



## SUMIT WOODS LIMITED

CIN: U36101MH1997PLC152192

Our Company was originally incorporated as "Sumit Woods Private Limited" at Goa on January 09, 1997 under the provisions of the Companies Act, 1956 vide Certificate of Incorporation issued by the Registrar of Companies, Goa, Daman and Diu at Panaji, Goa. The Registered Office of the Company was thereafter shifted to Mumbai with effect from March 24, 2005. Subsequently, the name of our company was changed to "Sumit Woods Limited" on February 06, 2018 and a fresh Certificate of Incorporation consequent upon change of name was issued by the Registrar of Companies, Mumbai. For details of change in name and registered office of our Company, please refer to section titled "History and Certain Corporate Matters" beginning on page 110 of this Red Herring Prospectus.

**Registered Office:** B-Wing, Office No-1101, Opp. Reliance Office, Express Zone, W.E.Highway, Malad-East Mumbai - 400097

**Contact Person:** Ms. Rekha Rajaram Dekhale, Company Secretary and Compliance Officer

**Tel No:** +91 22 2874 9966/77; **Fax No:** +91 22 2874 3377; **E-Mail ID:** contact@sumitwoods.com; **Website:** www.sumitwoods.com

**PROMOTERS OF THE COMPANY:** MR. MITARAM JANGID, MR. SUBODH NEMLEKAR, MR. BHUSHAN NEMLEKAR, MRS. KAVITA NEMLEKAR AND MRS. SHARDA M JANGID

### THE ISSUE

**PUBLIC ISSUE OF 40,53,000 EQUITY SHARES OF FACE VALUE OF ₹10 EACH OF SUMIT WOODS LIMITED ("SUMIT" OR THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹[•] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹[•] PER EQUITY SHARE (THE "ISSUE PRICE") AGGREGATING TO ₹[•] LAKHS ("THE ISSUE"), OF WHICH 2,19,000 EQUITY SHARES OF FACE VALUE OF ₹10 EACH FOR CASH AT A PRICE OF ₹[•] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹[•] PER EQUITY SHARE AGGREGATING TO ₹[•] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION i.e. NET ISSUE OF 38,34,000 EQUITY SHARES OF FACE VALUE OF ₹10 EACH AT A PRICE OF ₹[•] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹[•] PER EQUITY SHARE AGGREGATING TO ₹[•] LAKHS IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 26.50% AND 25.07% RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.**

**PRICE BAND: Rs. 43 TO RS. 45 PER EQUITY SHARE OF RS. 10/- EACH. THE FACE VALUE OF THE EQUITY SHARES IS ₹10/- EACH AND THE ISSUE PRICE IS 4.30 TO 4.50 TIMES OF THE FACE VALUE AT THE LOWER PRICE BAND AND THE UPPER PRICE BAND RESPECTIVELY. BID CAN BE MADE FOR A MINIMUM OF 3,000 EQUITY SHARES AND IN THE MULTIPLES OF 3,000 EQUITY SHARES THEREAFTER.**

In case of any revisions in the Price Band, the Bid/Issue Period will be extended by at least three additional Working Days after such revision of the Price Band, subject to the Bid/Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a press release, and also by indicating the change on the website of the BRLM and the terminals of the Syndicate Members (defined herein below).

All the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment providing details about the bank account which will be blocked by the Self Certified Syndicate Banks ("SCSBs") as per the SEBI circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015. For further details, please refer to section titled "Issue Procedure" beginning on page 250 of this Red Herring Prospectus.

In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended (the "SCRR") the Issue is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. The Issue is being made in accordance with Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time ("SEBI (ICDR) Regulations"), wherein a minimum of 25% subject to maximum of 50% of the Net Issue shall be available for allocation on a proportionate basis to QIBs provided that our Company, in consultation with the BRLM may allocate upto 60% of the QIB Portion to Anchor Investors on a discretionary basis. 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 Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Net Issue will be available for allocation on a proportionate basis to Non- Institutional Investors and not less than 35% of the Net Issue will be available for allocation to Retail Individual Investors, in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. All investors (except Anchor Investors) shall participate in this Issue mandatorily through the Applications Supported by Blocked Amount ("ASBA") process by providing details of their respective bank accounts which will be blocked by SCSBs. For further details please refer the section titled 'issue information' beginning on page 241 of this Red Herring Prospectus.

### RISK IN RELATION TO THE FIRST ISSUE

This being the first public Issue of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹10 each. The Floor Price is 4.3 times the face value and the Cap Price is 4.5 times the face value. The Issue Price (determined and justified by our Company in consultation with the BRLM as stated in "Basis for Issue Price" on page 77 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 Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this offering. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares offered in the Issue have neither been recommended nor approved by Securities and Exchange Board of India nor does Securities and Exchange Board of India guarantee the accuracy or adequacy of this Red Herring Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" beginning on page 12 of this Red Herring Prospectus.

### ISSUER'S ABSOLUTE RESPONSIBILITY

The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Red Herring 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 Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

### LISTING

The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on NSE EMERGE. In terms of the Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time, our Company has received in-principle approval letter dated July 09, 2018 from National Stock Exchange of India Limited ("NSE") for