have entered into an Managing Director Agreement with the Company on September 09, 2020.

#### **MATERIAL AGREEMENTS**

As on the date of this Prospectus, our Company has not entered into any material agreements other than in the ordinary course of business carried on by our Company. For details on business agreements of our Company, please refer to the section titled '*Our Business*' beginning on page 93 of this Prospectus.

#### **COLLABORATION AGREEMENTS**

As on the date of this Prospectus, our Company is not a party to any Collaboration Agreements.

#### **STRATEGIC PARTNERS**

As of the date of this Prospectus, our Company does not have any Strategic Partners.



#### **FINANCIAL PARTNERS**

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

#### **NUMBER OF SHAREHOLDERS**

Our Company has 7 (Seven) shareholders on date of this Prospectus. For further details, please refer the chapter titled “*Capital Structure*” beginning on page 60 of this Prospectus.



## OUR MANAGEMENT

## BOARD OF DIRECTORS

Under Articles of Association of our Company, the number of directors shall not be less than 3 (three) and shall not be more than 15 (Fifteen) directors, subject to the applicable provisions of the Companies Act, 2013.

As of the date of this Prospectus, our Company has 5 (Five) Directors on the Board, 2 (Two) Executive Directors, 1 (One) Non- Executive Director and 2 (Two) Independent Directors.

Set forth below are details regarding the Board of Directors as on the date of this Prospectus:

Name, Father's/ Husband's Name, Age, Designation, Address, Occupation, Nationality, DIN and Term	Date of Appointment/ Reappointment	Other Directorships/Designated Partners
<p><b>Name:</b> Mr. Dinesh Balbirsingh Sharma  <b>Father's Name:</b> Mr. Balbirsingh Bholuram Sharma  <b>DOB:</b> September 03, 1977  <b>Age:</b> 43 Years  <b>Qualification:</b> Bachelor of Science  <b>Experience:</b> 17 years  <b>Designation:</b> Managing Director  <b>Address:</b> 103, Lumiere CHS Limited, J P Road, Pic Nic Cottage, Andheri West, Versava (Versova), Mumbai-400061, Maharashtra, India  <b>Occupation:</b> Business  <b>Nationality:</b> Indian  <b>DIN:</b> 00418667  <b>PAN:</b> AAHPS3489C  <b>Term:</b> Appointed as Managing Director for a period of 5 (five) years with effect from February 27, 2020</p>	<p>Appointed as Director on November 27, 2003   Re-designated as Managing Director on February 27, 2020</p>	<p><b>Indian Public Limited Companies</b></p> <ul style="list-style-type: none"> <li>• Nil</li> </ul> <p><b>Indian Private Limited Companies</b></p> <ul style="list-style-type: none"> <li>• Ace Extrusion Private Limited</li> </ul> <p><b>Indian Limited Liability Partnerships</b></p> <ul style="list-style-type: none"> <li>• G. M. Plasto Pack LLP</li> </ul>
<p><b>Name:</b> Ms. Sarita Dinesh Sharma  <b>Father's Name:</b> Mr. Sitaram Sahal  <b>DOB:</b> May 14, 1979  <b>Age:</b> 41 Years  <b>Qualification:</b> Higher Secondary Education  <b>Experience:</b> 17 years  <b>Designation:</b> Executive Director  <b>Address:</b> 103, Lumiere CHS Limited, J P Road, Pic Nic Cottage, Andheri West, Versava (Versova), Mumbai-400061, Maharashtra, India  <b>Occupation:</b> Business  <b>Nationality:</b> Indian  <b>DIN:</b> 00128337  <b>PAN:</b> AMDPS5954L  <b>Term:</b> Liable to retire by rotation</p>	<p>Appointed as Director on November 27, 2003</p>	<p><b>Indian Public Limited Companies</b></p> <ul style="list-style-type: none"> <li>• Nil</li> </ul> <p><b>Indian Private Limited Companies</b></p> <ul style="list-style-type: none"> <li>• Nil</li> </ul> <p><b>Indian Limited Liability Partnerships</b></p> <ul style="list-style-type: none"> <li>• Nil</li> </ul>

Name, Father's/ Husband's Name, Age, Designation, Address, Occupation, Nationality, DIN and Term	Date of Appointment/ Reappointment	Other Directorships/Designated Partners
<p><b>Name:</b> Mr. Balbirsingh Bholuram Sharma  <b>Father's Name:</b> Mr. Bholuram Gurudayal Sharma  <b>DOB:</b> August 6, 1953  <b>Age:</b> 67 Years  <b>Qualification:</b> Secondary School Education  <b>Experience:</b> 40 years  <b>Designation:</b> Non- Executive Director  <b>Address:</b> 103, Lumiere CHS Limited, J P Road, Pic Nic Cottage, Andheri West, Versava (Versova), Mumbai-400061, Maharashtra, India  <b>Occupation:</b> Business  <b>Nationality:</b> Indian  <b>DIN:</b> 00374565  <b>PAN:</b> ALNPS1293D  <b>Term:</b> Liable to retire by rotation</p>	<p>Appointed as Director on February 27, 2020</p>	<p><b>Indian Public Limited Companies</b></p> <ul style="list-style-type: none"> <li>• Nil</li> </ul> <p><b>Indian Private Limited Companies</b></p> <ul style="list-style-type: none"> <li>• Nil</li> </ul> <p><b>Indian Limited Liability Partnerships</b></p> <ul style="list-style-type: none"> <li>• Nil</li> </ul>
<p><b>Name:</b> Mr. Dinesh Ravjibhai Rathod  <b>Father's Name:</b> Mr. Ravjibhai Poonabhai Rathod  <b>Date of Birth:</b> June 1, 1967  <b>Age:</b> 53 years  <b>Qualification:</b> Bachelor of Commerce  <b>Experience:</b> NA  <b>Designation:</b> Independent Director  <b>Address:</b> 639, Char Rasta, Nani Tambadi Ta-Pardi, Valsad- 396193, Gujarat, India  <b>Occupation:</b> Business  <b>Nationality:</b> Indian  <b>DIN:</b> 08854988  <b>PAN:</b> AFAPR0027B  <b>Term:</b> Appointed as Independent Director for a period of 5 (five) years with effect from September 3, 2020</p>	<p>Appointed as Independent Director of the Company on September 3, 2020</p>	<p><b>Indian Public Limited Companies</b></p> <ul style="list-style-type: none"> <li>• Nil</li> </ul> <p><b>Indian Private Limited Companies</b></p> <ul style="list-style-type: none"> <li>• Nil</li> </ul> <p><b>Indian Limited Liability Partnerships</b></p> <ul style="list-style-type: none"> <li>• Nil</li> </ul>
<p><b>Name:</b> Mr. Subramanian Ramaswamy Vaidya  <b>Father's Name:</b> Mr. Ramaswamy Vaidya  <b>Date of Birth:</b> October 26, 1942  <b>Age:</b> 77 years  <b>Qualification:</b> Bachelor of Science  <b>Experience:</b> NA  <b>Designation:</b> Independent Director  <b>Address:</b> 6/8 Nilkanth Sadan, Peru Baug, Aarey Road, Near Purav Marg, Goregaon East, Mumbai- 400063, Maharashtra, India  <b>Occupation:</b> Business  <b>Nationality:</b> Indian  <b>DIN:</b> 03600249</p>	<p>Appointed as Independent Director of the Company on September 3, 2020</p>	<p><b>Indian Public Limited Companies</b></p> <ul style="list-style-type: none"> <li>• Bliss GVS Pharma Limited</li> </ul> <p><b>Indian Private Limited Companies</b></p> <ul style="list-style-type: none"> <li>• Synergypharma Formulations (India) Private Limited</li> </ul> <p><b>Indian Limited Liability Partnerships</b></p> <ul style="list-style-type: none"> <li>• Nil</li> </ul>

Name, Father's/ Husband's Name, Age, Designation, Address, Occupation, Nationality, DIN and Term	Date of Appointment/ Reappointment	Other Directorships/Designated Partners
<b>PAN:</b> AAAPV9688F <b>Term:</b> Appointed as Independent Director for a period of 5 (five) years with effect from September 3, 2020		

#### BRIEF PROFILE OF OUR DIRECTORS

- Mr. Dinesh Balbirsingh Sharma**, aged 43 years, is the Promoter and Managing Director of our Company. He is associated with our Company as Director of the Company since Incorporation, further he was re-designated as Managing Director of the Company for a period of 5 (five) years in the Extra Ordinary General Meeting of its members held on February 27, 2020 commencing from February 27, 2020. He has done his Bachelor of Science from Bhavan's College in the year 1998. He has overall 17 years of experience in the industry of the Company. He is currently in-charge of team management and sales in the Company. His dynamic leadership has been a key factor for the growth of the Company
- Ms. Sarita Dinesh Sharma**, aged 41 years, is the Promoter and Executive Director of our Company. She is associated with our Company as Director of the Company since Incorporation. She has done her Higher Secondary Education. She has overall 17 years of experience in the industry of the Company. She is administrating the Company with her dynamic skills. Company.
- Mr. Balbirsingh Bholuram Sharma**, aged 67 years, is the Non-Executive Director of our Company. He was appointed as Non- Executive Director of our Company in the Extra Ordinary General Meeting of its members held on February 27, 2020 with effect from February 27, 2020. He has done his SSC. He has more than 40 years of experience. With his tremendous work experience, he is guiding the Company towards great height.
- Mr. Dinesh Ravjibhai Rathod**, aged 53 years, is the Independent Director of our Company. He was appointed as Independent Director of our Company for a period of 5 (Five) years in the Extra Ordinary General Meeting of its members held on September 3, 2020 commencing from September 3, 2020. He has completed his Bachelor of Commerce from South Gujarat University, Surat in the year 1991. He is guiding the Company with his Independent view and impartial opinion.
- Mr. Subramanian Ramaswamy Vaidya**, aged 77 years, is the Independent Director of our Company He was appointed as Independent Director of our Company for a period of 5 (Five) years in the Extra Ordinary General Meeting of its members held on September 3, 2020 commencing from September 3, 2020. He has done his bachelor's in science from University of Bombay in the year 1964.

#### CONFIRMATIONS

- Except as stated below, none of the Directors of our Company are related to each other as per Section 2(77) of the Companies Act, 2013.

Sr. No.	Name of the Director	Name of the Director	Relationship
1	Mr. Dinesh Balbirsingh Sharma	Ms. Sarita Dinesh Sharma	Husband – Wife
2	Ms. Sarita Dinesh Sharma	Mr. Balbirsingh Bholuram Sharma	Daughter-in-Law – Father-in-Law
3	Mr. Balbirsingh Bholuram Sharma	Mr. Dinesh Balbirsingh Sharma	Father – Son

- There are no arrangements or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the Directors or Key Managerial Personnel were selected as a Director or member of senior management.



- There are no service contracts entered into by the Directors with our Company providing for benefits upon termination of employment.
- As on the date of the Prospectus, none of our Directors are on the RBI List of willful defaulters as on date of this Prospectus.
- As on the date of the Prospectus, none of our Directors are a Fugitive Economic Offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
- As on the date of the Prospectus, none of our Director is or was a director of any listed Company during the last 5 (five) years preceding the date of this Prospectus, whose shares have been or were suspended from being traded on the Stock Exchange(s), during the term of their directorship in such Company.
- As on the date of the Prospectus, none of our Director is or was a director of any listed Company which has been or was delisted from any stock exchange during the term of their directorship in such Company.
- As on the date of the Prospectus, 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 promoters, 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.
- No proceedings/ investigations have been initiated by SEBI against any Company, the Board of Directors of which also comprises any of the Directors of our Company.

#### REMUNERATION/ COMPENSATION TO OUR DIRECTORS

The compensation payable to our Directors will be governed as per the terms of their appointment and shall be subject to the provisions of Section 2(54), Section 2(94), Section 188, Section 196, Section 197, Section 198 and Section 203 and any other applicable provisions, if any 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). Set forth below is the remuneration paid by our Company to our Directors during the period ended March 31, 2020:

(₹ in Lakh)		
Sr. No.	Name of Director	Remuneration paid
1.	Mr. Dinesh Balbirsingh Sharma	12.00
2.	Ms. Sarita Dinesh Sharma	12.00
	<b>Total</b>	<b>24.00</b>

#### TERMS AND CONDITIONS OF EMPLOYMENT OF OUR DIRECTORS

##### Mr. Dinesh Balbirsingh Sharma

**Mr. Dinesh Balbirsingh Sharma**, aged 43 years, is the Promoter and Managing Director of our Company. He is appointed as Director of the Company since Incorporation, further he was re-designated as Managing Director of the Company for a period of 5 (five) years in the Extra Ordinary General Meeting of its members held on February 27, 2020 commencing from February 27, 2020. The significant terms of his employment are as below:

<b>Remuneration</b>	Rs. 1.00 Lakh per month
<b>Bonus and Profit-sharing Ratio</b>	Not Applicable
<b>Term</b>	Appointed as Managing Director for a period of 5 (five) years commencing from February 27, 2020
<b>Remuneration in the event of loss or inadequacy of profits</b>	In the event of inadequacy or absence of profits in any financial years during his tenure, the Director will be paid remuneration as mentioned in Schedule V as may be approved by the Shareholders of the Company



### Ms. Sarita Dinesh Sharma

Ms. Sarita Dinesh Sharma, aged 41 years, is the Promoter and Executive Director of our Company. She is appointed as Director of the Company since Incorporation. The significant terms of his employment are as below:

Remuneration	Rs. 1.00 Lakh per month
Bonus and Profit-sharing Ratio	Not Applicable
Term	Not Applicable
Remuneration in the event of loss or inadequacy of profits	Not Applicable

### SITTING FEES

Other Non-Executive Directors and Independent Directors of the Company may be paid sitting fees, commission and any other amounts as may be decided by our Board in accordance with the provisions of the Articles of Association, the Companies Act, 2013 and other applicable laws and regulations.

### BORROWING POWERS OF OUR BOARD

Our Articles of Association, subject to applicable law, authorize our Board to raise or borrow money or secure the payment of any sum of money for the purposes of our Company. Pursuant to a resolution passed by our shareholders at their Extra Ordinary General Meeting held on July 6, 2020, our shareholders have authorized our Board to borrow any sum of money from time to time notwithstanding that the sum or sums so borrowed together with the monies, if any, already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the paid up capital and free reserves of the Company provided such amount does not exceed ₹ 2,000.00 Lakh in excess of its paid up capital and free reserves which may have not been set apart for any purpose.

### SHAREHOLDING OF DIRECTORS IN OUR COMPANY

Our Articles of Association do not require our Directors to hold qualification shares.

As on date of this Prospectus, our Directors hold the following number of Equity Shares of our Company:

Sr. No.	Name of Directors	No. of Equity Shares Held (Pre-Offer)	% of pre-Offer capital
1.	Mr. Dinesh Balbirsingh Sharma	8,00,000	50.00
2.	Ms. Sarita Dinesh Sharma	7,99,995	50.00
3.	Mr. Balbirsingh Bholuram Sharma	1	Negligible
	<b>Total</b>	<b>15,99,996</b>	<b>100.00</b>

### INTEREST OF OUR DIRECTORS

#### *Interest in promotion of our Company*

Our Directors, Mr. Dinesh Balbirsingh Sharma may be deemed to be interested in the promotion of our Company to the extent of the Equity Shares held by them and also to the extent of any dividend payable to them and other distributions in respect of the Equity Shares held by them, if any. For further details, refer to chapters titled "*Our Promoters and Promoters Group*" and "*Related Party Transactions*" beginning on pages 140 and 146 of this Prospectus.

#### *Interest in the property of our Company*

Except as stated in the heading titled "*Land and Properties*" under the chapter titled "*Our Business*" beginning on page 93 and chapter titled "*Related Party Transaction*" beginning on page 146 of the Prospectus, our Directors have not entered into any contract, agreement or arrangements within a period of 2 (two) years preceding the date of Prospectus in which the Directors are interested directly or indirectly and no payments have been made to them



in respect of these contracts, agreements or arrangements or are proposed to be made to them. Further our Directors do not have any interest in any immovable property to be acquired by the Company except otherwise disclosed in the heading titled “**Land and Properties**” under the chapter titled “**Our Business**” beginning on page 93 of the Prospectus.

***Interest as Member of our Company***

As on date of this Prospectus, our Directors holds 15,99,996 Equity Shares of the Company, the percent of the pre-issue paid up Equity Share Capital of our Company is almost 100%. Therefore, our Directors are interested to the extent of their respective shareholding and the dividend declared and other distributions, if any, by our Company, if any.

***Interest as Creditor of our Company***

As on the date of this Prospectus, except as stated in the chapter titled “**Statement of Financial Indebtedness**” and heading titled “**Related Party Transactions**” under chapter titled “**Financial Statements as Restated**”, our Company has not availed loans from Directors of our Company.

***Interest in the business of Our Company***

Further, save and except as stated otherwise in “**Statement of Related Parties’ Transactions**” in the chapter titled “**Financial Statements as Restated**” of this Prospectus, our Directors do not have any other interests in our Company as on the date of this Prospectus. Our Directors are not interested in the appointment of Underwriters, Registrar and Bankers to the Offer or any such intermediaries registered with SEBI.

***Interest as Directors of Our Company***

Our Managing Director and Other Executive Directors may be interested to the extent of remuneration paid to them, respectively for services rendered as a Director of our Company and reimbursement of expenses payable to them. For details please refer “**Terms and conditions of employment of our Managing Director and Executive Directors**” above. Further, all our Non-Executive and Independent Directors may be interested to the extent of fees payable to them and/or the commission payable to them for attending meetings of the Board of Directors or a committee thereof. The Independent Directors are paid sitting fees for attending the meetings of the Board and committees of the Board and may be regarded as interested to the extent of such sitting fees and reimbursement of other expenses payable to them as per their terms of appointment.

***Interest in transactions involving acquisition of land***

Our Directors are not currently interested in any transaction with our Company involving acquisition of land. Except as stated/referred to under the heading titled “**Land and Properties**” under chapter titled “**Our Business**” beginning on page 93 of this Prospectus, our Directors have not entered into any contract, agreement or arrangements in relation to acquisition of property, since incorporation in which the Directors are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them.

***Other Interests***

Except as stated above, none of the beneficiaries of loans, advances and sundry debtors are related to the Directors of our Company.

No consideration in cash or shares or otherwise has been paid or agreed to be paid to any of our Directors or to the firms or companies in which they are interested as a member by any person either to induce him to become, or to help him qualify as a Director, or otherwise for services rendered by him or by the firm or Company in which he is interested, in connection with the promotion or formation of our Company.

Further, our Directors may be directors on the board, or are members, or are partners, or are trustees of certain Group Entities and may be deemed to be interested to the extent of the payments made by our Company, if any, to such Group Entities. For the payments that are made by our Company to certain Group Entities, please refer “**Financial Statements as Restated**” beginning on page 148 of this Prospectus.



#### **PAYMENT OF BENEFITS**

Except to the extent of remuneration payable to the Managing Director and Other Executive Directors for services rendered to our Company and to the extent of other reimbursement of expenses payable to them as per their terms of appointment, our Company has not paid in the last 2 (two) years preceding the date of this Prospectus, and does not intend to pay, any amount or benefits to our Directors.

#### **APPOINTMENT OF RELATIVES OF DIRECTORS TO ANY OFFICE OR PLACE OF PROFIT**

Except as disclosed in this Prospectus, none of the relatives of our Directors currently hold any office or place of profit in our Company.

#### **BONUS OR PROFIT-SHARING PLAN FOR OUR DIRECTORS**

None of our Directors are a party to any bonus or profit-sharing plan.

#### **POLICIES ADOPTED BY OUR COMPANY**

Our Company has adopted the following policies:

- Code of Conduct
- Code of Conduct for Independent Directors
- Code of Practices and Procedure for Fair Disclosure of Unpublished Price Sensitive Information
- Code of Fair Disclosure (Prohibition of Insider Trading)
- Whistle Blower Policy & Vigil Mechanism
- Related Party Transaction (RPT) Policy
- Policy for Preservation of Documents & Archival of Documents
- Policy for Prevention of Sexual Harassment
- Policy on Determination of Materiality of Events
- Policy on Familiarization of Independent Director
- Audit Committee Policy
- Stakeholder Relationship Policy
- Nomination and Remuneration Policy

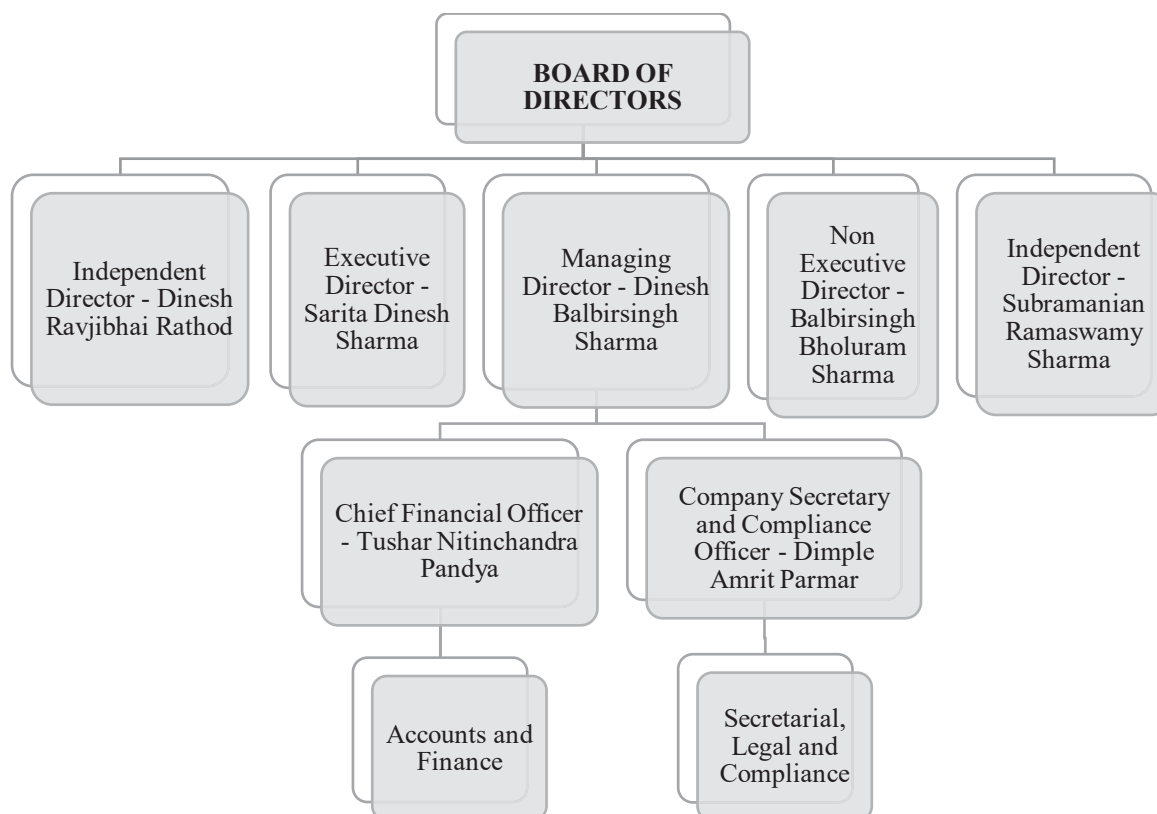
#### **CHANGES IN OUR BOARD DURING THE LAST THREE YEARS**

Except as disclosed below, there have been no changes in our Board during the last 3 (three) years.

<b>Sr. No.</b>	<b>Name</b>	<b>Date of Event</b>	<b>Nature of Event</b>	<b>Reason</b>
1.	Mr. Dinesh Balbirsingh Sharma	February 27, 2020	Change in Designation	Re-designated as Managing Director
2.	Mr. Balbirsingh Bholuram Sharma	February 27, 2020	Appointment	Appointment as Director

3.	Mr. Dinesh Ravjibhai Rathod	September 3, 2020	Appointment	Appointment as Independent Director
4.	Mr. Subramanian Ramaswamy Sharma	September 3, 2020	Appointment	Appointment as Independent Director

## ORGANISATION STRUCTURE



## CORPORATE GOVERNANCE

In addition to the applicable provisions of the Companies Act, 2013 with respect to Corporate Governance, provisions of the SEBI (LODR) Regulation, 2015 will also be complied with the extent applicable to our Company immediately upon the listing of the Equity Shares on the Stock Exchange.

Our Company stands committed to good corporate governance practices based on the principles such as accountability, transparency in dealings with our stakeholders, emphasis on communication and transparent reporting. We have complied with the requirements of the applicable regulations, in respect of corporate governance including constitution of the Board and Committees thereof.

The Corporate governance framework is based on an effective Independent Board, the Board's Supervisory role from the executive management team and constitution of the Board Committees, as required under law.

The Board functions either as a full board or through the various committees constituted to oversee specific operational areas.

As on the date of this Prospectus, there are 5 (Five) Directors on our Board out of which more than one third are Independent Directors. Our Company is in compliance with the corporate governance norms prescribed under the Companies Act, 2013, particularly, in relation to appointment of Independent Directors to our Board and constitution of Board-level committees.





Our Company undertakes to take all necessary steps to continue to comply with all the requirements of the SEBI (LODR) Regulation, 2015 and the Companies Act, 2013.

## COMMITTEES OF OUR BOARD

**The following committees have been constituted in terms of SEBI (LODR) Regulations, 2015 and the Companies Act, 2013:**

- a. Audit Committee
- b. Stakeholders' Relationship Committee
- c. Nomination and Remuneration Committee
- d. Internal Complaints Committee
- e. Initial Public Offering Committee

### **Audit Committee**

Our Company has constituted an Audit Committee ("**Audit Committee**"), as per Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (LODR) Regulation, 2015; vide resolution passed at the meeting of the Board of Directors held on Saturday, September 05, 2020. The Audit Committee was reconstituted at the meeting of the Board of Directors held on Sunday, September 20, 2020.

The terms of reference of Audit Committee adheres to the requirements of Regulation 18 of the SEBI (LODR) Regulation, 2015, proposed to be entered into with the Stock Exchange in due course.

The committee presently comprises the following 3 (Three) directors:

Sr. No.	Name of Director	Status in Committee	Nature of Directorship
1.	Mr. Dinesh Ravjibhai Rathod	Chairman	Non-Executive Director / Independent Director
2.	Mr. Subramanian Ramaswamy Vaidya	Member	Non-Executive Director / Independent Director
3.	Mr. Dinesh Balbirsingh Sharma	Member	Managing Director / Non- Independent Director

Ms. Dimple Amrit Parmar, Company Secretary & Compliance Officer of our Company shall act as the Secretary to the Audit Committee.

Set forth below are the scope, functions and the terms of reference of our Audit Committee, in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (LODR) Regulation, 2015.

### ***Meetings of Audit Committee and Quorum***

As required under Regulation 18 of the SEBI (LODR) Regulation, 2015, the Audit Committee shall meet at least 4 (four) times in a year, and not more than 120 (one hundred twenty) days shall elapse between two meetings. The quorum shall be two members present, or one-third of the members, whichever is greater, provided that there should be a minimum of two independent members present.

### ***Powers of Audit Committee***

The Audit Committee shall have powers, including the following:

- To investigate any activity within its terms of reference;
- To seek information from any employee;



- To obtain outside legal or other professional advice; and
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

***Role of Audit Committee***

The role of the Audit Committee shall include the following:

- 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, 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 Section 134(3)(c) 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 quarterly financial statements before submission to the board for approval;
- 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 utilisation 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;
- 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;
- 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 mechanism;
- approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- carrying out any other function as is mentioned in the terms of reference of the audit committee.

Further, the Audit Committee shall mandatorily review the following information:

- 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; and
- the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- statement of deviations: (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1); (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

**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 Saturday, September 05, 2020.

The Stakeholders’ Relationship Committee comprises:

Sr. No.	Name of Director	Status in Committee	Nature of Directorship
1.	Mr. Dinesh Ravjibhai Rathod	Chairman	Non-Executive Director / Independent Director
2.	Mr. Subramanian Ramaswamy Vaidya	Member	Non-Executive Director / Independent Director
3.	Mr. Balbirsingh Bholuram Sharma	Member	Non-Executive Director / Non-Independent Director



Sr. No.	Name of Director	Status in Committee	Nature of Directorship
4.	Ms. Sarita Dinesh Sharma	Member	Executive Director / Non- Independent Director

Ms. Dimple Amrit Parmar, Company Secretary & Compliance Officer of our Company shall act as the Secretary to the Stakeholders' Relationship Committee.

The Stakeholders Relationship Committee shall oversee all matters pertaining to investors of our Company. The scope and function of the Stakeholders' Relationship Committee and its terms of reference shall include the following:

#### ***Tenure***

The Stakeholder's 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 Stakeholder's Relationship Committee as approved by the Board.

#### ***Meetings***

The Stakeholder's Relationship Committee shall meet at least 1 (one) time in a year. The Chairperson of the Stakeholders Relationship Committee shall be present at the annual general meetings to answer queries of the security holders.

#### ***Role of the Stakeholders' Relationship Committee***

The Committee shall consider and resolve grievances of security holders, including but not limited to:

- 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.; and
- 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-receipt of share certificate(s), non-receipt of declared dividends, non-receipt of interest/dividend warrants, non-receipt of annual report and any other grievance/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, 2015 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.
- Carrying out any other function contained in the equity listing agreements as and when amended from time to time.

#### **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 approved by a



Meeting of the Board of Directors held on Saturday, September 05, 2020. The said committee is comprised as under:

The Nomination and Remuneration Committee comprises the following Directors:

Sr. No.	Name of Director	Status in Committee	Nature of Directorship
1.	Mr. Subramanian Ramaswamy Vaidya	Chairman	Non-Executive Director / Independent Director
2.	Mr. Dinesh Ravjibhai Rathod	Member	Non-Executive Director / Independent Director
3.	Mr. Balbirsingh Bholuram Sharma	Member	Non-Executive Director / Non-Independent Director
4.	Ms. Sarita Dinesh Sharma	Member	Executive Director / Non-Independent Director

Ms. Dimple Amrit Parmar, Company Secretary & Compliance Officer of our Company shall act as the Secretary of 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 arises for review of Managerial Remuneration. The quorum for a meeting of the nomination and remuneration committee shall be either two members or one third of the members of the committee, whichever is greater, including atleast one independent director in attendance.

#### ***Role of the Nomination and Remuneration Committee not limited to but includes:***

- 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.
- Identifying persons who are qualified to become directors and may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal
- Formulation of criteria for evaluation of performance of independent directors and Board of Directors
- Devising a policy on diversity of board of directors
- Deciding on, 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.
- 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 Director / Managing 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

### **Internal Complaints Committee**

An **Internal Complaints Committee** is constituted for our Company by the Board to look into the matters concerning sexual harassment pursuant to resolution of the Board of Directors dated September 05, 2020. The Internal Complaints consists of the following members.

Sr. No.	Name of Director	Status in Committee	Nature of Directorship
1.	Ms. Sarita Dinesh Sharma	President	Executive Director / Non-Independent Director
2.	Ms. Sheetal Sharma	Member	External Member
3.	Mr. Dinesh Balbirsingh Sharma	Member	Employee
4.	Mr. Balbirsingh Bholuram Sharma	Member	Employee

Ms. Dimple Amrit Parmar, Company Secretary & Compliance Officer of our Company shall act as the Secretary to the Internal Complaints Committee.

### ***Scope***

This policy is applicable to employees, workers, volunteers, probationer and trainees including those on deputation, part time, contract, working as consultants or otherwise (whether in the office premises or outside while on assignment). This policy shall be considered to be a part of the employment contract or terms of engagement of the persons in the above categories.

Where the alleged incident occurs to our employee by a third party while on a duty outside our premises, the Company shall perform all reasonable and necessary steps to support our employee.

### ***What Constitutes Sexual Harassment?***

Sexual Harassment means such unwelcome sexually determined behaviour (directly or through implication), like physical contact and advances by the employee(s) including:

1. A demand or request for sexual favours, sexually coloured remarks, showing pornography, any other unwelcome physical conduct of sexual nature, lurid stares, physical contact or molestation, stalking, sounds, display of pictures, signs;
2. Eve teasing, innuendos and taunts, physical confinement against one's will;
3. A demand or request for sexual favours, whether verbally or non-verbally, where the submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment or promotion / evaluation of work thereby denying an individual equal opportunity at employment;
4. An act or conduct by a person in authority which makes the environment at workplace hostile or intimidating to a person or unreasonably interferes with the individual's privacy and productivity at work;
5. Verbal harassment of a sexual nature, such as lewd comments, sexual jokes or references, and offensive personal references; demeaning, insulting, intimidating, or sexually suggestive comments (oral or written) about an individual's personal appearance or electronically transmitted messages (Jokes, remarks, letters, phone calls);
6. Any other behaviour which an individual perceives as having sexual overtones.



***Redressal system***

If you are working for our Company and in the course of your work, you have been sexually harassed by anyone through means which are mentioned above, we urge you to come forward with a written complaint as early as you can. Your complaint will be taken seriously, and confidentiality would be maintained by us in the matter. We will have zero tolerance towards such practices once they are proven.

A complaint with respect to sexual harassment may be made by a written or electronic application addressed to the Internal Complaints Committee, through the President / or to any member of the Internal Complaints Committee. The Company may prescribe a format for filing complaints, which may be used by employees to make the process more efficient.

The Internal Complaints Committee may administer a declaration form to verify that the contents of the complaint are true and genuine, before it proceeds further with the complaint. Where necessary (for example, when the complaint is incomplete), the complainant may be contacted to provide further details in relation to the complaint to enable the Internal Complaints Committee to appreciate the situation more comprehensively.

The complaint must be given to the persons specified above within 3 months of the occurrence (the complaint can be made within 6 months if the person is able to prove that there were some exceptional circumstances due to which complaint could not be made earlier) and we advise you to be vigilant and keep any document with you which can be used to substantiate an allegation. The redressal system will work based on other evidence if you cannot produce any documentary evidence.

If the complainant cannot make a written complaint because of physical or mental incapacity or death, the legal heirs can make the complaint on her behalf.

A complainant can approach any member of the committee with her written complaint.

***Tenure***

The President and other members of the committee shall hold office for such period, not exceeding 3 (three) years, from the date of their nomination as may be specified by the employer.

***Redressal Mechanism***

Once the complaint is received by the Committee:

- i. The person who is accused by the complainant will be informed that a complaint has been filed against him (he will be made aware of the details of the allegation and also the name of the complainant as it would be necessary for proper inquiry) and no unfair acts of retaliation or unethical action will be tolerated.
- ii. The complainant has the opportunity to ask for conciliation proceedings by having communication with the accused in the presence of the Committee. Please note that in such conciliation the complainant cannot demand monetary compensation.
- iii. The Committee shall provide the copies of the settlement as recorded during conciliation to the aggrieved employee and the respondent.
- iv. If the matter has been settled by conciliation but the respondent is not complying with the terms and conditions, the aggrieved party can approach the Committee for Redressal.
- v. The Committee will question both the complainant and the alleged accused separately. If required, the person who has been named as a witness will need to provide the necessary information to assist in resolving the matter satisfactorily.
- vi. The Committee shall call upon all witnesses mentioned by both the parties.
- vii. The Committee can ask for specific documents from a person if it feels that they are important for the purpose of investigation.



- viii. The complainant has the option to seek transfer or leave so that the inquiry process can continue smoothly and to prevent recurrence of similar situations or discomfort to the complainant. The leave can extend for a maximum period of 3 months. Leave granted under this provision will be paid leave and will not be counted in the number of leaves that the complainant is statutorily entitled to. The complainant may be required to work from home, if it is practicable, keeping in mind the nature of work of the complainant, health and mental condition. However, the complainant is under a good faith obligation and shall not abuse the process to request unjustifiably long periods of leave, keeping in mind the economic effects of the leave to the organization. The Committee shall have the discretion to grant leave of an appropriate duration, depending on the facts and circumstances of the case, or grant an alternate measure such as transferring the employee or the accused, as it deems fit.

Where leave is granted to the complainant, the Committee shall make best attempts to ensure speedy completion of the inquiry process and to minimize adverse economic consequences to the Company arising out of the absence of the complainant from the workplace.

- ix. The complainant and the accused shall be informed of the outcome of the investigation. The investigation shall be completed within 3 months of the receipt of the complaint. If the investigation reveals that the complainant has been sexually harassed as claimed, the accused will be subjected to disciplinary action accordingly.
- a. The report of the investigation shall be supplied to the employer (or the District Officer), the accused and the complainant within 10 (Ten) days of completion of the investigation.
  - b. The employer or the District Officer will act on the recommendations of the Committee within 60 (Sixty) days of the receipt of the report.
- x. The contents of the complaint made, the identity and addresses of the aggrieved employee, respondent and witnesses, any information relating to conciliation and inquiry proceedings, recommendations of the Internal Committee and the action taken by the employer shall not be published, communicated or made known to the public, press and media in any manner

Any party aggrieved by the report can prefer an appeal in the appropriate Court or Tribunal in accordance with the service rules within 90 (Ninety) days of the recommendation been given to the employer/ District Officer.

### ***Disciplinary Action***

Where any misconduct is found by the Committee, appropriate disciplinary action shall be taken against the accused. Disciplinary action may include transfer, withholding promotion, suspension or even dismissal. This action shall be in addition to any legal recourse sought by the complainant.

If it is found out through evidence by the Committee that the complainant has maliciously given false complaint against the accused, disciplinary action shall be taken against the complainant as well.

Regardless of the outcome of the complaint made in good faith, the employee lodging the complaint and any person providing information or any witness, will be protected from any form of retaliation. While dealing with complaints of sexual harassment, the Committee shall ensure that the complainant or the witness are not victimized or discriminated against by the accused. Any unwarranted pressures, retaliatory or any other type of unethical behavior by the accused against the complainant while the investigation is in progress should be reported by the complainant to the Complaints Committee as soon as possible. Disciplinary action will be taken by the Committee against any such complaints which are found genuine.

This policy shall be disseminated to each employee of the Company as well as new recruits who will have to acknowledge that they have read and understood the policy and that they shall abide by the policy.

### ***Initial Public Offering Committee***

For the Initial Public Offering of the Company, the Company has constituted an Initial Public Offering Committee pursuant to the resolution of the Board of Directors dated September 05, 2020.



Sr. No.	Directors	Designation	Nature of Directorship
1.	Mr. Dinesh Balbirsingh Sharma	Chairman	Managing Director / Non- Independent Director
2.	Ms. Sarita Dinesh Sharma	Member	Executive Director / Non- Independent Director
3.	Mr. Balbirsingh Bholuram Sharma	Member	Non-Executive Director / Non- Independent Director

Ms. Dimple Amrit Parmar, Company Secretary & Compliance Officer of our Company shall act as the secretary to the Initial Public Offering Committee

#### *Scope and functions of the Initial Public Offering Committee*

1. To issue, transfer, offer and allotment of Equity Shares, and deciding on other matters in connection with or incidental to the Issue, including the pricing and terms of the Equity Shares, the Issue price, the size and all other terms and conditions of the Issue including the number of Equity Shares to be offered in the Issue, the Issue opening and Issue closing date, in consultation with the Lead Manager and in accordance with the SEBI (ICDR) Regulations, 2018;
2. To make applications, seek clarifications, obtain approvals and seek exemptions from, where necessary, BSE, SEBI, the relevant registrar of companies and any other governmental or statutory authorities as may be required in connection with the Issue and accept on behalf of the Board such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions and sanctions as may be required and wherever necessary, incorporate such modifications / amendments as may be required in the draft prospectus and the prospectus as applicable;
3. To finalize, settle, approve, adopt and file in consultation with the Lead Manager where applicable, the draft prospectus, the prospectus, the application forms and any amendments, supplements, notices, addenda or corrigenda thereto, 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 BSE, SEBI, the ROC or any other relevant governmental and statutory authorities or in accordance with Applicable Laws;
4. To decide in consultation with the Lead Manager on the actual Issue size including any, timing, pricing and all the terms and conditions of the Issue, including the Issue price, Issue period, and to do all such acts and things as may be necessary and expedient for, and incidental and ancillary to the Issue including to make any amendments, modifications, variations or alterations in relation to the Issue;
5. To appoint and enter into and terminate arrangements with the Lead Manager, underwriter to the Issue, syndicate members to the Issue, brokers to the Issue, refund bankers to the Issue, registrars, legal advisors, auditors, and any 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 the execution of the mandate letter with the Lead Manager and negotiation, finalization, execution and, if required, amendment of the issue agreement with the Lead Manager;
6. To negotiate, finalise and settle and to execute and deliver of the Draft Prospectus, the Prospectus, issue agreement, underwriting agreement, sponsor bank agreement, agreements with the registrar to the issue and all other documents, deeds, agreements and instruments whatsoever with the registrar to the Issue, legal advisors, auditors, stock exchange(s), Lead Managers and any other agencies/ intermediaries in connection with the Issue with the power to authorize one or more Directors of our Company to execute all or any of the aforesaid documents or any amendments thereto as may be required or desirable in relation to the Issue;
7. To seek, if required, the consent and/or waiver of the lenders of our Company, customers, parties with whom our Company has entered into various commercial and other agreements, all concerned government and regulatory authorities in India or outside India, and any other consents and/or waivers that may be required in relation to the Issue or any actions connected therewith;



8. To open and operate bank accounts of our Company in terms of Section 40(3) of the Companies Act, 2013, as amended, and to authorize one or more Directors of our Company to execute all documents/deeds as may be necessary in this regard;
9. To authorize and approve incurring of expenditure and payment of fees, commissions, brokerage, remuneration and reimbursement of expenses in connection with the Issue;
10. To accept and appropriate the proceeds of the Issue in accordance with the Applicable Laws;
11. To approve code of conduct as may be considered necessary by the IPO Committee as required under applicable laws, regulations or guidelines for the Board, Directors of our Company and other employees of our Company;
12. To approve the implementation of any corporate governance requirements that may be considered necessary by the Board or the IPO Committee as may be required under the applicable laws or the SEBI (LODR) Regulations, 2015, as amended and listing agreements to be entered into by our Company with the Designated Stock Exchange, to the extent allowed under law;
13. To issue receipts/ allotment letters/ confirmation of allotment notes either in physical or electronic mode representing the underlying Equity Shares in the capital of our Company with such features and attributes as may be required and to provide for the tradability and free transferability thereof as per market practices and regulations, including listing on one or more stock exchange(s), with power to authorize one or more Directors of our Company to sign all or any of the aforesaid documents;
14. To authorize and approve notices, advertisements in relation to the Issue in consultation with the relevant intermediaries appointed for the Issue;
15. To do all such acts, deeds, matters and things and execute all such other documents, etc., as may be deemed necessary or desirable for such purpose, including without limitation, to finalise the basis of allotment and to allot the shares to the successful allottees as permissible in law, issue of allotment letters/ confirmation of allotment notes, in consultation with the Lead Manager;
16. To do all such acts, deeds and things as may be required to dematerialise the Equity Shares and to sign and / or modify, as the case maybe, agreements and/or such other documents as may be required with the National Securities Depository Limited, the Central Depository Services (India) Limited, registrar and transfer agents and such other agencies, authorities or bodies as may be required in this connection and to authorize one or more Directors of our Company to execute all or any of the afore stated documents;
17. To make applications for listing of the Equity Shares in one or more stock exchange(s) for listing of the Equity Shares and to execute and to deliver or arrange the delivery of necessary documentation to the concerned stock exchange(s) in connection with obtaining such listing including without limitation, entering into listing agreements and affixing the common seal of our Company where necessary;
18. To settle all questions, difficulties or doubts that may arise in regard to the Issue, including such issues or allotment, terms of the IPO, utilisation of the IPO proceeds and matters incidental thereto as it may deem fit;
19. To submit undertaking/ certificates or provide clarifications to the SEBI, Registrar of Companies, Mumbai and the relevant stock exchange(s) where the Equity Shares are to be listed;
20. To negotiate, finalize, settle, execute and deliver any and all other documents or instruments and to do or cause to be done any and all acts or things as the IPO Committee may deem necessary, appropriate or advisable in order to carry out the purposes and intent of this resolution or in connection with the Issue and any documents or instruments so executed and delivered or acts and things 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 delegate any of its powers set out hereinabove, as may be deemed necessary and permissible under applicable laws to the Directors of our Company;



22. To approve suitable policies on insider trading and any other policies as may be required under the Listing Regulations or any other Applicable Laws;
23. To approve the list of 'group of companies' of our Company, identified pursuant to the materiality policy adopted by the Board, for the purposes of disclosure in the Draft Prospectus and Prospectus;
24. To withdraw the Prospectus or to decide not to proceed with the Issue at any stage in accordance with Applicable Laws and in consultation with the Lead Manager;

#### **POLICY ON DISCLOSURES AND INTERNAL PROCEDURE FOR PREVENTION OF INSIDER TRADING**

The provisions of Regulation 9(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("SEBI PIT Regulations") will be applicable to our Company immediately upon the listing of its Equity Shares on the SME Platform of BSE. We shall comply with the requirements of the SEBI (PIT) Regulations on listing of Equity Shares on stock exchanges. Further, Board of Directors have formulated and adopted the code of conduct to regulate, monitor and report trading by its employees and other connected persons.

Ms. Dimple Amrit Parmar, 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.

#### **OUR 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. Given below are the details of the Key Managerial Personnel of our Company as prescribed under the Companies Act, 2013:

For details of changes in our Managing Director, see "*Our Management*" beginning on page 119 of this Prospectus.

##### **Mr. Tushar Nitinchandra Pandya - Chief Financial Officer**

**Mr. Tushar Nitinchandra Pandya**, aged 48 years, is the Chief Financial Officer of our Company. He was appointed as Chief Financial Officer of the Company at the meeting of its Board of Directors with effect from August 30, 2020. He has done his Bachelor of Commerce from University of Mumbai in the year 1996. He has over 15 years of experience. He analyses the Company's Financial Strengths and Weaknesses and proposes corrective actions for growth. He is well aware of Industry Trends which is a strength for the Company.

**Term of Office with expiration Date:** Appointed as Chief Financial Officer with effect from August 30, 2020

**Details of service contract:** Not Applicable

**Details of previous appointment:** Not Applicable

**Function and areas of experience:** Overall Operations of the Company

##### **Ms. Dimple Amrit Parmar- Company Secretary & Compliance Officer**

**Ms. Dimple Amrit Parmar**, aged 30 years, is the Company Secretary & Compliance Officer of our Company. She was appointed as Company Secretary & Compliance Officer of the Company at the meeting of its Board of Directors with effect from August 30, 2020. She has done her Bachelor of Commerce from University of Mumbai in the year 2012. She is an Associate Member of Institute of Company Secretaries of India having Membership No.: A48203.

**Term of Office with expiration Date:** Appointed as Company Secretary & Compliance Officer with effect from August 30, 2020

**Details of service contract:** Not Applicable

**Details of previous appointment:** Not Applicable

**Function and areas of experience:** not available

#### STATUS OF KEY MANAGERIAL PERSONNEL

All our Key Managerial Personnel are permanent employees of our Company.

#### RELATIONSHIP BETWEEN KEY MANAGERIAL PERSONNEL (KMPs)

Except as stated below, none of the above-mentioned key managerial personnel are related to each other and neither are they related to our Promoters or Directors. There are no arrangements or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the Key Managerial Personnel were selected as members of our senior management.

Sr. No	Name of the KMPs	Directors	Relationship
1.	NIL	NIL	NIL

#### RELATIONSHIP OF DIRECTORS / PROMOTERS WITH KEY MANAGERIAL PERSONNEL (KMPs)

Except as stated below, none of the above-mentioned key managerial personnel are related to each other and neither are they related to our Promoters or Directors. There are no arrangements or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the Key Managerial Personnel were selected as members of our senior management.

Sr. No	Name of Directors	Other KMPs	Relationship
1.	Ms. Sarita Dinesh Sharma	Mr. Dinesh Balbirsingh Sharma	Wife – Husband
2.	Mr. Balbirsingh Bholuram Sharma	Mr. Dinesh Balbirsingh Sharma	Father - Son

#### SHAREHOLDING OF THE KEY MANAGERIAL PERSONNEL

As on date of this Prospectus, except as stated below, our Key Managerial Personnel do not hold any number of Equity Shares of our Company

Sr. No.	Name of Key Managerial Personnel	No. of Equity Shares Held (Pre- Offer)	% of pre-Offer capital
1.	Mr. Dinesh Balbirsingh Sharma	8,00,000	50.00
2.	Mr. Tushar Nitinchandra Pandya	--	0.00
3.	Ms. Dimple Amrit Parmar	--	0.00
	<b>Total</b>	<b>8,00,000</b>	<b>50.00</b>

#### REMUNERATION/ COMPENSATION TO OUR KMPs

Our Company has been incorporated pursuant to the provisions under Part XXI of the Companies Act, 2013 on November 27, 2003. Set forth below is the remuneration paid by our Company to our KMPs during the period ended March 31, 2020:

Sr. No.	Name of Director	Remuneration paid
1.	Mr. Dinesh Balbirsingh Sharma	12.00
2.	Mr. Tushar Nitinchandra Pandya	6.02
3.	Ms. Dimple Amrit Parmar	NIL
	<b>Total</b>	<b>18.02</b>

#### BONUS OR PROFIT-SHARING PLAN FOR OUR KEY MANAGERIAL PERSONNEL

As on the date of this Prospectus our Company does not have any performance linked bonus or profit-sharing plan with any of our Key Managerial Personnel.



#### CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO KEY MANAGERIAL PERSONNEL

None of our Key Managerial Personnel has received or is entitled to any contingent or deferred compensation as on date of this Prospectus.

#### LOANS TO KEY MANAGERIAL PERSONNEL

There is no loan outstanding against Key Managerial Personnel as on date of this Prospectus.

#### INTEREST OF KEY MANAGERIAL PERSONNEL

The Key Managerial Personnel of our Company have interest in our Company to the extent of the remuneration 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 and to the extent of Equity Shares held by them in our Company, if any and dividends payable thereon, if any. Except as disclosed in this Prospectus, none of our key managerial personnel have been paid any consideration of any nature from our Company, other than their remuneration. Except as stated in the heading titled “*Related Party Transactions*” under the Section titled “*Financial Statements as Restated*” beginning on page 148 of this Prospectus and described herein above, our key managerial personnel do not have any other interest in the business of our Company.

#### CHANGES IN KEY MANAGERIAL PERSONNEL IN THE LAST THREE YEARS

For details of changes in our Managing Director during the last 3 (three) years, see “*Our Management*” beginning on page 119 of this Prospectus.

Set forth below are the changes in our Key Managerial Personnel in the last 3 (three) years immediately preceding the date of this Prospectus:

Sr. No.	Name	Date of Event	Reason
1.	Mr. Tushar Nitinchandra Pandya	August 30, 2020	Appointed as Chief Financial Officer
2.	Ms. Dimple Amrit Parmar	August 30, 2020	Appointed as Company Secretary & Compliance Officer

#### EMPLOYEES STOCK OPTION SCHEME

Our Company does not have any Employee Stock Option Scheme/ Employee Stock Purchase Scheme as on the date of filing of this Prospectus.

#### PAYMENT OR BENEFIT TO OFFICERS OF OUR COMPANY

Except as stated in this Prospectus and any statutory payments made by our Company, no non-salary amount or benefit has been paid, in two preceding years, or given or is intended to be paid or given to any of our Company’s officers except remuneration of services rendered as Directors, officers or employees of our Company.

Except as stated in the chapter titled “*Financial Statements as Restated*” beginning on page 148 of this Prospectus, none of the beneficiaries of loans and advances and sundry debtors are related to our Company, our Directors, Our Key Managerial Personnel or our Promoters.

#### ARRANGEMENTS AND UNDERSTANDING WITH MAJOR SHAREHOLDERS

None of our Key Managerial Personnel or Directors has been appointed pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others. For more information, please refer chapter titled “*Our History and Certain Other Corporate Matters*” beginning on page 115 of this Prospectus.

## OUR PROMOTERS AND PROMOTER GROUP

### OUR PROMOTERS

The Promoters of our Company are Mr. Dinesh Balbirsingh Sharma and Ms. Sarita Dinesh Sharma. As on the date of this Prospectus, Mr. Dinesh Balbirsingh Sharma and Ms. Sarita Dinesh Sharma holds an 8,00,000 Equity Shares and 7,99,995 Equity Shares, representing 100.00% of the pre-offer issued, subscribed and paid-up Equity Share capital of our Company.

For details of the build-up of our Promoters' shareholding in our Company, see the section titled "*Capital Structure*" beginning on page 60 of this Prospectus.

### BRIEF PROFILE OF OUR INDIVIDUAL PROMOTER

#### MR. DINESH BALBIRSINGH SHARMA



**Mr. Dinesh Balbirsingh Sharma**, aged 43 years, is the Promoter and Managing Director of our Company. He is associated with our Company as Director of the Company since Incorporation, further he was re-designated as Managing Director of the Company for a period of 5 (five) years in the Extra Ordinary General Meeting of its members held on February 27, 2020 commencing from February 27, 2020. He has overall 17 years of operations experience in plastic industry. He is currently in charge of overall operations of the Company.

**Age:** 41 years

**Date of Birth:** September 03, 1977

**Education Qualification:** Bachelor of Science

**Nationality:** Indian

**DIN:** 00418667

**PAN:** AAHPS3489C

**Passport No:** Z2709705

**Aadhaar Card Number** [REDACTED]

**Driving License:** MH02 20130057028

**Voter Id:** ACC3215159

**Occupation:** Business

**Residential Address:** 103, Lumiere CHS Limited, J P Road, Pic Nic Cottage, Andheri West, Versava (Versova), Mumbai- 400061, Maharashtra, India

**Name of Bank:** IDBI Bank

**Bank Account No.:** 0552104000089362

**Positions/posts held in the past:** Director

	<p><b>Other Interest:</b></p> <p><b>Directorships Held:</b> One</p> <p><b>Indian private/ public limited companies</b></p> <ul style="list-style-type: none"> <li>• Ace Extrusion Private Limited</li> </ul> <p><b>Indian Limited Liability Partnerships</b></p> <ul style="list-style-type: none"> <li>• G. M. Plasto Pack LLP</li> </ul> <p><b>Other ventures promoted by him:</b> NIL</p>
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**MS. SARITA DINESH SHARMA**

	<p><b>Ms. Sarita Dinesh Sharma</b>, aged 41 years, is the Promoter and Executive Director of our Company. She is associated with our Company as Director of the Company since Incorporation. She has overall 17 years of administrative experience in plastic industry. She is looking after the administration of the Company.</p> <p><b>Age:</b> 41 Years</p> <p><b>Date of Birth:</b> May 14, 1979</p> <p><b>Education Qualification:</b> Higher Secondary Education</p> <p><b>Nationality:</b> Indian</p> <p><b>DIN:</b> 00128337</p> <p><b>PAN:</b> AMDPS5954L</p> <p><b>Passport No:</b> Z5517573</p> <p><b>Aadhaar Card Number:</b> [REDACTED]</p> <p><b>Driving License:</b> MH02 20070031099</p> <p><b>Voter Id:</b> ACC3128378</p> <p><b>Occupation:</b> Business</p> <p><b>Residential Address:</b> 103, Lumiere CHS Limited, J P Road, Pic Nic Cottage, Andheri West, Versava (Versova), Mumbai- 400061, Maharashtra, India</p> <p><b>Name of Bank:</b> IDBI Bank</p> <p><b>Bank Account No.:</b> 0552104000089308</p> <p><b>Positions/posts held in the past:</b> Director</p> <p><b>Other Interest:</b></p> <p><b>Directorships Held:</b> NIL</p> <p><b>Indian private/ public limited companies</b></p>
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	<ul style="list-style-type: none"> <li>• NIL</li> </ul> <p><b>Indian Limited Liability Partnerships</b></p> <ul style="list-style-type: none"> <li>• NIL</li> </ul> <p><b>Other ventures promoted by him: NIL</b></p>
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## DECLARATION

*We declare and confirm that the details of the permanent account number, passport number and bank account number of our Promoters will be submitted to the Stock Exchange where the Equity Shares are proposed to be listed at the time of filing this Prospectus.*

## INTEREST OF OUR PROMOTERS

### *Interest in promotion of our Company*

Our Promoters are interested in our Company to the extent that they have promoted our Company, to the extent of their respective equity shareholding and the shareholding of their relatives in our Company, for which they are entitled to receive the declared dividend, and other distribution in respect of the Equity Shares held by them or their relatives that may be made by our Company in the future, to the extent of being subscribers to the Memorandum of Association of our Company, to the extent that our Company or Subsidiary have undertaken transactions or business arrangements with our Promoters, or their relatives or entities in which our Promoters hold shares or entities in which our Promoters is member of the board of directors or firms in which relatives of our Promoters hold interest; or to the extent that their relatives are employees of our Company and are paid remuneration by our Company and to the extent reimbursement of expenses payable by our Company. For details pertaining to our Promoters' shareholding, please refer '*Capital Structure*' and '*Our Management*' beginning on pages 60 and 119, respectively of this Prospectus.

### *Interest in the property, land, construction of building, supply of machinery, etc.*

Except as mentioned in the chapter titled '*Our Business*' beginning on page 93 of this Prospectus, our Promoters do not have any other interest in any property acquired or proposed to be acquired by our Company in a period of 3 (three) years before filing of this Prospectus or in any transaction by our Company for acquisition of land, construction of building or supply of machinery or any other contract, agreement or arrangement entered into by our Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements.

### *Payment or Benefit to the Promoters or Promoter Group in the last 2 (two) years*

Except as stated above in "*Our Management*" and "*Financial Statements as Restated*" beginning on pages 119 and 148 respectively of this Prospectus, there has been no amount or benefit paid or given during the preceding 2 (two) years of filing Prospectus or intended to be paid or given to any Promoters or member of our Promoter Group and no consideration for payment of giving of the benefit.

## MATERIAL GUARANTEES GIVEN TO THIRD PARTIES

Our Promoters have not given material guarantees to the third party(ies) with respect to the specified securities of our Company.

## LITIGATION INVOLVING OUR PROMOTERS

For details relating to legal proceedings involving the Promoters, please refer "*Outstanding Litigation and Material Developments*" beginning on page 206 of this Prospectus.





## COMMON PURSUITS

Ace Extrusion Private Limited and G. M. Plasto Pack LLP are the Promoter Group Entities of our Company and are engaged in activities similar to that of our Company. Our Company ensures necessary procedure and practices as permitted by laws and regulatory guidelines to address any conflict situations as and when they arise. For further details, please refer to the chapter titled “*Financial Statements as Restated*” beginning on page 148 of this Prospectus.

## CONFIRMATIONS

- Our Company, our individual Promoters and members of the promoter group are not Willful Defaulters and there are no violations of securities laws committed by our Promoters in the past and no proceedings for violation of securities laws are pending against them.
- As on the date of the Prospectus, our Promoters is a Fugitive Economic Offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
- Our Promoters and members of the Promoter Group have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.
- Our Promoters are not and has never been Promoter, director 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 “*Outstanding Litigation and Material Developments*” beginning on page 206 of this Prospectus there is no litigation or legal action pending or taken by any ministry, department of the Government or statutory authority during the last 5 (five) years preceding the date of the Offer against our Promoters.
- Except as disclosed in “*Financial Statements as Restated*” beginning on page 148 of this Prospectus, our Promoters are not related to any of the sundry debtors or is not beneficiary of Loans and Advances given by/to our Company.

## RELATIONSHIP OF OUR PROMOTERS WITH OUR DIRECTORS

Except as stated below, as on the date of the Prospectus, our Promoter is not related to any of our Company’s Directors within the meaning of Section 2(77) of the Companies Act, 2013:

Sr. No.	Name of the Promoters	Name of the Director	Relationship
1	Mr. Dinesh Balbirsingh Sharma	Ms. Sarita Dinesh Sharma	Husband – Wife
2	Mr. Dinesh Balbirsingh Sharma	Mr. Balbirsingh Bholuram Sharma	Son – Father
3	Ms. Sarita Dinesh Sharma	Mr. Dinesh Balbirsingh Sharma	Wife – Husband
4	Ms. Sarita Dinesh Sharma	Mr. Balbirsingh Bholuram Sharma	Daughter in Law – Father in Law

## COMPANIES WITH WHICH OUR PROMOTERS HAVE DISASSOCIATED IN THE PRECEDING THREE YEARS

Except as stated below, as on the date of the Prospectus, our Promoter is not disassociated with any Companies in the preceding 3 (three) years.

Sr. No.	Promoters	Name of companies from which disassociated	Date of disassociation	Reason/ circumstances and terms of disassociation
1.	Mr. Dinesh Balbirsingh Sharma	NIL	NIL	NIL
2.	Ms. Sarita Dinesh Sharma	NIL	NIL	NIL

**OUR PROMOTER GROUP**

Our Promoter Group in terms of Regulation 2(1) (pp) of the SEBI (ICDR) Regulations, 2018 is as under:

**A. Natural Persons who form part of our Promoter Group:**

Name of the Promoters	Name of the relative	Relationship with the Promoter
Mr. Dinesh Balbirsingh Sharma	Ms. Sarita Dinesh Sharma	Spouse
	Ms. Gayatri Devi Balbirsingh Sharma	Mother
	Mr. Balbirsingh Bholuram Sharma	Father
	Mr. Mukesh Balbirsingh Sharma	Brother(s)
	Mr. Umesh Balbirsingh Sharma*	Brother(s)
	--	Sister(s)
	Mr. Aditya Dinesh Sharma	Son(s)
	Ms. Jyoti Dinesh Sharma	Daughter(s)
	Ms. Rajani Sahal	Spouse's Mother
	Mr. Sitaram Sahal	Spouse's Father
	--	Spouse's Sister(s)
	Mr. Deepak Sahal	Spouse's Brother(s)
	Mr. Pravin Sahal*	Spouse's Brother(s)
	Ms. Sarita Dinesh Sharma	Mr. Dinesh Balbirsingh Sharma
Ms. Rajani Sahal		Mother
Mr. Sitaram Sahal		Father
--		Sister(s)
1. Mr. Deepak Sahal 2. Mr. Pravin Sahal*		Brother(s)
Mr. Aditya Dinesh Sharma		Son(s)
Ms. Jyoti Dinesh Sharma		Daughter(s)
Ms. Gayatri Devi Balbirsingh Sharma		Spouse's Mother
Mr. Balbirsingh Bholuram Sharma		Spouse's Father
--		Spouse's Sister(s)
1. Mr. Mukesh Balbirsingh Sharma 2. Mr. Umesh Balbirsingh Sharma*		Spouse's Brother(s)

\* Certain relatives of our Promoters viz. Mr. Umesh Balbirsingh Sharma and Mr. Pravin Sahal and/ or their entity(ies), come under the purview of promoter group under Regulation 2(1)(pp) of SEBI (ICDR) Regulations, 2018. However, our Promoters currently do not maintain any personal and business relationship, arrangements, dealings with the aforesaid persons in the normal course as would have been perceived by virtue of their relationship. Further, none of the aforesaid persons have any financial transactions with our Company or have any interest in the shareholding of our Company. Accordingly, the disclosures of entities of the aforesaid persons are not included under the disclosure relating to the Promoter Group.

**B. Entities forming part of the Promoter Group:**

1. Ace Extrusions Private Limited
2. Vansh Polyvinyl India Private Limited
3. G. M. Plasto Pack LLP
4. Balbirsingh Bholuram Sharma HUF
5. Dinesh Sharma HUF
6. Mukesh Sharma HUF
7. Dinesh Balbirsingh Sharma HUF



## **OUR GROUP ENTITIES**

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 Accountants of India and such other companies as considered material by our Board. Pursuant to a resolution dated September 5, 2020 there are no other companies, which are considered material by board, which required disclosure under ICDR Regulation.

Based on the above, there is no Group Company of our Company.



## **RELATED PARTY TRANSACTIONS**

For details on Related Party Transactions of our Company, please refer to Annexure- XXVIII of section titled "*Financial Statements as Restated*" beginning on page 148 of this Prospectus.



## **DIVIDEND POLICY**

Under the Companies Act, 2013, an Indian Company pays dividends upon a recommendation by its Board of Directors and approval by majority of the Shareholders. Under the Companies Act, 2013, dividends may be paid out of profits of a company in the year in which the dividend is declared or out of the undistributed profits or reserves of the previous years or out of both.

Our Company does not have a formal dividend policy. Any dividends to be declared shall be recommended by the Board of Directors depending upon the financial condition, results of operations, capital requirements and surplus, contractual obligations and restrictions, the terms of the credit facilities and other financing arrangements of our Company at the time a dividend is considered, and other relevant factors and approved by the Equity Shareholders at their discretion. Our Company has not paid any dividend for the last five years.

Dividends are payable within thirty days of approval by the Equity Shareholders at the annual general meeting of our Company and in case of interim dividend within thirty days of declaration by the Board of Directors. When dividend is declared, all the Equity Shareholders whose name appear in the register of members of our Company as on the “record date” are entitled to be paid the dividend declared by our Company. Any Equity shareholders who ceases to be an Equity Shareholder prior to the record date, or who becomes an Equity Shareholder after the record date, will not be entitled to the dividend declared by our Company.



**SECTION IX: FINANCIAL INFORMATION**

**FINANCIAL STATEMENTS AS RESTATED**

**Independent Auditor's Report for the Restated Financial Statements of  
G M POLYPLAST LIMITED**

**Auditor's Report on the Restated Statement of Assets and Liabilities as at March 31, 2020, 2019 and 2018, Profit and Loss and Cash Flows for each of the years ended on March 31, 2020, 2019 and 2018 of G M Polyplast Limited (Formerly G M Polyplast Private Limited) (collectively, the "Restated Summary Statements")**

To,  
**The Board of Directors**  
G M Polyplast Limited  
A-66, New Empire Industrial Estate,  
Kondivita Road, J B Nagar,  
Andheri East, Mumbai - 400 059

Dear Sir,

1. We have examined the attached Restated Statements of Assets and Liabilities of G M Polyplast Limited (Formerly G M Polyplast Private Limited) (the "Company") along with significant accounting policies and related notes as at and for the each of the years ended March 31, 2020, 2019 and 2018 annexed to this report and prepared by the Company for the purpose of inclusion in the Offer Document (collectively the "**Restated Summary Statements**" or "**Restated Financial Statements**"). These Restated Summary Statements have been prepared by the company and approved by the Board of Directors of the company at their meeting held on 15<sup>th</sup> September, 2020 for the purpose of inclusion in the Prospectus (DP) prepared by the Company in connection with the its proposed Initial Public Offering ("IPO") on the SME Platform of BSE Limited prepare in terms of:
  - a. Section 26 of Part I of Chapter III to the Companies Act, 2013 ("the Act") read with Companies (Prospectus and Allotment of Securities) Rules 2014;
  - b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 as amended ("**ICDR Regulations**")
  - c. The Guidance Note on Reports in Company Prospectus (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI) as amended from time to time ("Guidance Note").
2. The Company's Board of Directors is responsible for the preparation of the Restated Financial Statement for the purpose of inclusion in the Prospectus to be filed with Securities and Exchange Board of India in connection with the proposed IPO. The Board of Directors of the Company responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Statement. The Board of Directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note on Reports in Company Prospectus (Revised 2016) issued by the Institute of Chartered Accountants of India.
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 10/07/2020 in connection with the proposed IPO of equity shares of the Company;
  - b. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
  - c. Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Statement; and



- d. The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.
4. These Restated Financial Statements have been extracted by the management from the Audited Financial Statement as at March 31, 2020, 2019, 2018 prepared in accordance with accounting principles generally accepted in India and which have been approved by the Board of Directors at their respective meetings held on September 5, 2020; September 24, 2019 and September 1, 2018 respectively.
5. For the purpose of our examination, we have relied on the Auditor's Report issued by us dated September 05, 2020 and issued by M/s Vivek V. Joshi & Associates, Chartered Accountants, dated September 24, 2019 and September 1, 2018 on the Financial Statement as at and for the years ended March 31, 2020, 2019, 2018 respectively.
6. The Restated Financial Statements have been made after incorporating adjustments for:
  - i. The changes, if any, in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per the changed accounting policy for all the reporting period /years.
  - ii. Prior period and other material amount in the respective financial years to which they relate.
  - iii. Such Financial statements do not require any corrective adjustments on account of:
    - a) Other remarks/comments in the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub - section (4A) of section 227 of the act, on financial statements of the company as at and for the year ended March 31, 2020.
    - b) Extra-ordinary items that need to be disclosed separately in the accounts requiring adjustments.
    - c) There are no Auditor's Qualifications for the financial year ended March 31, 2020, 2019 and 2018 which would require adjustments in the Restated Financial Statements of the Company.
7. At the Company's request we have also examined the following Financial Information relating to the Company, which is based on the Restated Financial Statements and approved by the Board of Directors of the Company and annexed to this report, is proposed to be included in the Offer Document. We have also examined the following financial information ("Other Financial Information") proposed to be included in the offer document prepared by the management and approved by the board of directors of the company and annexed to this report:
  - Statement of Share Capital, as restated (Annexure - V)
  - Statement of Reserves & Surplus, as restated (Annexure - VI)
  - Statement of Long Term Borrowings, as restated (Annexure- VII)
  - Statement of Short Term Borrowings, as restated (Annexure- VIII)
  - Statement of Trade Payables, as restated (Annexure- IX)
  - Statement of Other Current Liabilities, as restated (Annexure- X)
  - Statement of Short Term Provisions, as restated (Annexure-XI)
  - Statement of Fixed Assets, as restated (Annexure- XII)
  - Statement of Non current Investments, as restated (Annexure- XIII)
  - Statement of Deferred Tax, as restated (Annexure- XIV)
  - Statement of Long Term Loans and Advances, as restated (Annexure - XV)
  - Statement of Inventories, as restated (Annexure- XVI)
  - Statement of Trade Receivables, as restated (Annexure- XVII)
  - Statement of Cash and Cash Equivalent, as restated Annexure – XVIII)
  - Statement of Short Term Loans and Advances, as restated (Annexure - XIX)
  - Statement of Revenue from Operations, as restated (Annexure – XX)
  - Statement of Other Income, as restated (Annexure – XXI)
  - Statement of Cost of Material Consumed, as restated (Annexure – XXII)
  - Statement of Changes in Inventories of Finished Goods, as restated (Annexure – XXIII)
  - Statement of Employee Benefit Expenses, as restated (Annexure – XXIV)
  - Statement of Finance Cost, as restated (Annexure – XXV)
  - Statement of Depreciation and Amortization Expense, as restated (Annexure XXVI)



- Statement of Other Expense, as restated (Annexure – XXVII)
  - Statement of Related Party Transactions, as restated (Annexure – XXVIII)
  - Statement of Capitalisation, as restated (Annexure – XXIX)
  - Statement of Tax Shelter, as restated (Annexure – XXX)
  - Statement of Other Financial Information, as restated (Annexure – XXXI)
  - Statement of Reconciliation of Profit After Tax (PAT) as per Audited Financials and Restated Accounts (Annexure – XXXII)
  - Statement of Reconciliation of Equity + Reserve as per Audited Financials and Restated Accounts (Annexure – XXXIII)
  - Statement of Contingent Liabilities, as restated (Annexure – XXXIV)
8. In our opinion, the Restated Financial Statements and the other Financial Information set forth in Annexure I to XXXIV read with the significant accounting policies and notes to the restated financial statements have been prepared in accordance with section 26 of Companies Act, 2013 and the SEBI Regulations and the Guidance Note on the reports in Company Prospectus (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI).
9. Consequently, the financial information has been prepared after making such regroupings and adjustments as were, in our opinion, considered appropriate to comply with the same. As a result of these regrouping and adjustments, the amount reported in the financial information may not necessarily be the same as those appearing in the respective audited financial statements for the relevant years.
10. This report should not in any way construed as a reissuance or redrafting of any of the previous audit report issued by us nor should this report be construed as new opinion on any of the financial statement referred to therein.
11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
12. This report is intended solely for your information and for inclusion in the Offer document in connection with the Company's proposed IPO of equity shares and is not to be used, referred to or distributed for any other purpose without our prior written consent.

**For Anay Gogte & Co.**  
**Chartered Accountants**  
**Firm's Registration No.100398W**

**[A.R. Gogte]**  
**Partner**  
**Membership No. 037046**

UDIN: 20037046AAAAHE6960  
Mumbai, 23rd September, 2020





<b>ANNEXURE - I</b>			
<b>RESTATED SUMMARY STATEMENT OF ASSET AND LIABILITIES</b>			
<b>(Rs. In Lacs)</b>			
<b>Particulars</b>	<b>As at March 31, 2020</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
<b>I. EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	10.00	10.00	10.00
Reserve and Surplus (excluding Revaluation Reserves, if any)	784.17	557.37	419.33
<b>Non Current Liabilities</b>			
Long-term Borrowings	26.81	89.58	204.92
Deffered tax Liabilities (Net)	-	-	-
<b>Current Liabilities</b>			
Short-term Borrowings	226.47	198.24	219.48
Trade Payables	1,191.77	1,491.51	1,500.71
Other Current Liabilities	199.41	181.23	171.80
Short-term Provisions	44.04	9.10	7.00
<b>Total</b>	<b>2,482.68</b>	<b>2,537.03</b>	<b>2,533.25</b>
<b>II. Asset</b>			
<b>Non Current Asset</b>			
Fixed Asset			
(i) Tangible Asset	295.45	286.96	243.09
Non Current Investment	104.43	101.26	82.64
Deferred tax Asset (Net)	7.31	2.51	4.82
Long-term Loan and Advances	42.31	35.81	25.81
<b>Current Asset</b>			
Inventories	370.50	454.93	436.34
Trade Receivables	1,247.00	1,369.39	1,337.68
Cash and Cash Equivalents	271.95	139.19	249.01
Short-term Loan and Advances	143.72	146.97	153.85
<b>Total</b>	<b>2,482.68</b>	<b>2,537.03</b>	<b>2,533.25</b>

**Note:-**

The above statement should be read with the significant accounting policies (Annexure IV) and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexure I, II and III.

*As per our report attached of even date*

**For and on behalf of the Board of Directors**

*For Anay Gogte & Co.*

*Chartered Accountants*

*FRN: 100398W*

**Dinesh Sharma**  
**Managing Director**

**Sarita Sharma**  
**Director**

*[A.R.Gogte]*

*Partner*

*Mem No: 037046*

*Date : 15/09/2020*

*Place : Mumbai*

**Tushar N Pandya**  
**Chief Financial Officer**

**Dimple Parmar**  
**Company Secretary**

*Date : 15/09/2020*

*Place : Mumbai*



<b>ANNEXURE - II</b>			
<b>RESTATED SUMMARY STATEMENT OF PROFIT AND LOSS</b>			
<b>(Rs. In Lacs)</b>			
<b>Particulars</b>	<b>For the year ending on 31.03.2020</b>	<b>For the year ending on 31.03.2019</b>	<b>For the year ending on 31.03.2018</b>
Revenue from Operations	6,314.53	6,811.87	5,546.74
Other Income	28.44	22.63	4.50
<b>Total Revenue</b>	<b>6,342.98</b>	<b>6,834.50</b>	<b>5,551.24</b>
<b>Expenses:</b>			
Cost of Material Consumed	5,483.79	6,073.48	5,077.96
Changes in inventories of finished goods	28.21	42.85	(34.64)
Employee Benefits Expenses	146.45	119.68	78.17
Finance Costs	23.19	36.47	30.67
Depreciation and Amortization Expense	63.15	58.54	46.04
Other Expenses	281.31	311.95	224.66
<b>Total Expenses</b>	<b>6,026.11</b>	<b>6,642.96</b>	<b>5,422.85</b>
Profit before exceptional and extraordinary items and tax (A-B)	<b>316.87</b>	<b>191.54</b>	<b>128.39</b>
Exceptional/Prior Period items	-	-	-
<b>Profit before extraordinary items and tax</b>	<b>316.87</b>	<b>191.54</b>	<b>128.39</b>
Extraordinary items	-	-	-
<b>Profit Before Tax</b>	<b>316.87</b>	<b>191.54</b>	<b>128.39</b>
Provision for Tax			
- Current Tax	89.87	51.19	37.76
- Deferred Tax Liability / (Asset)	(4.80)	2.31	(1.57)
- MAT Credit	-	-	-
- Income Tax for Earlier years	-	-	-
<b>Restated profit after tax for the period from continuing operations</b>	<b>231.80</b>	<b>138.04</b>	<b>92.20</b>
Profit/(Loss) from Discontinuing operations	-	-	-
Tax expenses of discontinuing operations	-	-	-
<b>Restated profit for the period</b>	<b>231.80</b>	<b>138.04</b>	<b>92.20</b>

**Note:-**

The above statement should be read with the significant accounting policies (Annexure IV) and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexure I, II and III.

*As per our report attached of even date*

*For Anay Gogte & Co.*

*Chartered Accountants*

*FRN: 100398W*

*[A.R.Gogte]*

*Partner*

*Mem No: 037046*

*Date : 15/09/2020*

*Place : Mumbai*

**For and on behalf of the Board of Directors**

**Dinesh Sharma**  
**Managing Director**

**Sarita Sharma**  
**Director**

**Tushar N Pandya**  
**Chief Financial Officer**

**Dimple Parmar**  
**Company Secretary**

*Date : 15/09/2020*

*Place : Mumbai*

<b>ANNEXURE -III</b>			
<b>RESTATED SUMMARY STATEMENT OF CASH FLOW</b>			
<b>(Rs. In Lacs)</b>			
<b>Particulars</b>	<b>For the Year Ended on</b>		
	<b>31.03.2020</b>	<b>31.03.2019</b>	<b>31.03.2018</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Net Profit before tax	316.87	191.54	128.39
<b>Adjustment for:</b>			
Add Depreciation	63.15	58.54	46.04
Add Interest Expenses	23.19	36.47	30.67
Less Interest Income	(6.29)	(5.44)	(4.42)
Less Dividend Income	(0.04)	(0.04)	(0.08)
Less Profit on sale of Fixed Assets	(3.83)	(8.55)	-
Add Contribution for Gratuity & Leave Encashment	2.40	1.38	0.87
Less Impact of change in accounting policy	-	-	-
<b>Operating profit before working capital changes</b>	<b>395.45</b>	<b>273.90</b>	<b>201.47</b>
<b>Adjustment for :</b>			
(Increase)/Decrease in Trade Receivable	122.39	(31.71)	(128.26)
(Increase)/Decrease in Current Investment	-	-	-
(Increase)/Decrease in Inventories	84.43	(18.59)	(110.63)
(Increase)/Decrease in Short-term Loan and Advances	3.24	0.53	(25.32)
(Increase)/Decrease in Other Current Asset	-	-	-
Increase/(Decrease) in Trade Payables	(299.74)	(9.21)	97.63
Increase/(Decrease) in Provisions	5.67	0.73	(0.15)
Increase/(Decrease) in Other Current Liabilities	18.18	9.44	123.09
Increase/(Decrease) in Short-term Borrowings	28.23	(21.24)	126.18
<b>Net Adjustments</b>	<b>(37.60)</b>	<b>(70.06)</b>	<b>82.53</b>
Cash generated from / (used in) operations	357.85	203.84	284.00
Income Tax Paid (Net)	(62.99)	(44.86)	(40.02)
<b>Net cash generated from/(used in) Operating Activities - (A)</b>	<b>294.87</b>	<b>158.98</b>	<b>243.98</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase of tangible fixed assets	(74.32)	(109.31)	(94.18)
Sale / (Purchase ) of Investments	(3.16)	(18.62)	(36.66)
Sale of tangible fixed assets	6.51	15.46	-
Long Term Loans & Advances			(19.50)
Dividend Income	0.04	0.04	0.08
Interest Income	6.29	5.44	4.42
<b>Net cash generated from/(used in) Investing Activities - (B)</b>	<b>(64.64)</b>	<b>(107.00)</b>	<b>(145.84)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Procees from Issue of Share Capital (including Share Premium)	-	-	-
IPO Expenses	(5.00)	-	-
Borrowing/(Repayment) from or to Bank / Related Party	(62.77)	(115.34)	89.71
Deposit given	(6.50)	(10.00)	-
Finance cost	(23.19)	(36.47)	(30.67)
<b>Net cash generated from/(used in) Financing Activities - (C)</b>	<b>(97.46)</b>	<b>(161.81)</b>	<b>59.04</b>
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	<b>132.77</b>	<b>(109.83)</b>	<b>157.17</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>139.19</b>	<b>249.01</b>	<b>91.84</b>



Cash and cash equivalents at the end of the year	271.95	139.19	249.01
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Note:-

**1. Components of cash and cash equivalents:**

Particulars	31.03.2020	31.03.2019	31.03.2018
Cash on hands	6.40	9.64	4.46
Balances with Banks			
-In current accounts	265.55	129.55	244.56
<b>Total Cash and Cash Equivalents</b>	<b>271.95</b>	<b>139.19</b>	<b>249.01</b>

2. The Cash Flow Statements has been prepared under indirect method as set out in Accounting Standard - 3 on Cash Flow Statement, specified under the Companies Act, 1956 (which are deemed to be applicable as Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of Companies (Accounts) Rules,2014).

3. Figures in Brackets represents outflow.

4. The above statement should be read with significant accounting policies (Annexure IV) and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing I, II and III.

*As per our report attached of even date*

*For Anay Gogte & Co.*

*Chartered Accountants*

*FRN: 100398W*

*[A.R.Gogte]*

*Partner*

*Mem No: 037046*

*Date : 15/09/2020*

*Place : Mumbai*

**For and on behalf of the Board of Directors**

**Dinesh Sharma**

**Managing Director**

**Sarita Sharma**

**Director**

**Tushar N Pandya**

**Chief Financial Officer**

**Dimple Parmar**

**Company Secretary**

*Date: 15/09/2020*

*Place : Mumbai*



**SIGNIFICANT ACCOUNTING POLICY AND NOTES TO THE RESTATED SUMMARY STATEMENTS**

**A. BACKGROUND**

The Company was incorporated as G M POLYPLAST PRIVATE Limited under the provisions of Companies Act 1956 vide Certificate of Incorporation dated 27/11/2003 issued by the Registrar of Companies, Mumbai bearing Corporate Identity Number U25200MH2003PTC143299. The name of the Company was subsequently changed to G M Polyplast Limited pursuant to special resolution passed by the Shareholders at its Extra Ordinary General Meeting held on 06th July, 2020 and a fresh certificate of incorporation consequent upon conversion from Private Company to Public Company was issued by the Registrar of Companies, Mumbai dated 30/07/2020 bearing Corporate Identity Number U25200MH2003PLC143299.

**B. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

**1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The Restated Summary Statement of Assets and Liabilities of the Company as on March 31, 2020, March 31, 2019, March 31, 2018 and the Restated Summary Statement of Profit and Loss and Restated Summary Statements of Cash Flows for the year ended on March 31, 2020, March 31, 2019, and March 31, 2018, and the annexure thereto (collectively, the “**Restated Financial Statements**” or “**Restated Summary Statements**”) have been extracted by the management from the Audited Financial Statements for the year ended March 31, 2020, March 31, 2019, and March 31, 2018.

The financial statements are prepared and presented under the historical cost convention and evaluated on a going-concern basis using the accrual system of accounting in accordance with the accounting principles generally accepted in India (Indian GAAP) and the requirements of the Companies Act, including the Accounting Standards as prescribed by the Companies (Accounting Standards) Rules, 2006 as per section 211(3C) of the Companies Act, 1956 (which are deemed to be applicable as Section 133 of the Companies Act, 2013 (“the Act”) read with Rule 7 of Companies (Accounts) Rules, 2014).

**2. USE OF ESTIMATES**

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities, if any, as at the date of the financial statements and reported amounts of income and expenses during the year. Examples of such estimates include value of unbilled revenue and value of WIP stock etc. The difference between the actual results and estimates are recognized in the period in which results are known or materialized.

**3. FIXED ASSETS**

Tangible Assets are stated at cost of acquisition (net of Cenvat and VAT Credit availed) less accumulated depreciation and impairment loss if any.

Subsequent expenditures related to an item of fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Gains and Losses arising from disposal of the fixed assets which are carried at cost are recognised in the Statement of Profit & Loss. Individual assets valuing for less than Rs. 5,000/- are entirely depreciated in the year of acquisition.



#### **4. DEPRECIATION**

Depreciation on Fixed Assets is provided on Written Down Value Basis as per Companies Act 2013 over the useful life of assets estimated by Management. Individual low cost assets acquired for less than Rs. 5,000/- are entirely depreciated in the year of acquisition. Intangible assets are amortized over their respective individual estimated lives on Written Down Value Basis, commencing from the date the asset is available to the Company for its use.

#### **5. BORROWING COSTS**

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. 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.

#### **6. IMPAIRMENT OF ASSETS**

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of amount.

#### **7. INVESTMENTS**

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

#### **8. REVENUE RECOGNITION**

- (i) Revenue from sale of goods recognised as and when the risk and ownership of goods are transferred to buyer and is recognised net of taxes and discount. Income from services generally recognised as and when service is performed based on agreements/ arrangements with respective parties.
- (ii) Interest income is recognized on time proportion basis.
- (iii) Other income is accounted for on accrual basis in accordance with Accounting Standards (AS) 9- "Revenue Recognition".

#### **9. FOREIGN CURRENCY TRANSACTIONS**

##### **Recording: -**

Transactions in foreign currency are recorded at original rates of exchanges in force at the time when the transactions are affected.

##### **Realization / Payment: -**

Exchange differences arising on realization / payment of foreign exchange during the year are accounted in the relevant year as income or expense.



**Year -end adjustment: -**

Foreign exchange difference on monetary items unrealized / outstanding as on year end date is quantified as per year end exchange rates or forward rate agreement as applicable and are charged to Profit & Loss account.

**Hedging: -**

In respect of Forward Exchange contracts entered into to hedge foreign currency risks, the difference between the forward rate and exchange rate at the inception of the contract is recognized as income or expense over the life of the contract. Further, the exchange differences arising on such contracts are recognized as income or expense along with the exchange differences on the underlying assets/liabilities. Further, in case of other contracts with committed exchange rates, the underlying is accounted at the rate so committed. Profit or loss on cancellations/renewals of forward contracts is recognized during the year.

**10. EMPLOYEE BENEFITS**

- i) The company has no policy of encashment and accumulation of leave. Therefore, no provision of leave Encashment is required.
- ii) Employee Benefits such as Salaries, allowances, non-monetary benefits are debited to Profit and Loss account.
- iii) **Provident fund:** The eligible employees of the Company are entitled to receive the benefits of Provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently at 12% of the basic salary) which are charged to the Statement of Profit and Loss on accrual basis. The provident fund contributions are paid to the Regional Provident Fund Commissioner by the Company.
- iv) **Gratuity:** The Company provides for gratuity, a defined benefit retirement plan (the "Gratuity Plan") covering eligible employees. In accordance with the Payment of Gratuity Act, 1972, the Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment of an amount based on the respective employee's salary and the tenure of employment. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation report as of the balance sheet date.

**11. SEGMENT ACCOUNTING**

i) **Business Segment**

(a) The business segment has been considered as the primary segment.

(b) The Company's primary business segments are reflected based on principal business activities, the nature of service, the differing risks and returns, the organization structure and the internal financial reporting system.

(c) The Company's primary business includes manufacturing of plastic sheets and rolls and accordingly this is the only segment as envisaged in Accounting Standard 17 'Segment Reporting'. Disclosure for Segment reporting is not applicable.

ii) **Geographical Segment**

The Company supplies its services in domestic as well as export market, however primary segment is selected as reportable segment since there is no comparatively major difference in risk and reward in above geographical segments.

**12. ACCOUNTING FOR TAXES ON INCOME**

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.



(i) Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

(ii) Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each reporting date. The company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

### **13. CONTINGENT LIABILITIES AND PROVISIONS**

Provisions are recognized only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made.

Contingent Liability is disclosed for

- a) Possible obligation which will be confirmed only by future events not wholly within the control of the Company or
- b) Present obligations arising from the past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.
- c) Contingent Assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

### **14. EARNINGS PER SHARE:**

In determining the Earnings Per share, the company considers the net profit after tax which does not include any post tax effect of any extraordinary / exceptional item. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period. Bonus Share allotment has been considered as if it took place at the beginning of Restatement period.

### **15. CASH FLOW:**

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. Cash flows from operating, investing and financing activities of the Company are segregated, accordingly.





## C. NOTES TO RESTATED FINANCIAL STATEMENTS

### 1. Earnings in Foreign Exchange (in Lacs)

Particulars	31st March 2020	31st March 2019	31st March 2018
FOB Value of Exports	Rs. 311.59	Rs. 591.11	Rs. 361.91

### 2. Value of Imports on CIF Basis (in Lacs)

Particulars	31st March 2020	31st March 2019	31st March 2018
Raw Material	Rs. 257.90	Rs. 371.35	Rs. 281.71

### 3. Expenditure in Foreign Currency (in Lacs)

Particulars	31st March 2020	31st March 2019	31st March 2018
Exhibition expenses	Rs. 10.54	-	-
Travelling expenses	Rs. 2.10	Rs. 2.00	Rs. 2.46

4. The amounts due to Micro, Small and Medium Enterprises suppliers defined under "The Micro Small and Medium Enterprises Development Act 2006" have been identified on the basis of information available with the Company.

5. The Standalone financial statements including financial information have been prepared after making such regroupings and adjustments, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial statements/information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.

### 6. Amounts in the financial statements

Amounts in the financial statements are reported in lakhs and rounded off to second digit of decimal. Figures in brackets indicate negative values.

### 7. Realizations:

In the opinion of the Board and to the best of its knowledge and belief, the value on realization of current assets, loans and advances will, in the ordinary course of business, not be less than the amounts at which they are stated in the Balance sheet.

### 8. Provisions, Contingent Liabilities and Contingent Assets (AS 29)

Contingent liabilities and commitments (to the extent not provided for). There are no contingent liabilities as on the end of respective period except as mentioned in Annexure -XXXIV, for any of the years covered by the statements.

### 9. Related Party Disclosure (AS 18)

Related party transactions are reported as per AS-18 of Companies (Accounting Standards) Rules, 2006, as amended, in the Annexure – XXVIII of the enclosed financial statements.

### 10. Earnings Per Share (AS 20):

Earnings per Share have been calculated is already reported in the Annexure – XXXI of the enclosed financial statements.

### 11. Accounting for Taxes on Income (AS 22)

Deferred Tax liability/Asset in view of Accounting Standard – 22: "Accounting for Taxes on Income" is reported in Annexure- XIV in enclosed financial statements.



12. In view of the unprecedented COVID-19 pandemic, the management has made an assessment of its position as at the Balance Sheet date. In assessing, the company has taken into consideration external and internal information upto the date of approval of these financial results. The company has assessed its liquidity, assets, capital and financial resources, profitability, internal financial reporting and has concluded that there has been no material impact to its financial position or its operations.

**As per our report of even date**

**For Anay Gogte &Co.  
Chartered Accountants  
Firm Registration Number 100398W**

**For and on behalf of Board of Directors**

**Dinesh Sharma  
Managing Director**

**Sarita Sharma  
Director**

**(A.R.Gogte)  
Partner  
Membership no. 037046**

**Tushar N Pandya  
Chief Financial Officer**

**Dimple Parmar  
Company Secretary**

Place: Mumbai  
Date: 15/09/2020

Place: Mumbai  
Date: 15/09/2020



ANNEXURE -V			
DETAILS OF SHARE CAPITAL, AS RESTATED			
1. Statement of Share Capital			
PARTICULARS	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018
<b>Authorised</b>			
10,000/- Equity shares of Rs. 100 each	-	10.00	10.00
2000000/- Equity shares of Rs. 10 each	200.00		
<b>Issued, Subscribed and Fully Paid up Capital</b>			
10,000/- Equity shares of Rs. 100 each		10.00	10.00
100,000/- Equity shares of Rs. 10 each (Opening balance consists of 10000 Equity Shares of Rs.100/- each. These Equity Shares of Rs.100/- each were splitted into 10 Equity Shares of Rs.10/- each vide resolution dated 27/02/2020)	10.00		
<b>Total</b>	<b>10.00</b>	<b>10.00</b>	<b>10.00</b>

**Terms/rights attached to equity shares:-**

a. During the F.Y. 2019-20 the Authorised Share Capital of the company was increased from 100000 Equity Shares of Rs.10/- each to 20,00,000 Equity Shares of Rs. 10/ each vide resolution passed in EGM dated 19/03/2020.

**Terms/rights attached to equity shares:-**

A. The company was having only one class of Equity Shares with par value of Rs. 10 per share. Each holder of Equity shares was entitled to one Vote per share.

B. In the Liquidation of the company, the holders of Equity Shares shall be entitled to receive any of the remaining assets of the Company. The amount distributed will be in proportion to the number of equity shares held by the shareholders.

**2. Reconciliation of Shares outstanding at the beginning and at the end of the Period**

PARTICULARS	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018
<b>Outstanding at the beginning of the period</b>	0.10	0.10	0.10
Splitted during the year (from Rs. 100/- to Rs. 10/- each)	0.90		-
Issued during the year	-	-	-
Bonus Issued during the year	-	-	-
<b>Outstanding at the end of the Period</b>	<b>1.00</b>	<b>0.10</b>	<b>0.10</b>

**3. For the period of three years immediately preceding the date as at which the Balance Sheet is prepared:**

PARTICULARS	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018
Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash.	-	-	-
Aggregate number and class of shares allotted as fully paid up by way of bonus shares.	-	-	-
Aggregate number and class of shares bought back.	-	-	-

**4. Details of Shareholders holding more than 5% shares in the company (In terms of No. of Shares Holding):**

Particulars	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018
Name of Share Holder	No of Shares	No of Shares	No of Shares
Dinesh Balbirsingh Sharma	50,000.00	5,000.00	5,000.00
Sarita Dinesh Sharma	50,000.00	5,000.00	5,000.00
	-	-	-
<b>Total</b>	<b>1,00,000.00</b>	<b>10,000.00</b>	<b>10,000.00</b>

**5. Details of Shareholders holding more than 5% shares in the company (In terms of % Holding)**

Particulars	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018
Name of Share Holder	% Holding	% Holding	% Holding
Dinesh Balbirsingh Sharma	50.00%	50.00%	50.00%
Sarita Dinesh Sharma	50.00%	50.00%	50.00%
-	0.00%	0.00%	0.00%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

ANNEXURE -VI			
STATEMENT OF RESERVES AND SURPLUS, AS RESTATED			
Particulars	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018
<b>Reserves and Surplus</b>			
<b>A) Surplus in Profit and Loss account</b>			
Opening Balance	557.37	419.33	310.39
Add: Restated profit/(Loss) for the year	231.80	138.04	92.20
Less: IPO Expenses	5.00	-	-
Add: Adjustment of prior years Deferred Tax	-	-	22.33
Less: Gratuity Provisions for the prior years	-	-	(5.59)
<b>Total (A)</b>	<b>784.17</b>	<b>557.37</b>	<b>419.33</b>
<b>B) Securities premium account</b>			
Opening Balance	-	-	-
Add - Premium Received	-	-	-
Less: IPO Expenses	-	-	-
<b>Total (B)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total (A+B)</b>	<b>784.17</b>	<b>557.37</b>	<b>419.33</b>

**Notes:-**

- The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexure I, II and III.



ANNEXURE- VII			
STATEMENT OF LONG TERM BORROWINGS, AS RESTATED			
Particulars	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018
<b>Secured:</b>			
Term Loans From Banks	38.76	55.95	27.20
Less : Amount disclosed under the head “Other current liabilities” (Refer ANNEXURE- X)	(11.95)	(16.37)	(16.43)
<b>Unsecured:</b>			
Loan From Directors	-	50.00	194.15
<b>Total</b>	<b>26.81</b>	<b>89.58</b>	<b>204.92</b>

**Notes:-**

1. BMW Car loan availed from Axis Bank of Rs. 50,00,000/- at a interest rate of 8.61% p.a., repayable in 60 monthly installments of Rs. 1,02,848/- each. This loan is secured by hypothecation of car.
2. Machinery loan is availed from IDBI Bank of Rs. 33,00,000/- at a interest rate of 11.30% p.a., repayable in 48 monthly installments of Rs. 70,000/- each. This loan is secured by hypothecation of machinery purchased out of loan amount and personal guarantee of Mr. Dinesh Balbir Sharma and Mrs. Sarita Dinesh Sharma.

ANNEXURE VII							
NATURE OF SECURITY AND TERMS OF REPAYMENT FOR LONG TERM BORROWINGS INCLUDING CURRENT MATURITIES							
A. Secured Loan							
STATEMENT OF PRINCIPAL TERMS OF SECURED LOANS AND ASSETS CHARGED AS SECURITY							
Name of Lender	Purpose	Sanction Amount/ Takeover amount	Rate of interest	Securities offered	Re-payment	Moratorium	Outstanding Amount in Lacs as per Books as on 31-03-2020 (Rs. In Lacs)
Axis Bank	Car Loan	50.00 Lacs	8.61%	Primary: Hypothecation of BMW car	5 years (60 monthly installment)	Nil	36.39

IDBI Bank Limited	Purchase of Machinery	33.00 Lacs	11.30%	Primary: Hypothecation of Machinery purchased out of that fund Collateral: personal guarantee of Mr. Dinesh Balbir Sharma and Mrs. Sarita Dinesh Sharma.	4 years (48 monthly installment)	Nil	2.37
<b>Total</b>							<b>38.76</b>

ANNEXURE- VIII			
STATEMENT OF SHORT TERM BORROWINGS, AS RESTATED			
Particulars	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018
<b>Secured:</b>			
Working Capital Loan from Bank	226.47	198.24	219.48
Other Loans	-	-	-
<b>Unsecured:</b>			
Loans Repayable on Demand			
From Banks	-	-	-
From Directors	-	-	-
<b>Total</b>	<b>226.47</b>	<b>198.24</b>	<b>219.48</b>

**Notes:-**

1. Cash Credit Working Capital Loan availed from Yes Bank, sanctioned amount is Rs. 350 lacs and is secured by Hypothecation of Stock and Book Debts, Personal guarantee of directors and Equitable mortgage of industrial premises owned by directors at i) Gala no. A-49, New empire Industrial Estate, Opp. Regent Hotel, Kondivita lane, R K Road Andheri(East), Mumbai- 400059 and ii) .Gala no. B-1, New empire Industrial Estate, Opp. Regent Hotel, Kondivita lane, R K Road Andheri(East), Mumbai- 400059



ANNEXURE VIII						
NATURE OF SECURITY AND TERMS OF REPAYMENT FOR SHORT TERM BORROWINGS						
A. Secured Loan						
STATEMENT OF PRINCIPAL TERMS OF SECURED LOANS AND ASSETS CHARGED AS SECURITY						
Name of Lender	Purpose	Sanction Amount/ Takeover amount	Rate of interest	Securities offered	Re-payment	Outstanding Amount in Lacs as per Books as on 31-03-2020 (Rs. In Lacs)
Yes Bank Limited	Working Capital Export Packing Credit Post Shipment credit Letter of Credit Bank Guarantee	350.00 Lacs 100.00 Lacs 100.00 Lacs 100.00 Lacs 100.00 Lacs	9.75% (4.22% above yes bank external benchmark rate)	Primary: Hypothecation of Plant & Machinery, Stock and Debtors Collateral: a) Personal guarantee of directors b) Equitable mortgage of: i) Gala no. A-49, New empire Industrial Estate, Opp. Regent Hotel, Kondivita lane, R K Road Andheri(East), Mumbai- 400059 ii) .Gala no. B-1, New empire Industrial Estate, Opp. Regent Hotel, Kondivita lane, R K Road Andheri(East), Mumbai- 400059		226.47
<b>Sub Total (A)</b>						-





**B. Unsecured Loan**

Name and Relationship of Lender			Rate of Interest	Purpose	Repayment	Outstanding Amount in Lacs as per Books as on 31-03-2020 (Rs. In Lacs)
<b>Sub Total (B)</b>						
						-

**C. Loans from Related Parties**

Name and Relationship of Lender			Rate of Interest	Purpose	Repayment	Outstanding Amount in Lacs as per Books as on 31-03-2020 (Rs. In Lacs)
<b>Sub Total (C)</b>						
						-
<b>Grand Total (A+B+C)</b>						
						-

<b>ANNEXURE-IX</b>			
<b>STATEMENT OF TRADE PAYABLES</b>			
<b>Particulars</b>	<b>As at March 31, 2020</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
<b>Total Outstanding:</b>			
From Micro, Small and Medium Enterprises	-	-	-
From Other Than Micro, Small and Medium Enterprises:	1,191.77	1,491.51	1,500.71
<b>Total</b>	<b>1,191.77</b>	<b>1,491.51</b>	<b>1,500.71</b>

**Notes:-**

- Trade Payables as on March 31, 2020, 2019 & 2018 has been taken as certified by the management of the company, balances are subjected to party confirmations
- Segregation of trade payables as due to MSME and Other than MSME are certified by management.

<b>ANNEXURE- X</b>			
<b>STATEMENT OF OTHER CURRENT LIABILITIES, AS RESTATED</b>			
<b>Particulars</b>	<b>As at March 31, 2020</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
<b>Other Payables</b>			
Statutory Dues	2.55	0.07	6.61
Advances from customer	49.03	30.72	16.48
GST Payables	17.87	-	-
Provisions for ROC fees & Stamp duty for increase in Authorise capital	2.83	-	-
Current Maturities of Long Term Debt	11.95	16.37	16.43
Liabilities for Expenses	115.19	134.07	132.28
<b>Total</b>	<b>199.41</b>	<b>181.23</b>	<b>171.80</b>

**Notes:-**

<b>ANNEXURE- XI</b>			
<b>STATEMENT OF SHORT TERM PROVISIONS, AS RESTATED</b>			
<b>Particulars</b>	<b>As at March 31, 2020</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
<b>Short- Term Provisions</b>			
Provision for Income Tax (Net of Advance Tax and TDS)	26.87	(0.00)	0.00
Provision for Interest on GST	1.06	0.36	0.03
Provision for Employee benefits	5.88	0.90	0.51
Provision for Gratuity	10.23	7.83	6.45
<b>Total</b>	<b>44.04</b>	<b>9.10</b>	<b>7.00</b>

<b>ANNEXURE -XII</b>			
<b>STATEMENT OF FIXED ASSETS</b>			
<b>Particulars</b>	<b>As at March 31, 2020</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
<b>Tangible Assets - Gross Block</b>			
<b>Opening</b>			
Factory Land & Building	87.25	87.25	72.60
Plant and Machinery	344.17	296.08	226.16
Electrical Installation	42.23	42.23	35.44
Computers	0.58	0.58	-
Office Equipment	2.24	2.24	-
Motor car	87.13	60.47	60.47
<b>Total Gross Block</b>	<b>563.60</b>	<b>488.85</b>	<b>394.67</b>

<b>Add :- Additions</b>			
Factory Land & Building	-	-	14.65
Plant and Machinery	74.32	48.09	69.92
Electrical Installation	-	-	6.79
Computers	-	-	0.58
Office Equipment	-	-	2.24
Motor car	-	61.22	-
<b>Total Addition</b>	<b>74.32</b>	<b>109.31</b>	<b>94.18</b>

<b>Less:- Deductions</b>			
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Factory Land & Building	-	-	-
Plant and Machinery	11.25	-	-
Electrical Installation	-	-	-
Computers	-	-	-
Office Equipment	-	-	-
Motor car	-	34.56	-
<b>Total Deductions</b>	<b>11.25</b>	<b>34.56</b>	<b>-</b>

<b>Closing</b>			
Factory Land & Building	87.25	87.25	87.25
Plant and Machinery	407.24	344.17	296.08
Electrical Installation	42.23	42.23	42.23
Computers	0.58	0.58	0.58
Office Equipment	2.24	2.24	2.24
Motor car	87.13	87.13	60.47
<b>Total Gross Block</b>	<b>626.67</b>	<b>563.60</b>	<b>488.85</b>

<b>Opening Depreciation</b>			
Factory Land & Building	35.95	30.57	25.44
Plant and Machinery	179.59	148.33	120.22
Electrical Installation	25.82	20.09	14.21
Computers	0.40	0.10	-
Office Equipment	1.22	0.38	-
Motor car	33.65	46.29	39.85
<b>Total</b>	<b>276.64</b>	<b>245.76</b>	<b>199.72</b>

<b>Add :- Additions in Depreciation</b>			
Factory Land & Building	4.87	5.38	5.13
Plant and Machinery	36.76	31.26	28.11
Electrical Installation	4.25	5.73	5.88
Computers	0.11	0.30	0.10
Office Equipment	0.46	0.84	0.38
Motor car	16.70	15.02	6.44
<b>Total Addition</b>	<b>63.15</b>	<b>58.54</b>	<b>46.04</b>

<b>Less:- Deductions in Depreciation</b>			
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Factory Land & Building	-	-	-
Plant and Machinery	8.57	-	-
Electrical Installation	-	-	-
Computers	-	-	-
Office Equipment	-	-	-
Motor car	-	27.66	-
<b>Total Deductions</b>	<b>8.57</b>	<b>27.66</b>	<b>-</b>

<b>Closing Depreciation</b>			
Factory Land & Building	40.83	35.95	30.57
Plant and Machinery	207.77	179.59	148.33
Electrical Installation	30.07	25.82	20.09
Computers	0.51	0.40	0.10
Office Equipment	1.68	1.22	0.38
Motor car	50.35	33.65	46.29
<b>Total</b>	<b>331.21</b>	<b>276.64</b>	<b>245.76</b>

<b>Net Block</b>			
Factory Land & Building	46.42	51.30	56.68
Plant and Machinery	199.46	164.58	147.75
Electrical Installation	12.16	16.41	22.14
Computers	0.07	0.18	0.48
Office Equipment	0.56	1.02	1.86
Motor car	36.78	53.48	14.18
<b>Total</b>	<b>295.45</b>	<b>286.96</b>	<b>243.09</b>

Tangible Assets	295.45	286.96	243.09
Capital Work-in- Progress	-	-	-
<b>Total</b>	<b>295.45</b>	<b>286.96</b>	<b>243.09</b>



<b>ANNEXURE-XIII</b>			
<b>STATEMENT OF NON CURRENT INVESTMENTS, AS RESTATED</b>			
<b>Particulars</b>	<b>As at March 31, 2020</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
Unquoted Shares:			
250 Shares of Saraswat Cooperative Bank Limited	0.25	0.25	0.25
Fixed Deposit:			
Fixed deposit with bank	96.65	92.54	76.77
Accrued interest on Fixed Deposit	7.53	8.47	5.62
<b>Total</b>	<b>104.43</b>	<b>101.26</b>	<b>82.64</b>
<b>ANNEXURE-XIV</b>			
<b>STATEMENT OF DEFERRED TAX ( ASSETS/LIABILITIES)</b>			
<b>Particulars</b>	<b>As at March 31, 2020</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
WDV of Fixed Assets as per Companies Act	295.45	286.96	243.09
WDV of Fixed Assets as per Income Tax Act	309.46	288.15	254.12
Difference in WDV	(14.01)	(1.19)	(11.03)
Gratuity Provision & Provision for Employee benefits	(15.05)	(7.83)	(6.45)
Total Timing Difference	(29.06)	(9.02)	(17.48)
Tax Rate as per Income Tax	0.2517	0.2782	0.2755
(DTA) / DTL	(7.31)	(2.51)	(4.82)
<b>Net deferred tax liability</b>	<b>(7.31)</b>	<b>(2.51)</b>	<b>(4.82)</b>

<b>DEFERRED TAX ASSETS and LIABILITIES SUMMARY</b>			
<b>Particulars</b>	<b>As at March 31, 2020</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
Opening Balance of (DTA) / DTL	(2.51)	(4.82)	19.08
Less: Adjustment of prior years Deferred Tax			(22.33)
Add: Provision for the Year	(4.80)	2.31	(1.57)
<b>Closing Balance of (DTA) / DTL</b>	<b>(7.31)</b>	<b>(2.51)</b>	<b>(4.82)</b>

<b>ANNEXURE -XV</b>			
<b>STATEMENT OF LONG -TERM LOANS AND ADVANCES, AS RESTATED</b>			
<b>PARTICULARS</b>	<b>As at March 31, 2020</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
<b>Unsecured, Considered Good unless otherwise stated</b>			
Security Deposit	42.31	35.81	25.81
<b>Total</b>	<b>42.31</b>	<b>35.81</b>	<b>25.81</b>

<b>ANNEXURE -XVI</b>			
<b>STATEMENT OF INVENTORIES</b>			
<b>PARTICULARS</b>	<b>As at March 31, 2020</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
Finished Goods (Valued at lower of Cost or NRV unless otherwise stated)	58.18	86.40	129.24
Raw Material (Valued at Cost unless otherwise stated)	312.32	368.54	307.10
Work In Process (Valued at Cost unless otherwise stated)	-	-	-
<b>Total</b>	<b>370.50</b>	<b>454.93</b>	<b>436.34</b>

**Notes:-**

1. Value of Inventories as on March 31, 2020, 2019 and 2018 have been taken as certified by the management of the company.

<b>ANNEXURE -XVII</b>			
<b>STATEMENT OF TRADE RECEIVABLES</b>			
<b>PARTICULARS</b>	<b>As at March 31, 2020</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
<b>Unsecured, Considered good outstanding for a period less than six months</b>			
From Directors/Promoters/ Promoter Group/ Associates/ Relatives of Directors / Group Companies.	-	-	-
Others	1,202.27	1,343.04	1,282.85
<b>Unsecured, Considered good outstanding for a period more than six months</b>			
From Directors/Promoters/ Promoter Group/ Associates/ Relatives of Directors / Group Companies.	-	-	-
Others	44.73	26.35	54.84
<b>Total</b>	<b>1,247.00</b>	<b>1,369.39</b>	<b>1,337.68</b>

**Notes:-**

1. Trade Receivables as on March 31, 2020, 2019 & 2018 has been taken as certified by the management of the company. Balances of Trade Receivables are subjected to balance confirmations

2. As per the view of the management of the company there is no doubtful debt and hence provision for doubtful debts have not been made

<b>ANNEXURE -XV</b>			
<b>STATEMENT OF LONG -TERM LOANS AND ADVANCES, AS RESTATED</b>			
<b>PARTICULARS</b>	<b>As at March 31, 2020</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
<b>Unsecured, Considered Good unless otherwise stated</b>			
Security Deposit	42.31	35.81	25.81
<b>Total</b>	<b>42.31</b>	<b>35.81</b>	<b>25.81</b>

<b>ANNEXURE -XVI</b>			
<b>STATEMENT OF INVENTORIES</b>			
<b>PARTICULARS</b>	<b>As at March 31, 2020</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
Finished Goods (Valued at lower of Cost or NRV unless otherwise stated)	58.18	86.40	129.24
Raw Material (Valued at Cost unless otherwise stated)	312.32	368.54	307.10
Work In Process (Valued at Cost unless otherwise stated)	-	-	-
<b>Total</b>	<b>370.50</b>	<b>454.93</b>	<b>436.34</b>

**Notes:-**

1. Value of Inventories as on March 31, 2020, 2019 and 2018 have been taken as certified by the management of the company.

<b>ANNEXURE -XVII</b>			
<b>STATEMENT OF TRADE RECEIVABLES</b>			
<b>PARTICULARS</b>	<b>As at March 31, 2020</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
<b>Unsecured, Considered good outstanding for a period less than six months</b>			
From Directors/Promoters/ Promoter Group/ Associates/ Relatives of Directors / Group Companies.	-	-	-
Others	1,202.27	1,343.04	1,282.85
<b>Unsecured, Considered good outstanding for a period more than six months</b>			
From Directors/Promoters/ Promoter Group/ Associates/ Relatives of Directors / Group Companies.	-	-	-
Others	44.73	26.35	54.84
<b>Total</b>	<b>1,247.00</b>	<b>1,369.39</b>	<b>1,337.68</b>

**Notes:-**

1. Trade Receivables as on March 31, 2020, 2019 & 2018 has been taken as certified by the management of the company. Balances of Trade Receivables are subjected to balance confirmations

2. As per the view of the management of the company there is no doubtful debt and hence provision for doubtful debts have not been made





ANNEXURE -XVIII			
STATEMENT OF CASH & CASH EQUIVALENTS			
PARTICULARS	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018
<b>Cash in Hand (As Certified by Management)</b>	6.40	9.64	4.46
<b>Balances with Banks</b>			
-In Current Accounts	264.24	128.24	243.24
-In Other Bank Deposits (Bank Deposit includes securities given against Bank Borrowing and Bank Guarantee)	1.30	1.30	1.32
<b>Total</b>	<b>271.95</b>	<b>139.19</b>	<b>249.01</b>

ANNEXURE -XIX			
STATEMENT OF SHORT TERM LOANS AND ADVANCES, AS RESTATED			
PARTICULARS	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018
<b>Loans &amp; Advances</b>			
Advances recoverable in cash or kind or for value to be received	17.19	12.91	7.11
Prepaid Expenses	3.62	3.26	1.76
Advanced to Sundry Creditors	24.75	-	-
<b>Balances with Government Authorities</b>			
<b>Unsecured considered good</b>			
Goods and Service Tax & Other Indirect Taxes	97.45	130.08	137.92
Advance Tax (Net of Provision for Income Tax)	(0.00)	0.00	0.77
Tax Deducted at Source & Tax Collected at Source (Net of Provision for Income Tax)	0.72	0.72	6.29
<b>Total</b>	<b>143.72</b>	<b>146.97</b>	<b>153.85</b>



ANNEXURE -XX			
STATEMENT OF REVENUE FROM OPERATIONS			
PARTICULARS	For the year ending on 31.03.2020	For the year ending on 31.03.2019	For the year ending on 31.03.2018
<b>Turnover from Sale of Product (Net of Taxes)</b>			
Manufactured Products	6,303.19	6,764.35	5,534.04
<b>Turnover from Sale of Services</b>			
Job Work	11.34	47.52	12.70
<b>Other Operating Income</b>	-	-	-
<b>Turnover in respect of Products not Normally dealt (*)</b>	-	-	-
<b>Total</b>	<b>6,314.53</b>	<b>6,811.87</b>	<b>5,546.74</b>

**Note:-**

1. Sales are accounted excluding sales tax / VAT/GST and other taxes and duties.

ANNEXURE XXI			
STATEMENT OF OTHER INCOME			
PARTICULARS	For the year ending on 31.03.2020	For the year ending on 31.03.2019	For the year ending on 31.03.2018
<b>Related and Recurring Income:</b>			
Discount Received	-	-	-
Interest Income:-			
Interest on Bank Deposits	6.29	5.44	4.42
Other Non-Operating Income:			
Dividend Income	0.04	0.04	0.08
Gain from Exchange fluctuations	18.27	8.61	-
Profit on sale of Fixed Assets	3.83	8.55	-
Other Non-Operating Income	-	-	-
<b>Related and Non Recurring Income:</b>			
Other Non-Operating Income	0.01	-	-
<b>Total</b>	<b>28.44</b>	<b>22.63</b>	<b>4.50</b>
PBT	316.87	191.54	128.39
Other Income as % of PBT	8.98	11.82	3.50

<b>ANNEXURE XXII</b>			
<b>STATEMENT OF COST OF MATERIAL CONSUMED</b>			
<b>PARTICULARS</b>	<b>For the year ending on 31.03.2020</b>	<b>For the year ending on 31.03.2019</b>	<b>For the year ending on 31.03.2018</b>
Opening Stock Of Raw Materials	368.54	307.10	231.10
Opening Stock Of Work In Progress	-	-	-
Purchases	5,183.99	5,888.48	4,973.49
Add :- Direct Expenses			
Consumables	4.35	6.43	4.00
Clearing Charges	1.38	8.59	6.67
Job Work Charges	-	-	-
Electricity Charges	204.24	205.52	162.29
Factory Rent	33.60	25.90	7.50
Less :-			
Closing Stock Of Raw Materials	312.32	368.54	307.10
Closing Stock Of Work In Progress	-	-	-
<b>Total</b>	<b>5,483.79</b>	<b>6,073.48</b>	<b>5,077.96</b>

<b>ANNEXURE XXIII</b>			
<b>STATEMENT OF CHANGES IN INVENTORIES OF FINISHED GOODS</b>			
<b>PARTICULARS</b>	<b>For the year ending on 31.03.2020</b>	<b>For the year ending on 31.03.2019</b>	<b>For the year ending on 31.03.2018</b>
Opening Stock Of Finished Goods	86.40	129.24	94.60
Closing Stock Of Finished Goods	58.18	86.40	129.24
<b>Changes In Inventories Of Finished Goods</b>	<b>28.21</b>	<b>42.85</b>	<b>(34.64)</b>

<b>ANNEXURE XXIV</b>			
<b>STATEMENT OF EMPLOYEE BENEFIT EXPENSES</b>			
<b>PARTICULARS</b>	<b>For the year ending on 31.03.2020</b>	<b>For the year ending on 31.03.2019</b>	<b>For the year ending on 31.03.2018</b>
Directors Remuneration	24.00	24.00	24.00
Salaries , Wages & Bonus	102.58	85.24	47.83
Staff Welfare Expenses	12.01	3.90	1.88
Contribution to Fund	5.46	5.16	3.59
Gratuity	2.40	1.38	0.87
<b>Total</b>	<b>146.45</b>	<b>119.68</b>	<b>78.17</b>



ANNEXURE XXV			
STATEMENT OF FINANCE COSTS			
PARTICULARS	For the year ending on 31.03.2020	For the year ending on 31.03.2019	For the year ending on 31.03.2018
Interest on Bank Loans	14.71	15.81	7.91
Interest on Other Loans	3.66	10.44	14.38
Bank Charges	4.83	10.22	8.38
<b>Total</b>	<b>23.19</b>	<b>36.47</b>	<b>30.67</b>

ANNEXURE XXVI			
STATEMENT OF DEPRECIATION AND AMORTISATION EXPENSES			
PARTICULARS	For the year ending on 31.03.2020	For the year ending on 31.03.2019	For the year ending on 31.03.2018
Depreciation	63.15	58.54	46.04
Miscellaneous Expenditure W/off	-	-	-
<b>Total</b>	<b>63.15</b>	<b>58.54</b>	<b>46.04</b>

ANNEXURE XXVII			
STATEMENT OF OTHER EXPENSES			
PARTICULARS	For the year ending on 31.03.2020	For the year ending on 31.03.2019	For the year ending on 31.03.2018
Audit Fees	2.00	2.56	1.73
Advertisement and Business Promotion Expenses	3.45	8.13	3.13
Bad Debt	1.95	18.06	-
Computer Expenses	1.24	1.46	2.42
Donation	1.00	1.00	1.36
Export clearing charges	28.01	32.93	22.29
Foreign Exchange Difference	-	-	5.32
Insurance Charges	21.28	14.05	2.79
Interest on GST	0.69	0.33	0.03
Legal & Professional Charges	12.60	6.73	7.65
Other Expenses	2.30	0.04	-
Packing Expense	0.07	-	1.17
Postage & Courier Expenses	2.08	0.78	0.86
Printing & Stationery	1.29	1.36	1.10



Property Tax paid	-	1.79	0.18
Rates & Taxes	16.66	3.34	1.17
Repairs & Maintenance	64.71	41.66	30.60
ROC Fees & Stamp duty for Increase in Authorised Capital	2.83	-	-
Sales Commission	23.32	55.16	23.96
Security Services	5.70	7.02	2.10
Telephone Expenses	2.70	2.35	1.50
Trade exhibition expenses	10.52	1.32	0.11
Transportation Charges	62.10	97.26	105.69
Travelling Expenses	14.80	14.63	9.49
<b>Total</b>	<b>281.31</b>	<b>311.95</b>	<b>224.66</b>

**ANNEXURE - XXVIII**

**STATEMENT OF RELATED PARTIES TRANSACTIONS**

<b>PARTICULARS</b>	<b>For the year ending on 31.03.2020</b>	<b>For the year ending on 31.03.2019</b>	<b>For the year ending on 31.03.2018</b>
<b>REVENUE ITEMS</b>			
Remuneration to Directors	24.00	24.00	24.00
Rent	33.60	18.40	-
Sales	-	66.32	-
Purchase of Raw Materials	-	1,033.26	432.06
Sales Commission	24.82	-	-
Stipend	1.50	-	-
Salary to CFO	6.02	6.02	5.45
<b>NON REVENUE ITEMS</b>			
Loan Taken	110.00	98.79	282.20
Loan Repaid	160.00	242.94	195.20
<b>Total</b>	<b>364.77</b>	<b>1,492.02</b>	<b>940.34</b>

## Year Wise RPT transactions bifurcated amongst name of related parties

PARTICULARS	For the year ending on 31.03.2020	For the year ending on 31.03.2019	For the year ending on 31.03.2018
<b>G M Plastics</b>			
Sales	-	66.32	-
Purchase of Raw Materials	-	1,033.26	432.06
<b>Balber B Sharma</b>			
Loan Taken	-	-	100.00
Loan Repaid	-	100.00	-
<b>Mukesh B Sharma</b>			
Loan Repaid	-	94.15	13.00
<b>Gayatri B Sharma</b>			
Loan Taken	-	-	50.00
Loan Repaid	-	-	50.00
<b>Dinesh Sharma</b>			
Remuneration	12.00	12.00	12.00
Rent	29.28	16.00	-
Loan Taken	90.00	41.29	77.20
Loan Repaid	90.00	41.29	77.20
<b>Sarita Sharma</b>			
Remuneration	12.00	12.00	12.00
Rent	4.32	2.40	-
Loan Taken	20.00	57.50	55.00
Loan Repaid	70.00	7.50	55.00
<b>Balbeer Sharma HUF</b>			
Sales Commission	8.01	-	-
<b>Mukesh Sharma HUF</b>			
Sales Commission	7.49	-	-
<b>Mahima Mukesh Sharma</b>			
Sales Commission	7.82	-	-
<b>Tushar N Pandya</b>			
Salary	6.02	6.02	5.45
<b>Jyoti Dinesh Sharma</b>			
Stipend	1.50	-	-



ANNEXURE XXIX	
STATEMENT OF CAPITALISATION	
PARTICULARS	Pre-Offer 31.03.2020
<b>Debt</b>	
- Short Term Debt	226.47
- Long Term Debt	38.76
<b>Total Debt</b>	<b>265.23</b>
<b>Shareholders' Fund (Equity)</b>	
- Share Capital	10.00
- Reserves & Surplus	784.17
- Less: Miscellaneous Expenses not W/off	-
<b>Total Shareholders' Fund (Equity)</b>	<b>794.17</b>
<b>Long Term Debt / Equity (In Ratio)</b>	0.05
<b>Total Debt / Equity (In Ratio)</b>	0.33

**Notes:-**

1. The post issue capitalisation will be determined only after the completion of the allotment of Equity Shares.
2. Short Term Debts represent which are expected to be paid/payable within 12 months and include installments of Term Loans repayable within 12 months.
3. Long Term Debts represent debts other than Short Term Debts as defined above but exclude installments of Term Loans repayable within 12 months grouped under other current liabilities.
4. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 31/03/2020

<b>ANNEXURE XXX</b>			
<b>STATEMENT OF TAX SHELTER</b>			
<b>Particulars</b>	<b>As at March 31, 2020</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
Net Profit/(Loss) before taxes (A)	316.87	191.54	128.39
Tax Rate Applicable %	0.2517	0.2782	0.2755
Minimum Alternate Taxes (MAT)	0.2059	0.2059	0.2039
Adjustments			
Add: Depreciation as per Companies act	63.15	58.54	46.04
Add: Disallowance under Income Tax Act, 1961	19.49	0.59	2.04
Add: Provision for Interest on GST	0.69	0.33	0.03
Add: Provision for Gratuity & leave Encashment	7.22	1.38	0.87
Less: Exempt Income or Income treated separately	3.83	8.55	-
Less: Taxable at special rate of Tax	-	-	-
Less: Depreciation as per Income Tax Act, 1961	46.51	59.81	40.31
Net Adjustments(B)	40.21	(7.52)	8.67
Business Income (A+B)	357.08	184.02	137.06
Total Taxable Income	357.08	184.02	137.06
Tax Payable as per Normal Rate	89.87	51.19	37.76
Tax Payable as per Special Rate:			
- LTCG taxable at 10.40%	-	-	-
- STCG taxable at 15.6%, 15.45% & 15.45% respectively	-	-	-
Interest payable on above	-	-	-
Tax as per Income Tax (C)	89.87	51.19	37.76
Tax Payable as per Minimum Alternate Tax U/S 115 JB of the Income Tax Act,1961 (D) - Not applicable for F.Y. 2019-20	-	37.96	26.35
<b>Net Tax (Higher of C &amp; D)</b>	<b>89.87</b>	<b>51.19</b>	<b>37.76</b>
<b>Current tax as per restated Statement of Profit &amp; Loss</b>	<b>89.87</b>	<b>51.19</b>	<b>37.76</b>



ANNEXURE -XXXI			
OTHER FINANCIAL INFORMATION			
Particulars	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018
Net Worth (A)	794.17	567.37	429.33
Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA)	403.22	286.55	205.10
Restated Profit after tax	231.80	138.04	92.20
Add: Prior Period Item	-	-	-
Adjusted Profit after Tax(B)	231.80	138.04	92.20
Number of Equity Share outstanding as on the End of Year/Period (C)	1.00	0.10	0.10
Weighted average no of Equity shares as on the end of the period year(D)			
- Pre-Bonus	16.00	15.10	0.10
- Post Bonus	16.00	15.10	15.10
Face Value per Share	10.00	100.00	100.00
Restated Basic & Diluted Earnings Per Share (Rs.) (B/D)			
- Pre-Bonus	14.49	9.14	921.98
- Post Bonus	14.49	9.14	6.11
Return on Net worth (%) (B/A)	29.19%	24.33%	21.47%
Net asset value per share (A/C)	794.17	5,673.66	4,293.30
Adjusted Net asset value per share for bonus issue of equity share (A/D)	49.64	37.57	4,293.30
Current Assets	2,033.18	2,110.48	2,176.89
Current Liability	1,649.74	1,863.71	1,882.56
<b>Current ratio</b>	1.23	1.13	1.16

**Notes:-**

1. The ratios have been Computed as per the following formulas

(i) Basic Earnings per Share

$$\frac{\text{Restated Profit after Tax available to equity shareholders}}{\text{Weighted average number of equity shares outstanding at the end of the year / period}}$$

(ii) Net Asset Value (NAV) per Equity Share

$$\frac{\text{Restated Net Worth of Equity Share Holders}}{\text{Number of equity shares outstanding at the end of the year / period}}$$

(iii) Return on Net worth (%)

$$\frac{\text{Restated Profit after Tax available to equity shareholders}}{\text{Restated Net Worth of Equity Share Holders}}$$



(iv) Current ratio

Current Assets

---

Current Liability

2. EBITDA represents Earnings (or Profit/ (Loss)) before Finance Costs, Income Taxes, and Depreciation and Amortization Expenses. Extraordinary and Exceptional Items have been considered in the calculation of EBITDA as they were expense items.

3. Net Profit as restated, as appearing in the Statement of Profit and Losses, has been considered for the purpose of computing the above ratios. These ratios are computed on the basis of the Restated Financial Information of the Company.

4. Earnings per share calculations are done in accordance with Accounting Standard 20 "Earning per Share", issued by the Institute of Chartered Accountants of India.

5. Prior to March 31, 2020, the company has made the following changes in its capital structure, the effects of which have been considered in computing the above accounting ratios.

6. During the F.Y. 2019-20 the Authorised Share Capital of the company was increased from 100000 Equity Shares of Rs.10/- each to 20,00,000 Equity Shares of Rs. 10/ each vide resolution passed in EGM dated 19/03/2020..

7. Equity Shares of the company of Rs.100/- each were splitted into 10 Equity Shares of Rs.10/- each vide resolution dated 27/02/2020

c. The Company issued equity shares of 15,00,000 Equity Shares of Rs.10/-each as Bonus Shares to the existing Shareholders of the company in a proportion of 15 Equity Shares against 1 Equity Shares held on that date vide Resolution passed in EGM dated 19/03/2020 and allotted on 22/06/2020. These equity shares have been considered to calculated weighted number of equity shares.

<b>ANNEXURE -XXXII</b>			
<b>RECONCILIATION OF RESTATED PROFIT AFTER TAX:</b>			
<b>Adjustments for</b>	<b>As at March 31, 2020</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
Net profit/(Loss) after Tax as per Audited Profit & Loss Account	229.31	157.66	89.86
<b><u>Adjustments for:</u></b>			
Changes in Depreciation	14.87	(14.88)	0.00
Changes in Cost of Material Consumed	(242.19)	(240.44)	(168.36)
Changes in Inventories of Finished Goods	(0.00)	0.00	0.00
Changes in Other manufacturing expenses	242.20	240.44	173.80
Changes in Other Expenses	1.47	(0.16)	(5.48)
Changes in Finance Cost	(0.00)	(0.17)	-
Deferred Tax Liability / Asset Adjustment	(19.00)	(6.34)	3.00
Provision for Gratuity	-	(1.38)	(0.87)
Prior period items	7.83	-	-
Taxes adjusted in Current period	(2.69)	3.31	0.24
<b>Net Profit/ (Loss) After Tax as Restated</b>	<b>231.80</b>	<b>138.04</b>	<b>92.20</b>

**Notes:-**

Explanatory notes to the above restatements made in the audited financial statements of the Company for the respective years/ period.

**Adjustments having impact on Profit:**

Deferred tax is calculated in the restated accounts on account of difference of depreciation as per Companies Act and Income Tax Act. Further deferred tax has also been considered on business loss as per Income Tax.

Income tax has been adjusted based on the restated profits.

**To give Explanatory Notes regarding Adjustments:**

Appropriate adjustments have been made in the restated financial statements, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the audited financials of the Company for all the years and the requirements of the SEBI (ICDR) Regulations, 2018.

ANNEXURE -XXXIII			
RECONCILIATION OF RESTATED EQUITY/ NETWORTH			
Adjustments for	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018
Equity / Net worth as per Audited Financials	797.21	567.90	410.24
<b><u>Adjustments for:</u></b>			
Differences pertaining to changes in Profit/ Loss due to Restated Effect for the period covered in Restated Financial	14.79	17.27	(2.35)
Adjustment due to changes in IPO Expenses	5.00	-	-
Adjustment due to changes in Gratuity Provisions cumulative	5.59	5.59	5.59
Adjustment in relation to prior period Deferred Tax cumulative	(22.33)	(22.33)	(22.33)
Adjustment in relation to prior period items of MAT Credit	-	-	-
Adjustment in relation to prior period items of Earlier years Taxes	-	-	-
Adjustment in relation to Fixed Assets	-	-	-
<b>Equity/Net Worth as Restated</b>	<b>794.17</b>	<b>567.37</b>	<b>429.33</b>

**Notes:-**

Explanatory notes to the above restatements made in the audited financial statements of the Company for the respective years/ period.

**Adjustments having impact on Profit:**

Amounts relating to the prior period have been adjusted in the year to which the same relates to and the same amount is arrived on account of change in Opening Balance of Reserves & Surplus due to the restated effect on the Profit/ (Loss) of prior period.

**To give Explanatory Notes regarding Adjustments:**

Appropriate adjustments have been made in the restated financial statements, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the audited financials of the Company for all the years and the requirements of the SEBI (ICDR) Regulations, 2018.



ANNEXURE -XXXIV			
RESTATED SUMMARY STATEMENT OF CONTINGENT LIABILITIES			
(Rs. In Lacs)			
PARTICULARS	As at		
	31.03.2020	31.03.2019	31.03.2018
<b>Contingent liabilities in respect of:</b>			
Claims against the company not acknowledged as Debts	NIL	NIL	NIL
Guarantees given on Behalf of the Company	71.20	71.20	71.20
Guarantees given on Behalf of the Subsidiary Company	NIL	NIL	NIL
Other moneys for which the Company is contingently liable	NIL	NIL	NIL
Commitments (to the extent not provided for)	NIL	NIL	NIL
Estimated amount of contracts remaining to be executed on capital account and not provided for	NIL	NIL	NIL
Uncalled liability on shares and other investments partly paid	NIL	NIL	NIL
Other commitments	NIL	NIL	NIL
<b>Total</b>	<b>71.2</b>	<b>71.2</b>	<b>71.2</b>



## **OTHER FINANCIAL INFORMATION**

For details on Other Financial Information please refer to “*Annexure – XXXI - Statement of Other Financial Information, as restated*” under chapter titled “*Financial Statements as Restated*” beginning on Page 148 of this Prospectus.



## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*You should read the following discussion of our financial condition and results of operations together with our Financial Statements as Restated which is included in this Prospectus. The following discussion and analysis of our financial condition and results of operations is based on our Financial Statements as Restated, as restated for the years ended March 31, 2020, 2019 and 2018 including the related notes and reports, included in this Prospectus is prepared in accordance with requirements of the Companies Act, 2013 and restated in accordance with the SEBI (ICDR) Regulations, 2018, which differ in certain material respects from IFRS, U.S. GAAP and GAAP in other countries. Our Financial Statements, as restated have been derived from our audited statutory financial statements. Accordingly, the degree to which our Financial Statements as Restated will provide meaningful information to a prospective investor in countries other than India is entirely dependent on the reader's level of familiarity with Indian GAAP, Companies Act, SEBI Regulations and other relevant accounting practices in India.*

*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 described under chapters titled "Risk Factors" and "Forward Looking Statements" beginning on pages 24 and 15, respectively of this Prospectus.*

*Our Financial Year ends on March 31 of each year. Accordingly, all references to a particular Financial Year are to the 12 months ended March 31 of that year.*

### BUSINESS OVERVIEW

We started our operations way back in the year 2003 in the name of G. M. Polyplast Private Limited. We are engaged in the business of manufacturing of H.I.P.S, A.B.S & P.E.T sheets, along with sheets we also manufacture the raw material used to manufacture the sheets called as granules. Our Company is known in the industry for manufacturing and supplying of high-grade Sheets and Granules in India. Our Company believes in the phrase "Innovation as key to future" and we have been keeping pace with modernization in all sphere of development, manufacturing, and marketing, emphasis on product quality & client satisfaction. A professional approach and constant interaction ensure client requirement is met with high standard within the agreed guideline of time and cost. Its impressive growth has been largely due to confidence in its own capability and impressive infrastructure it has created over the years. Our company has been steadily diversifying as well as adding new products to its portfolio, besides adding additional infrastructure for increasing its manufacturing capability for its existing products. Our product range includes Acrylonitrile Butadiene Styrene (ABS) Plastic Sheets, High Impact Polystyrene (HIPS) Sheets, PET (Polyethylene Terephthalate) Sheets / Rolls, Amorphous Polyethylene Terephthalate (A-PET) Sheet, Recycled Polyethylene Terephthalate (R-PET) Sheet, HDPE (High Density Polyethylene) Sheets / Rolls, PP (Polypolyne) Sheets / Rolls, Electrostatic discharge materials (ESD materials).

Our Company actively works for the benefit of their employees and labours with prime focus being health, hygiene and welfare of the workforce and also undergoes audit conducted by its recognised suppliers to ensure that the safety and management norms are being complied with. Quality is of the paramount importance as it can essentially make or break a brand. A failure to maintain quality standard can prove to be extremely detrimental to the business of our Company. We give quality the utmost priority at all stages of production to ensure our customers are thoroughly satisfied. We have three levels of quality checks in place to make sure that the requisite quality of the product is being achieved at every stage of manufacture from raw materials to boxed stock. We constantly endeavour to maintain and exceed customer expectations consistently in all aspects of quality.

Our manufacturing facilities are well equipped with streamlined process to ensure quality of products and timely manufacturing. We endeavour to maintain safety in our premises by adhering to key safety norms. Our well-equipped machines. We provide the best in class quality packaging solutions to our esteemed customers spread over all the sectors. We believe that we offer best to all our customers which makes us possible by understanding our client's needs and strive to deliver beyond their expectations. We are always committed to fulfil the requirements of our clientele according to their needs. In order to meet these requirements, we have adapted to best measure in the industry for quality management systems. We believe that we carry out extensive quality checks and source our raw materials from reliable and recognized suppliers to maintain the standard and quality. We are providing quality that ensures customer satisfaction. We believe that we have long-term and stable



relationships developed over the years with our key suppliers and our key customers through the quality of products we provide.

Our Company is being promoted by Mr. Dinesh Balbirsingh Sharma and Ms. Sarita Dinesh Sharma. Mr. Dinesh Balbirsingh Sharma having experience of more than 20 years who is the guiding force behind all the strategic decisions of our Company. Mr. Dinesh Balbirsingh Sharma himself handle the sales, raw material procurement and Factory management. Our entire range of products is manufactured with the assistance of our experienced and talented team of employees. We believe that we are a trustworthy brand in the industry and to provide improvement through quality products and customer interaction. Since the early days of our inception, we have gathered the industry knowledge, market awareness and also possess the infrastructure to support our manufacturing activities. Our products can be applied in array of vary industries etc. We have the capability and flexibility to meet the exact specifications and sizes of the products as per the requirements of our customers. We have set manufacturing facilities and team of motivated and experienced staff in production and sales to meet the quality and service expectations of our customers. The basic raw material required in our manufacturing process is called as granules, apart from using granules for our own consumptions we also manufacture and sell the granules. We source some of our raw materials from domestic and international market. To maintain quality of our product we have implemented several quality control mechanisms for sourcing of raw materials. Also, we believe that our current manufacturing facility is well-equipped with automated and semi-automated equipment and facilities.

We have our manufacturing unit located at Plot No. 15, 16 & 17, Survey. No 217, Next to Vinod Medical System, Dadra & Nagar Haveli- 396230 having a total area of approximately 50,000 sq. ft. as on date of filing of prospectus. This manufacturing unit is being recognized for its in-house quality Management. Our manufacturing process starts with manufacturing and procurement of granules and then the manufacturing process and packing of the final products is been carried on.

We primarily sell our products through distributors and retailer. We provide our product samples along with catalogue to distributors for reaching out to the wholesale and retail shops in domestic market. Our distribution channel currently covers states of Maharashtra, Gujrat, Kerala, Tamil Nadu, West Bengal, Dadra & Nagar Haveli, Puducherry, Uttar Pradesh, Delhi, Madhya Pradesh, Haryana, Telangana, Karnataka, Uttar Pradesh, Goa, Karnataka, Chhattisgarh, and also we supply to other countries such as UAE, Israel, Jordan, Hong Kong.

Our Company was originally incorporated as G. M. Polyplast Private Limited on November 17, 2003 at Mumbai, Maharashtra as a Private Limited Company under the Companies Act, 1956 with the Registrar of Companies, Mumbai. Subsequently, our Company was converted into Public Limited Company pursuant to Shareholders resolution passed at the Extraordinary General Meeting of our Company held on July 06, 2020 and the name of our Company was changed to “G M Polyplast Limited” and a Fresh Certificate of Incorporation consequent upon conversion of Company to Public Limited dated July 30, 2020 was issued by Registrar of Companies, Mumbai, being Corporate Identification Number U25200MH2003PLC143299.

Our total revenue increased from ₹5,551.24 Lakhs in Fiscal 2018 to ₹6,342.98 Lakhs in Fiscal 2020, representing a growth of 14.26%. Our EBIDTA increased from ₹205.10 Lakhs in Fiscal 2018 to ₹403.22 Lakhs in Fiscal 2020, representing a growth of 96.60%. Our Restated PAT increased from ₹92.20 Lakhs in Fiscal 2018 to ₹231.80 Lakhs in Fiscal 2020, representing a growth of 151.42%.

#### **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 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.

- During the Financial Year 2020-21 (on June 22, 2020), our Company has issued and allotted bonus shares of 15,00,000 Equity Shares of Rs.10/- each in the ratio of 15:1 i.e. 15 equity shares fully paid up bonus shares against 1 equity share held by the existing equity shareholders of the company by passing special resolution in EGM dated March 19, 2020.
- Our Company, G. M. Polyplast Private Limited was converted into Public Limited Company consequent to change of name from G M Polyplast Limited and a Fresh Certificate of Incorporation consequent upon





conversion from Private Company to Public Company dated July 30, 2020 was issued by Registrar of Companies, Mumbai, being Corporate Identification Number U25200MH2003PLC143299.

- The Board of our Company has approved to raise funds through initial public offering in the meeting held on August 30, 2020.
- The members of our Company approved proposal of Board of Directors to raise funds through initial public offering in the extra ordinary general meeting held on September 03, 2020.

### **Factors affecting our results of operations**

Our company's future results of operations could be affected potentially by the following factors:

- Rich Management Experience
- Product Quality
- Semi-Automated Units
- Diversified Product Portfolio Offering Affordable Apparels Across Various Price Segments
- Needs of customers
- Existing distribution and sales networks

### **Our Significant Accounting Policies and Notes**

#### **1. Basis of Presentation**

The financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on accrual basis. GAAP comprises mandatory accounting standards as prescribed under Sec.133 of the Companies Act, 2013 ("the act") read with Rule 7 of the Companies (Accounts) Rules 2014 and the provisions of the Act (to the extent notified). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to the existing accounting standard requires a change in the accounting policy hitehrto in use.

#### **2. Revenue Recognition**

##### **Sale of goods**

Revenue is recognised in respect of supplies as and when supplies are completed. Sales are recognised net of Excise Duty, discounts & taxes.

##### **Export Incentives**

Revenue in respect of export incentives such as drawback & rebate is recognised on export of goods and it is probable that the economic benefits will flow to the company.

##### **Dividends**

Revenue is recognised when the shareholders' right to receive payment is established.

##### **Interest**

Interest is recognised as and when received



### **3. Fixed Assets**

- a) Fixed Assets are stated at cost
- b) Expenditure relating to existing fixed assets is added to the cost of the assets where it increases the performance/life of the assets as assessed earlier
- c) Fixed assets are eliminated from financial statements, either on disposal or when retired from active use. Generally such retired assets are disposed off soon thereafter.
- d) Expenses during construction period are allocated to respective Fixed assets on completion of construction

### **4. Investments**

Long Term investments are valued at cost.

### **5. Inventory Valuation**

- a) Raw materials and stores are valued at weighted average cost after providing for obsolescence
- b) Work-in-Progress relating to manufacturing activity is valued at cost.

### **6. Retirement Benefit Costs**

The company does have employees under retirement benefit schemes. Hence, revised Accounting standard - 15 issued by the institute is applicable.

### **7. Depreciation**

Depreciation on tangible assets is provided on written down value method over the useful lives of assets which is as stated in Schedule II of the Companies Act, 2013. Depreciation for assets purchased/ sold during a period is proportionately charged.

### **8. Borrowing Cost**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use.

### **9. Earnings per Share**

The earnings considered in ascertaining the company's EPS comprises the net profit after tax. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year.

### **10. Foreign Currency Conversion**

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 transaction. Foreign currency monetary items are reported using the closing rate.

Exchange differences arising on the settlement of monetary items or on reporting company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements are recognised as income or expense in the year in which they arise.

### **11. Provisions**

A provision is recognised when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are determined based on management estimate required to settle the obligation at the balance sheet date.



## **12. Taxes on Income**

Tax expense comprises of current tax & deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates. Deferred tax assets and liabilities are recognised for future tax consequences attributable to timing differences between taxable income & accounting income that are capable of reversal in one or more subsequent years and are measured using relevant enacted tax rates.

## **13. Cash Flow Statement**

Cash and cash equivalents (for purposes of Cash Flow Statement)

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

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

## **14. Provident Fund**

Eligible employees receive benefits from a provident fund, which is a defined benefit plan. Both the employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the salary of covered employee. The contribution is paid to government administered fund.

## **Discussion on Results of Operation**

The following discussion on results of operations should be read in conjunction with the Audited Financial Results of our Company for the financial years ended March 31, 2020, 2019 and 2018.

### **Overview of revenue and expenditure**

#### **Revenue and Expenditure**

*Total Revenue:* Our total revenue comprises of revenue from operations and other income.

*Revenue from operations:* Our revenue from operations comprises of sale of manufactured products and job charges.

*Other Income:* Our Other income comprises Interest income, dividend income, gain from exchange fluctuations and profit on sale of assets.

*Expenses:* Our expenses comprise of Cost of Material Consumed, Changes in inventories of finished goods, Employee Benefit Expenses, Finance cost, Depreciation and amortisation expenses and other expenses.

Cost of materials consumed comprises purchases, direct expenses and change in our inventory of raw materials & work in progress as at the beginning and end of the year

Changes in inventory of finished goods consist of change in our inventory of finished goods as at the beginning and end of the year.

Our employee benefit expense consists of directors remuneration, salary, wages to staff, staff welfare expenses, contribution to fund and gratuity.

Our finance costs comprise of interest on loan from banks, others and bank charges.

*Depreciation and amortisation expenses:* Tangible assets are depreciated over periods corresponding to their estimated useful lives. Depreciation includes depreciation charged on tangible assets.

*Other expenses:* Other expenses mainly include Advertisement and Business Promotion Expenses, Export clearing charges, Insurance Charges, Interest on GST, Legal & Professional Charges, Printing & Stationery, Rates & taxes, Repairs & Maintenance, Sales commission, Security services, Telephone expenses, Trade exhibition expenses, Transportation Charges and Travelling expenses.

### Results of Operations

The following table sets forth select financial data from our financial statements as restated of profit and loss for financial years ended March 31, 2020, 2019 and 2018 the components of which are also expressed as a percentage of total revenue for such periods:

Particulars	March 31, 2020	% of total income	March 31, 2019	% of total income	March 31, 2018	% of total income
Revenue from Operations	6,314.53	99.55 %	6,811.87	99.67%	5,546.74	99.92%
Other income	28.44	0.45%	22.63	0.33%	4.50	0.08%
<b>Total Revenue (A)</b>	<b>6,342.97</b>	<b>100.00 %</b>	<b>6,834.50</b>	<b>100.00 %</b>	<b>5,551.24</b>	<b>100.00 %</b>
<b>Expenses:</b>						
Cost of Material Consumed	5,483.79	86.45 %	6,073.48	88.87%	5,077.96	91.47%
Changes In Inventories of Finished Goods	28.21	0.44%	42.85	0.63%	-34.64	-0.62%
Employee benefits expense	146.45	2.31%	119.68	1.75%	78.17	1.41%
Other expenses	281.31	4.43%	311.95	4.56%	224.66	4.05%
<b>Total Expenses (B)</b>	<b>5,939.76</b>	<b>93.64 %</b>	<b>6,547.96</b>	<b>95.81 %</b>	<b>5,346.15</b>	<b>96.31 %</b>
<b>Earnings Before Interest, Taxes, Depreciation &amp; Amortization(C=A-B)</b>	<b>403.21</b>	<b>6.36%</b>	<b>286.54</b>	<b>4.19%</b>	<b>205.09</b>	<b>3.69%</b>
Finance costs (D)	23.19	0.37%	36.47	0.53%	30.67	0.55%
Depreciation and amortization expenses (E)	63.15	1.00%	58.54	0.86%	46.04	0.83%
<b>Profit before exceptional items, extraordinary items and tax (F=C-D-E)</b>	<b>316.87</b>	<b>5.00%</b>	<b>191.53</b>	<b>2.80%</b>	<b>128.38</b>	<b>2.31%</b>
<b>Tax Expenses</b>						
- Current Tax	89.87	1.42%	51.19	0.75%	37.76	0.68%
- Deferred Tax	-4.80	-0.08%	2.30	0.03%	-1.58	-0.03%
<b>Tax Expense For The Year (G)</b>	<b>85.07</b>	<b>1.34%</b>	<b>53.49</b>	<b>0.78%</b>	<b>36.18</b>	<b>0.65%</b>
<b>Restated profit after tax from Continuing Operations (H=F-G)</b>	<b>231.80</b>	<b>3.65%</b>	<b>138.04</b>	<b>2.02%</b>	<b>92.20</b>	<b>1.66%</b>

### COMPARISON OF FY 2019-20 WITH FY2018-19

#### Income

*Total Revenue:* Our total revenue decreased by 7.19% to ₹6,342.97 Lakh for the financial year 2019-20 from ₹6,834.50 Lakh for the financial year 2018-19 due to the factors described below:

#### Revenue from operations

Our revenue from operations decreased by 7.30% to ₹6,314.53 Lakh for the financial year 2019-20 from ₹6,811.87 Lakh for the financial year 2018-19. The decrease was entirely due to decrease in sale of manufactured goods and job work charges.

*Other income:* Our other income increased by 25.67% to ₹28.44 Lakh for the financial year 2019-20 from ₹22.63 Lakh for the financial year 2018-19. The increase was mainly due to increase in interest income and gain from exchange fluctuations.



***Expenses***

Our total expenses excluding finance cost, depreciation and tax expenses decreased by 9.29% to ₹5,939.76 Lakhs for the financial year 2019-20 from ₹6,547.96 Lakhs for the financial year 2018-19 due to the factors described below: -

***Cost of material consumed***

Our cost of material consumed decreased by 9.71% to ₹5,483.79 Lakhs for the financial year 2019-20 from ₹6,073.48 Lakhs for the financial year 2018-19. The decrease was mainly due to decrease in purchases and direct expenses.

***Employee benefits expenses***

Our employee benefit expenses increased by 22.37% to ₹146.45 Lakhs for the financial year 2019-20 from ₹119.68 Lakhs for the financial year 2018-19. The increase was due to increase in salary, wages, bonus & staff welfare and number of employees.

***Finance costs***

The finance cost decreased by 36.41% to ₹23.19 Lakh for the financial year 2019-20 from ₹36.47 Lakh for the financial year 2018-19. The decrease was mainly due to decrease in bank loan & other loan.

***Depreciation and amortization expense***

The depreciation increased by 7.87% to ₹63.15 Lakh for the financial year 2019-20 from ₹58.54 Lakh for the financial year 2018-19. The increase was mainly due to addition in fixed assets.

***Other expenses***

Our other expenses decreased by 9.82% to ₹281.31 Lakh for the financial year 2019-20 from ₹311.95 Lakh for the financial year 2018-19 which is 4.43% and 4.56% of the total revenue of respective years. The decrease was mainly due to decrease in Advertisement and Business Promotion Expenses, Bad debt, Computer expenses, Export clearing charges, Sales commission and Transportation charges.

***Profit before tax***

Our profit before tax increased by 65.44% to ₹316.87 Lakhs for the financial year 2019-20 from ₹191.53 Lakhs for the financial year 2018-19. The increase was mainly due to the factors described above.

***Tax expenses***

Our tax expenses for the financial year 2019-20 amounted to ₹85.07 Lakhs as against tax expenses of ₹53.49 Lakhs for the financial year 2018-19. The net increase of ₹31.58 Lakhs is on account of increase in Current Tax Liability.

***Profit after tax***

Our profit after tax increased by 67.92% to ₹231.80 Lakhs for the financial year 2019-20 from ₹138.04 Lakhs for the financial year 2018-19, reflecting a net increase of ₹93.76 Lakhs due to aforementioned reasons.

## **COMPARISON OF FY 2018-19 WITH FY 2017-18**

### ***Income***

Total Revenue: Our total revenue increased by 23.12% to ₹6,834.50 Lakh for the financial year 2018-19 from ₹5,551.24 Lakh for the financial year 2017-18 due to following reasons: -

### ***Revenue from operations***

Our revenue from operations increased by 22.81% to ₹6,811.87 Lakh for the financial year 2018-19 from ₹5,546.74 Lakh for the financial year 2017-18. The increase was entirely due to increase in sale of manufactured goods and job work charges.

*Other income:* Our other income increased by 402.89% to ₹22.63 Lakh for the financial year 2018-19 from ₹4.50 Lakh for the financial year 2017-18. The increase was mainly due to increase in interest income, gain from exchange fluctuations and Profit on sale of Fixed Assets.

### ***Expenses***

Our total expenses excluding finance cost, depreciation and tax expenses increased by 22.48% to ₹6,547.96 Lakh for the financial year 2018-19 from ₹5,346.15 Lakh for the financial year 2017-18 due to the factors described below: -

### ***Cost of material consumed***

Our cost of material consumed increased by 19.60% to ₹6,073.48 Lakh for the financial year 2018-19 from ₹5,077.96 Lakh for the financial year 2017-18. The increase was mainly due to increase in purchases and direct expenses.

### ***Employee benefits expenses***

Our employee benefit expenses increased by 53.10% to ₹119.68 Lakh for the financial year 2018-19 from ₹78.17 Lakh for the financial year 2017-18. The increase was mainly due to increase in salary, wages, bonus & staff welfare and number of employees.

### ***Finance costs***

The finance cost increased by 18.91% to ₹36.47 Lakh for the financial year 2018-19 from ₹30.67 Lakh for the financial year 2017-18. The increase was mainly due to increase in borrowings.

### ***Depreciation and amortization expense***

The depreciation increased by 27.15% to ₹58.54 Lakh for the financial year 2018-19 from ₹46.04 Lakh for the financial year 2017-18. The increase was mainly due to addition in fixed assets.

### ***Other expenses***

Our other expenses increased by 38.85% to ₹311.95 Lakh for the financial year 2018-19 from ₹224.66 Lakh for the financial year 2017-18 which is 4.56% and 4.05% of the total revenue of respective years. The increase was mainly due to increase in Advertisement and Business Promotion Expenses, Bad debts, Export clearing charges, Insurance charges, Property tax paid, Rates & taxes, Repairs & Maintenance, Sales commission, Security services, Trade exhibition expenses and Travelling expenses.

### ***Profit before tax***

Our profit before tax increased by 49.19% to ₹191.53 Lakh for the financial year 2018-19 from ₹128.38 Lakh for the financial year 2017-18 due to abovementioned factors.

### Tax expenses

Our tax expenses for the financial year 2018-19 amounted to ₹53.49 Lakhs as against tax expenses of ₹36.18 Lakhs for the financial year 2017-18. The net increase of ₹17.31 Lakhs is on account of increase in Current Tax.

### Profit after tax

Our profit after tax increased by 49.72% to ₹138.04 Lakhs for the financial year 2018-19 from ₹92.20 Lakhs for the financial year 2017-18 due to factors mentioned above.

### Other Key Ratios

The table below summaries key ratios in our Restated Financial Statements for the financial years ended March 31, 2020, 2019 and 2018:

Particulars	For the year ended March 31,		
	2020	2019	2018
Fixed Asset Turnover Ratio	21.37	23.74	22.82
Debt Equity Ratio	0.33	0.54	1.03
Current Ratio	1.23	1.13	1.16
Inventory Turnover Ratio	15.30	15.29	14.56

**Fixed Asset Turnover Ratio:** This is defined as revenue from operations divided by total fixed assets excluding capital work in progress and intangible assets, based on Financial Statements as Restated.

**Debt Equity Ratio:** This is defined as total debt divided by total shareholder funds. Total debt is the sum of long term borrowings, short-term borrowings and current maturities of long-term debt, based on Financial Statements as Restated.

**Current Ratio:** This is defined as current assets divided by current liabilities, based on Financial Statements as Restated.

**Inventory Turnover Ratio:** This is defined as revenue from operations divided by average inventory. Average inventory is computed by dividing the sum of opening inventory and closing inventory by two, based on Restated Standalone Financial Statements.

### Cash Flows

The table below summaries our cash flows from our Restated Financial Statements for the financial years 2020, 2019 and 2018:

Particulars	For the year ended March 31,		
	2020	2019	2018
Net cash (used in)/ generated from operating Activities	294.87	158.98	243.98
Net cash (used in)/ generated from investing Activities	(64.64)	(107.00)	(145.84)
Net cash (used in)/ generated from financing Activities	(97.46)	(161.81)	59.04
Net increase/ (decrease) in cash and cash Equivalents	132.77	(109.83)	157.17
Cash and Cash Equivalents at the beginning of the period	139.19	249.01	91.84
Cash and Cash Equivalents at the end of the Period	271.95	139.19	249.01

(₹ in Lakh)

### Operating Activities

#### Financial year 2019-20

Our net cash generated from operating activities was ₹294.87 Lakhs for the financial year 2019-20. Our operating profit before working capital changes was ₹395.45 Lakhs for the financial year 2019-20 which was primarily adjusted against decrease in trade receivables of ₹122.39 Lakhs, decrease in inventories of ₹84.43 Lakhs, decrease



in short term loans & advances of ₹3.24 Lakhs, decrease in trade payables of ₹299.74 Lakhs, increase in provisions of ₹5.67 Lakhs, increase in other current liabilities of ₹18.18 Lakhs, increase in short term borrowings of ₹28.23 Lakhs and tax payment of ₹62.99 Lakhs.

#### **Financial year 2018-19**

Our net cash generated from operating activities was ₹158.98 Lakh for the financial year 2018-19. Our operating profit before working capital changes was ₹273.90 Lakh for the financial year 2018-19 which was primarily adjusted against increase in trade receivables of ₹31.71 Lakh, increase in inventories of ₹18.59 Lakh, decrease in short term loans & advances of ₹0.53 Lakh, decrease in trade payables of ₹9.21 Lakh, increase in provisions of ₹0.73 Lakh, increase in other current liabilities of ₹9.44 Lakh, decrease in short term borrowings of ₹21.24 Lakh and tax payment of ₹44.86 Lakh.

#### **Financial year 2017-18**

Our net cash generated from operating activities was ₹243.98 Lakh for the financial year 2017-18. Our operating profit before working capital changes was ₹201.47 Lakh for the financial year 2017-18 which was primarily adjusted against increase in trade receivables of ₹128.26 Lakh, increase in inventories of ₹110.63 Lakh, increase in short term loans & advances of ₹25.32 Lakh, increase in trade payables of ₹97.63 Lakh, decrease in provisions of ₹0.15 Lakh, increase in other current liabilities of ₹123.09 Lakh, increase in short term borrowings of ₹126.18 Lakh and tax payment of ₹40.02 Lakh.

#### **Investing Activities**

##### **Financial year 2019-20**

Our net cash used in investing activities was ₹64.64 Lakh for the financial year 2019-20. These was on account of purchase of fixed assets of ₹74.32 Lakh, purchase of investments of ₹3.16 Lakh, sale of assets of ₹6.51 Lakh and interest & dividend income of ₹6.33 Lakh.

##### **Financial year 2018-19**

Our net cash used in investing activities was ₹107.00 Lakh for the financial year 2018-19. These was on account of purchase of fixed assets of ₹109.31 Lakh, purchase of investment of ₹18.62 Lakh, sale of assets of ₹15.46 Lakh and interest & dividend income of ₹5.48 Lakh.

##### **Financial year 2017-18**

Our net cash used in investing activities was ₹145.84 Lakh for the financial year 2017-18. These was on account of purchase of fixed assets of ₹94.18 Lakh, purchase of investment of ₹36.66 Lakh, increase in Long Term Loans & Advances of ₹19.50 Lakh and interest & dividend income of ₹4.50 Lakh.

#### **Financing Activities**

##### **Financial year 2019-20**

Net cash flow used in financing activities for the financial year 2019-20 was ₹97.46 Lakhs which was primarily on account of IPO expenses of ₹5.00 lakhs, decrease of borrowings from bank and related parties of ₹62.77 Lakhs, deposit given of ₹6.50 lakhs and interest expenses of ₹23.19 lakhs.

##### **Financial year 2018-19**

Net cash flow used in financing activities for the financial year 2018-19 was ₹161.81 Lakh which was primarily on account of repayment of borrowings from bank and related parties of ₹115.34 Lakh, deposits given of ₹10.00 Lakh and interest paid of ₹36.47 Lakh.





### Financial year 2017-18

Net cash flow generated from financing activities for the financial year 2017-18 was ₹59.04 Lakh which was primarily on account of increase in borrowings from bank and related parties of ₹89.71 Lakh and interest paid of ₹30.67 Lakh.

### Financial Indebtedness

As on March 31, 2020, the total outstanding borrowings of our Company is ₹265.23 Lakh. For further details, refer to the chapter titled “*Statement of Financial Indebtedness*” beginning on page 203 of this Prospectus.

Particulars	As at March 31, 2020
Term Loans from Banks	38.76
Working Capital Loan from Banks	226.47
<b>Total</b>	<b>265.23</b>

### Related Party Transactions

Related party transactions with our promoters, directors and their entities and relatives primarily relate to purchase and sale of products. For further information, please refer to the chapter titled “*Financial Statements as Restated*” on page 148 of this Prospectus.

### Contingent Liabilities

The following table sets forth our contingent liabilities as of March 31, 2020 and March 31, 2019:

Particulars	As on March 31, 2020	As on March 31, 2019
Guarantees given on Behalf of the Company	71.20	71.20
<b>Total</b>	<b>71.20</b>	<b>71.20</b>

It is not practical for our Company to estimate the timings of cash outflow, if any in respect of above-mentioned contingent liabilities. For further details, refer chapter titled “*Financial Statements as Restated*” beginning on page 148 of this Prospectus.

### Off-Balance Sheet Items

We do not have any other off-balance sheet arrangements, derivative instruments or other relationships with any entity that have been established for the purposes of facilitating off-balance sheet arrangements.

### Qualitative Disclosure about Market Risk

#### Financial Market Risks

Market risk is the risk of loss related to adverse changes in market prices, including interest rate risk. We are exposed to interest rate risk, inflation and credit risk in the normal course of our business.

#### Interest Rate Risk

Our financial results are subject to changes in interest rates, which may affect our debt service obligations and our access to funds.

#### Effect of Inflation

We are affected by inflation as it has an impact on the raw material cost, wages, etc. In line with changing inflation rates, we rework our margins so as to absorb the inflationary impact.



### **Credit Risk**

We are exposed to credit risk on monies owed to us by our customers. If our customers do not pay us promptly, or at all, we may have to make provisions for or write-off such amounts.

### **Reservations, Qualifications and Adverse Remarks**

Except as disclosed in chapter titled “*Financial Statements as Restated*” beginning on page 148 of this Prospectus, there have been no reservations, qualifications and adverse remarks.

Details of Default, if any, Including Therein the Amount Involved, Duration of Default and Present Status, in Repayment of Statutory Dues or Repayment of Debentures or Repayment of Deposits or Repayment of Loans from any Bank or Financial Institution.

Except as disclosed in chapter titled “*Financial Statements as Restated*” beginning on page 148 of this Prospectus, there have been no defaults in payment of statutory dues or repayment of debentures and interest thereon or repayment of deposits and interest thereon or repayment of loans from any bank or financial institution and interest thereon by the Company.

### **FACTORS THAT MAY AFFECT THE RESULTS OF THE OPERATIONS**

#### **Unusual or infrequent events or transactions**

There are no transactions or events, which in our best judgment, would be considered unusual or infrequent that have significantly affected operations of the Company.

#### **Significant economic changes that materially affected or are likely to affect income from continuing operations**

There are no significant economic changes that materially affected Company’s operations or are likely to affect income from continuing operations. Any slowdown in the growth of Indian economy or future volatility in global commodity prices, could affect the business including the future financial performance, shareholders’ funds and ability to implement strategy and the price of the Equity Shares.

#### **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 chapter titled “*Risk Factors*” beginning on page 24 of this 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.

#### **Future changes in relationship between costs and revenues in case of events such as future increase in labour or material cost or prices that will cause material change**

According to our knowledge, there are no future relationship between cost and income that would be expected to have a material adverse impact on our operations and revenues. However, increase in the cost of the goods in which the Company deals, will affect the profitability of the Company. Further, the Company may not be able to pass on the increase in prices of the services to the customers in full and this can be offset through cost reduction.

#### **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**

The increase in revenue is by and large linked to increase in volume of all the activities carried out by the Company.

#### **Total turnover of each major industry segment in which the Issuer Company operates**

Our Company is primarily engaged in the business of manufacturing of H.I.P.S, A.B.S & P.E.T sheets, along with sheets we also manufacture the raw material used to manufacture the sheets called as poly propylene granules.



Relevant industry data, as available, has been included in the chapter titled “*Industry Overview*” beginning on page 83 of this Prospectus.

#### **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 expenses respectively as on March 31, 2020 is as follows:

<b>Particulars</b>	<b>Customers</b>	<b>Suppliers</b>
Top 5 (%)	36.73	48.36
Top 10 (%)	46.63	62.08

#### **Competitive Conditions**

We have competition with Indian and international Plastic manufacturing companies and our results of operations could be affected by competition in the Plastic industry in India and international market in the future. We expect competition to intensify due to possible new entrants in the market, existing competitors further expanding their operations and our entry into new markets where we may compete with well-established unorganized companies/entities. This we believe may impact our financial condition and operations. For details, please refer to the chapter titled “*Risk Factors*” beginning on page 24 of this Prospectus.

#### **Increase in income**

Increases in our income are due to the factors described above in in this chapter under “*Factors Affecting Our Results of Operations*” and chapter titled “*Risk Factors*” beginning on page 24 of this Prospectus.

#### **Status of any Publicly Announced New Business Segments**

Except as disclosed elsewhere in the Prospectus, we have not announced and do not expect to announce in the near future any new business segments.

## CAPITALIZATION STATEMENT

The details on Capitalization Statement as follows:

PARTICULARS	<i>(₹ in Lakh)</i>	
	Pre-Offer 31.03.2020	Adjusted for the post-Issue#
<b>Debt</b>		
- Short Term Debt	226.47	226.47
- Long Term Debt	38.76	38.76
<b>Total Debt</b>	<b>265.23</b>	<b>265.23</b>
<b>Shareholders' Fund (Equity)</b>		
- Share Capital	10.00	192.28
- Reserves & Surplus	784.17	1,115.14
- Less: Miscellaneous Expenses not W/off	-	-
<b>Total Shareholders' Fund (Equity)</b>	<b>794.17</b>	<b>1,307.42</b>
<b>Long Term Debt / Equity (In Ratio)</b>	0.05	0.03
<b>Total Debt / Equity (In Ratio)</b>	0.33	0.20

# As per the final proposed number of Equity Shares (3,22,800) post IPO and assuming full subscription, increase share capital by Rs.32,28,000/- and securities premium of Rs.4,80,97,200/- (included in Reserve and surplus) on account of the proposed Issue.

## STATEMENT OF FINANCIAL INDEBTEDNESS

Brief details on the financial indebtedness of the “G M POLYPLAST LIMITED” as on March 31, 2020 is as under:

## Long Term Borrowings (Secured Loan):

Name of Lender	Type of Loan	Date of Sanction/ Review	Purpose	Sanctioned Amount (₹ in Lakh)	Rate of interest	Securities offered	Repayment Period	Outstanding amount (₹ in Lakh)
Axis Bank Limited	Car Loan	August 04, 2018	BMW Car Purchase	50.00	8.61% p.a.	Car purchased out of loan	Repayable in 60 installments of Rs.1,02,848/- each, w.e.f. September 01, 2018	36.39
IDBI Bank Limited	Machinery Loan	November 29, 2017	Machinery purchase	33.00	11.30% p.a.	Primary: Machinery purchased out of loan money Collateral: 1. FDR – Rs.30.00 Lakh 2. Personal Guarantee of a. Dinesh Balbir Sharma b. Sarita Dinesh Sharma	Repayable in 48 installments of Rs.70,000/- each, w.e.f. January 01, 2018	2.37
<b>From Banks</b>								<b>38.76</b>

## Short Term Borrowings (Secured Loan):

Name of Lender	Type of Loan	Date of Sanction/ Review	Purpose	Sanctioned Amount (₹ in Lakh)	Rate of interest	Securities offered	Repayment Period	Outstanding amount (₹ in Lakh)
Yes Bank Limited	Cash credit	March 19, 2020	Working Capital Limit	350.00	9.75% p.a.	Primary: Hypothecation of Current assets (Stock and Book Debts) and Movable Fixed Assets both present and future Collateral: 1. Equitable/ Registered Mortgage located at Gala No. A-49 & B-1, New Empire Industrial Estate, Opp. Regent Hotel, Kondivita Lane, R K Road, Andheri (East), Mumbai – 400 059 2. Personal Guarantee of a. Dinesh Balbir Sharma	12 months subject to annual review	226.47

Name of Lender	Type of Loan	Date of Sanction/ Review	Purpose	Sanctioned Amount (₹ in Lakh)	Rate of interest	Securities offered	Repayment Period	Outstanding amount (₹ in Lakh)
						b. Sarita Dinesh Sharma		
	Export Packing Credit (Sub Limit of Cash Credit)	March 19, 2020	Working Capital Limit	100.00	To be decided at the time of drop down	Same as Cash credit facility	12 months subject to annual review	-
	Post Shipment credit – Foreign / INR (Sub Limit of Cash Credit)	March 19, 2020	Working Capital Limit	100.00	To be decided at the time of drop down	Same as Cash credit facility	12 months subject to annual review	-
	Letter of Credit – Import (Sub Limit of Cash Credit)	March 19, 2020	Working Capital Limit	100.00	NA	Same as Cash credit facility	12 months subject to annual review	-
	Bank Guarantee – Performance/ Financial (Sub Limit of Letter of Credit – Import)	March 19, 2020	Working Capital Limit	100.00	NA	Same as Cash credit facility	12 months subject to annual review	-
	Working Capital Demand Loan – FCY (Sub Limit of Letter of Credit – Import)	March 19, 2020	Working Capital Limit	100.00	To be decided at the time of drop down	Same as Cash credit facility	12 months subject to annual review	-



Name of Lender	Type of Loan	Date of Sanction/ Review	Purpose	Sanctioned Amount (₹ in Lakh)	Rate of interest	Securities offered	Repayment Period	Outstanding amount (₹ in Lakh)
	Working Capital Demand Loan – INR (Sub Limit of Letter of Credit – Import)	March 19, 2020	Working Capital Limit	100.00	To be decided at the time of drop down	Same as Cash credit facility	12 months subject to annual review	-
	Import Financing	March 19, 2020	Working Capital Limit	100.00	To be decided at the time of drop down	Same as Cash credit facility	12 months subject to annual review	-
	<b>From Bank</b>							<b>226.47</b>

## SECTION VI – LEGAL AND OTHER INFORMATION

### **OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS**

Except as stated in this section, there are no:

(i) criminal proceedings; (ii) actions by statutory or regulatory authorities; (iii) disciplinary action including penalty imposed by SEBI or stock exchanges in the last five financial years including outstanding action; (iv) claims relating to direct and indirect taxes; and (v) Material Litigation (as defined below); involving our Company, Directors or Promoters.

Our Board, in its meeting held on September 05, 2020 determined that Outstanding Litigation involving our Company, its Directors and its Promoters shall be considered material if:

- (i) the monetary amount of claim by or against the entity or person in any such pending matter exceeds ₹10.00 Lakh.
- and
- (ii) the Board or any of its committees shall have power and authority to determine suitable materiality threshold for the subsequent financial year on the aforesaid basis or any basis as may be determined by the Board or any of its committees (“Material Litigation”).

Our Board, in its meeting held on September 05, 2020 determined that outstanding dues to the small-scale undertakings and other creditors exceeding ₹10.00 Lakh of the Company’s trade payables for the last audited financial statements shall be considered as material dues for the Company. (“Material Dues”).

Details of outstanding dues to creditors (including micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006) as required under the SEBI (ICDR) Regulations have been disclosed on our website at <http://www.gmpolyplast.com/>

Our Company, its Directors and Promoters are not Wilful Defaulters and there have been no violations of securities laws in the past or pending against them.

### **CONTINGENT LIABILITIES OF OUR COMPANY**

As on March 31, 2020, Our Company has following Contingent Liabilities:

Sl. No.	Particulars	Amount (in ₹)
1.	Income Tax demands / Notices before CIT Appeals/TDS	27,572.72
2.	Bank Guarantees/Corporate Guarantees	Nil
	<b>Total</b>	<b>27,572.72</b>

### **LITIGATIONS INVOLVING OUR COMPANY**

#### **LITIGATIONS AGAINST OUR COMPANY**

#### **CRIMINAL LITIGATIONS**

Nil

#### **ACTIONS BY REGULATORY OR STATUTORY AUTHORITIES**

Nil





## TAXATION MATTERS

### A. Direct Tax

As per website of Income Tax, the Authorized Representative has issued letter for the payment of Q4 advance tax due by March 15, 2020 and the same is appearing with 'open' status.

### B. Income Tax

Nil

### C. TDS

As per TDS Reconciliation Analysis and Correction Enabling System (TRACES), website of Income Tax for TDS, following defaults are showing for payment of TDS by the Company:

Sr. No.	Financial Year	Total Default (in ₹)
1.	2019-20	4,529.80
2.	2018-19	4,147.50
3.	2017-18	379.00
4.	Prior Years	18,516.42
<b>Total</b>		<b>27,572.72</b>

The said demands are still pending.

## OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY:

Nil

## LITIGATIONS FILED BY OUR COMPANY

### CRIMINAL LITIGATIONS

Our company has filed the following cases under Section 138 read with Section 141 & 142 of the Negotiable Instruments Act, 1881 which are pending at various jurisdictions:

Sl. No.	Courts	Date of filing	Details	Amount (In Rs.)
1.	Addl. Chief Metropolitan Magistrate Court, Andheri, Mumbai	March 14, 2019	1.MM Enterprise 2.Dasrath U Patel	2,72,795
2.	Additional Metropolitan Magistrate, Vikhroli, Mumbai	April 29, 2017	1.SM Polymer 2.Saurabh Jain	6,24,776
3.	Additional Metropolitan Magistrate, Vikhroli, Mumbai	June 23, 2017	1.Priya Suresh Menon 2.Suresh Menon	9,10,000
4.	Additional Chief Metropolitan Magistrate, Vikhroli, Mumbai	January 31, 2020	1.Insulink Packaging Limited 2.Abhinav Mahajan 3. Anuradha Mahajan 4.Manoj Kumar Mahajan	10,64,524
<b>Total</b>				<b>28,72,095</b>

## OTHER MATTERS BASED ON THE MATERIALITY POLICY OF THE COMPANY

Nil



**LITIGATIONS INVOLVING PROMOTERS OTHER THAN DIRECTORS OF OUR COMPANY**

**LITIGATIONS AGAINST OUR PROMOTERS OTHER THAN DIRECTORS**

**CRIMINAL LITIGATIONS**

Nil

**ACTION BY REGULATORY OR STATUTORY AUTHORITIES**

Nil

**DISCIPLINARY ACTION INCLUDING PENALTY IMPOSED BY SEBI OR STOCK EXCHANGE AGAINST OUR PROMOTERS IN THE LAST FIVE FINANNCIAL YEARS**

Nil

**TAXATION MATTERS**

**A. Direct Tax**

Nil

**OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY**

Nil

**LITIGATIONS FILED BY OUR PROMOTERS OTHER THAN DIRECTORS OF OUR COMPANY**

**CRIMINAL LITIGATIONS**

Nil

**OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY**

Nil

**LITIGATIONS INVOLVING DIRECTORS OF OUR COMPANY**

**LITIGATIONS AGAINST DIRECTORS OF OUR COMPANY**

**CRIMINAL LITIGATIONS**

**ACTION BY REGULATORY AND STATUTORY AUTHORITIES:**

Nil

**TAXATION MATTERS**

**A. Direct Tax**

As per website of Income Tax the following e-proceedings are shown as pending with 'open' and 'Submitted' status. However, the amount has not been mentioned and cannot be crystallised:



Assessment Year	Proceeding Name	Opt for e-Proceeding	Proceeding Status	Action
<b>Subramanian Ramaswamy Vaidya</b>				
2017-18	Adjustment u/s 143(1)(a)	Yes	Submitted	-

**B. Income Tax**

Nil

**OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY**

Nil

**LITIGATIONS FILED BY DIRECTOR/S OF OUR COMPANY****CRIMINAL LITIGATIONS**

Nil

**OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY**

Nil

**LITIGATIONS INVOLVING OUR SUBSIDIARY COMPANY**

Our Company has no Subsidiary Company.

**LITIGATIONS INVOLVING OUR GROUP ENTITIES**

Our Company has no Group Entities.

**MATERIAL DEVELOPMENTS SINCE THE LAST BALANCE SHEET**

Except as mentioned under the chapter — “*Management Discussion and Analysis of Financial Condition and Result of Operation*” on page 189 of this Prospectus, there have been no material developments, since the date of the last audited balance sheet.

**OUTSTANDING DUES TO MICRO, SMALL & MEDIUM ENTERPRISES OR ANY OTHER CREDITORS**

As on March 31, 2020, our Company had a total 64 Creditors with an amount of ₹1,191.77 Lakh. In accordance with our Company’s materiality policy dated September 05, 2020. Our Company has 24 Material Creditors with total outstanding of ₹1,107.03 Lakh.

There are 16 MSME creditors of our Company.

Below are the details of the Creditors where outstanding amounts as on March 31, 2020:

Sl. No.	Particular	Amount (₹ in Lakh)
1.	Total Outstanding dues to Micro, Small & Medium Enterprises	101.62
2.	Total Outstanding dues to creditors other than Micro, Small & Medium Enterprises	1,090.15
<b>Total</b>		<b>1,191.77</b>

For complete details about the outstanding dues to the creditors of our Company, please see website of our Company website [www.gmpolyplast.com](http://www.gmpolyplast.com).



## GOVERNMENT AND OTHER STATUTORY APPROVALS

Our Company has received the necessary licenses, permissions and approvals from the Central and State Governments and other government agencies/regulatory authorities/certification bodies required to undertake the Offer or continue our business activities. Our Company undertakes to obtain all material approvals and licenses and permissions required to operate our present business activities. It must, however, be distinctly understood that in granting the approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of our Company or for the correctness of any of the statements or any commitments made or opinions expressed in this behalf.

Following statements set out the details of licenses, permissions and approvals obtained by the Company under various central and state legislations for carrying out its business activities.

The Company has its business located at the following locations:

**Registered Office:** A-66 New Empire Industrial Estate Kondivita Road, Andheri East, Mumbai – 400059, Maharashtra, India.

The objects clause of the Memorandum of Association enables our Company to undertake its present business activities. The approvals required to be obtained by our Company include the following:

### I. APPROVALS FOR THE OFFER

#### Corporate Approvals

The following approvals have been obtained or will be obtained in connection with the Offer:

- i. Our Board of Directors have pursuant to a resolution passed at its meeting held on August 30, 2020 authorized the Offer, 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.
- ii. The Offer of Equity Shares has been authorized by a special resolution adopted pursuant to Section 62(1)(c) of the Companies Act, 2013 by Special Resolution in an Extra Ordinary General Meeting held on September 03, 2020.

#### ISIN Number

The Company's International Securities Identification Number ("ISIN") is INE0E2801015.

#### Lender Consent

A letter dated 21.09.2020 has been received from Yes Bank Limited for the Initial Public Offer.


### II. APPROVALS OBTAINED BY OUR COMPANY

Sl. No.	Nature of License / Approval	Registration / License No.	Issuing Authority	Date Of Grant	Validity
<b>Incorporation Related Approvals</b>					
1.	Certificate of Incorporation in the name of "G. M. Polyplast Private Limited"	U25200MH2003PTC143299	Assistant Registrar of Companies, Mumbai	November 27, 2003	One Time Registration
2.	Fresh Certificate of Incorporation upon consequent change of name from "G. M. Polyplast Private Limited" to "G M Polyplast Limited "	U25200MH2003PLC143299	Deputy Registrar of Companies, Mumbai	July 13, 2020	One Time Registration

TAX RELATED APPROVALS					
3.	Permanent Account Number (“PAN”)	AACCG0610R	Income Tax Department	November 27, 2003	One Time Registration
4.	Certificate of Registration under Goods and Services Tax Act, 2017	26AACCG0610R1ZL	GST Department, Government of India	February 09, 2018	One Time Registration
5.	Service Tax Registration Certificate	AACCG0610RSD005	Superintendent, Range, Central Board of Excise and Customs	Date of Issue – June 14, 2012 Date of Last Amendment – February 18, 2016	One Time Registration
6.	Sales Tax Registration Certificate (Central).	26500131127	Value Added Tax Officer, Dadra & Nagar Haveli	February 06, 2012 Valid from January 25, 2012	Until Cancelled
7.	Central Excise registration Certificate	AACCG0610REM003	Deputy/Assistant Commissioner of Central Excise.	Date of Issue – January 25, 2012 Date of last amendment – August 16, 2013	Until surrenders/revoked/suspended
8.	Certificate of registration under Value Added Tax Regulation	26500131127	Value Added Tax Officer, Dadra & Nagar Haveli Silvassa	Issued on - February 06, 2012 Valid from - January 25, 2012	Until Cancelled
9.	*Tax Deduction Account Number (“TAN”)	MUMG09869G	Income Tax Department	NA	One Time Registration
BUSINESS RELATED APPROVALS					
10.	*Factory Licence	2621	Chief Inspector of Factories & Boilers Administration of Dadra & Nagar Haveli, Silvassa	August 21, 2014	December 31, 2021
11.	Maharashtra Shop and Establishment	890367983/KE Ward/Commercial II	Office of Chief Facilitator, Dadar, Mumbai	September 16, 2020	--
12.	Udyog Aadhaar Registration Certificate	DN01B0003387	MSME (Ministry of Micro, Small & Medium Enterprises)	Date of filing – May 31, 2019	Valid till Cancelled
13.	Import Export Code (IEC)	0306015404	Additional Director General of Foreign Trade, CGO Office, New Building, SE Wing New Marine Lines,	Date of Issue: June 02, 2006 Date of Last Amendment – September 22, 2020	One Time Registration

			Churchgate Mumbai.		
<b>LABOUR RELATED APPROVALS</b>					
14.	*Provident Registration Certificate	Fund SRVAP004897 6000	Employees' Provident Fund Organization	March 20, 2015	One Time registration
* All above-mentioned approvals are in the previous name of the Company i.e. G. M. Polyplast Private Limited. The Company is in the process of name change from G. M. Polyplast Private Limited to G M Polyplast Limited for all the approvals.					

**III. APPROVALS OBTAINED/APPLIED IN RELATION TO INTELLECTUAL PROPERTY RIGHTS:**

S. No.	Trademark/Word	Trademark/A pplication No.	Trademark Type	Registration/ Application Date	Status/ Validity
1.	Trademark* 	4535353	DEVICE	18/06/2020	Objected

\* The said trademark is applied in name of our Promoter/ Director Mr. Dinesh Balbirsingh Sharma.

**IV. CERTIFICATES**

Sr. No.	Particulars/Description	Certificate/Registration Number	Date of Registration	Validity/Status
1.	UQSR (Universal Quality Standard Registrar) Certificate	UQSR-1699-GMPLL	June 16, 2020	Certificate expiry date: June 16, 2021  Recertification due date: May 01, 2022

**III. THE DETAILS OF DOMAIN NAME REGISTERED ON THE NAME OF THE COMPANY:**

Sl. No.	Domain Name and ID	IANA ID	Creation Date	Expiry Date
1.	http://www.gmpolyplast.com/Domain ID: 137072994_DOMAIN_COM-VRSN	IANA ID: 69	December 10, 2004	December 10, 2020

**IV. MATERIAL LICENSES / APPROVALS FOR WHICH OUR COMPANY IS YET TO APPLY:**

NIL



## OTHER REGULATORY AND STATUTORY DISCLOSURES

### AUTHORITY FOR THE OFFER

The Offer in terms of this Prospectus has been authorized pursuant to the resolution passed by the Board of Directors dated August 30, 2020 and by the shareholders pursuant to the special resolution passed in Extra-Ordinary General Meeting dated September 03, 2020 under Section 62(1)(c) of the Companies Act, 2013.

The Selling Shareholders have consented to participate in the Offer for Sale in the following matter:

Name of the Selling Shareholders	Authorisation Letter dated	Consent Letter dated	No. of Equity Shares held	No. of Equity Shares Offered
Mr. Dinesh Balbirsingh Sharma	August 28, 2020	September 07, 2020	8,00,000	75,000
Ms. Sarita Dinesh Sharma	August 28, 2020	September 07, 2020	7,99,995	1,11,000

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

Our Company has obtained in-principle approval from the BSE SME for using its name in the Prospectus pursuant to an approval letter no. LO/SME IPO/VM/IP/73/2020-21 dated September 22, 2020 from BSE Limited is the Designated Stock Exchange.

### PROHIBITION BY SEBI OR OTHER GOVERNMENTAL AUTHORITIES

We confirm that our Company, Selling Shareholders, Promoters, Promoter Group and Directors have not been declared as willful defaulter(s) by the RBI or any other governmental authority. 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, Selling Shareholders, Promoters, Promoter Group or Directors have not been prohibited from accessing or operating in the capital markets under any order or direction passed by SEBI or any other regulatory or Governmental Authority.

- Neither our Company, nor Selling Shareholders, nor Promoters, nor Promoter Group, nor any of our Directors or persons in control of our Company are / were associated as promoters, directors or persons in control of any other Company which is debarred from accessing or operating in the capital markets under any order or directions made by the SEBI or any other regulatory or Governmental Authorities.
- None of our Directors are associated with the securities market and there has been no action taken by the SEBI against the Directors or any other entity with which our Directors are associated as Promoters or director.
- Neither our Selling Shareholders, nor Promoters nor Promoter Group, nor any of our Directors is declared as Fugitive Economic Offender.
- Neither our Company, nor Selling Shareholders, nor our Promoters, nor Promoter Group nor our Directors, are Willful Defaulters.

### PROHIBITION BY RBI

Neither our Company, nor Selling Shareholders, nor Promoters, nor Promoter Group, nor any of our Directors or the person(s) in control of our Company have been identified as a willful defaulter by the RBI or other governmental authority and there has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them except as details provided under chapter titled “*Outstanding Litigations and Material Developments*” beginning on page 206 of the Prospectus.



## COMPLIANCE WITH THE COMPANIES (SIGNIFICANT BENEFICIAL OWNERSHIP) RULES, 2018

We confirm that Our Company, Promoters, Promoter Group and Selling Shareholders are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 (“SBO Rules”), to the extent applicable, as on the date of the Prospectus.

## ELIGIBILITY FOR THE OFFER

Our Company is not ineligible in terms of Regulations 228 and 230(1) of SEBI (ICDR) Regulations, 2018 for this Offer,

Our Company is an “unlisted issuer” in terms of the SEBI (ICDR) Regulations, 2018 and this Offer is an “Initial Public Offer” in terms of the SEBI (ICDR) Regulations, 2018.

Our Company is eligible for the Offer in accordance with Regulation 229(1) of the SEBI (ICDR) Regulations, 2018 and other provisions of Chapter IX of the SEBI (ICDR) Regulations, 2018, as we are an Issuer whose post offer paid up capital is less than or equal to ₹10 Crores and we may hence, offer Equity Shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the “SME Platform of the BSE Limited (BSE SME)”).

### We confirm that:

In accordance with Regulation 260 of the SEBI (ICDR) Regulations, 2018, this offer is 100% underwritten and that the Lead Manager to the Offer shall underwrite minimum 15% of the Total Offer Size. For further details pertaining to said underwriting please refer to chapter titled “**General Information**” beginning on page 52 of the Prospectus.

In accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, 2018, we shall ensure that the total number of proposed allottees in the Offer shall be greater than or equal to fifty (50), otherwise, the entire application money will be refunded forthwith. If such money is not repaid within 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 eight working days, be liable to repay such application money, with an interest at the rate as prescribed under SEBI (ICDR) Regulations 2018, the Companies Act, 2013 and applicable laws. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

In accordance with Regulation 246 the SEBI (ICDR) Regulations 2018, we have not filed this Draft Prospectus with SEBI nor has SEBI issued any observations on our Draft Prospectus. Also, we shall ensure that our Lead Manager submits a copy of the Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies.

In accordance with Regulation 261 of the SEBI (ICDR) Regulations, 2018, 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 three years from the date of listing of Equity Shares in this offer on the SME Platform of BSE Limited. For further details of the arrangement of market making please refer to chapter titled “**General Information**” beginning on page 52 and details of the Market Making Arrangements for this please refer to chapter titled “**The Offer**” beginning on page 46 of the Prospectus.

As per Regulation 229(3) of the SEBI (ICDR) Regulations, 2018, our Company satisfies track record and/or other eligibility conditions of SME Platform of BSE Limited in accordance with the Restated Financial Statements, prepared in accordance with the Companies Act, 2013 and restated in accordance with the SEBI ICDR Regulations as below:

1. Our Company was incorporated on November 27, 2003, with the Registrar of Companies, Mumbai, Maharashtra under the Companies Act, 1956 in India.
2. The post offer paid up capital (Face Value) of the company will be ₹192.28 Lakh. So, the company has fulfilled the criteria of post offer paid up capital shall not be more than ₹2500.00 Lakh.





3. As per restated financial statement, the net-worth of the company is ₹794.17 Lakh as on March 31, 2020. Our company has positive net-worth. So, the company has fulfilled the criteria of positive net-worth of the company.
4. As per restated financial statement, the net tangible assets of the company are ₹786.86 Lakh as on March 31, 2020. So, the company has fulfilled the criteria of minimum net tangible assets shall not be less ₹150.00 Lakh.
5. The Net worth and Cash Accruals of the Company as per the restated financial statements for the years ended March 31, 2020, March 31, 2019 and March 31, 2018 are as set forth below: -

(₹ in Lakh)

Particulars	For financial year ended on March 31,		
	2020	2019	2018
Networth	794.17	567.37	429.33
Cash Accruals**	380.02	250.08	174.43

\* "Net Worth" has been defined as the aggregate of the paid-up share capital, share application money (excluding the portion included in other current liabilities) and reserves and surplus excluding miscellaneous expenditure, if any.

\*\*"Cash Accruals" has been defined as the Earnings before depreciation and tax from operation.

6. The track record of our Company as per the Restated Financial Statements for the financial year ended March 31, 2020, 2019 and 2018 are as set forth below:

(₹ in Lakh)

Particulars	For financial year ended on March 31,		
	2020	2019	2018
Net Profit after Income Tax (as Restated)	231.80	138.04	92.20

7. Our Company shall mandatorily facilitate trading in demat securities and will enter into an agreement with both the depositories. The Company has entered into an agreement for registration with the Central Depository Services Limited (CDSL) dated September 02, 2020 and National Securities Depository Limited (NSDL) dated September 02, 2020 for establishing connectivity.
8. The Company has not been referred to Board for Industrial and Financial Reconstruction.
9. There is no winding up petition against the Company, which has been admitted by a court of competent jurisdiction or liquidator has not been appointed.
10. No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the Company.
11. There has been no change in the promoter(s) of the Company in the one year preceding the date of filing application to BSE for listing on SME segment.
12. The Company has a website [www.gmpolyplast.com](http://www.gmpolyplast.com)

We further confirm that we comply with all the above requirements/ conditions so as to be eligible to be listed on the SME platform of the BSE Limited.

#### COMPLIANCE WITH PART A OF SCHEDULE VI OF THE SEBI (ICDR) REGULATIONS, 2018

Our Company is in compliance with the provisions specified in Part A of Schedule VI of the SEBI (ICDR) Regulations, 2018. No exemption from eligibility norms has been sought under Regulation 300 of the SEBI (ICDR) Regulations, 2018, with respect to the Offer.

#### DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF PROSPECTUS TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) / STOCK EXCHANGE SHOULD NOT IN



ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI / STOCK EXCHANGE. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE PROSPECTUS. THE LEAD MANAGER, GRETEX CORPORATE SERVICES PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS PROSPECTUS, THE LEAD MANAGER, GRETEX CORPORATE SERVICES PRIVATE LIMITED IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER, GRETEX CORPORATE SERVICES PRIVATE LIMITED SHALL FURNISH TO STOCK EXCHANGE / SEBI A DUE DILIGENCE CERTIFICATE AND WHICH SHALL ALSO BE SUBMITTED TO SEBI AFTER REGISTERING THE PROSPECTUS WITH ROC AND BEFORE OPENING OF THE OFFER.

THE ISSUER AND THE LEAD MANAGER(S) ACCEPT NO RESPONSIBILITY FOR STATEMENTS MADE OTHERWISE THAN IN THE DRAFT OFFER DOCUMENT/ DRAFT LETTER OF OFFER/ OFFER DOCUMENT OR IN THE ADVERTISEMENT OR ANY OTHER MATERIAL ISSUED BY OR AT THE INSTANCE OF THE ISSUER AND THAT ANYONE PLACING RELIANCE ON ANY OTHER SOURCE OF INFORMATION WOULD BE DOING SO AT THEIR OWN RISK.

THE FILING OF THE PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE LEAD MANAGER(S) ANY IRREGULARITIES OR LAPSES IN THE PROSPECTUS.

“WE, THE UNDER NOTED LEAD MANAGER TO THE ABOVE-MENTIONED FORTHCOMING OFFER STATE AND CONFIRM AS FOLLOWS:

1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, CIVIL LITIGATIONS, AND DISPUTES WITH COLLABORATORS, CRIMINAL LITIGATIONS ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE PROSPECTUS PERTAINING TO THE SAID OFFER.
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 OFFER, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:
  - A. THE PROSPECTUS FILED WITH THE EXCHANGE/ BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE OFFER;
  - B. ALL THE MATERIAL LEGAL REQUIREMENTS RELATING TO THE OFFER 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 MATERIAL DISCLOSURES MADE IN THE PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED OFFER 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, 2018 AND OTHER APPLICABLE LEGAL REQUIREMENTS.**

- 3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.**
- 4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS.**
- 5. WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTER'S CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTER'S CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE PROSPECTUS.**
- 6. WE CERTIFY THAT REGULATION 237 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE PROSPECTUS.**
- 7. WE UNDERTAKE THAT SUB-REGULATION (2) OF REGULATION 236 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, 2018 SHALL BE COMPLIED WITH.**
- 8. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTER'S CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE OFFER. 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 PROMOTER'S CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC OFFER.**
- 9. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT OFFER 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 TO THE EXTENT APPLICABLE.**
- 10. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE OFFER ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SECTION 40(3) 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 PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE OFFER AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION – NOTED FOR COMPLIANCE.**



11. WE CERTIFY THAT IN CASE OF RIGHT ISSUE DISCLOSURE HAS BEEN MADE IN THE PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT MODE- NOT APPLICABLE
12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE PROSPECTUS:
  - A. AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER AND
  - B. AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.
13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 WHILE MAKING THE OFFER-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, 2018, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY- NOTED FOR COMPLIANCE.
16. WE ENCLOSE STATEMENT ON PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKER (WHO ARE RESPONSIBLE FOR PRICING THE ISSUE) AS PER FORMAT SPECIFIED BY THE SEBI THROUGH CIRCULAR NO. CIR/CFD/DIL/7/2015 DATED OCTOBER 30, 2015-DETAILS ARE ENCLOSED IN “ANNEXURE A”.
17. WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS- *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 PROSPECTUS.*

**ADDITIONAL CONFIRMATIONS/ CERTIFICATION TO BE GIVEN BY MERCHANT BANKER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH OFFER DOCUMENT REGARDING SME EXCHANGE:**

1. WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.
2. THE ABRIDGED PROSPECTUS/ ABRIDGED LETTER OF OFFER CONTAINS ALL DISCLOSURES AS SPECIFIED IN THESE REGULATIONS
3. WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE OFFER UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES OFFERED THROUGH THIS OFFER SHALL BE INFORMED THROUGH PUBLIC NOTICES/ ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-OFFER ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE OFFER HAVE BEEN GIVEN.



4. **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, 2018.- NOTED FOR COMPLIANCE.**
5. **WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE ISSUER- NOTED FOR COMPLIANCE.**
6. **WE CONFIRM THAT UNDERWRITING AND MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 261 AND 262 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 HAVE BEEN MADE.**
7. **WE CONFIRM THAT THE ISSUER HAS REDRESSED AT LEAST NINETY-FIVE PERCENT OF THE COMPLIANCE RECEIVED FROM THE INVESTORS TILL THE END OF THE QUARTER IMMEDIATELY PRECEDING THE MONTH OF THE FILING OF THE PROSPECTUS WITH THE REGISTRAR OF COMPANIES OR LETTER OF OFFER WITH THE SME EXCHANGE.**

**Note:**

The filing of this Prospectus does not, however, absolve our Company from any liabilities under section 34, 35 and 36(1) of the Companies Act, 2013 or from the requirement of obtaining such statutory and other clearances as may be required for the purpose of the proposed Offer. SEBI further reserves the right to take up at any point of time, with the Lead Manager any irregularities or lapses in the Prospectus.

All legal requirements pertaining to the Offer will be complied with at the time of registration of the Prospectus with the Registrar of Companies, Mumbai in terms of Section 26 and Section 28 of the Companies Act, 2013.

**DISCLAIMER STATEMENT FROM OUR COMPANY, THE SELLING SHAREHOLDERS AND THE LEAD MANAGER**

Our Company, the Selling Shareholders and the Lead Manager accept no responsibility for statements made otherwise than those contained in the Prospectus or, in case of the Company, in any advertisements or any other material issued by or at instance of our Company and anyone placing reliance on any other source of information, including our website <http://www.gmpolyplast.com/> would be doing so at his or her own risk.

The Lead Manager to the Offer accepts no responsibility, save to the limited extent as provided in the Offer Agreement entered between the Lead Manager to the Offer, our Company and the Selling Shareholders on September 05, 2020 and the Underwriting Agreement dated September 05, 2020 entered into between the Underwriters and our Company and the Market Making Agreement dated September 05, 2020 entered into among the Market Maker and our Company.

All information shall be made available by our Company and the Lead Manager to the Offer 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 to the Offer and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter Group, 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, and our affiliates or associates, for which they have received and may in future receive compensation.

**CAUTION**

Investors who apply in the Offer will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders and the Underwriters and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not Offer, sell, pledge or transfer the Equity Shares of our



Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Selling Shareholders, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares in the Offer.

#### **PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE LEAD MANAGER**

For details regarding the price information and track record of the past issue handled by M/s. Gretex Corporate Services Private Limited, as specified in Circular reference CIR/CFD/DIL/7/2015 dated October 30, 2015 issued by SEBI, please refer Annexure A to this Prospectus and the website of the Lead Manager at [www.gretexcorporate.com](http://www.gretexcorporate.com).

#### **DISCLAIMER IN RESPECT OF JURISDICTION**

This Offer is being made in India to persons resident in India (including Indian nationals resident in India who are majors, 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, co-operative banks (subject to RBI permission), or trusts under applicable trust law 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, AIFs 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 ₹2,500.00 Lakh and pension funds with a minimum corpus of ₹2,500.00 Lakh, 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. The Prospectus does not, however, constitute an invitation to purchase 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 Prospectus comes is required to inform him or herself about, and to observe, any such restrictions.

Any dispute arising out of this offer will be subject to jurisdiction of the competent court(s) in Mumbai, Maharashtra, only.

No action has been, or will be, taken to permit a public Issuing in any jurisdiction where action would be required for that purpose, except that the Prospectus has been filed with SME Platform of BSE for its observations and BSE will give its observations in due course. Accordingly, the Equity Shares represented hereby may not be Issued or sold, directly or indirectly, and the Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of the Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been 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.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

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, legislations and Prospectus in each jurisdiction, including India

#### **DISCLAIMER CLAUSE OF BSE LIMITED**

BSE Limited (“BSE”) has given vide its letter dated September 22, 2020 given permission to “G M Polyplast Limited” to use its name in this offer document as the stock exchange on whose Small and Medium Enterprises Platform (“SME platform”) the company’s securities are proposed to be listed. BSE has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to the Company. BSE Limited does not in any manner: -



- i. warrant, certify or endorse the correctness or completeness of any of the contents of this offer document;  
or
- ii. warrant that this Company's securities will be listed on completion of Initial Public Offering or will continue to be listed on BSE; or
- iii. take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company;
- iv. warrant, certify or endorse the validity, correctness or reasonableness of the price at which the equity shares are offered by the Company and investors are informed to take the decision to invest in the equity shares of the Company only after making their own independent enquiries, investigation and analysis. The price at which the equity shares are offered by the Company is determined by the Company in consultation with the Merchant Banker (s) to the issue and the Exchange has no role to play in the same and it should not for any reason be deemed or construed that the contents of this offer document have been cleared or approved by BSE. Every person who desires to apply for or otherwise acquire any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.
- v. BSE does not in any manner be liable for any direct, indirect, consequential or other losses or damages including loss of profits incurred by any investor or any third party that may arise from any reliance on this offer document or for the reliability, accuracy, completeness, truthfulness or timeliness thereof.
- vi. The Company has chosen the SME platform on its own initiative and at its own risk, and is responsible for complying with all local laws, rules, regulations, and other statutory or regulatory requirements stipulated by BSE/other regulatory authority. Any use of the SME platform and the related services are subject to Indian laws and Courts exclusively situated in Mumbai".

#### **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 Issued 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 Issued and sold outside the United States in compliance with Regulation S of the 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 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 BSE Limited.

The Draft Prospectus has not been filed with SEBI, nor has SEBI issued any observation on the Draft Prospectus in terms of Regulation 246(5) the SEBI (ICDR) Regulations, 2018.



A copy of the Prospectus along with the documents required to be filed under Section 26 and Section 28 of the Companies Act, 2013 will be delivered to the ROC, Mumbai situated at 100, Everest, Marine Drive, Mumbai – 400 002, Maharashtra, India.

## **LISTING**

The Equity Shares of our Company are proposed to be listed on SME Platform of the BSE Limited (“BSE SME”). Our Company has obtained in-principle approval from BSE SME by way of its letter no. LO/SME IPO/VM/IP/73/2020-21 dated September 22, 2020 for listing of equity shares on SME Platform of the BSE Limited.

BSE Limited will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Offer. If the permission to deal in and for an official quotation of the Equity Shares on the BSE SME is not granted by BSE, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of the Prospectus. If such money is not repaid within eight (8) days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of eight (8) days, be liable to repay such application money, with interest at the rate as prescribed under the Companies Act, 2013.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at The BSE SME mentioned above are taken within six Working Days from the Offer Closing Date.

## **IMPERSONATION**

Attention of the Applicants is specifically drawn to the provisions of Section 38(1) 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 to action under Section 447 of the Companies, Act 2013.*

## **CONSENTS**

Consents in writing of (a) Our Directors, Promoters, the Selling Shareholders, Company Secretary & Compliance Officer, Chief Financial Officer, Peer Review Auditor and Statutory Auditor, Key Managerial Personnel, Banker(s) to the Company; (b) Lead Manager, Underwriters, Market Maker, Registrar to the Offer, Public Offer Banker and Legal Advisor to the Offer to act in their respective capacities shall be obtained as required as required under Section 26 and Section 28 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Prospectus for registration with the ROC. Our Statutory Auditor holding Peer Reviewed Certificate has given their written consent to the inclusion of their report in the form and context in which it appears in this Prospectus and such consent and report shall not be withdrawn up to the time of delivery of the Prospectus for filing with the ROC.

In accordance with the Companies Act, 2013 and the SEBI (ICDR) Regulations, 2018, M/s. Anay Gogte & Co., Peer Review Auditor and Statutory Auditors of the Company have 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 the 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 the Prospectus.

## **EXPERT TO THE OFFER**

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





- Report of the Statement of Possible of Tax Benefits.
- Report of the Auditor on the Restated Financial Statements for the financial year ended on March 31, 2020, 2019 and 2018 of our Company.

#### **EXPENSES TO THE OFFER**

The expenses of this Offer include, among others, underwriting and management fees, printing and distribution expenses, legal fees, statutory advertisement expenses and listing fees. For details of total expenses of the Offer, refer to chapter “*Objects of the Offer*” beginning on page 71 of this Prospectus.

#### **DETAILS OF FEES PAYABLE**

##### **Fees Payable to the Lead Manager**

The total fees payable to the Lead Manager will be as per the Mandate Letter issued by our Company and the Selling Shareholders to the Lead Manager, the copy of which is available for inspection at our Registered Office.

##### **Fees Payable to the Registrar to the Offer**

The fees payable to the Registrar to the Offer will be as per the Agreement signed by our Company, the Selling Shareholders and the Registrar to the Offer dated September 05, 2020 a copy of which is available for inspection at our Registered Office. The Registrar to the Offer will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, and stamp duty and communication expenses. Adequate funds will be provided by the Company to the Registrar to the Offer to enable them to send refund orders or allotment advice by registered post / speed post / under certificate of posting.

##### **Fees Payable to Others**

The total fees payable to the Legal Advisor, Auditor and Advertiser, etc. will be as per the terms of their respective engagement letters if any.

#### **UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION**

The underwriting commission and the selling commission for the Offer are as set out in the Underwriting Agreement amongst the Company and Underwriters. The underwriting commission shall be paid as set out in the Underwriting Agreement based on the Offer price and the amount underwritten in the manner mentioned in accordance with Section 40 of the Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rule, 2013

#### **PREVIOUS RIGHTS AND PUBLIC ISSUES SINCE THE INCORPORATION**

We have not made any previous rights and / or public issues since incorporation and are an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, 2018 and this Offer is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations, 2018.

#### **PREVIOUS ISSUES OF SHARES OTHERWISE THAN FOR CASH**

Except as stated in the chapter titled “*Capital Structure*” beginning on page 60 of this Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

#### **COMMISSION AND BROKERAGE ON PREVIOUS ISSUES**

Since this is the initial public offer of the Equity Shares by our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares since our inception.

#### **PARTICULARS IN REGARD TO OUR COMPANY AND OTHER LISTED COMPANIES 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.**



None of the equity shares of Companies under same management are listed on any recognized stock exchange. None of the above companies have raised any capital during the past 3 years.

#### **PROMISE VERSUS PERFORMANCE FOR OUR COMPANY**

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, 2018, and this Offer is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations, 2018. Therefore, data regarding promise versus performance is not applicable to us.

#### **OUTSTANDING DEBENTURES, BONDS, REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS ISSUED BY OUR COMPANY**

As on the date of this Prospectus, our Company has no outstanding debentures, bonds or redeemable preference shares.

#### **STOCK MARKET DATA FOR OUR EQUITY SHARES**

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, 2018, and this Offer is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations, 2018. Thus, there is no stock market data available for the Equity Shares of our Company.

#### **MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES**

The Agreement between the Registrar and Our Company provides for retention of records with the Registrar for a period of at least three years from the last date of dispatch of the letters of allotment, demat credit and unblocking of funds to enable the investors to approach the Registrar to this Offer for redressal of their grievances. All grievances relating to this Offer may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as the name, address of the applicant, number of Equity Shares applied for, amount paid on application and the bank branch or collection center where the application was submitted.

All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection centre of the SCSB where the Application Form was submitted by the ASBA applicants.

#### **DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY**

Our Company and the Selling shareholders has appointed Bigshare Services Private Limited as the Registrar to the Offer to handle the investor grievances in co-ordination with the Compliance Officer of the Company. All grievances relating to the present Offer may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and name of bank and branch. The Company would monitor the work of the Registrar to ensure that the investor grievances are settled expeditiously and satisfactorily.

The Registrar to the Offer will handle investor’s grievances pertaining to the Offer. A fortnightly status report of the complaints received and redressed by them would be forwarded to the Company. The Company would also be co-ordinating with the Registrar to the Offer in attending to the grievances to the investor.

All grievances relating to the ASBA process may be addressed to the SCSBs, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch of the SCSB where the Application Form was submitted by the ASBA Applicant. We estimate that the average time required by us or the Registrar to the Offer or the SCSBs for the redressal of routine investor grievances will be seven business days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

We have constituted the Stakeholders Relationship Committee of the Board *vide* resolution passed at the Board Meeting held on September 05, 2020. For further details, please refer to the chapter titled “*Our Management*” beginning on page 119 of this Prospectus.



Our Company has appointed Ms. Dimple Amrit Parmar as Company Secretary and Compliance Officer and she may be contacted at the following address:

**Ms. Dimple Amrit Parmar**

**G M Polyplast Limited**

Company Secretary & Compliance Officer,  
A-66, New Empire Industrial Estate, Kondivita Road,  
Andheri East, Mumbai- 400059, Maharashtra, India  
Tel: +91-22-4504 9700  
E-mail: info@gmpolyplast.com  
Website: www.gmpolyplast.com

Investors can contact the Company Secretary and Compliance Officer or the Registrar in case of any pre-offer or post-offer related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account or unblocking of funds, etc.

#### **CAPITALISATION OF RESERVES OR PROFITS**

Save and except as stated in the chapter titled "*Capital Structure*" beginning on page 60 of this Prospectus, our Company has not capitalized its reserves or profits during the last five years.

#### **REVALUATION OF ASSETS**

Our Company has not revalued its assets since incorporation.

#### **TAX IMPLICATIONS**

Investors who are allotted Equity Shares in the Offer 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 section titled "*Statement of Possible Tax Benefits*" beginning on page 80 of this Prospectus.

#### **PURCHASE OF PROPERTY**

Other than as disclosed in this 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 offer or the purchase or acquisition of which has not been completed on the date of this Prospectus.

Except as stated elsewhere in this Prospectus, our Company has not purchased any property in which the Promoters and / or Directors have any direct or indirect interest in any payment made there under.

#### **SERVICING BEHAVIOR**

There has been no default in payment of statutory dues or of interest or principal 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 under sections titled "*Our Management*" and "*Related Party Transactions*" beginning on pages 119 and 146 respectively of this Prospectus none of the beneficiaries of loans and advances and sundry debtors are related to the Directors of our Company.



## SECTION XI: OFFER RELATED INFORMATION

### TERMS OF THE OFFER

*The Equity Shares being Issued are subject to the provisions of the Companies Act, 2013, SCRA, SCRR, ICDR Regulations, Listing Regulations, our MoA and AoA, the terms of this Prospectus, the prospectus, the abridged prospectus, Application Form, CAN, the Revision Form, Allotment Advices, and other terms and conditions as may be incorporated in the documents/ certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the offer of capital and listing and trading of securities issued from time to time by SEBI, the GoI, the Stock Exchanges, the RoC, the RBI and/ or other authorities, as in force on the date of the Offer and to the extent applicable.*

*Please note that in terms of Regulation 256 of the ICDR Regulations read with SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all the Applicants applying in this Offer shall use only Application Supported by Blocked Amount (ASBA) facility for making payment i.e. just writing their bank account numbers and authorising the banks to make payment in case of Allotment by signing the Application Forms. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, Retail Individual Investors applying in public offer may use either Application Supported by Blocked Amount (ASBA) process or UPI payment mechanism by providing UPI-ID in the Application Form which is linked from bank account of the Applicant.*

#### **Authority for the Present Offer**

This Offer has been authorized by a resolution of our Board passed at their meeting held on August 30, 2020 subject to the approval of shareholders through a special resolution to be passed pursuant to Section 62 (1) (c) of the Companies Act, 2013. The shareholders have authorized the Offer by a special resolution in accordance with Section 62 (1) (c) of the Companies Act, 2013 passed at the EGM of our Company held on September 03, 2020.

#### **Ranking of Equity Shares**

The Equity Shares being issued shall be subject to the provisions of the Companies Act, 2013 and our MoA and AoA and shall rank pari-passu in all respects with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees, upon Allotment of Equity Shares under this Offer, will be entitled to receive dividends and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, please refer to section titled, '**Main Provisions of Article of Association**', beginning on page 302 of this Prospectus.

#### **Mode of Payment of Dividend**

Our Company shall pay dividend to the shareholders of our Company in accordance with the provisions of the Companies Act, 2013, as may be applicable, the AoA of our Company, the provisions of the Listing Regulations and any other rules, regulations or guidelines as may be issued by the Government of India in connection there to and as per the recommendation by our Board of Directors and approved by our shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act, 2013 for further details in relation to dividends, please refer to sections titled, '**Dividend Policy**' and '**Main Provisions of Article of Association**', beginning on pages 147 and 302 respectively, of this Prospectus.

#### **Face Value and Offer Price**

The face value of the share of our Company is ₹10.00 per equity share and the offer price is ₹159.00 per Equity Share (including premium of ₹149.00 per share). The Offer Price is determined by our Company in consultation with the Lead Manager and is justified under the Section titled, '**Basis for Offer Price**', beginning on page 77 of this Prospectus. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

#### **Compliance with ICDR Regulations**

Our Company shall comply with all requirements of the ICDR Regulations, as amended time to time.



### **Compliance with Disclosure and Accounting Norms**

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

### **Rights of the Equity Shareholders**

Subject to applicable laws, rules, regulations and guidelines and the AoA, 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, in accordance with the provisions of the Companies Act, 2013;
- Right to receive Issue for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation; subject to any statutory or preferential claims being satisfied;
- Right of free transferability of the Equity Shares, subject to applicable laws, including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public limited company under the previous Companies Act, 1956 and Companies Act, 2013, as may be applicable, terms of the Listing Regulations and the MoA and AoA of our Company.

For further details on the main provision of our Company's AoA dealing with voting rights, dividend, forfeiture and lien, transfer and transmission and/ or consolidation/ splitting, etc., please refer to Section titled, '**Main Provisions of the Articles of Association**', beginning on page 302 of this Prospectus.

### **Minimum Application Value, Market Lot and Trading Lot**

In terms of Section 29 of the Companies Act, 2013, the Equity Shares shall be Allotted only in dematerialised form. As per the existing ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form for all Applicants. In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Offer:

- Tripartite Agreement dated September 02, 2020, between NSDL, our Company and Registrar to the Offer; and
- Tripartite Agreement dated September 02, 2020, between CDSL, our Company and Registrar to the Offer.

The trading of the Equity Shares will happen in the minimum contract size of 800 Equity Shares and the same may be modified by the SME Platform of BSE Limited from time to time by giving prior notice to investors at large.

Allocation and Allotment of Equity Shares through this Prospectus will be done in multiples of 800 Equity Shares subject to a minimum Allotment of 800 Equity Shares to the successful Applicants in terms of the SEBI Circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

### **Minimum Number of Allottees**

In accordance with the Regulation 268 of ICDR Regulations, the minimum number of Allottees in this Offer shall be 50 shareholders. In case the minimum number of prospective Allottees is less than 50, no Allotment will be made pursuant to this Offer and the monies blocked by the SCSBs shall be unblocked within 4 Working Days of closure of Offer.

### **Joint Holders**

Where 2(two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint holders with benefits of survivorship.



### Nomination Facility to Investor

In accordance with Section 72 of the Companies Act, 2013, the First/ Sole Applicant, along with other joint Applicant, may nominate any one person in whom, in the event of the death of Sole Applicant or in case of joint Applicant, death of all the Applicants, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act, 2013, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in 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 of Equity Share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Section 72 of the Companies Act, 2013, any Person who becomes a nominee by virtue of this section shall upon the production of such evidence as may be required by the Board of Directors, elect either: To register himself or herself as the holder of the Equity Shares; or to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board of Directors 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 90 days, the Board of Directors 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 Offer will be made only in dematerialized form, there is no need to make a separate nomination with our Company. Nominations registered with the respective Depository Participant of the applicant would prevail. If the Applicants require changing the nomination, they are requested to inform their respective Depository Participant.

### Offer Program

<b>Offer Opens on</b>	Wednesday, September 30, 2020
<b>Offer Closes on</b>	Tuesday, October 06, 2020
<b>Finalization of Basis of Allotment with the Designated Stock Exchange</b>	Friday, October 09, 2020
<b>Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account</b>	On or before Tuesday, October 13, 2020
<b>Credit of Equity Shares to Demat accounts of Allottees</b>	On or before Tuesday, October 13, 2020
<b>Commencement of trading of the Equity Shares on the Stock Exchange</b>	On or before Wednesday, October 14, 2020

The above timetable is indicative and does not constitute any obligation on our Company, the Selling Shareholders or the Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Bid/Offer Closing Date, the timetable may change due to various factors, such as extension of the Bid/Offer Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws Application Forms and any revisions to the same will be accepted only between 10:00 a.m. to 5:00 p.m. (IST) during the Offer Period (except for the Offer Closing Date). On the Offer Closing Date, the Application Forms will be accepted only between 10:00 a.m. to 3:00 p.m. (IST) for retail and non-retail Applicants. The time for applying for Retail Individual Investors on Offer Closing Date maybe extended in consultation with the Lead Manager, Registrar and Share Transfer Agent and BSE SME taking into account the total number of Applications received up to the closure of timings.

Due to the limitation of time available for uploading the Application Forms on the Offer Closing Date, Applicants are advised to submit their Applications 1 day prior to the Offer Closing Date and, in any case, not later than 3:00 p.m. (IST) on the Offer Closing Date. Any time mentioned in this Prospectus is IST. Applicants are cautioned that, in the event a large number of Application Forms are received on the Offer Closing Date, as is typically



experienced in public offer, some Application Forms may not get uploaded due to the lack of sufficient time. Such Application Forms that cannot be uploaded will not be considered for allocation under this Offer. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company, nor the Selling Shareholders, nor the Lead Manager is liable for any failure in uploading the Application Forms due to faults in any software/ hardware system or otherwise.

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

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Application Form, for a particular Applicant, the details as per the file received from BSE SME may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Application Form, for a particular ASBA Applicant, the Registrar to the Offer shall ask the relevant SCSBs / RTAs / DPs / stock brokers, as the case may be, for the rectified data.

### **Minimum Subscription**

In accordance with Regulation 260(1) of ICDR Regulations, this Offer is 100% underwritten, so this Offer is not restricted to any minimum subscription level.

As per section 39 of the new Companies Act, 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 Prospectus, the Application Amount has to be returned within such period as may be prescribed.

If our Company does not receive the subscription of 100% of the Offer through this Offer document including devolvement of Underwriters, our Company shall forthwith unblock the entire subscription amount received. If there is a delay beyond 8 days after our Company becomes liable to pay the amount, our Company shall pay interest prescribed under section 73 of the Companies Act, 2013 and applicable law.

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.

### **Arrangements for Disposal of Odd Lots**

The trading of the Equity Shares will happen in the minimum contract size of 800 Equity Shares in terms of the SEBI Circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, in terms of Regulation 261 (5) of the ICDR Regulations, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME platform of BSE.

### **Application by Eligible NRIS, FPIs/ FIIs Registered with SEBI, VCFs Registered with SEBI and Eligible QFIs**

It is to be understood that there is no reservation for Eligible NRIs or FPIs/ FIIs registered with SEBI or VCFs or Eligible QFIs. Such Eligible NRIs, Eligible QFIs, FIIs registered with SEBI will be treated on the same basis with other categories for the purpose of allocation.

NRIs, FPIs/ FIIs and foreign venture capital investors registered with SEBI are permitted to purchase shares of an Indian company in a public offer without the prior approval of the RBI, so long as the price of the Equity Shares to be issued is not less than the price at which the Equity Shares are issued to residents. The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment (“FDI”) Policy and the non-resident shareholding is within the sectoral limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI/ RBI.



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, FPIs 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.

**As per the Extant Policy of the Government of India, OCBs cannot participate in this Offer.**

As per the existing regulations, OCBs are not eligible to participate in this Offer. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 03, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Offer provided it obtains a prior approval from the RBI. On submission of such approval along with the Application Form, the OCB shall be eligible to be considered for Equity Share allocation.

**Restrictions on Transfer and Transmission of Shares or Debentures and on their Consolidation or Splitting**

Except for lock-in of the pre-offer Equity Shares and Promoters minimum contribution in the Offer as detailed in the Section titled, '*Capital Structure*', beginning on page 60 of this Prospectus, and except as provided in the AoA of our Company, there are no restrictions on transfer and transmission and on their consolidation/ splitting of Equity Shares. For further details, please refer to the Section titled, '*Main Provisions of the Articles of Association*', beginning on page 302 of this 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 Applicants of any amendments or modifications 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 number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

**Allotment of Equity Shares in Dematerialized Form**

In accordance with the ICDR Regulations, Allotment of Equity Shares to successful Applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange.

**Migration to Main Board**

In accordance with Regulation 277 of the ICDR Regulations:

An issuer, whose specified securities are listed on a SME Exchange and whose post-offer face value capital is more than ₹1,000 Lakh and up to ₹ 2,500 Lakh, may migrate its specified securities to the main board of the stock exchanges if its shareholders approve such a migration by passing a special resolution through postal ballot to this effect and if such issuer fulfils the eligibility criteria for listing laid down by the Main Board:

Provided that the special resolution shall be acted upon if and only if the votes cast by shareholders other than promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoters shareholders against the proposal.

**Market Making**

The Equity Shares offered through this Offer are proposed to be listed on the SME Platform of BSE Limited, wherein is the Market Maker to this Offer shall ensure compulsory Market Making through the registered Market





Makers of the BSE SME for a minimum period of 3 years from the date of listing on the SME Platform of BSE Limited. For further details of the agreement entered into between our Company, the Lead Manager and the Market Maker please refer to Section titled, '**General Information - Details of the Market Making Arrangements for this Offer**', beginning on page 52 of this Prospectus.

**New Financial Instruments**

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company through this Offer.

**Jurisdiction**

Exclusive jurisdiction for the purpose of this Offer 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 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, registration requirements of the U.S. Securities Act and applicable U.S. state Securities laws. Accordingly, the Equity Shares are only being Issued or sold outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions 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.

### OFFER STRUCTURE

This Offer is being made in terms of Regulation 229(1) of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, our Company's post offer face value capital is less than ten crore rupees but does not exceed twenty - five crore rupees. Our Company shall offer equity shares to the public and propose to list the same on the *SME Exchange*, in this case being the SME Platform of BSE Limited i.e. BSE SME For further details regarding the salient features and terms of such this Offer, please refer to chapter titled "*Terms of the Offer*" and "*Offer Procedure*" beginning on pages 226 and 235 respectively of this Prospectus.

The present offer of 5,08,800 Equity Shares of face value of ₹10.00 each fully paid for cash at price of ₹159.00 per Equity Share (including a premium of ₹149.00 per Equity Share) aggregating up to ₹808.99 Lakh. The offer comprises a reservation of 25,600 Equity Shares of face value of ₹10.00 each fully paid for cash at price of ₹159.00 each aggregating to ₹40.70 Lakh for subscription by the designated Market Maker (Market Maker Reservation Portion) and a Net Offer to Public of up to 4,83,200 Equity Shares of face value of ₹10.00 each fully paid for cash at price of ₹159.00 per share aggregating to ₹768.29 Lakh (the Net Offer). The Offer and the Net Offer will constitute 26.46 % and 25.13 % respectively of the post offer paid up equity share capital of the company.

Particulars of the Offer	Net Offer to Public*	Market Maker Reservation Portion
<b>Number of Equity Shares</b>	4,83,200 Equity Shares	25,600 Equity Shares
<b>Percentage of Offer Size available for allocation</b>	94.97 % of the Offer Size 25.13 % of the Post Offer Paid up Capital	5.03 % of the Offer Size 1.33 % of the Post Offer Paid up Capital
<b>Basis of Allotment/ Allocation if respective category is oversubscribed</b>	Proportionate subject to minimum allotment of 800 Equity Shares and further allotment in multiples of 800 Equity Shares each.  For further details please refer to " <i>Basis of Allotment</i> " under chapter titled " <i>Offer Procedure</i> " beginning on page 235 of this Prospectus.	Firm Allotment
<b>Minimum Application Size</b>	<b><u>For Other than Retail Individual Investors:</u></b> Such number of Equity Shares in multiples of 800 Equity Shares such that the Application Value exceeds ₹2.00 Lakh.  <b><u>For Retail Individuals Investors:</u></b> 800 Equity Shares at an offer price of ₹159.00 per equity share.	25,600 Equity Shares of Face Value ₹10.00
<b>Maximum Application Size</b>	<b><u>For Other than Retail Individual Investors:</u></b> The maximum application size is the Net Offer to public subject to limits the investor has to adhere under the relevant laws and regulations applicable.  <b><u>For Retail Individuals Investors:</u></b> Such number of Equity 800 Equity Shares at an offer price of ₹159.00 per equity share. Such that the applicant value does not exceeds ₹2.00 Lakh.	25,600 Equity Shares of Face Value ₹10.00
<b>Trading Lot</b>	800 Equity Shares	800 Equity Shares. However, the

Particulars of the Offer	Net Offer to Public*	Market Maker Reservation Portion
		Market Makers may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.
<b>Mode of Application</b>	<p><b>For Other than Retail Individual Investors:</b> All the applicants shall make the application (Online or Physical) through ASBA process</p> <p><b>For Retail Individuals Investors:</b> Through the ASBA Process or by using UPI ID for payment</p>	Through ASBA Process Only
<b>Mode of Allotment</b>	Compulsorily in dematerialized form.	
<b>Terms of Payment</b>	<ul style="list-style-type: none"> <li>The Applicant shall have sufficient balance in the ASBA account at the time of submitting application and the amount will be blocked anytime within two day of the closure of the Offer.</li> <li>In case of UPI as an alternate mechanism, Application amount shall be blocked at the time of confirmation of mandate collection request by applicant.</li> </ul>	

\*Since present offer is a fixed price offer, the allocation in the net offer to the public category in terms of Regulation 253 of the SEBI (ICDR) Regulations, 2018 shall be made as follows:

(a) Minimum fifty per cent to retail individual investors; and

(b) Remaining to:

- individual applicants other than retail individual investors; and
- other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;

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

Explanation: If the retails individual investor category is entitled to more than fifty per cent of the offer size on a proportionate basis, the retails individual investors shall be allocated that higher percentage.

For further information on the Allocation of Net Offer to Public, please refer to chapter titled “*The Offer*” beginning on page 46 of this Prospectus.

#### WITHDRAWAL OF THE OFFER

In accordance with the SEBI ICDR Regulations, our Company and the Selling Shareholders, in consultation with Lead Manager, reserves the right not to proceed with this Offer at any time after the Offer Opening Date, but before our Board meeting for Allotment without assigning reasons thereof. If our Company withdraws the Offer after the Offer Closing Date, we will give reason thereof within two days by way of a public notice which shall be published in the same newspapers where the pre-offer advertisements were published.

Further, the Stock Exchanges shall be informed promptly in this regard and the Lead Manager, through the Registrar to the Offer, 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. In case our Company withdraws the Offer after the Offer Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh offer document with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Offer is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which the Company shall apply for after Allotment. In terms of the SEBI Regulations, Non retail Applicants shall not be allowed to withdraw their Application after the Offer Closing Date.



## JURISDICTION

Exclusive jurisdiction for the purpose of this Offer is with the competent courts/authorities at Mumbai.

## OFFER PROGRAMME

<b>OFFER OPENING DATE</b>	<b>Wednesday, September 30, 2020</b>
<b>OFFER CLOSING DATE</b>	<b>Tuesday, October 06, 2020</b>

Applications and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Offer Period at the Application Centres mentioned in the Application Form.

Standardization of cut-off time for uploading of applications on the Offer Closing Date:

- a. A standard cut-off time of 3.00 p.m. for acceptance of applications.
- b. A standard cut-off time of 4.00 p.m. for uploading of applications received from other than retail individual applicants.
- c. A standard cut-off time of 5.00 p.m. for uploading of applications received from only retail individual applicants, which may be extended up to such time as deemed fit by BSE after taking into account the total number of applications received up to the closure of timings and reported by LM to BSE within half an hour of such closure.

It is clarified that Applications not uploaded would be rejected. In case of discrepancy in the data entered in the electronic form visà-vis the data contained in the physical Application form, for a particular applicant, the details as per physical application form of that Applicant may be taken as the final data for the purpose of allotment.

Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

## OFFER PROCEDURE

All Applicants should review the General Information Document for Investing in Public Offers prepared and issued in accordance with the circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 as amended and modified by the circular (SEBI/HO/CFD/DIL2/CIR/P/2016/26) dated January 21, 2016, and SEBI Circular bearing number (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 and Circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 01, 2018, notified by SEBI (“**General Information Document**”) and SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, included below under Section “PART B – General Information Document”, which highlights the key rules, processes and procedures applicable to public offers in general in accordance with the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the ICDR Regulations. The General Information Document is available on the websites of the Stock Exchanges and the Lead Manager. Please refer to the relevant portions of the General Information Document which are applicable to this Offer.

All Designated Intermediaries in relation to the Offer should ensure compliance with the SEBI circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, as amended and modified by the SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2016/26) dated January 21, 2016 and SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 and SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, in relation to clarifications on streamlining the process of public offer of equity shares and convertibles. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, Retail Individual Investors applying in public offer may use either Application Supported by Blocked Amount (ASBA) process or UPI payment mechanism by providing UPI-ID in the Application Form which is linked from bank account of the Applicant.

Additionally, all Applicants may refer to the General Information Document for information, in addition to what is stated herein, in relation to (i) category of Applicants eligible to participate in the Offer; (ii) maximum and minimum Application size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Applicants and Retail Individual Investors applying through the Unified Payments Interface channel; (v) issuance of Confirmation of Allocation Note (“CAN”) and Allotment in the Offer; (vi) general instructions (limited to instructions for completing the Application Form); (vii) Designated Date; (viii) disposal of Applications; (ix) submission of Application Form; (x) other instructions (limited to joint Applications in cases of individual, multiple Applications and instances when an Application would be rejected on technical grounds); (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious Applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.

Our Company, the Selling Shareholders and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this chapter and the General Information Document and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that their Applications 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 Prospectus.

Please note that all Applicants applying in the Offer can participate in the Offer only through the ASBA process. Applicants should carefully read the provisions applicable before making their Application through the ASBA process. Applicants are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB at the time of submitting the Application. As an alternate payment mechanism, Applicants may apply through UPI as per SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, Retail Individual Investors applying in public offer may use either Application Supported by Blocked Amount (ASBA) process or UPI payment mechanism by providing UPI-ID in the Application Form which is linked from bank account of the Applicant.

### **Phased implementation of Unified Payments Interface (UPI)**

SEBI has issued a circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 01, 2018 in relation to streamlining the process of public offer of equity shares and convertibles (“**UPI Circular**”). Pursuant to the circular, Unified Payments Interface (“**UPI**”) is proposed to be introduced in a phased manner (phase I was made



effective from January 01, 2019) as an additional mode of payment with ASBA Form for Applications by Retail Individual Investors through intermediaries (i.e., Syndicate members, Registered Stock Brokers, Registrar and Transfer Agents and Depository Participants) (“UPI Channel”). The UPI Channel for making Applications by Retail Individual Investors will be made available in accordance with the UPI Circular.

**Retail Individual Investors should note that the Application using UPI Channel is optional and they can make Applications by submitting Application Forms, in physical form or in electronic mode, to the members of the Syndicate, the sub-Syndicate, SCSBs, the Registered Brokers, Registrars to the Offer and Share Transfer Agents and Depository Participants pursuant to SEBI Circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019 where the timeline for implementation of Phase II has been extended till March 31, 2020.**

## PART A

### **FIXED PRICE OFFER PROCEDURE**

The Offer is being made under Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 through a Fixed Price Process. wherein a minimum 50% of the Net Offer is allocated for Retail Individual Applicants and the balance shall be offered to individual applicants other than Retail Individual Applicants and other investors including corporate bodies or institutions, QIBs and Non-Institutional Applicants. However, if the aggregate demand from the Retail Individual Applicants is less than 50%, then the balance Equity Shares in that portion will be added to the non-retail portion offered to the remaining investors including QIBs and NIIs and vice-versa subject to valid Applications being received from them at or above the Offer Price.

Additionally, if the Retail Individual Applicants category is entitled to more than fifty per cent on proportionate basis, the Retail Individual Applicants shall be allocated that higher percentage. However, the Application by an Applicant should not exceed the investment limits prescribed under the relevant regulations/statutory guidelines.

Subject to the valid Applications being received at or above the Offer Price, allocation to all categories in the Net Offer, shall be made on a proportionate basis, except for the Retail Portion where Allotment to each Retail Individual Applicants shall not be less than the minimum lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under subscription if any, in any category, except in the QIB Portion, 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 LM and the BSE SME. Applicants are required to submit their Applications to the Application collecting intermediaries i.e. SCSB or Registered Brokers of Stock Exchanges or Registrar to the Offer and Share Transfer Agents (RTAs) or Depository Participants (DPs) registered with SEBI. 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 Equity Shares will be allotted to successful Applicants in dematerialized form only. The Application Forms which do not have the details of the Applicant’s depository account, including DP ID, Client ID, PAN and UPI ID (for RII Applicants bidding using the UPI mechanism), shall be treated as incomplete and will be rejected. Applicants will not have option of being allotted Equity shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialized segment of the Stock Exchange, as mandated by SEBI.**

### **APPLICATION FORMS**

In terms of Regulation 256 of SEBI (ICDR) Regulations, 2018 read with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, and Unified Payments Interface (UPI) introduced vide SEBI Circular Ref: SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018 all the potential Applicants shall participate in the Offer only through an Application Supported by Blocked Amount process providing details about the bank account which will be blocked by the Self Certified Syndicate Banks for the same. **Retail Individual Investors should note that the Application using UPI Channel is optional and they can make Applications by submitting Application Forms, in physical form or in electronic mode, to the members of the Syndicate, the sub-Syndicate, SCSBs, the Registered Brokers, Registrars to the Offer and Share Transfer**



**Agents and Depository Participants pursuant to SEBI Circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019 where the timeline for implementation of Phase II has been extended till March 31, 2020.**

Application Forms will be available with the Syndicate/ sub-Syndicate members, SCSBs and at our Registered Office. In addition, the Application Forms will also be available for download on the website of Stock Exchange BSE (www.bseindia.com), at least 1 day prior to the Offer Opening Date.

All Applicants shall mandatorily participate in the Offer only through the ASBA process except as mentioned in the SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019. ASBA Applicants must provide bank account details and authorisation to block funds in the relevant space provided in the Application Form or alternatively, the Retail Individual Investors wishing to apply through UPI Channel, may provide the UPI-ID and validate the blocking of the funds and the Application Forms that do not contain such details are liable to be rejected. For further details on the UPI Channel please refer SEBI circular Ref: SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018 and SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019.

Applicants shall ensure that the Applications are made on Application Forms bearing the stamp of a member of the Syndicate or the Registered Broker or the SCSBs or Registrars to the Offer and Share Transfer Agents or Depository Participants, as the case may be, submitted at the Collection Centres only (except in case of electronic Application Forms) and the Application Forms not bearing such specified stamp are liable to be rejected.

Pursuant to SEBI Circular dated November 10, 2015 and bearing Reference No. CIR/CFD/POLICYCELL/11/2015 which shall be applicable for all public offers opening on or after January 01, 2016, all the investors can apply through ASBA mode. Alternatively, Applicants can apply through UPI. The prescribed colour of the Application Form for various categories applying in this Offer is as follows:

Category	Colour of Application Form
Resident Indians and Eligible NRIs applying on a non-repatriation basis (ASBA)**	White*
Non-Residents and Eligible NRIs applying on a repatriation basis (ASBA)**	Blue*

\* Excluding electronic Application Form.

\*\* Application Forms will also be available on the website of the BSE (www.bseindia.com). Same Application Form applies to all ASBA Applicants/ Retail Individual Investors applying through UPI mechanism, irrespective of whether they are submitted to the SCSBs, to the Registered Brokers, to Registrars to the Offer and Share Transfer Agents, Depository Participants or to the Syndicate (in Specified Cities).

The upload of the details in the electronic bidding system of Stock Exchange will be done by:

<b>For Applications submitted by investors to SCSB:</b>	After accepting the Application Form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchanges(s) and may be blocking funds available in the bank account specified in the form, to the extent of the Application Amount specified.
<b>For Applications submitted by investors to intermediaries other than SCSBs:</b>	After accepting the Application Form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of stock exchange(s). Post uploading, they shall forward a schedule as per prescribed format along with the Application Forms to Designated Branches of the respective SCSBs for blocking of funds within 1 day of Offer Closing Date.

Upon completion and submission of the Application Form to Application Designated Intermediaries, the Application are deemed to have authorised our Company to make the necessary changes in the Prospectus, without prior or subsequent notice of such changes to the Applicants.

Designated Intermediaries (other than SCSBs) shall submit/deliver the ASBA Forms/ Application Forms to the respective SCSB, where the Applicant has a bank account and shall not submit it to any non-SCSB bank or any escrow collection bank.

## AVAILABILITY OF PROSPECTUS AND APPLICATION FORMS

The Application Forms and copies of Prospectus may be obtained from the Registered Office of our Company, Lead Manager to the Offer, Registrar to the Offer, as mentioned in the Application Form. The Application Forms may also be downloaded from the website of BSE i.e. [www.bsesme.com](http://www.bsesme.com)

## WHO CAN APPLY?

Each Applicant should check whether it is eligible to apply under applicable law, rules, regulations, guidelines and policies.

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 Bidders should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form as follows: Name of Sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Bids 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 Offer;
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 ₹ 2,500 Lakh 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 Offer, 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 Offer.

In addition to the category of Bidders set forth *above*, 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.

**Applications not to be made by:**

- i) Minors (except under guardianship)
- ii) Partnership firms or their nominees
- iii) Foreign Nationals (except NRIs)
- iv) Overseas Corporate Bodies

**As per the existing regulations, OCBs are not eligible to participate in this Offer. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case to case basis. OCBs may invest in this Offer provided it obtains a prior approval from the RBI or prior approval from Government, as the case may be. On submission of such approval along with the Application Form, the OCB shall be eligible to be considered for share allocation.**

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

**MAXIMUM AND MINIMUM APPLICATION SIZE**

The applicants in this Offer, being a fixed price, will be categorized into two;

**1. For Retail Individual Applicants**

The Application must be for a minimum of 800 Equity Shares and in multiples of 800 Equity Shares thereafter, so as to ensure that the Application Price payable by the Applicant does not exceed ₹2.00 Lakh. In case of revision of Applications, the Retail Individual Applicants have to ensure that the Application Price does not exceed ₹2.00 Lakh.

**2. 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 ₹2.00 Lakh and in multiples of 800 Equity Shares thereafter. An Application cannot be submitted for more than the Net Offer 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 Offer 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 ₹2.00 Lakh 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 Prospectus.**

The above information is given for the benefit of the Applicants. The Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this 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.

#### **METHOD AND PROCESS OF APPLICATIONS**

- i) The Designated Intermediaries shall accept applications from the Applicants during the Offer Period.
- ii) The Offer Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Offer Period may be extended, if required, by an additional three Working Days, subject to the total Offer Period not exceeding 10 Working Days.
- iii) During the Offer Period, Applicants who are interested in subscribing to the Equity Shares should approach the Designated Intermediaries to register their applications.
- iv) 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 Offer.
- v) 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.
- vi) 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.
- vii) 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.
- viii) 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.
- ix) 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.
- x) 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 Offer Account, or until withdrawal/ failure of the Offer or until withdrawal/ rejection of the Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Offer 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 Offer Account. In case of withdrawal/ failure of the Offer, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Offer.



#### **INFORMATION FOR THE APPLICANTS**

- a) Our Company shall register the Prospectus with the RoC at least 3 (three) working days before the Offer Opening Date.
- b) Our Company shall, after registering the Prospectus with the RoC, make a pre-offer advertisement, in the form prescribed under the SEBI ICDR Regulations, in English and Hindi national newspapers and one regional newspaper with wide circulation. In the pre-offer advertisement, our Company, and the Lead Manager shall advertise the Offer Opening Date, the Offer Closing Date. This advertisement, subject to the provisions of the Companies Act, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.
- c) The Lead Manager will circulate copies of the Prospectus along with the Application Form to potential investors.
- d) Any investor, being eligible to invest in the Equity Shares offered, who would like to obtain the Prospectus and/ or the Application Form can obtain the same from the Company's Registered Office or from the Registered Office of the Lead Manager.
- e) Applicants who are interested in subscribing to the Equity Shares should approach the Lead Manager or their authorized agent(s) to register their Applications.
- f) Applications made in the name of Minors and/or their nominees shall not be accepted.

#### **PARTICIPATION BY ASSOCIATES / AFFILIATES OF LEAD MANAGER AND THE SYNDICATE MEMBERS**

The Lead Manager, Market Maker and the Underwriter, if any shall not be entitled to subscribe to this Offer in any manner, except for fulfilling their underwriting and market making obligations. However, the associates/affiliates of the Lead Manager and Syndicate Members, if any, may subscribe for Equity Shares in the offer, 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 MUTUAL FUNDS**

As per the Current regulations, the following restrictions are applicable for investments by Mutual Fund:

No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any 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.

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.

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.

#### **APPLICATION BY INDIAN PUBLIC INCLUDING ELIGIBLE NRIS APPLYING ON NON-REPATRIATION**

Application must be made only in the names of individuals, limited companies or statutory corporations/institutions and not in the names of minors, foreign nationals, Non-Resident Indian (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), HUFs, 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 debit to NRE/FCNR accounts as well as NRO accounts.

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.

#### **APPLICATIONS BY ELIGIBLE NRIS/RPFI'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.

The Company does not require approvals from FIPB or RBI for the Transfer of Equity Shares in the issue to eligible NRI's, FII's, Foreign Venture Capital Investors registered with SEBI and multilateral and bilateral development financial institutions.

#### **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; (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) 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; and (n) 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) A foreign portfolio investor shall transact in the securities in India only on the basis of 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 the Board;
  - 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 IX of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - iv. Any other transaction specified by the Board.
- 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 the Board; 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 promoters 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 Receipt 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 IX of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - viii. 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 the Board, 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, the



Board 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 the Board in this regard. No foreign portfolio investor may issue, subscribe to or otherwise deal in offshore derivative instruments, directly or indirectly, unless the following conditions are satisfied:
  - i. Such offshore derivative instruments are issued only to persons who are regulated by an appropriate foreign regulatory authority;
  - ii. 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.
8. 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 only to persons who are regulated by an appropriate foreign regulatory authority.
9. Foreign portfolio investors shall fully disclose to the Board 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 the Board may specify.
10. 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.
11. An FII or its subaccount 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.
12. 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.
13. The offer of Equity Shares to a single FII should not exceed 10% of our post offer Paid up Capital of the Company. In respect of an FII investing in Equity Shares of our Company on behalf of its sub accounts, the investment on behalf of each sub account shall not exceed 10% of our total issued capital or 5% of our total issued capital in case such sub account is a foreign corporate or an individual.
14. In accordance with the foreign investment limits, the aggregate FII holding in our Company cannot exceed 24% of our total issued capital. However, this limit can be increased to the permitted sectoral cap/statutory limit, as applicable to our Company after obtaining approval of its board of Directors followed by the special resolution to that effect by its shareholders in their General Meeting. As on the date of filing the Prospectus, no such resolution has been recommended to the shareholders of the Company for adoption.
15. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of regulation 15A(1) of the Securities Exchange Board of India (Foreign Institutional Investors) Regulations 1995, as amended, an FII may offer, deal or hold, off shore derivative instruments such as participatory notes, equity linked notes or any other similar instruments against underlying securities listed or proposed to be listed in any stock exchange in India only in favour of those entities which are regulated by any relevant regulatory authorities in the countries of their incorporation or establishment subject to compliance of "Know Your Client" requirements. An FII shall also ensure that no further downstream offer or transfer of any instrument referred to hereinabove is made to any person other than a regulated entity.

16. In case of FII's in NRI/FII Portion, number of Equity Shares applied shall not exceed offer size.

#### **APPLICATIONS BY HUF**

Application by Hindu Undivided Families or HUFs should be 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". Application by HUFs will be considered at par with Applications by individuals.

#### **APPLICATIONS BY FPIs**

In terms of the FPI Regulations, the offer of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) is not permitted to exceed 10% of our post- offer Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24.00% of the paid-up Equity Share capital of our Company. The aggregate limit of 24.00% may be increased upto the sectoral cap by way of a resolution passed by our Board of Directors followed by a special resolution passed by the shareholders of our Company and subject to prior intimation to the RBI.

In case the total holding of an FPI increases beyond 10.00% of the total paid-up Equity Share capital of our Company, on a fully diluted basis or 10.00% or more of the paid-up value of any series of debentures or preference shares or share warrants issued that may be issued by our Company, the total investment made by the FPI will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements.

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the FPI Regulations, an FPI, other than Category III foreign portfolio and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may offer or otherwise deal in offshore derivative instruments (as defined under the FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with 'know your client' norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority. In case of Applications made by FPIs, a verified true copy of the certificate of registration issued by the designated Depository Participant under the FPI Regulations is required to be attached along with the Application form, failing which our Company reserves the right to reject the Application without assigning any reasons thereof.

#### **APPLICATION BY SEBI REGISTERED ALTERNATE INVESTMENT FUND (AIF), VENTURE CAPITAL FUNDS AND FOREIGN VENTURE CAPITAL INVESTORS**

The VCF Regulations and the FVCI Regulations, as amended, inter alia prescribe the investment restrictions on VCFs and FVCIs, respectively, registered with SEBI. Further, the AIF Regulations prescribe, amongst others, the investment restrictions on AIFs.

Accordingly, the holding in any company by any individual VCF or FVCI registered with SEBI should not exceed 25% of the corpus of the VCF or FVCI. Further, VCFs and FVCIs can invest only upto 33.33% of the investible funds in various prescribed instruments, including in public offerings.

The category I and II AIFs cannot invest more than 25.00% of the corpus in one investee company. A category III AIF cannot invest more than 10.00% of the corpus in one investee company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3<sup>rd</sup> of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulations.



All Non-Resident Applicants including Eligible NRIs, FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and / or commission. There is no reservation for Eligible NRIs, FIIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.

Further, according to the ICDR Regulations, the shareholding of VCFs, category I or II AIFs and FVCIs held in a company prior to making an initial public offering would be exempt from lock-in requirements only if the shares have been held by them for at least 1 year prior to the time of filing the Prospectus with SEBI. However, such Equity Shares shall be locked in for a period of at least 1 year from the date of purchase by the VCF, category I or II AIF or FVCI, as the case may.

#### **APPLICATIONS BY LIMITED LIABILITY PARTNERSHIPS**

In case of Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reason thereof.

#### **APPLICATIONS BY SCSBs**

SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making Applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making Application in public offers and clear demarcated funds should be available in such account for ASBA Applications.

#### **APPLICATIONS BY BANKING COMPANIES**

In case of Applications made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by the RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Application Form, failing which our Company reserves the right to reject any Application by a banking company without assigning any reason therefore.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (**the "Banking Regulation Act"**), and the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10.00% of the paid-up share capital of the investee company, not being its subsidiary engaged in non- financial services, or 10.00% of the bank's own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10.00% but not exceeding 30.00% of the paid-up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6 (1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt/corporate debt restructuring/strategic debt restructuring, or to protect the bank's interest on loans/investments made to a company. The bank is required to submit a timebound action plan for disposal of such shares within a specified period to the RBI. A banking company would require a prior approval of the RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed), and (ii) investment in a non-financial services company in excess of 10.00% of such investee company's paid-up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016.

#### **APPLICATIONS BY INSURANCE COMPANIES**

In case of Applications made by insurance companies, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2016 (**the "IRDAI Investment Regulations"**) are broadly set forth below:

- a. Equity shares of a company: the lower of 10% of the outstanding Equity Shares (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;





- b. The entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- c. The industry sector in which the investee company belong to not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10.00% of the investment assets of a life insurer or general insurer and the amount calculated under points (i), (ii) and (iii) above, as the case maybe.

The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹2,500,000 million or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹500,000.00 million or more but less than ₹2,500,000.00 million.

Insurance companies participating in this Offer, shall comply with all applicable regulations, guidelines and circulars issued by IRDA from time to time.

#### **APPLICATION BY PROVIDENT FUNDS/ PENSION FUNDS**

In case of Applications made by provident funds/ pension funds, subject to applicable laws, with minimum corpus of ₹ 2,500.00 Lakh, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application, without assigning any reason thereof.

#### **APPLICATIONS BY SYSTEMICALLY IMPORTANT NON-BANKING FINANCIAL COMPANIES**

In case of Application by Systemically Important Non-Banking Financial Companies, certified copy of a) the certificate of registration issued by RBI, b) certified copy of its latest audited financial statement on a standalone basis and a net worth certificate from its statutory auditor and c) such other approval as may be required by Systemically Important Non-Banking Financial Companies are required to be attached to the Application Form. Failing this, our Company reserves the right to accept or reject any such Application without assigning any reasons, therefore. Systemically Important Non-Banking Financial Companies participating in this Offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

#### **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 ₹2,500 Lakh (subject to applicable law) and pension funds with a minimum corpus of ₹2,500 Lakh, 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 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 provident funds with minimum corpus of ₹2,500 Lakh (subject to applicable law) and pension funds with minimum corpus of ₹2,500 Lakh 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 Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form, subject to such terms and conditions that the Company and the lead manager may deem fit.

The Company, in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar to the Offer that, for the purpose of printing particulars on the refund order and mailing of the Allotment Advice/CANs/letters notifying the unblocking of the bank accounts of ASBA applicants, the Demographic Details given on the Application Form should be used (and not those obtained from the Depository of the application). In such cases, the Registrar to the Offer shall use Demographic Details as given on the Application Form instead of those obtained from the Depositories.

***The above information is given for the benefit of the Applicants. The Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the 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.***

#### **OFFER PROCEDURE FOR ASBA (APPLICATION SUPPORTED BY BLOCKED ACCOUNT) APPLICANTS**

In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process. Our Company and the Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of the Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.

Lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on [www.sebi.gov.in](http://www.sebi.gov.in). For details on designated branches of SCSB collecting the Application Form, please refer the below mentioned SEBI link.

<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>  
<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>

#### **TERMS OF PAYMENT**

The entire offer price of ₹159.00 per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Applicants.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Offer Account, the balance amount after transfer will be unblocked by the SCSBs.

Application Amount paid in cash, by money order or by postal order or by stock invest, or ASBA Application Form accompanied by cash, draft, money order, postal order or any mode of payment other than blocked amounts in the SCSB bank accounts, shall not be accepted.



After verifying that sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the ASBA Application Form till the Designated Date.

On the Designated Date, the SCSBs shall transfer the amounts allocable to the ASBA Applicants from the respective ASBA Account, in terms of the SEBI Regulations, into the ASBA Public Offer Account. The balance amount, if any against the said Application in the ASBA Accounts shall then be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Offer.

The entire Application Amount, as per the Application Form submitted by the respective ASBA Applicants, would be required to be blocked in the respective ASBA Accounts until finalization of the Basis of Allotment in the Offer and consequent transfer of the Application Amount against allocated shares to the ASBA Public Offer Account, or until withdrawal/ failure of the Offer or until rejection of the ASBA Application, as the case may be.

#### **ALLOCATION OF EQUITY SHARES**

1. The Offer is being made through the Fixed Price Process wherein 5,08,800 Equity Shares shall be reserved for Market Maker and 25,600 Equity Shares (Net Offer) will be allocated on a proportionate basis to Retail Individual Investors, and Non-Retail Applicants.
2. Under-subscription if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the Lead Managers and the Stock Exchange.
3. Allocation to Non-Residents, including Eligible NRIs, Eligible QFIs, 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 ICDR 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 Offer.

#### **UNBLOCKING OF ASBA ACCOUNT**

On the basis of instructions from the Registrar to the Offer, the SCSBs shall transfer the requisite amount against each successful ASBA Applicant to the ASBA Public Offer Account as per section 40(3) of the Companies Act, 2013 and shall unblock excess amount, if any in the ASBA Account.

However, the Application Amount may be unblocked in the ASBA Account prior to receipt of intimation from the Registrar to the Offer by the Controlling Branch of the SCSB regarding finalization of the Basis of Allotment in the Offer, in the event of withdrawal/failure of the Offer or rejection of the ASBA Application, as the case may be.

#### **OPTION TO RECEIVE EQUITY SHARES IN DEMATERIALIZED FORM**

Investors should note that Allotment of Equity Shares to all successful Applicants will only be in the dematerialized form in compliance of the Companies Act, 2013.

Furnishing the details depository account is mandatory and applications without depository account shall be treated as incomplete and rejected.

The Equity Shares on Allotment shall be traded only in the dematerialized segment of the Stock Exchanges.

Applicants will not have the option of getting Allotment of the Equity Shares in physical form. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provision of the Companies Act and the Depositories Act.

#### **PRE-OFFER ADVERTISEMENT**

As provided in Section 30 of the Companies Act, 2013 and 264(2) of the SEBI (ICDR) Regulations, 2018, the Company shall, after registering the Prospectus with the RoC, publish a pre-offer advertisement, in the form



prescribed by the SEBI ICDR Regulations, in one widely circulated English national daily newspaper; one widely circulated Hindi national daily newspaper and one regional language newspaper with wide circulation.

#### **FILLING OF THE PROSPECTUS WITH THE ROC**

The Company will file a copy of the Prospectus with the RoC in terms of Section 26 and Section 32 of Companies Act, 2013.

#### **DESIGNATED DATE**

On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into Public Offer Account with the Bankers to the Offer.

#### **ISSUANCE OF ALLOTMENT ADVICE**

Upon approval of the Basis of Allotment by the designated stock exchange, the Registrar shall upload on its website. On the basis of approved basis of allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Applicants are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the offer.

1. Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Applicants who have been allotted Equity Shares in the Offer. The dispatch of allotment advice shall be deemed a valid, binding and irrevocable contract.
2. 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 Offer 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 Offer Account to Public Offer account of the issuer.

#### **SIGNING OF UNDERWRITING AGREEMENT**

The offer is 100% Underwritten. Our Company and the selling shareholders has entered into an Underwriting Agreement with the Lead Manager on September 05, 2020.

#### **GENERAL INSTRUCTIONS**

##### **Do's:**

1. All Applicants should submit the application through ASBA process only;
2. Check if you are eligible to apply as per the terms of the Prospectus and under applicable laws, rules, regulations, guidelines and approvals;
3. Read all the instructions carefully and complete the applicable Application Form in the prescribed form;
4. Ensure that the details about the DP ID and Client ID of the applicant are correct and the beneficiary depository account id active, as Allotment of Equity Shares will be in the dematerialized form only;
5. Applicant shall use only his/her own bank account or only his/her own account linked UPI ID to make an application.
6. Each of the Applicants should mention their Permanent Account Number (PAN) allotted under the Income Tax Act, 1961;
7. Ensure that the Demographic Details (as defined herein below) are updated, true and correct in all respects;
8. 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;



9. Instruct your respective Banks to release the funds blocked in the ASBA Account/ UPI ID linked bank account under the ASBA process;
10. Ensure that the Application Form is signed by the account holder in case the applicant is not the account holder.
11. Ensure that you have mentioned the correct bank account number in the Application Form and in case of Retail Individual Applicants applying through UPI Channel, ensure that you have mentioned the correct UPI ID;
12. Retail Individual Applicants shall ensure that the bank, with which such Retail Individual Applicants has a bank account, where the funds equivalent to the application amount are available for blocking is UPI 2.0 certified by the NPCI;
13. Ensure that you have funds equal to the Application Amount in the ASBA account or UPI ID linked Bank Account maintained with the SCSB before submitting the Application Form to the respective Designated Branch of the SCSB, the Registered Broker (at the Broker Centres), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
14. Ensure that the Application Forms are delivered by the applicants within the time prescribed as per the Application Form and the Prospectus;
15. All Investors submit their applications through the ASBA process only;
16. Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Application Form; and
17. Ensure that you tick the correct investor category and the investor status, as applicable, in the ASBA Form to ensure proper upload of your Application in the electronic Bidding system of the Stock Exchanges;
18. Ensure that in case of Applications under power of attorney or by limited companies, corporate, trust, etc., all relevant documents are submitted;
19. Ensure that you have correctly signed the authorization/ undertaking box in the ASBA Form, or have otherwise provided an authorization to the SCSB or the Sponsor Bank via the electronic Mode, for blocking funds in the ASBA Account equivalent to the Application Amount mentioned in the ASBA Form;
20. For Retail Individual Applicants bidding using the UPI mechanism, ensure that you approve the request generated by the Sponsor Bank to authorize blocking of funds equivalent to application amount and subsequent debit of funds in case of allotment, in a timely manner;
21. Retail Individual Applicants shall ensure that details of the Application are reviewed and verified by opening the attachment in the UPI mandate request and then proceed to authorize the UPI request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, a Retail Individual Applicant may be deemed to have verified the attachment containing the application details of the Retail Individual Applicant in the UPI mandate request and have agreed to block the entire Application Amount and authorized the Sponsor Bank to block the Application Amount mentioned in the Application Form; and
22. Retail Individual Applicants bidding using the UPI mechanism should mention valid UPI ID of only the Applicant (in case of single account) and of the first Applicant (in case of joint account) in the Application Form;

The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

**Don'ts:**

1. Do not apply for lower than the minimum Application size;
2. Do not apply at a price different from the price mentioned herein or in the Application Form;



3. Do not apply on another Application Form after you have submitted an Application to the SCSBs, Registered Brokers of Stock Exchange, RTA and DPs registered with SEBI.
4. Do not pay the Application price in cash, by money order or by postal order or by stock invest;
5. Do not send Application Forms by post; instead submit the same to the Application Collection Intermediaries only;
6. Do not submit the Application Forms to any non-SCSB bank or our Company;
7. Do not apply on an Application Form that does not have the stamp of the relevant Application Collection Intermediary;
8. Do not submit the application without ensuring that funds equivalent to the entire application Amount are blocked in the relevant ASBA Account;
9. Do not submit more than 1 Application Form for each UPI ID in case of Retail Individual Applicant bidding through the Designated Intermediary using the UPI Mechanism;
10. Do not Bid for an Application Amount exceeding ₹2.00 Lakh for Application by Retail Individual Applicants;
11. Do not fill up the Application Form such that the Equity Shares applied for exceeds the Offer 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;
12. Do not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground;
13. 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 Offer;
14. Do not submit applications on plain paper or incomplete or illegible application forms in a colour prescribed for another category of Applicant; and
15. Do not make Applications if you are not competent to contract under the Indian Contract Act, 1872, as amended.
16. Do not make more than five application from one bank account
17. Do not use third party bank account or third-party UPI ID linked Bank Account for making the Application;

#### **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.

#### **GROUND FOR REJECTIONS**

Applicants are advised to note that Applications are liable to be rejected inter alia on the following technical grounds:

- a) Amount paid does not tally with the amount payable for the highest value of Equity Shares applied for;
- b) 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;
- c) Application by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- d) PAN not mentioned in the Application Form;
- e) GIR number furnished instead of PAN;



- f) Applications for lower number of Equity Shares than specified for that category of investors;
- g) Applications at a price other than the Fixed Price of the Offer;
- h) Applications for number of Equity Shares which are not in multiples of 800;
- i) Category not ticked;
- j) Multiple Applications as defined in the Prospectus as such, based on common PAN;
- k) In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- l) Applications accompanied by Stock invest/ money order/ postal order/ cash;
- m) Signature of sole Applicant is missing;
- n) Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms, Offer Opening Date advertisement and the Prospectus and as per the instructions in the Prospectus and the Application Forms;
- o) 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;
- p) Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- q) Applications by OCBs;
- r) Applications by US persons other than in reliance on Regulations or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- s) Applications not duly signed by the applicant;
- t) Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
- u) Applications by any person that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- v) Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- w) 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;
- x) Applications or revisions thereof by QIB Applicants, Non-Institutional Applicants where the Application Amount is in excess of ₹2.00 Lakh, received after 3:00 pm on the Offer Closing Date;
- y) Applications not containing the details of Bank Account and/or Depositories Account.
- z) Inadequate funds in the bank account to block the Application Amount specified in the Application Form/Application Form at the time of blocking such Application Amount in the bank account;
- aa) Where no confirmation is received from SCSB for blocking of funds;
- bb) Applications by Applicants, other Retail Individual Applicants, not submitted through ASBA process and Applications by Retail Individual Applicants not submitted through ASBA process or the UPI process;
- cc) Failure of Retail Individual Applicants to validate the request of blocking of Application amount sent by the Sponsor Bank;
- dd) Applications not uploaded on the terminals of the Stock Exchanges;
- ee) Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Application Form;
- ff) Details of ASBA Account not provided in the Application form;
- gg) In case of Retail Individual Applicants applying through the UPI mechanism, details of UPI ID, not provided in the Application form; etc.

For details of instruction in relation to the Application Form, Applicants may refer to the relevant section of GID and UPI Circular

**APPLICANT 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 EXCHANGE BY THE BROKERS DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE APPLICATION FORM IS LIABLE TO BE REJECTED.**

#### **INSTRUCTIONS FOR COMPLETING THE APPLICATION FORM**

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. Application forms submitted to the SCSBs should bear the stamp of respective intermediaries to whom the application form submitted. Application form submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch. Application forms submitted by Applicants whose



beneficiary account is inactive shall be rejected. SEBI, vide Circular No. CIR/CFD/14/2012 dated October 4, 2012 has introduced an additional mechanism for investors to submit application forms in public offers using the stock broker (“broker”) network of Stock Exchanges, who may not be syndicate members in an offer with effect from January 01, 2013. The list of Broker’s Centre is available on the websites of BSE i.e. [www.bseindia.com](http://www.bseindia.com).

#### **NAMES OF ENTITIES RESPONSIBLE FOR FINALISING THE BASIS OF ALLOTMENT IN A FAIR AND PROPER MANNER**

The authorized employees of the Stock Exchange, along with the LM and the Registrar, shall ensure that the Basis of Allotment is finalized in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

#### **COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING**

Our Company shall 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 (six) Working Days of the Offer Closing Date. The Registrar to the Offer may dispatch the Allotment Advice within 6 (six) Working Days of the Offer Closing Date.

#### **EQUITY SHARES IN DEMATERIALIZED FORM WITH NSDL OR CDSL**

To enable all shareholders of the Company to have their shareholding in electronic form, the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

1. a tripartite agreement dated September 02, 2020 with NSDL, our Company and Registrar to the Offer;
2. a tripartite agreement dated September 02, 2020 with CDSL, our Company and Registrar to the Offer;

The Company’s shares bear an ISIN: INE0E2801015.

- a) An applicant applying for Equity Shares in demat form must have at least one beneficiary account with the Depository Participants of either NSDL or CDSL prior to making the application.
- b) The applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant’s Identification number) appearing in the Application Form or Revision Form.
- c) Equity Shares allotted to a successful applicant will be credited in electronic form directly to the Applicant’s beneficiary account (with the Depository Participant).
- d) Names in the Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
- e) If incomplete or incorrect details are given under the heading ‘Applicants Depository Account Details’ in the Application Form or Revision Form, it is liable to be rejected.
- f) The Applicant is responsible for the correctness of his or her demographic details given in the Application Form vis-à-vis those with their Depository Participant.
- g) It may be noted that Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange platform where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.
- h) The trading of the Equity Shares of our Company would be only in dematerialized form.

#### **COMMUNICATIONS**

All future communications in connection with Applications made in this Offer should be addressed to the Registrar to the Offer 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 Banker to the Offer where the Application was submitted and a copy of the acknowledgement slip.





Investors can contact the Compliance Officer or the Registrar to the Offer in case of any pre-offer or post offer related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc. at below mentioned addresses;

<p><b>To,</b>  <b>Ms. Dimple Amrit Parmar</b>  <b>G M Polyplast Limited</b>  <b>Company Secretary &amp; Compliance Officer,</b>  A-66 New Empire Industrial Estate Kondivita Road,  Andheri East, Mumbai - 400059 Maharashtra, India  <b>Tel:</b> +91 – 022-2820 9552  <b>E-mail:</b> <a href="mailto:compliance@gmpolyplast.com">compliance@gmpolyplast.com</a>  <b>Website:</b> <a href="http://www.gmpolyplast.com">http://www.gmpolyplast.com</a></p>	<p><b>To the Registrar to the Offer</b>  <b>Mr. Arvind Tandel</b>  <b>Bigshare Services Private Limited</b>  1st Floor, Bharat Tin Works Building,  Opp. Vasant Oasis, Makwana Road, Marol,  Andheri East, Mumbai – 400 059, Maharashtra, India  <b>Tel No.:</b> +91 – 22 – 6263 8200;  <b>Fax No.:</b> +91 – 22 – 6263 8299  <b>SEBI Registration No.:</b> INR000001385  <b>Email:</b> <a href="mailto:ipo@bigshareonline.com">ipo@bigshareonline.com</a>;  <b>Website:</b> <a href="http://www.bigshareonline.com">www.bigshareonline.com</a></p>
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#### DISPOSAL OF APPLICATIONS AND APPLICATION MONEYS AND INTEREST IN CASE OF DELAY

The Company and the Selling Shareholders shall ensure the dispatch of Allotment advice, instructions to SCSBs and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within one working day of the date of Allotment of Equity Shares.

The Company and the Selling Shareholders shall use best efforts that all steps for completion of the necessary formalities for listing and commencement of trading at SME Platform of BSE where the Equity Shares are proposed to be listed are taken within 6 (six) working days of closure of the offer.

#### IMPERSONATION

Attention of the applicants is specifically drawn to the provisions of section 38(1) of the Companies Act, 2013 which is reproduced below:

- a) ‘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
- 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 of Companies Act, 2013 and shall be treated as Fraud.

*Section 447 of the Companies Act, 2013, is reproduced as below:*

*Without prejudice to any liability including repayment of any debt under this Act or any other law for the time being in force, any person who is found to be guilty of fraud involving an amount of at least ten lakh rupees or one per cent. Of the turnover of the company, whichever is lower shall be punishable with imprisonment for a term which shall not be less than six months but which may extend to ten years and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to three times the amount involved in the fraud:*

*Provided that where the fraud in question involves public interest, the term of imprisonment shall not be less than three years.*

*Provided further that where the fraud involves an amount less than ten lakh rupees or one per cent. of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to twenty lakh rupees or with both.*



#### **UNDERTAKINGS BY OUR COMPANY**

We undertake as follows:

- 1) That the complaints received in respect of the offer shall be attended to by us expeditiously and satisfactorily;
- 2) That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within 6 (six) Working days of Offer Closing Date.
- 3) That the funds required for making refunds/unblocking to unsuccessful applicants as per the mode(s) disclosed shall be made available to the registrar to the offer by the issuer.
- 4) That where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the specified period of closure of the offer giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund.
- 5) That the promoters' contribution in full, wherever required, shall be brought in advance before the offer opens for public subscription and the balance, if any, shall be brought on a pro rata basis before the calls are made on public in accordance with applicable provisions in these regulations.
- 6) That no further offer of securities shall be made till the securities offered through the Prospectus are listed or till the application monies are refunded on account of non-listing, under subscription, etc., other than as disclosed in accordance with Regulation 278.
- 7) That adequate arrangements shall be made to collect all Applications Supported by Blocked Amount and to consider them similar to non-ASBA applications while finalizing the basis of allotment.
- 8) That if the Company do not proceed with the Offer, the reason thereof shall be given as a public notice to be issued by our Company within two days of the Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-offer advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
- 9) That if the Company withdraws the Offer after the Offer 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;

#### **UNDERTAKING BY THE SELLING SHAREHOLDERS**

Only statements and undertakings which are specifically “confirmed” or “undertaken” by the Selling Shareholders in this Prospectus shall be deemed to be “statements and undertakings made by the Selling Shareholders.” All other statements and/ or undertakings in this Prospectus shall be statements and undertakings made by our Company even if the same relates to the Selling Shareholders. Each Selling Shareholder severally and not jointly, specifically confirms and undertakes the following in respect of itself and the Equity Shares being offered by it pursuant to the Offer for Sale:

1. Its respective portion of the Offered Shares shall be transferred in the Offer free and clear of any pre-emptive rights, liens, mortgages, charges, pledges, trusts or any other encumbrance or transfer restrictions, both present and future, in a manner prescribed under Applicable Law in relation to the Offer, and without any objection by it and in accordance with the instructions of the Registrar to the Offer.
2. Its respective portion of the Offered Shares have been held by such Selling Shareholders for a minimum period of one year prior to the date of filing the Prospectus, such period determined in accordance with Regulation 26 (6) of the SEBI ICDR Regulations.
3. It is the legal and beneficial owner and has full title of its respective portion of the Offered Shares.



4. That it shall provide all reasonable co-operation as requested by our Company and the LM in relation to the completion of the Allotment and dispatch of the Allotment Advice and CAN, if required, and refund orders (as applicable) to the requisite extent of its respective portion of the Offered Shares.
5. It will not have recourse to the proceeds of the Offer for Sale, until approval for final listing and trading of the Equity Shares is received from the Stock Exchanges.
6. It will deposit its respective portion of the Offered Shares in an escrow account opened with the Share Escrow Agent prior to filing of this Prospectus with the RoC.
7. It shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise, to any person for making an Application in the Offer, and shall not make any payment, whether direct or indirect, whether in the nature of discounts, commission, allowance or otherwise, to any person who makes an Application in the Offer.
8. That it will provide such reasonable support and extend such reasonable cooperation as may be required by our Company and the LM in redressal of such investor grievances that pertain to the Equity Shares held by it and being offered pursuant to the Offer.

The Selling Shareholders have authorised the Company Secretary and Compliance Officer of our Company and the Registrar to the Offer to redress any complaints received from Applicants in respect of the Offer for Sale.

#### **UTILIZATION OF OFFER PROCEEDS**

The Board of Directors certifies that:

- 1) All monies received out of the Offer shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act 2013;
- 2) Details of all monies utilized out of the Offer shall be disclosed and continue to be disclosed till any part of the offer proceeds remains unutilized under an appropriate separate head in the Company's balance sheet indicating the purpose for which such monies have been utilized;
- 3) Details of all unutilized monies out of the Offer, if any shall be disclosed under an appropriate head in the balance sheet indicating the form in which such unutilized monies have been invested;
- 4) Our Company shall comply with the requirements of section SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to section 177 of the Company's Act, 2013 in relation to the disclosure and monitoring of the utilization of the proceeds of the Offer respectively;
- 5) Our Company shall not have recourse to utilize the Offer Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.

#### **PART B**

#### **GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC OFFER**

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, 2018. 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, should carefully read the Prospectus before investing in the Offer.

#### **SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)**

This document is applicable to the public offer undertaken inter-alia through the 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, 2018 (“**ICDR Regulations**”) as amended.

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 will be available on the website of Stock Exchange, on the website of the Lead Manager to the Issue, on the website of Issuer company and on the website of Securities and Exchange Board of India (“**SEBI**”).

For the definitions of capitalized terms and abbreviations used herein Applicants may refer to the section ‘*Definitions and Abbreviations*’.

## **SECTION 2: BRIEF INTRODUCTION TO IPOS ON 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 under chapter IX of ICDR Regulation, an Issuer is inter-alia required to comply with the eligibility requirements of in terms of Regulation 228, 229 and 230 of the ICDR Regulations.

For details of compliance with the eligibility requirements by the Issuer, Applicants may refer to the Prospectus.

The present Issue being made under Regulation 229 (1) of Chapter IX of ICDR Regulations.

### **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 ICDR Regulations, the Companies Act, 1956 and the Companies Act, 2013, as may be applicable (“**Companies Act**”), the Securities Contracts (Regulation) Rules, 1957 (“**SCRR**”), industry-specific regulations if any, and other applicable laws for the time being in force.

Following are the eligibility requirements for an IPO in SME platform of BSE under Chapter IX of ICDR Regulation:

- i) In accordance with Regulation 260 of ICDR Regulation, Issue has to be 100% underwritten and the Lead Manager has to underwrite at least 15.00% of the total issue size.
- ii) In accordance with regulation 268 of ICDR Regulation, total number of proposed Allottees in the Issue shall be greater than or equal to 50, otherwise the entire Application Amount will be unblocked forthwith. If such money is not repaid within 8 days from the date our Company becomes liable to repay it, than our Company and every officer in default shall, on and from expiry of 8 days, be liable to repay such Application Amount, with interest as prescribed under Section 40 of the Companies Act, 2013.
- iii) In terms of Regulation 246 (1) of the ICDR Regulations, a copy of the Prospectus will be filed with the SEBI through the Lead Manager immediately upon filing of the Prospectus with the Registrar of Companies.

However, as per Regulation 246 (2) of the ICDR Regulations, SEBI shall not issue any observation on the Prospectus.

Further, in terms of Regulation 246 (3) of the ICDR Regulations, the Lead Manager will also submit a due diligence certificate as per format prescribed by SEBI along with the Prospectus to SEBI.



Further, in terms of Regulation 246 (4) of the ICDR Regulations, the Prospectus will be displayed from the date of filing in terms of sub-regulation (1) on the website of SEBI, the Lead Manager and the BSE SME.

Moreover, in terms of Regulation 246 (5) of the ICDR Regulations, a copy of this Draft Prospectus and Prospectus shall also be furnished to SEBI in a soft copy.

- iv) In accordance with Regulation 261 of the ICDR Regulation, the Lead Manager has to ensure compulsory market making for a minimum period of 3 years from the date of listing of Equity Shares offered in the Issue.
- v) Our Company should be incorporated under the Companies Act.
- vi) The post-Issue paid up capital of our Company (face value) shall not be more than ₹ 2,500.00 Lakh.
- vii) Our Company should have positive net-worth.
- viii) Our Company should have net tangible assets of at least ₹ 300.00 Lakh as per the latest audited financial results
- ix) Our Company should have a track record of at least 3 years.
- x) Our Company should have combined positive cash accruals (earnings before depreciation and tax) from operations for at least 2 financial years preceding the application and its net worth should be positive.
- xi) Our Company should have a website.
- xii) It is mandatory for our Company to facilitate trading in demat securities and enter into an agreement with both the Depositories.
- xiii) There should not be any change in the Promoters of our Company in preceding 1 year from date of filing the application to BSE for listing under SME segment.
- xiv) Our Company should not have been referred to Board for Industrial and Financial Reconstruction.
- xv) No petition for winding up is admitted by a court or a liquidator has not been appointed of competent jurisdiction against our Company.
- xvi) No material regulatory or disciplinary action should have been taken by any stock exchange or regulatory authority in the past 3 years against the Issuer.

Issuer shall also comply with all the other requirements as laid down for such an Issue under Chapter IX of ICDR Regulations, and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

Thus, our Company is eligible for the Issue in accordance with Regulation 229 (1) and other provision of Chapter IX of ICDR Regulations, as the post–Issue face value capital does not exceed ₹1,000.00 Lakh. Our Company also complies with the eligibility conditions laid by the SME Platform of BSE for listing of our Equity Shares.

### **2.3 Types of Public Issues – Fixed Price Issues and Book Built Issues**

In accordance with the provisions of the ICDR Regulations, 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 Red Herring Prospectus (in case of a Book-Built Issue) and a price or price band in this Prospectus (in case of a Fixed Price Issue) and determine the price at a later date before filing the Prospectus with the Registrar of Companies.

The cap on the price band should be less than or equal to 120.00% 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 2 Working Days before the Bid/ Issue Opening Date, in case of an IPO and at least 1 Working Day before the Bid/ Issue Opening Date, in case of an FPO.



The floor price or the issue price cannot be lesser than the face value of the securities. Applicants should refer to the Prospectus or issue advertisements to check whether the Issue is a Book-Built Issue or a Fixed Price Issue.

The present issue is 100% Fixed Price Issue.

#### **2.4 Issue Period**

The Issue may be kept open for a minimum of 3 Working Days (for all category of Applicants) and not more than 10 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.

#### **2.5 Migration to Main Board**

SME Issuer may migrate to the Main Board of Stock Exchange from the SME Exchange at a later date subject to the following:

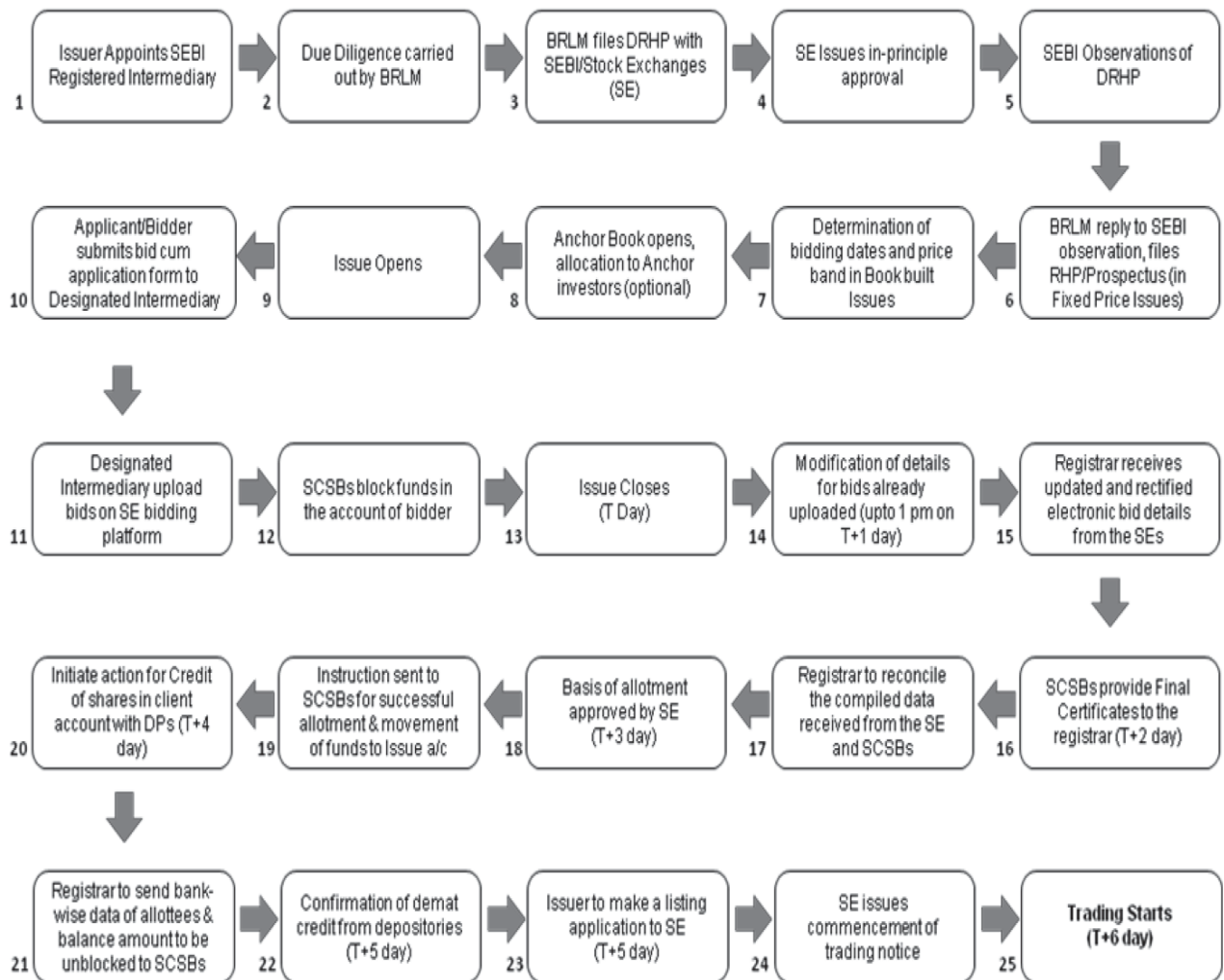
If the Paid-up Capital of the Company is likely to increase above Rs. 25.00 crore by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoters in favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoters 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

If the Paid-up Capital of the company is more than Rs. 10.00 crore but below Rs. 25.00 crore, 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 Promoters in favor of the proposal amount to at least two times the number of votes cast by Shareholders other than promoters shareholders against the proposal.

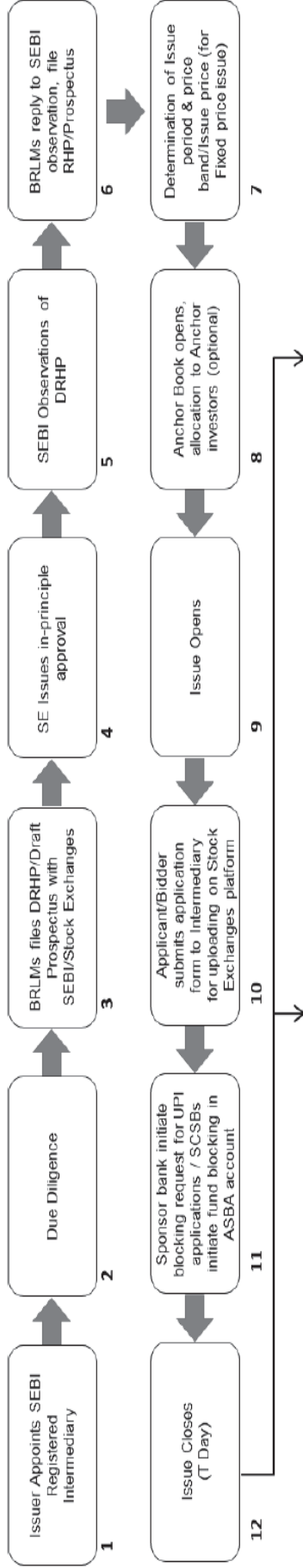
#### **FLOWCHART OF TIMELINES**

A flow chart of process flow in Fixed Price Issues is as follows:





Flow chart of Timeline for Phase I



S.no	Day	Retail applications with UPI	Retail applications without UPI and QIB/NII applications
13	T+1	<ul style="list-style-type: none"> <li>Sponsor Bank to initiate request for blocking of funds to investor for any balance applications</li> <li>Sponsor Bank may not accept bid details from stock exchange post T+1</li> </ul>	<ul style="list-style-type: none"> <li>Intermediaries to forward a schedule as per requisite format and application forms to SCSEBs for blocking of funds</li> <li>Designated branches of SCSEBs may not accept schedule and application post T+1</li> </ul>
14	T+2	<ul style="list-style-type: none"> <li>Applicant to accept mandate request for blocking of funds prior to cut-off-time of 12:00 p.m</li> <li>Sponsor Bank to send Final Certificate to the registrar through stock exchange by end of the day</li> </ul>	<ul style="list-style-type: none"> <li>SCSEBs to send Final Certificate to the registrar by end of the day</li> </ul>
15	T+2	<ul style="list-style-type: none"> <li>Registrar to reconcile the compiled data received from the stock exchanges, all SCSEBs and Sponsor Bank</li> <li>Registrar to undertake "Technical Rejection"</li> </ul>	
16	T+3	<ul style="list-style-type: none"> <li>Approval of Basis of allotment by designated stock exchange</li> <li>Registrar and merchant banker to issue funds transfer instructions to SCSEBs and Sponsor Bank</li> </ul>	
17	T+4	<ul style="list-style-type: none"> <li>SCSEBs and Sponsor Bank to credit the funds in public issue account of the issuer</li> <li>Registrar / Issuer to initiate corporate action for credit of shares to successful allottees</li> <li>Issuer and registrar to file allotment details with designated stock exchange(s)</li> <li>Registrar to send bank-wise data of allottees, amount due and balance amount to be unblocked to SCSEBs / Sponsor Bank.</li> </ul>	
18	T+5	<ul style="list-style-type: none"> <li>Registrar to receive confirmation of demat credit from depositories</li> <li>Issuer to make a listing application to stock exchanges</li> <li>Stock exchanges to issue commencement of trading notice</li> </ul>	
19	T+6	<ul style="list-style-type: none"> <li><b>Trading commences</b></li> </ul>	





### 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 Bid/Apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.

Subject to the above, an illustrative list of Applicants is as follows:

- Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, in single or joint names (not more than three);
- Bids/Applications belonging to an account for the benefit of a minor (under guardianship);
- Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: “Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta”. Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals;
- Companies, corporate bodies and societies registered under applicable law in India and authorised to invest in equity shares;
- QIBs;
- NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable law;
- Indian Financial Institutions, regional rural banks, co-operative banks (subject to RBI regulations and the SEBI ICDR Regulations, 2018 and other laws, as applicable);
- FPIs other than Category III foreign portfolio investors, Bidding under the QIBs category;
- FPIs which are Category III foreign portfolio investors, Bidding under the NIIs category;
- Trusts/societies registered under the Societies Registration Act, 1860, or under any other law relating to trusts/societies and who are authorised under their respective constitutions to hold and invest in equity shares;
- National Investment Fund set up by resolution no. F. No. 2/3/2005-DD-II dated November 23, 2005 of the GoI published in the Gazette of India;
- Limited liability partnerships registered under the Limited Liability Partnership Act, 2008; and
- Any other person eligible to Bid/Apply in the Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws.
- As per the existing regulations, OCBs are not allowed to participate in an Issue.

### SECTION 4: APPLYING IN THE ISSUE

**Book Built Issue:** Bidders should only use the specified Bid cum Application Form bearing stamp of a Designated Intermediary as available or downloaded from the websites of the Stock Exchanges. Bid cum Application Forms are available with the Book Running Lead Manager, the Designated Intermediaries at the Bidding Centres and at the registered office of the Issuer. Electronic Bid cum Application Forms will be available on the websites of the Stock Exchanges at least one day prior to the Bid/ Issue Opening Date. For further details, regarding availability of Bid cum Application Forms, Bidders may refer to the Prospectus and advertisements in the newspaper(s).



**Fixed Price Issue:** Applicants should only use the specified Application Form bearing stamp of Designated Intermediary as available or downloaded from the websites of the Stock Exchanges. Application Forms will also be available with the Designated Branches of the SCSBs and at the Registered Office of the Issuer.

Applicants should ensure that they apply in the appropriate category. The prescribed color of the Bid cum Application Form for various categories of Applicants is as follows:

Category	Colour of Application Form*
Resident Indians / Eligible NRI's applying on a non-repatriation basis	White
Non-Residents including eligible NRI's applying on a repatriation basis	Blue

*\*Excluding electronic Application Forms*

Please note that in terms of regulation 256 of the SEBI (ICDR), 2018 read with SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all the investors applying in this issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment i.e. just writing their bank account numbers and authorising the banks to make payment in case of allotment by signing the application forms.

As an alternate payment mechanism, Unified Payments Interface (UPI) has been introduced (vide SEBI Circular Ref: SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018) as a payment mechanism in a phased manner with ASBA for applications in public issues by retail individual investors through intermediaries (Syndicate members, Registered Stock Brokers, Registrar and Transfer agent and Depository Participants).

Investors are advised to carefully refer SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 for the procedure to be followed for applying through UPI mechanism.

Securities issued in an IPO can only be in dematerialized form in accordance with Section 29 of the Companies Act, 2013. Applicants will not have the option of getting the Allotment of specified securities in physical form.

#### **4.1 INSTRUCTIONS FOR FILLING THE APPLICATION FORM**

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.

A sample Application Form for resident Applicants and the Application Form for non-resident Applicants are reproduced below:



**Application Form – For Resident**

ISSUE PROGRAMME : ISSUE OPENS ON: [●]    ISSUE CLOSES ON: [●]		
<b>COMMON APPLICATION FORM</b>	<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - R</b> Registered Office: Abcd EfgH Ijklm Nopqrst Uvwxyz Abcd EfgH Ijklm Nopqrst Uvwxyz Corporate Office: Abcd EfgH Ijklm Nopqrst Uvwxyz; CIN: ABCDE1234ABCD123ABCDE; Tel: +91 1234567890; E-mail: abcdefghij@abc.com; Website: www.abcdefghijkl.com	
FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS		
<b>LOGO</b>	To: <b>The Board of Directors XYZ LIMITED</b>	
<b>FIXED PRICE SME ISSUE</b> ISIN - INE1234567890		
Application Form No. _____ Date: _____		
BROKER'S / SCSB / DP / RTA STAMP & CODE	SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	<b>1. NAME &amp; CONTACT DETAILS OF SOLE / FIRST APPLICANT</b> Mr. / Ms. _____ Address _____ Email _____ Tel. No. (with STD code) / Mobile _____
SCSB / BANK BRANCH STAMP & CODE	SCSB / BANK BRANCH SERIAL NO.	<b>2. PAN OF SOLE / FIRST APPLICANT</b> _____
<b>3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS</b> <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL		<b>6. INVESTOR STATUS</b> <input type="checkbox"/> Individual <input type="checkbox"/> IMD <input type="checkbox"/> Non-Resident Indian (Non-Repatriation Basis) <input type="checkbox"/> NRI <input type="checkbox"/> Hindu Undivided Family <input type="checkbox"/> HUF <input type="checkbox"/> Bodies Corporate <input type="checkbox"/> CO <input type="checkbox"/> Banks & Financial Institutions <input type="checkbox"/> FI <input type="checkbox"/> Mutual Funds <input type="checkbox"/> MF <input type="checkbox"/> National Investment Funds <input type="checkbox"/> NIF <input type="checkbox"/> Insurance Policy <input type="checkbox"/> IP <input type="checkbox"/> Insurance Companies <input type="checkbox"/> IC <input type="checkbox"/> Venture Capital Funds <input type="checkbox"/> VCF <input type="checkbox"/> Alternative Investment Funds <input type="checkbox"/> AIF <input type="checkbox"/> Others (Please Specify) <input type="checkbox"/> OTH
For NSDL enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID.		
<b>4. APPLICATION DETAILS</b> No. of Equity Shares of ₹ [●]/- each applied at the Issue Price i.e. at ₹ [●]/- per share <sup>1</sup> (In Figures) _____ (In Words) _____ ALLOTMENT WILL BE IN DEMAT MODE ONLY <sup>2</sup>		<b>5. CATEGORY</b> <input type="checkbox"/> Retail Individual <input type="checkbox"/> Non-Institutional <input type="checkbox"/> QIB
<sup>1</sup> Please note that applications must be made in minimum of [●] shares and further multiples of [●] shares accordingly. <sup>2</sup> Please note that the equity shares on allotment will be allotted only in the dematerialized mode on the SME Platform of BSE.		*HUF should apply only through Karta (Applicator by HUF would be treated as per sole individual).
<b>7. PAYMENT DETAILS</b>		PAYMENT OPTION : Full Payment
Amount Blocked (₹ in Figures) _____ (₹ in words) _____ ASBA Bank A/c No. _____ Bank Name & Branch _____ DP ID (Maximum 45 characters) _____		
I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY), HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED ADDITIONAL PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTORS IN THE PUBLIC ISSUE (GID) AND HEREBY AGREE AND CONFIRM THE "INVESTOR UNDERTAKING" AS GIVEN OVER LEAF I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE APPLICATION FORM GIVEN OVER LEAF I/WE.		
<b>8 A. SIGNATURE OF SOLE / FIRST APPLICANT</b> _____ Date: _____, 2019	<b>8 B. 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 issue 1) _____ 2) _____ 3) _____	<b>BROKER / SCSB / DP / RTA STAMP</b> (Acknowledging upload of Application in Stock Exchange System)
TEAR HERE		
<b>LOGO</b>	<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - R</b>	Acknowledgement Slip for Broker/SCSB/DP/RTA    Application Form No. _____
DP ID / CFID _____ PAN of Sole/First Applicant _____		
Amount Blocked (₹ in figures) _____ ASBA Bank & Branch _____ Stamp & Signature of SCSB Branch _____		
ASBA Bank A/c No./DP ID _____		
Received from Mr/Ms _____		
Telephone / Mobile _____ Email _____		
TEAR HERE		
<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - R</b>	In Figures _____ In Words _____ No. of Equity Shares _____ Amount Blocked (₹) _____ ASBA Bank A/c No./ DP ID _____ Bank & Branch _____	Stamp & Signature of SCSB/Broker/DP/RTA _____ Name of Sole / First Applicant _____ Acknowledgement Slip for Applicant _____ Application Form No. _____
Important Note: Application made using third party DP ID or ASBA Bank A/c are liable to be rejected.		



**Application Form – For Non-Resident**

ISSUE PROGRAMME : ISSUE OPENS ON: [●]    ISSUE CLOSES ON: [●]	
<b>COMMON APPLICATION FORM</b>	<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - NR</b> <small>Registered Office: Abcd Efgh Ijklm Nopqrst Uvwxyz Abcd Efgh Ijklm Nopqrst Uvwxyz. Corporate Office: Abcd Efgh Ijklm Nopqrst Uvwxyz. CIN: ABCD1234ABDC1234ABCDE; Tel: +91 1234567890; E-mail: abcdefgh@abc.com; Website: www.abcdefghijkl.com</small>
<b>FOR NON-RESIDENT INCLUDING ELIGIBLE NRIs, FPIs or FVCI's ETC. APPLYING ON A REPATRIATION BASIS</b>	
<b>LOGO</b> To, The Board of Directors XYZ LIMITED	<b>FIXED PRICE SME ISSUE</b> ISIN - INE1234567890
Date: _____ Application Form No. _____	
<b>BROKER'S / SCSB / DP / RTA STAMP &amp; CODE</b>	<b>SUB-BROKER'S / SUB-AGENT'S STAMP &amp; CODE</b>
<b>1. NAME &amp; CONTACT DETAILS OF SOLE/FIRST APPLICANT</b>	
Mr. / Ms. _____ Age _____	
Address _____	
Email _____	
Tel. No. (with STD code) / Mobile _____	
<b>2. PAN OF SOLE/FIRST APPLICANT</b>	
_____	
<b>3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS</b> <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL	
For NSDL enter 8 Digit DPID followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID.	
<b>4. APPLICATION DETAILS</b>	
No. of Equity Shares of ₹ [●]- each applied at the Issue Price i.e. at ₹ [●]- per share <sup>1 &amp; 2</sup>	
(In Figures) _____	(In Words) _____
ALLOTMENT WILL BE IN DEMAT MODE ONLY <sup>2</sup>	
<sup>1</sup> Please note that applications must be made in minimum of [●] shares and further multiples of [●] shares accordingly.	
<sup>2</sup> Please note that the equity shares on allotment will be allotted only in the dematerialized mode on the SME Platform of BSE.	
<b>5. CATEGORY</b>	
<input type="checkbox"/> Retail Individual	
<input type="checkbox"/> Non-Institutional	
<input type="checkbox"/> QIB	
<b>6. INVESTOR STATUS</b>	
<input type="checkbox"/> Non-Resident Indians (Repatriation basis)    NRI	
<input type="checkbox"/> FII or Sub Account not a Corporate/ Foreign Individual    FII	
<input type="checkbox"/> FII Sub Account Corporate/ Individual    FII SA	
<input type="checkbox"/> Foreign Venture Capital Investor    FVCI	
<input type="checkbox"/> Foreign Portfolio Investor    FPI	
<input type="checkbox"/> Others (Please Specify)    OTH	
<b>7. PAYMENT DETAILS</b> PAYMENT OPTION : Full Payment	
Amount Blocked (₹ in Figures) _____ (₹ in words) _____	
ASBA Bank A/c No. _____	
Bank Name & Branch _____	
UPI Id _____ <small>(Maximum: 45 characters)</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 APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN THE PUBLIC ISSUE ("GID") AND HEREBY AGREE AND CONFIRM THE "INVESTOR 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 APPLICATION FORM GIVEN OVERLEAF.	
<b>8A. SIGNATURE OF SOLE / FIRST APPLICANT</b>	<b>8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)</b> <small>(We authorize the SCSB to do all acts as are necessary to make the Application on this issue)</small>
Date: _____, 2019	1) _____ 2) _____ 3) _____
TEAR HERE	
<b>LOGO</b>	<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - NR</b>
Acknowledgement Slip for Broker/SCSB/DP/RTA	Application Form No. _____
PAN of Sole/First Bidder _____	
Amount Blocked (₹ in Figures) _____ Bank & Branch _____	
ASBA Bank A/c No./UPI Id _____	
Received from: Mr./Ms. _____	
Telephone / Mobile _____	Email _____
TEAR HERE	
<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - NR</b>	<b>No. of Equity Shares</b>
	In Figures _____ In Words _____
	Amount Blocked (₹) _____
ASBA Bank A/c No./UPI Id _____	
Bank & Branch _____	
Stamp & Signature of SCSB/Broker/DP/RTA	
Name of Sole / First Applicant _____	
<b>Acknowledgement Slip for Applicant</b>	
<b>Application Form No.</b>	
<small>Important Note: Application made using third party UPI Id or ASBA Bank A/c are liable to be rejected.</small>	

Specific instructions for filling various fields of the Resident Application Form and Non-Resident Application Form and samples are provided below.



#### **4.1.1 FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE / FIRST APPLICANT**

- a) Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.
- b) **Mandatory Fields:** Applicants should note that the name and address fields are compulsory, and e-mail and/or telephone number/mobile number fields are optional. Applicants should note that the contact details mentioned in the Application Form may be used to dispatch communications (including letters notifying the unblocking of the bank accounts of Applicants) in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Bid cum Application Form may be used by the Issuer, the Designated Intermediaries and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.
- c) **Joint Bids/Applications:** In the case of Joint Applications, the Applications should be made in the name of the Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Applicant would be required in the Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders. All communications may be addressed to such Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.
- d) **Impersonation:** Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who:

- makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”

The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

- e) **Nomination Facility to Applicant:** Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of Allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Applicants should inform their respective DP.

#### **4.1.2 FIELD NUMBER 2: PAN NUMBER OF SOLE/FIRST APPLICANT**

- a) PAN (of the sole/first Applicant) provided in the 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 PAN 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 the PAN, 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 unblocking of ASBA Account or for other correspondence(s) related to an Issue.
- d) Applicants are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Applicants’ sole risk.

#### **4.1.4 FIELD NUMBER 4: BID OPTIONS**

- a) Price or Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) may be disclosed in the Prospectus by the Issuer. The Issuer is required to announce the Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) by way of an advertisement in at least one English, one Hindi and one regional newspaper, with wide circulation at the place where the Issuer’s registered office is situated, at least two Working Days before Bid/ Issue Opening Date in case of an IPO, and at least one Working Day before Bid/ Issue Opening Date in case of an FPO.
- b) The Bidders may Bid at or above Floor Price or within the Price Band for IPOs/FPOs undertaken through the Book Building Process. In the case of Alternate Book Building Process for an FPO, the Bidders may Bid at Floor Price or any price above the Floor Price (For further details Bidders may refer to (Section 5.6 (e))
- c) Cut-Off Price: Retail Individual Investors or Employees or Retail Individual Shareholders can Bid at the Cut-off Price indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process. Bidding at the Cut-off Price is prohibited for QIBs and NIIs and such Bids from QIBs and NIIs are liable to be rejected.
- d) Minimum Application Value and Bid Lot: The Issuer in consultation with the BRLMs may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹ 1.00 Lakh to ₹ 2.00 Lakh. The minimum Bid Lot is accordingly determined by an Issuer on basis of such minimum application value.



- e) Allotment: The Allotment of specified securities to each RII shall not be less than the minimum Bid Lot, subject to availability of shares in the RII category, and the remaining available shares, if any, shall be Allotted on a proportionate basis. For details of the minimum Bid Lot, Bidders may refer to the Prospectus or the advertisement regarding the Price Band published by the Issuer.

#### **4.1.4.1 MAXIMUM AND MINIMUM BID SIZE**

- a) The Bidder may Bid for the desired number of Equity Shares at a specific price. Bids by Retail Individual Investors, Employees and Retail Individual Shareholders must be for such number of shares so as to ensure that the Bid Amount less Discount (as applicable), payable by the Bidder does not exceed ₹ 2.00 Lakh.
- b) In case the Bid Amount exceeds ₹ 2.00 Lakh due to revision of the Bid or any other reason, the Bid may be considered for allocation under the Non-Institutional Category (with it not being eligible for Discount), then such Bid may be rejected if it is at the Cut-off Price.
- c) For NRIs, a Bid Amount of up to ₹ 2.00 Lakh may be considered under the Retail Category for the purposes of allocation and a Bid Amount exceeding ₹ 2.00 Lakh may be considered under the Non-Institutional Category for the purposes of allocation.
- d) Bids by QIBs and NIIs must be for such minimum number of shares such that the Bid Amount exceeds ₹ 2.00 Lakh and in multiples of such number of Equity Shares thereafter, as may be disclosed in the Bid cum Application Form and the Prospectus, or as advertised by the Issuer, as the case may be. Non-Institutional Investors and QIBs are not allowed to Bid at Cut off Price.
- e) RII may revise or withdraw their bids until Bid/ Issue Closing Date. QIBs and NII's cannot withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after Bidding and are required to pay the Bid Amount upon submission of the Bid.
- f) In case the Bid Amount reduces to ₹ 2.00 Lakh or less due to a revision of the Price Band, Bids by the Non-Institutional Investors who are eligible for allocation in the Retail Category would be considered for allocation under the Retail Category.
- g) For Anchor Investors, if applicable, the Bid Amount shall be least ₹ 10 crores. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors. Bids by various schemes of a Mutual Fund shall be aggregated to determine the Bid Amount. A Bid cannot be submitted for more than 60% of the QIB Category under the Anchor Investor Portion. Anchor Investors cannot withdraw their Bids or lower the size of their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after the Anchor Investor Bid/ Issue Period and are required to pay the Bid Amount at the time of submission of the Bid. In case the Anchor Investor Issue Price is lower than the Issue Price, the balance amount shall be payable as per the pay-in-date mentioned in the revised CAN. In case the Issue Price is lower than the Anchor Investor Issue Price, the amount in excess of the Issue Price paid by the Anchor Investors shall not be refunded to them.
- h) A Bid cannot be submitted for more than the Issue size.
- i) The maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under the applicable laws.
- j) The price and quantity options submitted by the Bidder in the Bid cum Application Form may be treated as optional bids from the Bidder and may not be cumulated. After determination of the Issue Price, the number of Equity Shares Bid for by a Bidder at or above the Issue Price may be considered for Allotment and the rest of the Bid(s), irrespective of the Bid Amount may automatically become invalid. This is not applicable in case of FPOs undertaken through Alternate Book Building Process (For details of Bidders may refer to (Section 5.6 (e))



#### **4.1.4.2 MULTIPLE BIDS**

- a) Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of three Bids at different price levels in the Bid cum Application Form and such options are not considered as multiple Bids.

Submission of a second Bid cum Application Form to either the same or to another Designated Intermediary and duplicate copies of Bid cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

- b) Bidders are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple Bids:
- i. All Bids may be checked for common PAN as per the records of the Depository. For Bidders other than Mutual Funds, Bids bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected.
  - ii. For Bids from Mutual Funds, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Bidders, the Bid cum Application Forms may be checked for common DP ID and Client ID. Such Bids which have the same DP ID and Client ID may be treated as multiple Bids and are liable to be rejected.
- c) The following Bids may not be treated as multiple Bids:
- i. Bids by Reserved Categories Bidding in their respective Reservation Portion as well as bids made by them in the Net Offer portion in public category.
  - ii. Separate Bids by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Bids clearly indicate the scheme for which the Bid has been made.
  - iii. Bids by Mutual Funds, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.
  - iv. Bids by Anchor Investors under the Anchor Investor Portion and the QIB Category.

#### **4.1.5 FIELD NUMBER 5: CATEGORY OF BIDDERS**

- a) The categories of Bidders identified as per the SEBI ICDR Regulations, for the purpose of Bidding, allocation and Allotment in the Issue are RIIs, NIIs and QIBs.
- b) Up to 60% of the QIB Category can be allocated by the Issuer, on a discretionary basis subject to the criteria of minimum and maximum number of Anchor Investors based on allocation size, to the Anchor Investors, in accordance with SEBI ICDR Regulations, with one-third of the Anchor Investor Portion reserved for domestic Mutual Funds subject to valid Bids being received at or above the Issue Price. For details regarding allocation to Anchor Investors, Bidders may refer to the Prospectus.
- c) An Issuer can make reservation for certain categories of Applicants as permitted under the SEBI ICDR Regulations. For details of any reservations made in the Issue, Applicants may refer to the Prospectus.
- d) The SEBI ICDR Regulations specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation Applicant may refer to the Prospectus.





#### **4.1.6 FIELD NUMBER 6: INVESTOR STATUS**

- a) Each Applicant should check whether it is eligible to apply under applicable law and ensure that any prospective Allotment to it in the Issue is in compliance with the investment restrictions under applicable law.
- b) Certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to Bid/Apply in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.
- c) Applicants should check whether they are eligible to apply on non -repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Bid cum Application Form and Non-Resident Bid cum Application Form.
- d) Applicants should ensure that their investor status is updated in the Depository records.

#### **4.1.7 FIELD NUMBER 7: PAYMENT DETAILS**

- a) Applicants are required to enter either the ASBA Bank account details or the UPI ID in this field. In case the Applicants doesn't provide any of the ASBA Bank account details or the UPI ID then the application would be rejected. For application submitted to Designated Intermediaries (other than SCSBs), Applicants providing both, the ASBA Bank account details as well as the UPI ID, the UPI ID will be considered for processing of the application.
- b) The full Bid Amount (net of any Discount, as applicable) shall be blocked based on the authorisation provided in the Bid cum Application Form. If the Discount is applicable in the Issue, the RIIs should indicate the full Bid Amount in the Bid cum Application Form and the funds shall be blocked for Bid Amount net of Discount. Only in cases where the Prospectus indicates that part payment may be made, such an option can be exercised by the Bidder. In case of Bidders specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less Discount offered, if any.
- c) RIIs applying at Cut-off Price shall deposit the Application Amount based on the Issue Price.
- d) RIIs submitting their applications through Designated Intermediaries (other than the SCSBs) can participate in the Issue through UPI mechanism, through their UPI ID linked with their bank account.
- e) All QIB and NII Bidders (except Anchor Investors) can participate in the Issue only through the ASBA mechanism.
- f) Bid Amount cannot be paid in cash, cheque, demand draft, through money order or through postal order.

##### **4.1.7.1 INSTRUCTIONS FOR ANCHOR INVESTORS:**

- a) Anchor Investors may submit their Bids with a Book Running Lead Manager.
- b) Payments should be made either by direct credit, RTGS, NACH or NEFT.
- c) The Anchor Escrow Bank(s) shall maintain the monies in the Anchor Escrow Account for and on behalf of the Anchor Investors until the Designated Date.

##### **4.1.7.2 PAYMENT INSTRUCTIONS FOR BIDDERS (OTHER THAN ANCHOR INVESTORS)**

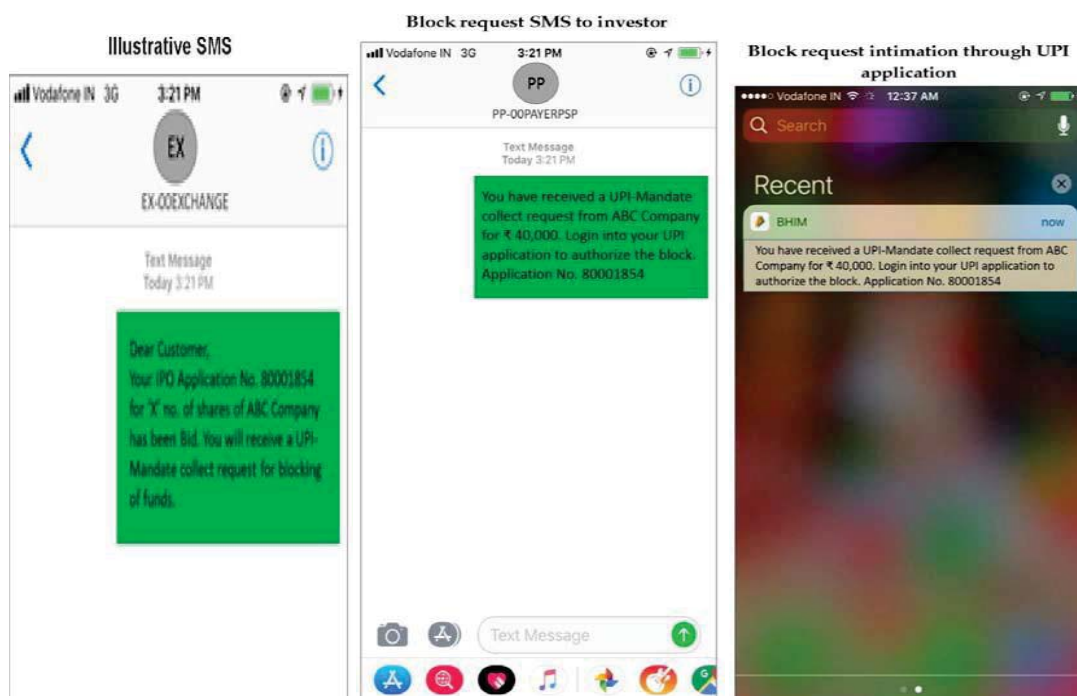
- a) RIIs bidding through Designated Intermediaries should note that with the introduction of UPI as a payment mechanism, there are four channels of making applications in public issues available to them in UPI Phase I (i.e. from January 1, 2019 for a period of three months or floating of five main board public issues, whichever

is later). The four channels for making applications in public issues available to RIIs bidding through Designated Intermediaries are as follows:

Channel I	Channel II	Channel III	Channel IV
<p>RIIs may submit the Bid cum Application Form with ASBA as the sole mechanism for making payment either physically (at the branch of the SCSB) or online.</p> <p>For such applications the existing process of uploading the bid and blocking of funds in the RIIs account by the SCSB would continue.</p>	<p>RIIs may submit the Bid cum Application Form online using the facility of linked online trading, demat and bank account (3-in-1 type accounts) provided by Registered Brokers.</p>	<p>RIIs may submit the Bid cum Application Form with any of the Designated Intermediaries, along with details of his/her ASBA Account for blocking of funds.</p> <p>For such applications the Designated Intermediary will upload the bid in the stock exchange bidding platform and forward the application form to Designated Branch of the concerned SCSB for blocking of funds.</p>	<p>RIIs may submit the Bid cum Application Form with any of the Designated Intermediaries (other than SCSBs) and use his/her UPI ID for the purpose of blocking of funds.</p>

For UPI Phase II and UPI Phase III, RIIs will have the option to use only Channel I, Channel II and Channel IV (as described above) for making applications in a public issue.

Please see below a graphical illustrative process of the investor receiving and approving the UPI Mandate Request.





1. Investor UPI application screen

This attachment will contain IPO application details of investor

2. Sample of IPO details in attachment

3. Post verification of details above

4. Pre-confirmation page

b) QIB and NII Bidders may submit the Bid cum Application Form either

To SCSBs in physical or:



- 1) electronic mode through the internet banking facility offered by an SCSB authorizing blocking of funds that are available in the ASBA account specified in the Bid cum Application Form, or
- 2) in physical mode to any Designated Intermediary.
- 3) Bidders must specify the Bank Account number, or the UPI ID, as applicable, in the Bid cum Application Form. The Bid cum Application Form submitted by a Bidder and which is accompanied by cash, demand draft, cheque, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account, may not be accepted.
- 4) Bidders should note that application made using third party UPI ID or ASBA Bank Account are liable to be rejected;
- 5) Bidders shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the ASBA account.
- 6) Bidders should submit Bid cum Application Form only at the Bidding Centers, i.e. to the respective member of the Syndicate at the Specified Locations. The SCSBs, the Registered Broker, at the Broker Centres, the RTA at the Designated CRTA Locations or CDP at the Designated CDP Locations.
- 7) Bidders bidding through Designated Intermediaries other than a SCSB, should note that ASBA Application Forms submitted to such Designated Intermediary may not be accepted, if the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has not named at least one branch at that location for such Designated Intermediary, to deposit ASBA Forms.
- 8) Bidders bidding directly through the SCSBs should ensure that the Bid cum Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.
- 9) Upon receipt of the Bid cum Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form.
- 10) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and for application directly submitted to SCSB by investor, may enter each Bid option into the electronic bidding system as a separate Bid.
- 11) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Bids on the Stock Exchange platform and such bids are liable to be rejected.
- 12) Upon submission of a completed Bid cum Application Form each Bidder (not being a RII who has opted for the UPI mechanism and provided a UPI ID with the Bid cum Application Form) may be deemed to have agreed to block the entire Bid Amount and authorized the Designated Branch of the SCSB to block the Bid Amount specified in the Bid cum Application Form in the ASBA Account maintained with the SCSBs. For details regarding blocking of Bid Amount for RIIs who have provided a UPI ID with the Application Form please refer to paragraph 4.1.7.4.
- 13) The Bid Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Bid, as the case may be.
- 14) SCSBs bidding in the Issue must apply through an Account maintained with any other SCSB; else their Bids are liable to be rejected.



#### **4.1.7.3 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 or the Sponsor Bank, as the case may be, along with instructions to unblock the relevant ASBA accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Bid, (ii) the amount to be transferred from the relevant ASBA account to the Public Issue Account, for each Bid, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, (iv) the amount to be unblocked, if any in case of partial allotments and (v) details of rejected ASBA Bids, if any, along with reasons for rejection and details of withdrawn or unsuccessful Bids, if any, to enable the SCSBs or the Sponsor Bank, as the case may be, to unblock the respective ASBA accounts.
- b) On the basis of instructions from the Registrar to the Issue, the SCSBs or the Sponsor Bank, as the case may be may transfer the requisite amount against each successful Bidder to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.
- c) In the event of withdrawal or rejection of the Bid cum Application Form and for unsuccessful Bids, the Registrar to the Issue may give instructions to the SCSB or to the Sponsor Bank to revoke the mandate and, as the case may be, to unblock the Bid Amount in the relevant Account within four Working Days of the Bid/ Issue Closing Date.

#### **4.1.7.4. ADDITIONAL PAYMENT INSTRUCTIONS FOR RIIS BIDDING THROUGH DESIGNATED INTERMEDIARIES (OTHER THAN SCSBS) USING THE UPI MECHANISM**

- a) Before submission of the application form with the Designated Intermediary (other than SCSBs), an RII shall download the mobile application, associated with the UPI ID linked bank account, for UPI and create a UPI ID (xyz@bankname) of not more than 45 characters with its bank and link it to his/ her bank account where the funds equivalent to the application amount is available.
- b) RIIs shall ensure that the bank, with which it has its bank account, where the funds equivalent to the application amount is available for blocking has been notified as Issuer Banks for UPI. A list of such banks is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>.
- c) RIIs shall mention his / her UPI ID along with the bid details in the Bid cum Application Form in capital letters and submit the Bid cum Application Form to any of the Designated Intermediaries (other than SCSBs). It is clarified that if an RII submits a third party UPI ID instead of his/her own UPI ID in the Bid cum Application Form, the application is liable to be rejected.
- d) The Designated Intermediary (other than SCSB) upon receipt of the Bid cum Application Form will upload the bid details along with UPI ID in the stock exchange bidding platform.
- e) Once the bid has been entered into the Stock Exchange bidding platform, the stock exchange will validate the PAN and Demat Account details of the RII with the Depository. The Depository will validate the aforesaid details on a real time basis and send a response to the stock exchange which will be shared by the stock exchange with the respective Designated Intermediary through its bidding platform, for corrections, if any.
- f) Once the bid details have been validated by the Depository, the stock exchange will, on a continuous basis, electronically share the bid details along with the UPI ID of the concerned RII with the Sponsor Bank appointed by the Issuer.
- g) The Sponsor Bank will validate the UPI ID of the RII before initiating the Mandate request.
- h) The Sponsor Bank after validating the UPI ID will initiate a UPI Mandate Request for valid UPI ID on the RII which will be electronically received by the RII as an SMS / intimation on his / her mobile number / mobile app



associated with the UPI ID linked account. The RII shall ensure that the details of the Bid are correct by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, an RII may be deemed to have verified the attachment containing the application details of the RII in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to block the Bid Amount mentioned in the Bid Cum Application Form and subsequent debit in case of allotment.

- i) Upon successful validation of the block request by the RII, the said information would be electronically received by the RII's bank, where the funds, equivalent to the application amount would get blocked in the ASBA Account of the RII. Intimation regarding confirmation of such blocking of funds in the ASBA Account of the RII would also be received by the RII. Information on the block status request would be shared with the Sponsor Bank which in turn would share it with the stock exchange which in turn would share it with the Registrar in the form of a file for the purpose of reconciliation and display it on the stock exchange bidding platform for the information of the Designated Intermediary.
- j) RIIs may continue to modify or withdraw the Bid till the closure of the Bidding Period. For each modification of the Bid, the RII will submit a revised Bid and will receive a UPI Mandate Request from the Sponsor Bank to be validated as per the process indicated above.
- k) Post closure of the Offer, the stock exchange will share the Bid details with the Registrar along with the final file received from the Sponsor Bank containing status of blocked funds or otherwise, along with the ASBA Account details with respect to applications made by RIIs using UPI ID.

#### **4.1.7.5 DISCOUNT (IF APPLICABLE)**

- a) The Discount is stated in absolute rupee terms.
- b) Bidders applying under RII category, Retail Individual Shareholder and employees are only eligible for discount. For Discounts offered in the Issue, Bidders may refer to the Prospectus.
- c) The Bidders entitled to the applicable Discount in the Issue may block their ASBA Account for an amount i.e. the Bid Amount less Discount (if applicable).

Bidder may note that in case the net amount blocked (post Discount) is more than two lakh Rupees, the Bidding system automatically considers such applications for allocation under Non-Institutional Category. These applications are neither eligible for Discount nor fall under RII category.

#### **4.1.8 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS**

- a) Only the First Applicant is required to sign the Bid cum Application Form/Application Form. Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.
- b) The signature has to be correctly affixed in the authorisation/undertaking box in the Bid cum Application Form/Application Form, or an authorisation has to be provided to the SCSB or using the UPI to the Sponsor Bank, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form/Application Form.
- c) Applicants must note that Bid cum Application Form/Application Form without signature of Applicant and/or ASBA Account holder is liable to be rejected.

#### **4.1.9 ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

- a) Bidders should ensure that they receive the Acknowledgement Slip or number duly signed and stamped by the Designated Intermediary, as applicable, for submission of the Bid cum Application Form.



- b) All communications in connection with Bids/Applications made in the Issue should be addressed as under:
  - 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 Bids submitted to the Designated Branches of the SCSBs, the Applicants should contact the relevant Designated Branch of the SCSB.
  - iii. In case of queries relating to uploading of Syndicate Member ASBA Bids, the Applicants should contact the relevant Syndicate Member.
  - iv. In case of queries relating to uploading of Bids by a Designated Intermediary, the Applicants should contact the relevant Designated Intermediary.
  - v. In case of queries relating to uploading of Bids through UPI mechanism, the Applicants should contact the Designated Intermediary.
  - vi. Applicant may contact the Company Secretary and Compliance Officer or BRLM(s) in case of any other complaints in relation to the Issue.
- c) The following details (as applicable) should be quoted while making any queries –
  - i. full name of the sole or First Applicant, Bid cum Application Form number, Applicants' DP ID, Client ID, PAN, number of Equity Shares applied for, amount paid on application;
  - ii. name and address of the Designated Intermediary, where the Bid was submitted along with the acknowledgment slip from Designated Intermediary; or
  - iii. Bids, ASBA Account number or the UPI ID (for RIIs who make the payment of Bid Amount through the UPI mechanism) linked to the ASBA Account where the Bid Amount was blocked.

For further details, Applicant may refer to the Prospectus and the Bid cum Application Form.

#### **4.2 INSTRUCTIONS FOR FILING THE REVISION FORM**

- a) During the Bid/ Issue Period, any Applicant (other than QIBs and NIIs, who can only revise their bid upwards) who has registered his or her interest in the Equity Shares at a particular price level is free to revise his or her Bid within the Price Band using the Revision Form, which is a part of the Bid cum Application Form.
- b) RII may revise their bids or withdraw their Bids till the Bid/ Issue Close Date.
- c) Revisions can be made in both the desired number of Equity Shares and the Bid Amount by using the Revision Form.
- d) The Applicant can make this revision any number of times during the Bid/ Issue Period. However, for any revision(s) in the Bid, the Applicants will have to use the services of the same Designated Intermediary through which such Applicant had placed the original Bid. It is clarified that RIIs whose original Bid is made using the UPI mechanism can make revision(s) to their Bid using the UPI mechanism only, whereby each time the Sponsor Bank will initiate a new UPI Mandate Request. Bidders /Applicants are advised to retain copies of the blank Revision Form and the Bid(s) must be made only in such Revision Form or copies thereof.

A sample revision form is reproduced below:



Revision Form – For Resident

ISSUE PROGRAMME : ISSUE OPENS ON: [●] ISSUE CLOSES ON: [●]		
<b>COMMON APPLICATION REVISION FORM</b>	<b>XYZ LIMITED - PUBLIC ISSUE- REVISION - R</b> Registered Office: Abcd Efgh Ijklm Nopqrst Uvwxyz Abcd Efgh Ijklm Nopqrst Uvwxyz, Corporate Office: Abcd Efgh Ijklm Nopqrst Uvwxyz, CIN: ABCD1234ABDC1234BCDE; Tel: +91 1234567890; E-mail: abcdefgh@abc.com; Website: www.abcdefghijkl.com	FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS

<b>LOGO</b> To, The Board of Directors XYZ LIMITED	<b>FIXED PRICE SME ISSUE</b> ISIN - INE1234567890	Application Form No. _____ Date: _____
---	--	--

BROKER'S / SCSD / DP / RTA STAMP & CODE	SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	1. NAME & CONTACT DETAILS OF SOLE/FIRST APPLICANT
		Mr. / Ms. _____
		Address _____
		Tel. No (with STD code) / Mobile _____
		2. PAN OF SOLE/FIRST APPLICANT _____
		3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS NSDL _____ CDSL _____
		For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID _____

4. FROM (as per last Application or Revision)		PLEASE CHANGE MY APPLICATION										PHYSICAL
Options	No. of Equity Shares applied (Application must be in multiples of [●] equity shares) (In Figures)	Price per Equity Share (₹) [●] [●]										
		Issue Price		Discount, if any		Net Price						
Option 1												
(OR) Option 2	NOT APPLICABLE	NOT APPLICABLE										
(OR) Option 3	NOT APPLICABLE	NOT APPLICABLE										

5. TO (Revised Application)		PLEASE CHANGE MY APPLICATION										PHYSICAL
Options	No. of Equity Shares applied (Application must be in multiples of [●] equity shares) (In Figures)	Price per Equity Share (₹) [●] [●]										
		Issue Price		Discount, if any		Net Price						
Option 1												
(OR) Option 2	NOT APPLICABLE	NOT APPLICABLE										
(OR) Option 3	NOT APPLICABLE	NOT APPLICABLE										

6. PAYMENT DETAILS		PAYMENT OPTION : Full Payment	
Amount Blocked (₹ in Figures)	_____	(₹ in words)	_____
ASBA Bank A/c No.	_____		
Bank Name & Branch	_____		
UPI Id	_____		
(Maximum 41 characters)	_____		

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY), HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED ASSUMED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTORS IN THE PUBLIC ISSUE (GIDPI) AND HEREBY AGREE AND CONFIRM THE "INVESTOR UNDERTAKINGS" AS GIVEN ON PERLEAF I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILING UP THE APPLICATION FORM GIVEN ON PERLEAF.

7A. SIGNATURE OF SOLE / FIRST APPLICANT  Date: _____, 2019	7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER (s) (AS PER BANK RECORDS) I/We authorize the SCSD to do all acts as are necessary to make the Application in this issue 1) _____ 2) _____ 3) _____	BROKER / SCSD / DP / RTA STAMP (Acknowledging upload of Application in Stock Exchange System)
--	--	--

<b>LOGO</b>	<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - REVISION - R</b>	Acknowledgement Slip for Broker/SCSD/DP/RTA	Application Form No. _____
-------------	--	---	----------------------------

DDID / CLID	_____	PAN	_____
Additional Amount Blocked (₹ in figures)	ASBA Bank & Branch	Stamp & Signature of SCSD Branch	
ASBA Bank A/c No./UPI Id	_____		
Received from Mr/Ms.	_____		
Telephone / Mobile	Email	_____	

<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - REVISION - R</b>	Option 1	Option 2	Option 3	Stamp & Signature of SCSD/Broker/DP/RTA	Name of Sole / First Applicant	
	No. of Equity Shares					
	Issue Price					
	Additional Amount Blocked (₹)					
ASBA Bank A/c No. / UPI Id: _____					Acknowledgment Slip for Applicant  Application Form No. _____	
Bank & Branch: _____						

Important Note: Application made using third party UPI ID or ASBA Bank A/c are liable to be rejected.





Revision Form – For Non-Resident

ISSUE PROGRAMME : ISSUE OPENS ON: [●] ISSUE CLOSES ON: [●]																					
<b>COMMON APPLICATION REVISION FORM</b>	<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - REVISION - NR</b> <small>Registered Office: Abcd Efgh Ijklm Nopqrst Uvwxyz, Corporate Office: Abcd Efgh Ijklm Nopqrst Uvwxyz, CIN: ABCDEFGHIJKL123456789, Tel: +91 1234567890, E-mail: abcdefgh@abc.com, Website: www.abcdefghijkl.com</small>																				
<b>LOGO</b>	<b>FIXED PRICE SME ISSUE</b> ISIN - INE1234567890																				
To, The Board of Directors XYZ LIMITED	Application Form No. _____ Date: _____																				
<b>BROKER'S / SCBS/ DP/ RTA STAMP &amp; CODE</b>	<b>SUB BROKER'S / SUB AGENT'S STAMP &amp; CODE</b>																				
<b>SCSB / BANK BRANCH STAMP &amp; CODE</b>	<b>SCSB / BANK BRANCH SERIAL NO.</b>																				
<b>1. NAME &amp; CONTACT DETAILS OF SOLE/FIRST APPLICANT</b>																					
Mr. / Ms. _____																					
Address _____																					
Tel. No. (with STD code) / Mobile _____																					
<b>2. PAN OF SOLE/FIRST APPLICANT</b>																					
_____																					
<b>3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS</b> NSDL _____ CDSL _____																					
<small>For NSDL, enter 8 digit DP ID followed by 6 digit Client ID / For CDSL, enter 16 digit Client ID</small>																					
PLEASE CHANGE MY APPLICATION <input type="checkbox"/> PHYSICAL																					
<b>4. FROM (as per last Application or Revision)</b>																					
<b>Options</b>	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <th rowspan="2">No. of Equity Shares applied (Application must be in multiples of 1 equity shares) (In Figures)</th> <th colspan="3">Price per Equity Share (₹) 10/- (In Figures)</th> </tr> <tr> <th>Issue Price</th> <th>Discount, if any</th> <th>Net Price</th> </tr> <tr> <td>Option 1</td> <td></td> <td></td> <td></td> </tr> <tr> <td>(OR) Option 2</td> <td></td> <td></td> <td></td> </tr> <tr> <td>(OR) Option 3</td> <td></td> <td></td> <td></td> </tr> </table>	No. of Equity Shares applied (Application must be in multiples of 1 equity shares) (In Figures)	Price per Equity Share (₹) 10/- (In Figures)			Issue Price	Discount, if any	Net Price	Option 1				(OR) Option 2				(OR) Option 3				
No. of Equity Shares applied (Application must be in multiples of 1 equity shares) (In Figures)	Price per Equity Share (₹) 10/- (In Figures)																				
	Issue Price	Discount, if any	Net Price																		
Option 1																					
(OR) Option 2																					
(OR) Option 3																					
<b>5. TO (Revised Application)</b>																					
<b>Options</b>	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <th rowspan="2">No. of Equity Shares applied (Application must be in multiples of 1 equity shares) (In Figures)</th> <th colspan="3">Price per Equity Share (₹) 10/- (In Figures)</th> </tr> <tr> <th>Issue Price</th> <th>Discount, if any</th> <th>Net Price</th> </tr> <tr> <td>Option 1</td> <td></td> <td></td> <td></td> </tr> <tr> <td>(OR) Option 2</td> <td></td> <td></td> <td></td> </tr> <tr> <td>(OR) Option 3</td> <td></td> <td></td> <td></td> </tr> </table>	No. of Equity Shares applied (Application must be in multiples of 1 equity shares) (In Figures)	Price per Equity Share (₹) 10/- (In Figures)			Issue Price	Discount, if any	Net Price	Option 1				(OR) Option 2				(OR) Option 3				
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	Issue Price	Discount, if any	Net Price																		
Option 1																					
(OR) Option 2																					
(OR) Option 3																					
<b>6. PAYMENT DETAILS</b>																					
<b>PAYMENT OPTION : Full Payment</b>																					
Amount Blocked (₹ in Figures) _____ (₹ in words) _____																					
ASBA Bank A/c No. _____																					
Bank Name & Branch _____																					
UPI ID _____ <small>(Maximum 45 characters)</small>																					
<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 APPLICATION FORM AND THE ATTACHED A BRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN THE PUBLIC ISSUE ("GID") AND HEREBY AGREE AND CONFIRM THE "INVESTOR UNDERTAKING" AS GIVEN OVER LEAF I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE APPLICATION FORM GIVEN OVER LEAF.</small>																					
<b>7.A. SIGNATURE OF SOLE / FIRST APPLICANT</b>	<b>7.B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS)</b>																				
Date: _____, 2018	I/We authorize the SCBS to do all acts as are necessary to make the Application in the issue 1) _____ 2) _____ 3) _____																				
BROKER / SCBS / DP / RTA STAMP (Acknowledging upload of Application in Stock Exchange System)																					

<b>LOGO</b>	<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - REVISION - NR</b>	Acknowledgement Slip for Broker/SCSB/DP/RTA	Application Form No. _____																
DPID / CLID _____	PAN _____																		
Additional Amount Blocked (₹ in figures) _____	Bank & Branch _____	<b>SCSB Branch Stamp &amp; Signature</b>																	
ASBA Bank A/c No./UPI ID: _____																			
Received from Mr/Ms _____																			
Telephone / Mobile _____	Email _____																		
TEAR HERE																			
<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - REVISION - NR</b>	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <th></th> <th>Option 1</th> <th>Option 2</th> <th>Option 3</th> </tr> <tr> <td>No. of Equity Shares</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Issue Price</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Additional Amount Blocked (₹)</td> <td></td> <td></td> <td></td> </tr> </table>		Option 1	Option 2	Option 3	No. of Equity Shares				Issue Price				Additional Amount Blocked (₹)				Stamp & Signature of SCBS/Broker/DP/RTA	Name of Sole / First Applicant
	Option 1	Option 2	Option 3																
No. of Equity Shares																			
Issue Price																			
Additional Amount Blocked (₹)																			
ASBA Bank A/c No./UPI ID: _____		<b>Acknowledgment Slip for Applicant</b>																	
Bank & Branch: _____		<b>Application Form No.</b>																	
<small>Important Note: Application made using third party UPI ID or ASBA Bank A/c are liable to be rejected.</small>																			



Instructions to fill each field of the Revision Form can be found on the reverse side of the Revision Form. Other than instructions already highlighted at paragraph 4.1 above, point wise instructions regarding filling up various fields of the Revision Form are provided below:

**4.2.1 FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER/APPLICANT, PAN OF SOLE/FIRST BIDDER/APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/APPLICANT**

Bidders/Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3. 4.2.2

**4.2.2 FIELD 4 & 5: BID OPTIONS REVISION 'FROM' AND 'TO'**

- a) Apart from mentioning the revised options in the Revision Form, the Applicant must also mention the details of all the bid options given in his or her Bid cum Application Form or earlier Revision Form. For example, if an Applicant has Bid for three options in the Bid cum Application Form and such Applicant is changing only one of the options in the Revision Form, the Applicant must still fill the details of the other two options that are not being revised, in the Revision Form. The Designated Intermediaries may not accept incomplete or inaccurate Revision Forms.
- b) In case of revision, Bid options should be provided by Applicants in the same order as provided in the Bid cum Application Form.
- c) In case of revision of Bids by RIIs, Employees and Retail Individual Shareholders, such Applicants should ensure that the Bid Amount, subsequent to revision, does not exceed ₹ 2.00 Lakh. In case the Bid Amount exceeds ₹ 2.00 Lakh due to revision of the Bid or for any other reason, the Bid may be considered, subject to eligibility, for allocation under the Non-Institutional Category, not being eligible for Discount (if applicable) and such Bid may be rejected if it is at the Cut-off Price. The Cut-off Price option is given only to the RIIs, Employees and Retail Individual Shareholders indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process.
- d) In case of revision of Bids by Employees, such Bidders/Applicants should ensure that the total Bid subsequent to revision, does not exceed ₹ 2.00 Lakh.
- e) If, however, the RII does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the RII and the RII is deemed to have approved such revised Bid at Cut-off Price.
- f) In case of a downward revision in the Price Band, RIIs and Bids by Employees under the Reservation Portion, who have bid at the Cut-off Price could either revise their Bid or the excess amount paid at the time of Bidding will be unblocked.

**4.2.3 FIELD 6: PAYMENT DETAILS**

- a) All Applicants are required to authorize blocking of the full Bid Amount (less Discount, if applicable) at the time of submitting the Bid Revision Form. In case of Applicants specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less discount offered, if any.
- b) Applicant may Offer instructions to block the revised amount based on cap of the revised Price Band (adjusted for the Discount (if applicable) in the ASBA Account, to the same Designated Intermediary through whom such Applicant had placed the original Bid to enable the relevant SCSB to block the additional Bid Amount, if any.



- c) In case of a downward revision in the Price Band, RIIs, Employees and Retail Individual Shareholders, who have bid at the Cut-off Price, could either revise their Bid or the excess amount paid at the time of Bidding may be unblocked.

#### **4.2.4 FIELDS 7: SIGNATURES AND ACKNOWLEDGEMENTS**

Bidders/Applicants may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

#### **4.3 INSTRUCTIONS FOR FILING APPLICATION FORM IN ISSUES MADE OTHER THAN THROUGH THE BOOK BUILDING PROCESS (FIXED PRICE ISSUE)**

##### **4.3.1 FIELDS 1, 2, 3 NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER/APPLICANT, PAN OF SOLE/FIRST BIDDER/APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/APPLICANT**

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

##### **4.3.2 FIELD 4: PRICE, APPLICATION QUANTITY & AMOUNT**

- a) The Issuer may mention Price or Price Band in the Prospectus. However, a Prospectus registered with RoC contains one price or coupon rate (as applicable).
- b) Minimum Application Value and Bid Lot: The Issuer in consultation with the Lead Manager to the Issue (LM) may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹ 1.00 Lakh to ₹ 2.00 Lakh. The minimum Lot size is accordingly determined by an Issuer on basis of such minimum application value.
- c) Applications by RIIs, Employees and Retail Individual Shareholders, must be for such number of shares so as to ensure that the application amount payable does not exceed ₹ 2.00 Lakh.
- d) Applications by other investors must be for such minimum number of shares such that the application amount exceeds ₹ 2.00 Lakh and in multiples of such number of Equity Shares thereafter, as may be disclosed in the application form and the Prospectus, or as advertised by the Issuer, as the case may be.
- e) An application cannot be submitted for more than the Issue size.
- f) The maximum application by any Applicant should not exceed the investment limits prescribed for them under the applicable laws.
- g) **Multiple Applications:** An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or other SCSB and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.

For details regarding the procedures to be followed by the Registrar to detect multiple applications. Applicants should refer to paragraphs 4.1.4.2(b) and 4.1.4.2(c).

##### **4.3.3 FIELD NUMBER 5 : CATEGORY OF APPLICANTS**

- a) The categories of applicants identified as per the SEBI ICDR Regulations for the purpose of Bidding, allocation and Allotment in the Issue are RIIs, individual applicants other than RII's and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).
- b) An Issuer can make reservation for certain categories of Applicants permitted under the SEBI ICDR Regulations. For details of any reservations made in the Issue, applicants may refer to the Prospectus.



- c) The SEBI ICDR Regulations specify the allocation or Allotment that may be made to various categories of applicants in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation applicant may refer to the Prospectus.

#### **4.3.4 FIELD NUMBER 6: INVESTOR STATUS**

Applicants should refer to instructions contained in paragraphs 4.1.6.

#### **4.3.5 FIELD 7: PAYMENT DETAILS**

- a) Applicants are required to enter either the ASBA Bank account details or the UPI ID in this field. In case the Applicants doesn't provide any of the ASBA Bank account details or the UPI ID then the application would be rejected. For application submitted to Designated Intermediaries (other than SCSBs), Bidder providing both the ASBA Bank account details as well as the UPI ID, the UPI ID will be considered for processing of the application.
- b) All Applicants (other than Anchor Investors) are required to make use ASBA for applying in the Issue.
- c) RIIs applying through Designated Intermediaries (other than SCSBs) may make use of the UPI mechanism for applying in the Issue.
- d) Application Amount cannot be paid in cash, cheques or demand drafts through money order, cheque or through postal order or through stock invest.

##### **4.3.5.1 PAYMENT INSTRUCTIONS FOR APPLICANTS**

Applicants should refer to instructions contained in paragraphs 4.1.7.2

##### **4.3.5.2 UNBLOCKING OF ASBA ACCOUNT**

Applicants should refer to instructions contained in paragraph 4.1.7.3.

##### **4.3.5.1 ADDITIONAL PAYMENT INSTRUCTIONS FOR RIIS BIDDING THROUGH DESIGNATED INTERMEDIARIES (OTHER THAN SCSBS) USING THE UPI MECHANISM**

Applicants should refer to instructions contained in paragraph 4.1.7.4

##### **4.3.5.4 DISCOUNT (IF APPLICABLE)**

Applicants should refer to instructions contained in paragraph 4.1.7.5

#### **4.3.6 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS & ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

Applicants should refer to instructions contained in paragraphs 4.1.8 & 4.1.9.

#### **4.4 SUBMISSION OF BID CUM APPLICATION FORM/REVISION FORM/APPLICATION FORM**

4.4.1 Bidders/Applicants may submit completed Bid cum application form/Revision Form in the following manner:



<b>Mode of Application</b>	<b>Submission of Bid cum Application Form</b>
Anchor Investors Application Form	To the Book Running Lead Manager at the Specified Locations mentioned in the Bid cum Application Form
All Applications (other than Anchor Investors)	<ul style="list-style-type: none"> <li>• To members of the Syndicate in the Specified Locations or Registered Brokers at the Broker Centres or the CRTAs at the Designated RTA Location or the CDPs at the CDP Location</li> <li>• To the Designated Branches of the SCSBs where the ASBA Account is maintained</li> </ul>

- a) Applicants should submit the Revision Form to the same Designated Intermediary through which such Applicant had placed the original Bid.
- b) Upon submission of the Bid cum Application Form, the Applicant will be deemed to have authorized the Issuer to make the necessary changes in the Prospectus and the Bid cum Application Form as would be required for filing Prospectus with the RoC and as would be required by the RoC after such filing, without prior or subsequent notice of such changes to the relevant Applicant.
- c) Upon determination of the Issue Price and filing of the Prospectus with the RoC, the Bid cum Application Form will be considered as the application form.

#### **SECTION 5: ISSUE PROCEDURE IN BOOK BUILT ISSUE**

Book Building, in the context of the Issue, refers to the process of collection of Bids within the Price Band or above the Floor Price and determining the Issue Price based on the Bids received as detailed in Schedule XIII of SEBI ICDR Regulations. The Issue Price is finalised after the Bid/ Issue Closing Date. Valid Bids received at or above the Issue Price are considered for allocation in the Issue, subject to applicable regulations and other terms and conditions.

##### **5.1 SUBMISSION OF BIDS**

- a) During the Bid/ Issue Period, Applicants may approach any of the Designated Intermediaries to register their Bids. Anchor Investors who are interested in subscribing for the Equity Shares should approach the Book Running Lead Manager, to register their Bid.
- b) In case of Applicants (excluding NIIs and QIBs) Bidding at Cut-off Price, the Applicants may instruct the SCSBs or the Sponsor Bank, as applicable, to block Bid Amount based on the Cap Price less Discount (if applicable).
- c) For Details of the timing on acceptance and upload of Bids in the Stock Exchanges Platform Applicants are requested to refer to the Prospectus.

##### **5.2 ELECTRONIC REGISTRATION OF BIDS**

- a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the issue.
- b) On the Bid/ Issue Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges.
- c) Only Bids that are uploaded on the Stock Exchanges Platform would be considered for allocation/Allotment. In UPI Phase I, the Designated Intermediaries are given till 1:00 pm on the day following the Bid/ Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/ Issue Period after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing.



### **5.3 BUILD UP OF THE BOOK**

- a) Bids received from various Applicants through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchanges' on a regular basis. The book gets built up at various price levels. This information may be available with the BRLMs at the end of the Bid/ Issue Period.
- b) Based on the aggregate demand and price for Bids registered on the Stock Exchanges Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchanges may be made available at the Bidding centres during the Bid/ Issue Period.

### **5.4 WITHDRAWAL OF BIDS**

- a) RIIs can withdraw their Bids until Bid/ Issue Closing Date. In case a RII wishes to withdraw the Bid, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.
- b) The Registrar to the Issue shall give instruction to the SCSB or the Sponsor Bank, as applicable, for unblocking the ASBA Account upon or after the finalization of basis of Allotment. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

### **5.5 REJECTION & RESPONSIBILITY FOR UPLOAD OF BIDS**

- a) The Designated Intermediaries are individually responsible for the acts, mistakes or errors or omission in relation to:
  - i. the Bids accepted by the Designated Intermediaries,
  - ii. the Bids (including UP ID, as applicable) uploaded by the Designated Intermediaries, and
  - iii. the Bid cum application forms accepted but not uploaded by the Designated Intermediaries.
- b) The BRLMs and their affiliate Syndicate Members, as the case may be, may reject Bids if all the information required is not provided and the Bid cum Application Form is incomplete in any respect.
- c) The SCSBs or the Sponsor Banks, as applicable, shall have no right to reject Bids, except in case of unavailability of adequate funds in the ASBA account or on technical grounds.
- d) In case of QIB Bidders, only the (i) SCSBs (for Bids other than the Bids by Anchor Investors); and (ii) BRLMs and their affiliate Syndicate Members (only in the Specified Locations) have the right to reject bids. However, such rejection shall be made at the time of receiving the Bid and only after assigning a reason for such rejection in writing.
- e) All bids by QIBs, NIIs & RIIs Bids can be rejected on technical grounds listed herein.

#### **5.5.1 GROUNDS FOR TECHNICAL REJECTIONS**

Bid cum Application Forms/Application Form can be rejected on the below mentioned technical grounds either at the time of their submission to any of the Designated Intermediaries, or at the time of finalisation of the Basis of Allotment. Bidders/Applicants are advised to note that the Bids/Applications are liable to be rejected, inter-alia, on the following grounds, which have been detailed at various places in this GID:-

- a) Bid/Application by persons not competent to contract under the Indian Contract Act, 1872, as amended, (other than minors having valid Depository Account as per Demographic Details provided by Depositories);
- b) Bids/Applications of Bidders (other than Anchor Investors) accompanied by cash, draft, cheques, money order or any other mode of payment other than amounts blocked in the Bidders' ASBA Account;



- c) Bids/Applications by OCBs; and
- d) In case of partnership firms, Bid/Application for Equity Shares made in the name of the firm. However, a limited liability partnership can apply in its own name;
- e) In case of Bids/Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents not being submitted along with the Bid cum application form/Application Form;
- f) Bids/Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- g) Bids/Applications by any person outside India if not in compliance with applicable foreign and Indian laws;
- h) DP ID and Client ID not mentioned in the Bid cum Application Form/Application Form;
- i) ASBA Account number or UPI ID not mentioned or incorrectly mentioned in the Bid cum Application Form/Application Form;
- j) PAN not mentioned in the Bid cum Application Form/Application Form, except for Bids/Applications by or on behalf of the Central or State Government and officials appointed by the court and by the investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participant;
- k) In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;
- l) Bids/Applications for lower number of Equity Shares than the minimum specified for that category of investors;
- m) Bids/Applications at a price less than the Floor Price and Bids/Applications at a price more than the Cap Price;
- n) Bids/Applications at Cut-off Price by NIIs and QIBs;
- o) The amounts mentioned in the Bid cum Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
- p) Bids/Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- q) Submission of Bid cum Application Forms/Application Form using third party UPI ID or ASBA Bank Account;
- r) Submission of more than one Bid cum Application Form per UPI ID or ASBA Account mentioned in the Bid Cum Application Form by RIIs bidding through Designated Intermediaries (except for RIIs applying as Retail Individual Shareholder also)
- s) In case of joint Bids, submission of Bid cum Application Forms/Application Form using second or third party's UPI ID or ASBA Bank Account;
- t) Bids/Applications for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the Prospectus;
- u) Multiple Bids/Applications as defined in this GID and the Prospectus;
- v) Bid cum Application Forms/Application Forms are not delivered by the Bidders/Applicants within the time prescribed as per the Bid cum Application Forms/Application Form, Bid/ Issue Opening Date advertisement and as per the instructions in the Prospectus and the Bid cum Application Forms;



- w) Bank account mentioned in the Bid cum Application Form (for Bidders applying through the non UPI mechanism) may not be an account maintained by SCSB. Inadequate funds in the ASBA account to block the Bid/Application Amount specified in the Bid cum Application Form/Application Form at the time of blocking such Bid/Application Amount in the ASBA account;
- x) case of Bids by RIIs (applying through the UPI mechanism), the UPI ID mentioned in the Bid cum Application Form is linked to a third party bank account;
- y) In case of Bids by RIIs (applying through the UPI mechanism), the UPI ID is not mentioned in the Bid cum Application Form;
- z) In case of Anchor Investors, Bids/Applications where sufficient funds are not available in Escrow Accounts as per final certificate from the Escrow Collection Banks;
- aa) Where no confirmation is received from SCSB or the Sponsor Bank, as applicable, for blocking of funds;
- bb) Bids/Applications by Bidders (other than Anchor Investors) not submitted through ASBA process;
- cc) Bids/Applications submitted to Designated Intermediaries at locations other than the Bidding Centers or, submitted to the Escrow Collecting Banks (assuming that such bank is not a SCSB where the ASBA Account is maintained), to the issuer or the Registrar to the Issue;
- dd) Bids/Applications not uploaded on the terminals of the Stock Exchanges;
- ee) Bids/Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form;
- ff) The UPI Mandate is not approved by Retail Individual Investor; and
- gg) The original Bid/Application is made using the UPI mechanism and revision(s) to the Bid/Application is made using ASBA either physically or online through the SCSB, and vice- versa.
- hh) Applicants are required to enter either the ASBA Bank account details or the UPI ID in the Bid cum Application Form. In case the Bidder doesn't provide any of the ASBA Bank account details or the UPI ID then the application would be rejected. For application submitted to Designated Intermediaries (other than SCSBs), Bidder providing both the ASBA Bank account details as well as the UPI ID, the UPI ID will be considered for processing of the application.
- ii) RIIs shall ensure that the bank, with which it has its bank account, where the funds equivalent to the application amount is available for blocking has been notified as Issuer Banks for UPI. A list of such banks is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>
- jj) In case of revision of Bids by RII Bidders, if UPI Mandate Request for the revised Bid is not approved, the Application is liable to be rejected.

## **5.6 BASIS OF ALLOCATION**

- a) The SEBI ICDR Regulations specify the allocation or Allotment that may be made to various categories of Applicants in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the Prospectus. For details in relation to allocation, the Applicant may refer to the Prospectus.
- b) Under-subscription in any category (except QIB Category) is allowed to be met with spillover from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLMs and





the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations. Unsubscribed portion in QIB Category is not available for subscription to other categories.

- c) In case of under subscription in the Net Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Net Issue. For allocation in the event of an under-subscription applicable to the Issuer, Applicants may refer to the Prospectus.
- d) Illustration of the Book Building and Price Discovery Process Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes Bidding by Anchor Investors.

Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹ 20 to ₹ 24 per share, Issue size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

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

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The Issuer in consultation with the BRLMs, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below ₹ 22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

- e) Alternate Method of Book Building

In case of FPOs, Issuers may opt for an alternate method of Book Building in which only the Floor Price is specified for the purposes of bidding (“Alternate Book Building Process”).

The Issuer may specify the Floor Price in the Prospectus or advertise the Floor Price at least one Working Day prior to the Bid/ Issue Opening Date. QIBs may Bid at a price higher than the Floor Price and the Allotment to the QIBs is made on a price priority basis. The Bidder with the highest Bid Amount is allotted the number of Equity Shares Bid for and then the second highest Bidder is Allotted Equity Shares and this process continues until all the Equity Shares have been allotted. RIIs, NIIs and Employees are Allotted Equity Shares at the Floor Price and Allotment to these categories of Bidders is made proportionately. If the number of Equity Shares Bid for at a price is more than available quantity then the Allotment may be done on a proportionate basis. Further, the Issuer may place a cap either in terms of number of specified securities or percentage of issued capital of the Issuer that may be Allotted to a single Bidder, decide whether a Bidder be allowed to revise the bid upwards or downwards in terms of price and/or quantity and also decide whether a Bidder be allowed single or multiple bids.

**SECTION 6: ISSUE PROCEDURE IN FIXED PRICE ISSUE**

Applicants may note that there is no Bid cum Application Form in a Fixed Price Issue. As the Issue Price is mentioned in the Fixed Price Issue therefore on filing of the Prospectus with the RoC, the Application so submitted is considered as the Application Form.

Applicants may only use the specified Application Form for the purpose of making an Application in terms of the Prospectus which may be submitted through the Designated Intermediary.



ASBA Applicants may submit an Application Form either in physical form to the Designated Intermediaries or in the electronic form to the SCSB or the Designated Branches of the SCSBs authorising blocking of funds that are available in the ASBA account specified in the Application Form only. The Application Form is also made available on the websites of the Stock Exchanges at least one day prior to the Bid/Issue Opening Date.

In a fixed price Issue, allocation in the net issue to the public category is made as follows: minimum fifty per cent to Retail Individual Investors; and remaining to (i) individual investors other than Retail Individual Investors; and (ii) other Applicants including corporate bodies or institutions, irrespective of the number of specified securities applied for. The unsubscribed portion in either of the categories specified above may be allocated to the Applicants in the other category.

For details of instructions in relation to the Application Form, Applicants may refer to the relevant section of the GID.

## **SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT**

The Allotment of Equity Shares to Applicants other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Applicants may refer to Prospectus. No Retail Individual Investor will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue (excluding any Offer for Sale of specified securities). However, in case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

### **7.1 ALLOTMENT TO RIIs**

Bids received from the RIIs at or above the Issue Price may be grouped together to determine the total demand under this category. If the aggregate demand in this category is less than or equal to the Retail Category at or above the Issue Price, full Allotment may be made to the RIIs to the extent of the valid Bids. If the aggregate demand in this category is greater than the allocation to in the Retail Category at or above the Issue Price, then the maximum number of RIIs who can be Allotted the minimum Bid Lot will be computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot ("Maximum RII Allottees"). The Allotment to the RIIs will then be made in the following manner:

- a) In the event the number of RIIs who have submitted valid Bids in the Issue is equal to or less than Maximum RII Allottees, (i) all such RIIs shall be Allotted the minimum Bid Lot; and (ii) the balance available Equity Shares, if any, remaining in the Retail Category shall be Allotted on a proportionate basis to the RIIs who have received Allotment as per (i) above for the balance demand of the Equity Shares Bid by them (i.e. who have Bid for more than the minimum Bid Lot).
- b) In the event the number of RIIs who have submitted valid Bids in the Issue is more than Maximum RII Allottees, the RIIs (in that category) who will then be Allotted minimum Bid Lot shall be determined on the basis of draw of lots.

### **7.2 ALLOTMENT TO NIIs**

Bids received from NIIs at or above the Issue Price may be grouped together to determine the total demand under this category. The Allotment to all successful NIIs may be made at or above the Issue Price. If the aggregate demand in this category is less than or equal to the Non-Institutional Category at or above the Issue Price, full Allotment may be made to NIIs to the extent of their demand. In case the aggregate demand in this category is greater than the Non-Institutional Category at or above the Issue Price, Allotment may be made on a proportionate basis up to a minimum of the Non-Institutional Category.

### **7.3 ALLOTMENT TO QIBs**

For the Basis of Allotment to Anchor Investors, Applicants may refer to the SEBI ICDR Regulations, 2018 or Prospectus. Bids received from QIBs Bidding in the QIB Category (net of Anchor Portion) at or above the Issue Price



may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment may be undertaken in the following manner:

- a) In the first instance allocation to Mutual Funds for up to 5% of the QIB Category may be determined as follows:
  - i. In the event that Bids by Mutual Fund exceeds 5% of the QIB Category, allocation to Mutual Funds may be done on a proportionate basis for up to 5% of the QIB Category;
  - ii. In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Category then all Mutual Funds may get full Allotment to the extent of valid Bids received above the Issue Price; and
  - iii. Equity Shares remaining unsubscribed, if any and not allocated to Mutual Funds may be available for Allotment to all QIBs as set out at paragraph 7.4(b) below;
- b) In the second instance, Allotment to all QIBs may be determined as follows:
  - i. In the event of oversubscription in the QIB Category, all QIBs who have submitted Bids above the Issue Price may be Allotted Equity Shares on a proportionate basis for up to 95% of the QIB Category;
  - ii. Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis along with other QIBs; and
  - iii. Under-subscription below 5% of the QIB Category, if any, from Mutual Funds, may be included for allocation to the remaining QIBs on a proportionate basis.

#### **7.4 ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)**

- a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Issue Price will be at the discretion of the issuer in consultation with the Investor and the BRLMs, subject to compliance with the following requirements:
  - i. not more than 60% of the QIB Category will be allocated to Anchor Investors;
  - ii. one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and
  - iii. allocation to Anchor Investors shall be on a discretionary basis and subject to:
    - a maximum number of two Anchor Investors for allocation up to ₹ 10 crore;
    - a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 10 crore and up to ₹ 250 crore subject to minimum Allotment of ₹ 5 crore per such Anchor Investor; and
    - a minimum number of five Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 250 crore, and an additional 10 Anchor Investors for every additional ₹ 250 crore or part thereof, subject to minimum Allotment of ₹ 5 crore per such Anchor Investor.



- b) A physical book is prepared by the Registrar on the basis of the Anchor Investor Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the issuer in consultation with the BRLMs, selected Anchor Investors will be sent a CAN and if required, a revised CAN.
- c) In the event that the Issue Price is higher than the Anchor Investor Issue Price: Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Issue Price and the Anchor Investor Issue Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors.
- d) In the event the Issue Price is lower than the Anchor Investor Issue Price: Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

#### **7.5 BASIS OF ALLOTMENT FOR QIBs (OTHER THAN ANCHOR INVESTORS), NIIs AND RESERVED CATEGORY IN CASE OF OVER-SUBSCRIBED ISSUE**

In the event of the Issue being over-subscribed, the Issuer may finalise the Basis of Allotment in consultation with the Designated Stock Exchange in accordance with the SEBI ICDR Regulations, 2018.

The allocation may be made in marketable lots, on a proportionate basis as explained below:

- a) Bidders may be categorized according to the number of Equity Shares applied for;
- b) The total number of Equity Shares to be Allotted to each category as a whole may be arrived at on a proportionate basis, which is the total number of Equity Shares applied for in that category (number of Bidders in the category multiplied by the number of Equity Shares applied for) multiplied by the inverse of the over-subscription ratio;
- c) The number of Equity Shares to be Allotted to the successful Bidders may be arrived at on a proportionate basis, which is total number of Equity Shares applied for by each Bidder in that category multiplied by the inverse of the over-subscription ratio;
- d) In all Bids where the proportionate Allotment is less than the minimum Bid Lot decided per Bidder, the Allotment may be made as follows: the successful Bidders out of the total Bidders for a category may be determined by a draw of lots in a manner such that the total number of Equity Shares Allotted in that category is equal to the number of Equity Shares calculated in accordance with (b) above; and each successful Bidder may be Allotted a minimum of such Equity Shares equal to the minimum Bid Lot finalised by the Issuer;
- e) If the proportionate Allotment to a Bidder is a number that is more than the minimum Bid lot but is not a multiple of one (which is the marketable lot), the decimal may be rounded off to the higher whole number if that decimal is 0.5 or higher. If that number is lower than 0.5 it may be rounded off to the lower whole number. Allotment to all Bidders in such categories may be arrived at after such rounding off; and
- f) If the Equity Shares allocated on a proportionate basis to any category are more than the Equity Shares Allotted to the Bidders in that category, the remaining Equity Shares available for Allotment may be first adjusted against any other category, where the Allotted Equity Shares are not sufficient for proportionate Allotment to the successful Bidders in that category. The balance Equity Shares, if any, remaining after such adjustment may be added to the category comprising Bidders applying for minimum number of Equity Shares.

#### **7.6 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES**

- a) Designated Date: On the Designated Date, the Escrow Bank shall transfer the funds represented by allocation of Equity Shares to Anchor Investors from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Issue Account with the Bankers to the Issue. The balance amount after transfer to the Public



Issue Account shall be transferred to the Refund Account. Payments of refund to the Bidders applying in the Anchor Investor Portion shall be made from the Refund Account as per the terms of the Escrow Agreement and the Prospectus. On the Designated Date, the Registrar to the Issue shall instruct the SCSBs or the Sponsor Bank, as applicable, to transfer funds represented by allocation of Equity Shares from ASBA Accounts into the Public Issue Account.

- b) Issuance of Allotment Advice: Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary resolutions and undertake corporate action to facilitate the Allotment and credit of Equity Shares. Applicants are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Applicants who have been Allotted Equity Shares in the Issue.

- c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.
- d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) credit of shares to the successful Applicants Depository Account will be completed within six Working Days of the Bid/ Issue Closing Date.

## **SECTION 8: INTEREST AND REFUNDS**

### **8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING**

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within six Working Days of the Bid/ Issue Closing Date.

### **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 finalized.

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 initiate action to unblock the application amount from the Investors accounts.

If such money is not repaid within the 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 Companies Act, and disclosed in the Prospectus.

#### **8.2.2 NON-RECEIPT OF MINIMUM SUBSCRIPTION**

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten.

As per Section 39 of 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 offer through the Offer Document including devolvement of underwriters, if any, within sixty (60) days from the date of closure of the issue, our company shall forthwith unblock the entire application amount received. If there is a delay beyond eighty 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 SEBI Regulations, the Companies Act, 2013.



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 amounts in the ASBA Account shall be unblocked within 6 working days of closure of the issue.

Further in accordance with Regulation 267 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 ₹1.00 Lakh (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 offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance without the applicable laws of such jurisdiction.

### **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 unblocked forthwith.

### **8.3 MODE OF REFUND**

In case of ASBA Bids/Applications: Within six Working Days of the Bid/ Issue Closing Date, the Registrar to the Issue may give instructions to SCsBs or in case of Bids by RIIs applying through the UPI mechanism to the Sponsor Bank to revoke the mandate and for unblocking the amount for unsuccessful Bid/Application and also for any excess amount blocked on Bidding/Application.

In case of Anchor Investors: Within six Working Days of the Bid/ Issue Closing Date, the Registrar to the Issue may dispatch the refund orders for all amounts payable to unsuccessful Anchor Investors.

In case of Anchor Investors, the Registrar to the Issue may obtain from the depositories, the Applicants' bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Anchor Investors in their Anchor Investor Application Forms for refunds. Accordingly, Anchor Investors are advised to immediately update their details as appearing on the records of their depositories. Failure to do so may result in delays in dispatch of refund orders or refunds through electronic transfer of funds, as applicable, and any such delay may be at the Anchor Investors' sole risk and neither the Issuer, the Registrar to the Issue, the Escrow Collection Banks, or the Syndicate, may be liable to compensate the Anchor Investors for any losses caused to them due to any such delay, or liable to pay any interest for such delay. Please note that refunds shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank.

In the case of Bids from Eligible NRI Bidders and FPIs, refunds, if any, may generally be payable in Indian Rupees only and net of bank charges and/or commission. If so desired, such payments in Indian Rupees may be converted into U.S. Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and may be dispatched by registered post. The Company, the Selling Shareholders and the Lead Manager may not be responsible for loss, if any, incurred by the Bidder/Applicant on account of conversion of foreign currency.

#### **8.3.1 ELECTRONIC MODE OF MAKING REFUNDS FOR ANCHOR INVESTORS.**

The payment of refund, if any, may be done through various electronic modes as mentioned below:

- a) NACH — National Automated Clearing House is a consolidated system of ECS. Payment of refunds would be done through NACH for Anchor Investors having an account at one of the centres specified by the RBI, where such facility has been made available. This would be subject to availability of complete bank account details including Magnetic Ink Character Recognition (MICR) code wherever applicable from the depository. The payment of refunds through NACH is mandatory for Anchor Investors having a bank account at any of the centres where NACH facility has been made available by the RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the



depositories), except where applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS;

- b) NEFT - Payment of refund may be undertaken through NEFT wherever the branch of the Anchor Investors' bank is NEFT enabled and has been assigned the Indian Financial System Code ("IFSC"), which can be linked to the MICR of that particular branch. The IFSC Code may be obtained from the website of RBI as at a date prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Anchor Investors have registered their nine digit MICR number and their bank account number while opening and operating the demat account, the same may be duly mapped with the IFSC Code of that particular bank branch and the payment of refund may be made to the Anchor Investors through this method. In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in this section;
- c) Direct Credit - Anchor Investors having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account;
- d) RTGS - Anchor Investors having a bank account with a bank branch which is RTGS enabled as per the information available on the website of RBI and whose refund amount exceeds ₹ 0.2 million, shall be eligible to receive refund through RTGS, provided the Demographic Details downloaded from the Depositories contain the nine digit MICR code of the Anchor Investor's bank which can be mapped with the RBI data to obtain the corresponding IFSC. Charges, if any, levied by the Anchor Escrow Bank for the same would be borne by our Company. Charges, if any, levied by the Anchor Investor's bank receiving the credit would be borne by the Anchor Investor.

Please note that refunds through the abovementioned modes shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank.

For details of levy of charges, if any, for any of the above methods, Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centers, etc. Anchor Investors may refer to Prospectus.

**8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND**

The Issuer may pay interest at the rate of 15% per annum if refund orders, as applicable, are not dispatched or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner and/or demat credits are not made to Applicants or instructions for unblocking of funds in the ASBA Account are not dispatched within the 6 working days of the Bid/ Issue Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 15 days from the Bid/ Issue Closing Date, if Allotment is not made.

**SECTION 9: GLOSSARY AND ABBREVIATIONS**

*Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time.*

<b>Term</b>	<b>Description</b>
Allotment/ Allot/ Allotted	The allotment of Equity Shares pursuant to the Issue to successful Applicants
Allotment Advice	Note or advice or intimation of Allotment sent to the Applicants who have been Allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchanges
Allottee	An Applicant to whom the Equity Shares are Allotted
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Invest or Portion in accordance



Term	Description
	with the requirements specified in SEBI ICDR Regulations, 2018 and the Prospectus.
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Prospectus
Anchor Investor Portion	Up to 60% of the QIB Category which may be allocated by the Issuer in consultation with the BRLMs, to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion is reserved for domestic Mutual Funds, subject to valid Applications being received from domestic Mutual Funds at or above the price at which allocation is being done to Anchor Investors
Applicant	Any prospective investor who makes a Bid pursuant to the terms of the Prospectus and the Bid cum Application Form. In case of issues undertaken through the fixed price process, all references to an Applicant should be construed to mean an Applicant
Application Form	The form in terms of which the Applicant should make an application for Allotment in case of issues other than Book Built Issues, includes Fixed Price Issue
Application Supported by Blocked Amount/ ASBA	An application, whether physical or electronic, used by Bidders/Applicants, other than Anchor Investors, to make a Bid and authorising an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB and will include amounts blocked by RIIs using the UPI mechanism
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB or the account of the RII Bidder blocked upon acceptance of UPI Mandate Request by RIIs using the UPI Mechanism to the extent of the Bid Amount of the Bidder/Applicant
Banker(s) to the Issue / Escrow Collection Bank(s) / Collecting Banker	The banks which are clearing members and registered with SEBI as Banker to the Issue with whom the Escrow Account(s) for Anchor Investors may be opened, and as disclosed in the Prospectus and Bid cum Application Form of the Issuer
Basis of Allotment	The basis on which the Equity Shares may be Allotted to successful Applicants under the Issue
Bid/Application	An indication to make an Issue during the Bid/ Issue Period by a prospective Bidder pursuant to submission of Bid cum Application Form or during the Anchor Investor Issue Period by the Anchor Investors, to subscribe for or purchase the Equity Shares of the Issuer at a price within the Price Band, including all revisions and modifications there to. In case of issues undertaken through the fixed price process, all references to a Bid should be construed to mean an Application
Bid Amount/ Application Amount	The highest value of the optional Bids indicated in the Bid cum Application Form and payable by the Applicant up on submission of the Bid (except for Anchor Investors), less discounts (if applicable). In case of issues undertaken through the fixed price process, all references to the Bid Amount should be construed to mean the Application Amount
Bid/ Issue Closing Date	Except in the case of Anchor Investors (if applicable), the date after which the Designated Intermediaries may not accept any Bids for the Issue, which may be notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants may refer to the Prospectus for the Bid/ Issue Closing Date
Bid/ Issue Opening Date	The date on which the Designated Intermediaries may start accepting Bids for the Issue, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants may refer to the Prospectus for the Bid/ Issue Opening Date



Term	Description
Bid/ Issue Period	Except in the case of Anchor Investors (if applicable), the period between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants (other than Anchor Investors) can submit their Applications, inclusive of any revisions thereof. The Issuer may consider closing the Application/ Issue Period for QIBs one working day prior to the Issue Closing Date in accordance with the SEBI ICDR Regulations, 2018. Applicants may refer to the Prospectus for the Issue Period.
Bid cum Application Form/ Application Form	An application form, whether physical or electronic, used by Bidders/Applicants, other than Anchor Investors, to make a Bid/ Application and which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Book Built Process / Book Building Process / Book Building Method	The book building process as provided under SEBI ICDR Regulations, 2018, in terms of which the Issue is being made
Broker Centres	Broker centres notified by the Stock Exchanges, where Applicants can submit the Bid cum Application Forms to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchanges.
BRLM/ Book Running Lead Manager / Lead Manager / LM	The Book Running Lead Manager to the Issue as disclosed in the Prospectus and the Bid cum Application Form of the Issuer. In case of issues undertaken through the fixed price process, all references to the Book Running Lead Manager should be construed to mean the Lead Manager or LM
Business Day	Monday to Saturday (except 2nd & 4th Saturday of a month and public holidays)
CAN / Confirmation of Allotment Note	The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which may be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange
Cap Price	The higher end of the Price Band, above which the Issue Price and the Anchor Investor Issue Price may not be finalised and above which no Bids may be accepted
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account
Collecting Depository Participant or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Cut-off Price	Issue Price, finalised by the Issuer in consultation with the Book Running Lead Manager, which can be any price within the Price Band. Only RIIs, Retail Individual Shareholders and employees are entitled to Bid at the Cut-off Price. No other category of Applicants is entitled to Bid at the Cut-off Price
DP	Depository Participant
DP ID	Depository Participant's Identification Number
Depositories	National Securities Depository Limited and Central Depository Services (India) Limited
Demographic Details	Details of the Applicants including the Applicant's address, name of the Applicant's father/husband, investor status, occupation and bank account details
Designated Branches	Such branches of the SCSBs which may collect the Bid cum Application Forms used by Applicants (excluding Anchor Investor) and a list of which is available on <a href="http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html">http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html</a>
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the Bid cum Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid cum Application Forms are available on the respective websites of the Stock Exchange ( <a href="http://www.bseindia.com">www.bseindia.com</a> )



Term	Description
Designated Date	The date on which funds are transferred by the Escrow Collection Bank(s) from the Escrow Account and the amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, after the Prospectus is filed with the RoC, following which the board of directors may Allot Equity Shares to successful Applicants in the Fresh Issue may give delivery instructions for the transfer of the Equity Shares constituting the Offer for Sale
Designated Intermediaries / Collecting Agent	Syndicate Members, Sub-Syndicate/Agents, SCSBs, Registered Brokers, Brokers, the CDPs and RTAs, who are authorized to collect Bid cum Application Forms from the Bidders, in relation to the Issue
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the Bid cum Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Bid cum Application Forms are available on the respective websites of the Stock Exchange ( <a href="http://www.bseindia.com">www.bseindia.com</a> )
Designated Stock Exchange	The designated stock exchange as disclosed in the Prospectus of the Issuer
Prospectus	The prospectus filed with SEBI in case of Fixed Price Issues and which may mention a price or a Price Band
Employees	Employees of an Issuer as defined under SEBI ICDR Regulations, 2018 and including, in case of a new company, persons in the permanent and full-time employment of the promoting companies excluding the promoters and immediate relatives of the promoters. For further details, Applicant may refer to the Prospectus
Equity Shares	Equity Shares of the Issuer
Escrow Account	Account opened with the Escrow Collection Bank(s) and in whose favour the Anchor Investors may issue cheques or demand drafts or transfer money through NEFT or RTGS in respect of the Bid Amount when submitting a Bid
Escrow Agreement	Agreement to be entered into among the Issuer, the Registrar to the Issue, the Book Running Lead Manager, the Syndicate Member(s), the Escrow Collection Bank(s) and the Refund Bank(s) for collection of the Bid Amounts from Anchor Investors and where applicable, remitting refunds of the amounts collected to the Anchor Investors on the terms and conditions thereof
Escrow Collection Bank(s)	Refer to definition of Banker(s) to the Issue
FCNR Account	Foreign Currency Non-Resident Account
First Applicant	The Applicant whose name appears first in the Bid cum Application Form or Revision Form
Fixed Price Issue / Fixed Price Process / Fixed Price Method	The Fixed Price process as provided under SEBI ICDR Regulations, 2018, in terms of which the Issue is being made
Floor Price	The lower end of the Price Band, at or above which the Issue Price and the Anchor Investor Issue Price may be finalised and below which no Bids may be accepted, subject to any revision thereto
FPIs	Foreign Portfolio Investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
FPO	Further public offering
Foreign Venture Capital Investors or FVCIs	Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI (Foreign Venture Capital Investors) Regulations, 2000
IPO	Initial Public Offering
Issuer/Company	The Issuer proposing the initial public offering/ further public offering as applicable
Maximum RII Allottees	The maximum number of RIIs who can be Allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot.

Term	Description
MICR	Magnetic Ink Character Recognition - nine-digit code as appearing on a cheque leaf
Mutual Fund	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996
Mutual Funds Portion	5% of the QIB Category (excluding the Anchor Investor Portion) available for allocation to Mutual Funds only, being such number of equity shares as disclosed in the Prospectus and Bid cum Application Form
NEFT	National Electronic Fund Transfer
NRE Account	Non-Resident External Account
NRI	NRIs from such jurisdictions outside India where it is not unlawful to make an Issue or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares
NRO Account	Non-Resident Ordinary Account
Net Issue	The Issue less reservation portion
Non-Institutional Investors or NIIs	All Applicants, including sub accounts of FIIs registered with SEBI which are foreign corporates or foreign individuals and FPIs which are Category III foreign portfolio investors, that are not QIBs or RIBs and who have Bid for Equity Shares for an amount of more than ₹ 2.00 Lakh (but not including NRIs other than Eligible NRIs)
Non-Institutional Category	The portion of the Issue being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the Prospectus and the Application Form
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, FPIs and FVCIs registered with SEBI
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
Offer	Public issue of Equity Shares of the Issuer including the Offer for Sale if applicable
Other Investors	Investors other than Retail Individual Investors in a Fixed Price Issue. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for
Issue Price	The final price, less discount (if applicable) at which the Equity Shares may be Allotted to Bidders other than Anchor Investors, in terms of the Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Issue Price. The Issue Price may be decided by the Issuer in consultation with the Lead Manager
PAN	Permanent Account Number allotted under the Income Tax Act, 1961
Price Band	Price Band with a minimum price, being the Floor Price and the maximum price, being the Cap Price and includes revisions thereof. The Price Band and the minimum Bid lot size for the Issue may be decided by the Issuer in consultation with the Book Running Lead Manager and advertised, at least five working days in case of an IPO and one working day in case of FPO, prior to the Bid/ Issue Opening Date, in English national daily, Hindi national daily and regional language at the place where the registered office of the Issuer is situated, newspaper each with wide circulation
Pricing Date	The date on which the Issuer in consultation with the Book Running Lead Manager, finalise the Issue Price



Term	Description
Prospectus	The prospectus to be filed with the RoC in accordance with Section 26 and 32 of the Companies Act, 2013 after the Pricing Date, containing the Issue Price, the size of the Issue and certain other information
Public Issue Account	An account opened with the Banker to the Issue to receive monies from the Escrow Account and from the ASBA Accounts on the Designated Date
QIB Category	The portion of the Issue being such number of Equity Shares to be Allotted to QIBs on a proportionate basis
Qualified Institutional Buyers or QIBs	As defined under SEBI ICDR Regulations, 2018
RTGS	Real Time Gross Settlement
Refund Account(s)	The account opened with Refund Bank(s), from which refunds to Anchor Investors, if any, of the whole or part of the Bid Amount may be made
Refund Bank(s)	Refund bank(s) as disclosed in the Prospectus and Bid cum Application Form of the Issuer
Refunds through electronic transfer of funds	Refunds through Direct Credit, NEFT, RTGS or ASBA, as applicable
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Registered Broker	Stock Brokers registered with the Stock Exchanges having nationwide terminals, other than the members of the Syndicate
Registrar to the Issue /RTI	The Registrar to the Issue as disclosed in the Prospectus and Application Form
Reserved Category / Categories	Categories of persons eligible for making application/ Bidding under reservation portion
Reservation Portion	The portion of the Issue reserved for such category of eligible Applicants as provided under the SEBI ICDR Regulations, 2018
Retail Individual Investors/RIIs	Investors who applies or bids for a value of not more than ₹ 2.00 Lakh (including HUFs applying through their karta and eligible NRIs and does not include NRIs other than Eligible NRIs.
Retail Individual Shareholders	Shareholders of a listed Issuer who applies or bids for a value of not more than ₹ 2.00 Lakh.
Retail Category	The portion of the Issue being such number of Equity Shares available for allocation to RIIs which shall not be less than the minimum Bid Lot, subject to availability in RII category and the remaining shares to be Allotted on proportionate basis.
Revision Form	The form used by the Bidders, including ASBA Bidders, in an issue through Book Building Process to modify the quantity of Equity Shares and/or bid price indicated therein in any of their Bid cum Application Forms or any previous Revision Form(s)
RoC	The Registrar of Companies
SEBI	The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992
SEBI ICDR Regulations, 2018 / SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
Self Certified Syndicate Bank(s) or SCSB(s)	The banks registered with the SEBI which offers the facility of ASBA and the list of which is available on the website of the <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a>
Specified Locations	Bidding centres where the Syndicate shall accept Bid cum Application Forms, a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/">http://www.sebi.gov.in/</a> and updated from time to time
Sponsor Bank	The Banker to the Offer registered with SEBI which is appointed by the Issuer/Offer or to act as a conduit between the Stock Exchanges and the National



Term	Description
	Payments Corporation of India in order to push the mandate collect requests and / or payment instructions of the RIIs into the UPI
Stock Exchanges / SE	The stock exchanges as disclosed in the Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Issue are proposed to be listed
Syndicate	The Book Running Lead Manager and the Syndicate Member
Syndicate Agreement	The agreement to be entered into among the Issuer, and the Syndicate in relation to collection of Bid cum Application Forms by Syndicate Members
Syndicate Member(s) / SM	The Syndicate Member(s) as disclosed in the Prospectus
Underwriters	The Lead Manager and the Syndicate Member(s)
Underwriting Agreement	The agreement amongst the Issuer, and the Underwriters to be entered into on or after the Pricing Date
UPI ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI).
UPI Mandate Request	A request (intimating the RII by way of a notification on the UPI application and by way of a SMS directing the RII to such UPI application) to the RII initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment
UPI PIN	Password to authenticate UPI transaction
Working Day	<p>All days on which commercial banks in Mumbai are open for business. In respect of announcement of Price Band and Bid / Offer Period, Working Day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business.</p> <p>In respect of the time period between the Bid/Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, Working Day shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per circulars issued by SEBI.</p>



## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the 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 RBI and the concerned ministries/departments are responsible for granting approval for foreign investment. The Government has from time to time made policy pronouncements on foreign direct investment (“**FDI**”) through press notes and press releases. The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (earlier known as Department of Industrial Policy and Promotion) (“**DPIIT**”), issued the Consolidated FDI Policy Circular of 2017 (“**FDI Policy**”), which, with effect from August 28, 2017, consolidated and superseded all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on August 27, 2017. The FDI Policy will be valid until the DPIIT issues an updated circular. FDI in companies engaged in sectors/ activities which are not listed in the FDI Policy is permitted up to 100% of the paid up share capital of such company under the automatic route, subject to compliance with certain prescribed conditions.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that:

- i) The activities of the investee company are under the automatic route under the FDI policy and transfer does not attract the provisions of the Takeover Regulations;
- ii) The non-resident shareholding is within the sectoral limits under the FDI policy; and
- iii) The pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue. For details, see “*Offer Procedure*” on page 235 of this Prospectus.

### Foreign Exchange Laws

The foreign investment in our Company is governed by, inter alia, the FEMA, as amended, the Foreign Exchange Management (Transfer or Issue of Securities by a Person Resident Outside India) Regulations, 2017 as amended, the FDI Policy issued and amended by way of press notes, and the SEBI FPI Regulations. In terms of the FDI Policy, foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the Government route, depending upon the sector in which the foreign investment is sought to be made. In terms of the FDI Policy, the work of granting government approval for foreign investment under the FDI Policy and FEMA has now been entrusted to the concerned administrative ministries/departments.

RBI has also issued Master Direction on Foreign Investment in India dated January 4, 2018 (updated until March 8, 2019) (“**Master Directions**”). In terms of the Master Directions, an Indian company may issue fresh shares to persons resident outside India (who are eligible to make investments in India, for which the eligibility criteria are as prescribed).

The FEMA Non-Debt Instruments Rules was enacted on October 17, 2019 in supersession of the FEMA Regulations 2017, except as respects things done or omitted to be done before such supersession.

**The Equity Shares offered in this Issue 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 unless so registered 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 U.S. Securities Act and applicable state securities laws.**



Accordingly, such Equity Shares are being offered and sold only (i) outside the United States of America in an offshore transaction in reliance upon Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sale occur; and (ii) to “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act), pursuant to the private placement exemption set out in Section 4(a) of the U.S. Securities Act.

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 Issue 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 Issue.

**Any forwarding, distribution or reproduction of this document in whole or in part may be unauthorized. Failure to comply with this directive may result in a violation of the U.S. 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 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 XII: MAIN PROVISIONS OF ARTICLES OF ASSOCIATION**

**THE COMPANIES ACT, 2013**

**(INCORPORATED UNDER THE COMPANIES ACT, 1956)**

**COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION**

**OF**

**G M POLYPLAST LIMITED**

**PRELIMINARY**

The Regulations contained in Table 'F' of Schedule 1 to the Companies Act, 2013 shall apply to the Company except in so far as such regulations are inconsistent with the present Articles. In case of any contradiction between the provisions of Table 'F' and these Articles, the provisions of these Articles shall prevail.

**Interpretation**

- (1) In these regulations --
  - (a) "Company" means G M POLYPLASTLIMITED.
  - (b) "Office" means the Registered Office of the Company.
  - (c) "Act" means the Companies Act, 2013, and any statutory modification thereof.
  - (d) "Seal" means the Common Seal of the Company.
  - (e) "Directors" means the Directors of the Company and includes persons occupying the position of the directors by whatever name called.
- (2) 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.

**Share Capital and variation of rights**

1.
  - a. 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.
  - b. The Authorized Share Capital of the Company shall be such amounts and be divided into such shares as may, from time to time, be provided in Clause V of the Memorandum of Association with power to increase or reduce the capital in accordance with the Company's regulations and legislative provisions for the time being in force in that behalf with the powers to divide the share capital, whether original increased or decreased into several classes and attach thereto respectively such ordinary, preferential or special rights and conditions in such a manner as may for the time being be provided by the Regulations of the Company and allowed by law.





2. (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided, --
  - (a) one certificate for all his shares without payment of any charges; or
  - (b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.(ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.
  - (iii) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
3. (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.
  - (ii) The provisions of Articles (2) and (3) shall mutatis mutandis apply to debentures of the company.
4. Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
5. (i) The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.
  - (ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.
  - (iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.
6. (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.
  - (ii) To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.
7. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.



8. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

**Lien**

9. (i) The company shall have a first and paramount lien –
- (a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
- (b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:  
Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.
- (ii) The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.
10. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:  
Provided that no sale shall be made –
- (a) unless a sum in respect of which the lien exists is presently payable; or
- (b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.
11. (i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.
- (ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.
- (iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
12. (i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.
- ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

**Calls on Shares**

13. (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:
- Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.



- (ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.
- (iii) A call may be revoked or postponed at the discretion of the Board.
14. 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 instalments.
15. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
16. (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent per annum or at such lower rate, if any, as the Board may determine.
- (ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.
17. (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
- (ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
18. The Board –
- (a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and
- (b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance.

#### **Transfer of shares**

19. (i) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.
- (ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
20. The Board may, subject to the right of appeal conferred by section 58 decline to register –
- (a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
- (b) any transfer of shares on which the company has a lien.
21. The Board may decline to recognise any instrument of transfer unless –
- (a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;



(b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and

(c) the instrument of transfer is in respect of only one class of shares.

22. On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

#### **Transmission of Shares**

23. (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares.

(ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

24. (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either--

(a) to be registered himself as holder of the share; or

(b) to make such transfer of the share as the deceased or insolvent member could have made.

(ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

25. (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.

(ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

(iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

26. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

#### **Forfeiture of shares**



27. If a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.
28. The notice aforesaid shall --
- (a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
- (b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.
29. 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.
30. (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
- (ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
31. (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.
- (ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.
32. (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;
- (ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;
- (iii) The transferee shall thereupon be registered as the holder of the share; and
- (iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
33. The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

#### **Alteration of capital**

34. 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.
35. Subject to the provisions of section 61, the company may, by ordinary resolution, --
- (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;



- (b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
  - (c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
  - (d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.
36. Where shares are converted into stock, --
- (a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:
- Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.
- (b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.
  - (c) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those regulations shall include "stock" and "stock-holder" respectively.
37. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law, --
- (a) its share capital;
  - (b) any capital redemption reserve account; or
  - (c) any share premium account.

#### **Capitalisation of profits**

38. (i) The company in general meeting may, upon the recommendation of the Board, resolve --
- (a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the, profit and loss account, or otherwise available for distribution; and
  - (b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- (ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards --
- (A) paying up any amounts for the time being unpaid on any shares held by such members respectively;
  - (B) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;



(C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);

(D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;

(E) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

39. (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall -

(a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and

(b) generally do all acts and things required to give effect thereto.

(ii) The Board shall have power --

(a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and

(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;

(iii) Any agreement made under such authority shall be effective and binding on such members.

#### **Buy-back of shares**

40. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

#### **General meetings**

41. All general meetings other than annual general meeting shall be called extraordinary general meeting.

42. (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.

(ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

#### **Proceedings at general meetings**

43. (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

(ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.

44. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.



45. 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.
46. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

**Adjournment of meeting**

47. (i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.
- (ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
- (iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

**Voting rights**

48. Subject to any rights or restrictions for the time being attached to any class or classes of shares, --
- (a) on a show of hands, every member present in person shall have one vote; and
- (b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.
49. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
50. (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.
- (ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.
51. 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.
52. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
53. 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.
54. (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.





(ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

#### **Proxy**

55. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.
56. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
57. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

#### **Board of Directors**

58. The number of the directors and the names of the first directors shall be determined in writing by the subscribers of the memorandum or a majority of them.

The number of directors shall not be less than three and not more than fifteen.

The following shall be the first director(s) of the company:

1. Sarita Dinesh Sharma
2. Dinesh Balbirsingh Sharma

*\*Balbirsingh Bholuram Sharma was appointed on 27th February 2020*

59. The Company shall appoint such number of Independent Directors as it may deem fit, for a term specified in the resolution appointing him. An Independent Director may be appointed to hold office for a term of up to five consecutive years on the Board of the Company and shall be eligible for re-appointment on passing of Special Resolution and such other compliances as may be required in this regard. No Independent Director shall hold office for more than two consecutive terms. The provisions relating to retirement of directors by rotation shall not be applicable to appointment of Independent Directors.

(ii) Not less than two-thirds of the total number of Directors of the Company shall:

- (a) be persons whose period of office is liable to determination by retirement of Directors by rotation; and
- (b) save as otherwise expressly provided in the said Act; be appointed by the Company in General Meeting.

Explanation:- for the purposes of this Article “total number of Directors” shall not include Independent Directors appointed on the Board of the Company. The remaining Directors of the Company shall also be appointed by the Company in General Meeting except to the extent that the Articles otherwise provide or permit.

(iii) The remaining Directors of the Company shall also be appointed by the Company in General Meeting except to the extent that the Articles otherwise provide or permit.



- (iv) Subject to the provisions of Section 152 of the Act at every Annual General Meeting, one third of such 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, then the number nearest to one-third, shall retire from office.
  - (v) The Directors to retire by rotation at every Annual General Meeting shall be those who have been longest in office since their last appointment, but as between persons who become 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. A retiring Director shall be eligible for re- election.
  - (vi) At the Annual General Meeting at which a Director retires as aforesaid, the Company may fill up the vacancy by appointing the retiring Director or some other person thereto.
  - (vii) If the place of the retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a National Holiday, till the next succeeding day which is not a holiday, at the same time and place.
  - (viii) If at the adjourned meeting also, the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been re-appointed at the adjourned meeting unless :-
    - (a) at the meeting or at the previous meeting a resolution for the reappointment of such Director has been put to the meeting and lost;
    - (b) the retiring Director has, by a notice in writing addressed to the Company or its Board of Directors, expressed his unwillingness to be so re-appointed;
    - (c) he is not qualified or is disqualified for appointment;
    - (d) a resolution, whether special or ordinary, is required for his appointment or reappointment by virtue of any provisions of the said Act; or
  - (ix) The Whole-time Directors shall not be liable to retire by rotation.
60. (i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.
- (ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them --
- (a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or
  - (b) in connection with the business of the company.
61. The Board may pay all expenses incurred in getting up and registering the company.
62. 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.
63. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed,



as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

64. 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.
65. (i) Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.
- (ii) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

#### **Proceedings of the Board**

66. (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.
- (ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.
67. (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
- (ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.
68. 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.
69. (i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.
- (ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.
70. (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.
- (ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
71. (i) A committee may elect a Chairperson of its meetings.
- (ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.
72. (i) A committee may meet and adjourn as it thinks fit.
- (ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.



73. 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.
74. 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.

#### **Key Managerial Personnel**

75. Subject to the provisions of the Act, --
- (i) A Key managerial personnel may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any Key managerial Personnel so appointed may be removed by means of a resolution of the Board;
- (ii) A director may be appointed as Key managerial personnel.
76. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

#### **The Seal**

77. (i) The Board shall provide for the safe custody of the seal.
- (ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

#### **Dividends and Reserve**

78. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
79. 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.
80. (i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.
- (ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.



81. (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.
- (ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.
- (iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.
82. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.
83. (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.
- (ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
84. 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.
85. 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.
86. No dividend shall bear interest against the company.

#### **Accounts**

87. (i) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.
- (ii) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

#### **Winding up**

88. Subject to the provisions of Chapter XX of the Act and rules made thereunder --
- (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.
- (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.



(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

**Indemnity**

89. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.



**SECTION XIII: OTHER INFORMATION**

**MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION**

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of the Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Prospectus will be delivered to the ROC for filing and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at A-66, New Empire Industrial Estate, Kondivita Road, Andheri East, Mumbai- 400059, Maharashtra, India, from date of filing the Prospectus with ROC until the Issue Closing Date on working days between 10.00 a.m. to 5.00 p.m.

**A. Material Contracts**

1. Offer Agreement dated September 05, 2020 between our Company, the Selling Shareholders and the Lead Manager.
2. Registrar Agreement dated September 05, 2020 between our Company, the Selling Shareholders and the Registrar to the Offer.
3. Underwriting Agreement dated September 05, 2020 between our Company, the Selling Shareholders, the Lead Manager and Underwriters.
4. Market Making Agreement dated September 05, 2020 between our Company, the Selling Shareholders, Lead Manager and Market Maker.
5. Bankers to the Offer Agreement dated September 14, 2020 between our Company, the Selling Shareholders, the Lead Manager, Banker to the Offer / Sponsor Bank and Registrar to the Offer.
6. Share Escrow Agreement dated September 05, 2020 between our Company, the Selling Shareholders, the Lead Manager and the Escrow Agent.
7. Tripartite agreement among the NSDL, our Company and the Registrar dated September 2, 2020.
8. Tripartite agreement among the CDSL, our Company and the Registrar dated September 2, 2020.
9. Addendum to Issue Agreement dated September 24, 2020 between our Company, the Selling Shareholders and the Lead Manager.
10. Addendum to Registrar Agreement dated September 24, 2020 between our Company, the Selling Shareholders and the Registrar to the Offer.
11. Addendum to Underwriting Agreement dated September 24, 2020 between our Company, the Selling Shareholders, the Lead Manager and Underwriters.
12. Addendum to Market Making Agreement dated September 24, 2020 between our Company, the Selling Shareholders, Lead Manager and Market Maker.
13. Addendum to Bankers to the Offer Agreement dated September 14, 2020 between our Company, the Selling Shareholders, the Lead Manager, Banker to the Offer/ Sponsor Bank and Registrar to the Offer.



**B. Material Documents**

1. Certified True Copy of the Memorandum and Articles of Association of the Company including Certificates of Incorporation and Fresh Certificate of Incorporation consequent upon Conversion from Private Company to Public Company.
2. Authorisation Letter dated August 28, 2020 issued by the Selling Shareholders.
3. Board Resolution dated August 30, 2020 and Special Resolution passed pursuant to Section 62(1)(C) of the Companies Act, 2013 at the Extra-Ordinary General Meeting by the Shareholders of our Company held on September 03, 2020.
4. The Statement of Possible Tax Benefits dated September 23, 2020 issued by the Statutory Auditor, M/s. Anay Gogte & Co., Chartered Accountants (FRN: 100398W).
5. Auditor's Report for Restated Financial dated March 31, 2020, 2019 and 2018 included in the Prospectus.
6. Copy of Certificate from the Statutory Auditor dated September 23, 2020 regarding the Source and Deployment of Funds.
7. Copies of Audited Financial Statements of the Company for the years ended March 31, 2020, 2019 and 2018.
8. Consents of the Selling Shareholders, Directors, Promoters, Company Secretary & Compliance Officer, Chief Financial Officer, Statutory Auditor holding Peer Review Certificate, Lead Manager to the Issue, Legal Advisor to the Issue, Bankers to our Company, Banker to the Issue, Registrar to the Issue, Share Escrow Agent, Underwriters and Market Maker to include their names in the Prospectus to act in their respective capacities.
9. Due Diligence Certificate dated September 18, 2020 addressed to BSE Limited and SEBI from Lead Manager.
10. Due Diligence Certificate dated September 23, 2020 addressed to SEBI from Lead Manager.
11. Approval from BSE Limited vide letter no. LO/SME IPO/VM/IP/73/2020-21 dated September 22, 2020 to use the name of BSE in this Offer Document for listing of Equity Shares on SME Platform of BSE Limited.

Any of the contracts or documents mentioned in the Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, with the consent of shareholders subject to compliance of the provisions contained in the Companies Act and other relevant provisions.





**DECLARATION BY THE SELLING SHAREHOLDERS**

The undersigned Selling Shareholders hereby certifies that all statements and undertakings made in this Prospectus about or in relation to them and the Equity Shares being offered by them in the Offer are true and correct, provided however, that the undersigned Selling Shareholder assumes no responsibility for any of the statements or undertakings made by the Company or any other Selling Shareholders or any expert or any other person(s) in this Prospectus.

Sd/-

Sd/-

\_\_\_\_\_  
**MR. DINESH BALBIRSINGH SHARMA**

\_\_\_\_\_  
**MS. SARITA DINESH SHARMA**

**Place: Mumbai**

**Date: September 24, 2020**



**DECLARATION**

We, the undersigned, hereby certify and declare that all the relevant provisions of the Companies Act, 1956/ Companies Act, 2013 and the guidelines issued by the Government of India or the regulations issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992 as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 1956/ Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations issued, as the case may be. We further certify that all statements in this Prospectus are true and correct.

**SIGNED BY ALL THE DIRECTORS OF OUR COMPANY**

<b>NAME AND DESIGNATION</b>	<b>SIGNATURE</b>
<b>MR. DINESH BALBIRSINGH SHARMA</b> <i>Managing Director</i> DIN: 00418667	Sd/-
<b>MS. SARITA DINESH SHARMA</b> <i>Executive Director</i> DIN: 00128337	Sd/-
<b>MR. BALBIRSINGH BHOLURAM SHARMA</b> <i>Non-Executive Director</i> DIN: 00374565	Sd/-
<b>MR. DINESH RAVJIBHAI RATHOD</b> <i>Non-Executive - Independent Director</i> DIN: 08854988	Sd/-
<b>MR. SUBRAMANIAN RAMASWAMY VAIDYA</b> <i>Non-Executive - Independent Director</i> DIN: 03600249	Sd/-

**SIGNED BY THE CHIEF FINANCIAL OFFICER, THE COMPANY SECRETARY AND COMPLIANCE OFFICER OF OUR COMPANY**

Sd/-  
**MR. TUSHAR NITINCHANDRA PANDYA**  
*Chief Financial Officer*  
PAN: AGZPP3410G

Sd/-  
**MS. DIMPLE AMRIT PARMAR**  
*Company Secretary and Compliance Officer*  
PAN: BEMPP4342B

**Place: Mumbai**  
**Date: September 24, 2020**



**ANNEXURE - A**  
**DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY GRETEX CORPORATE SERVICES PRIVATE LIMITED**

Sr. No.	Issuer Name	Issue Size (Cr)	Issue Price (in Rs.)	Listing Date	Opening Price on Listing Date	+/-% change in closing price, +/- Closing benchmark] 30th calendar days from listing	+/-% change in closing price, +/- Closing benchmark] 90th calendar days from listing	+/-% change in closing price, +/- Closing benchmark] 180th calendar days from listing
1	Suumaya Lifestyle Limited	13.84	18.00	June 04, 2018	18.00	2.52, [1.33]	73.67, [8.97]	48.46, [2.40]
2	Debock Sales and Marketing Limited	4.44	20.00	June 05, 2018	20.95	-18.18, [1.48]	-33.66, [9.34]	-23.10, [2.74]
3	Deep Polymers Limited	15.24	40.00	August 23, 2018	41.90	-2.20, [-5.30]	9.66, [-8.18]	17.11, [-7.78]
4	Aaron Industries Limited	4.78	38.00	September 03, 2018	38.50	-1.92, [-6.25]	4.32, [-6.03]	-1.56, [-5.14]
5	Mac Hotels Limited	1.94	24.00	October 04, 2018	24.60	118.99, [-0.62]	194.57, [2.05]	256.59, [-66.69]
6	B & B Triplewall Containers Limited	19.99	36.00	October 15, 2018	38.75	42.66, [0.61]	34.43, [2.14]	26.20, [11.20]
7	BCPL Railway Infrastructure Limited	17.01	35.00	October 29, 2018	36.00	-1.52, [4.84]	-12.95, [4.67]	-0.83, [14.57]
8	Misquita Engineering Limited	1.93	27.00	October 04, 2019	27.85	33.56, [6.98]	102.05, [10.49]	122.60, [-24.97]
9	Anuroop Packaging Limited	2.64	13.00	November 21, 2019	13.25	-8.91, [2.73]	-17.97, [1.84]	-20.92, [-25.58]
10	Billwin Industries Limited	2.46	37.00	June 30, 2020	36.90	11.86, [8.08]	--	--

Sources: All share price data is from [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com).

**Note:**

- The BSE SENSEX and CNX NIFTY are considered as the Benchmark Index.
- Price on BSE/NSE are considered for all the above calculations.
- In case 30<sup>th</sup>, 90<sup>th</sup> and 180<sup>th</sup> day is not a trading day, closing price of BSE/NSE of the next trading day have been considered.
- In case 30<sup>th</sup>, 90<sup>th</sup> and 180<sup>th</sup> day, scripts are not traded then last trading price has been considered.

As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect maximum 10 issues (Initial Public Offers) managed by the Lead Manager. Hence, disclosure pertaining to recent 10 issues handled by the lead manager are provided.



**SUMMARY STATEMENT OF DISCLOSURE**

Financial Year	Total no. of IPOs	Total Funds Raised ('in Cr.)	No. of IPOs trading at Discount-30 <sup>th</sup> calendar day from listing day			No. of IPOs trading at Premium-30 <sup>th</sup> calendar day from listing day			No. of IPOs trading at Discount-180 <sup>th</sup> calendar day from listing day			No. of IPOs trading at Premium-180 <sup>th</sup> calendar day from listing day			
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	
2018-19	*7#	77.24	--	--	3	1	1	--	--	3	1	1	1	2	1
2019-20	**2	4.57	--	--	1	--	--	--	--	1	1	1	--	--	--
2020-21	***1\$	2.46	--	--	--	--	--	--	--	1	--	--	--	--	--

*Upto September 11, 2020*

*\*The scripts with Listing date - Suumaya Lifestyle Limited (June 04, 2018), Debock Sales & Marketing Limited (June 05, 2018), Deep Polymers Limited (August 23, 2018), Aaron Industries Limited (September 03, 2018), MAC Hotels Limited (October 04, 2018), B&B Triplewall Container Limited (October 15, 2018) and BCPL Railway Infrastructure Limited (October 29, 2018).*

*\*\*The scripts with Listing date - Misquita Engineering Limited (October 04, 2019) and Anuroop Packaging Limited (November 21, 2019).*

*\*\*\*The script with Listing date Billwin Industries Limited (June 30, 2020).*

*\$ The script of Billwin Industries Limited have not completed 180 Days from the date of listing.*

*# As on 30th trading day the closing price of the script Deep Polymers Limited was at par with the issue price. Hence it is not considered for counting the numbers of IPOs trading at discount and premium*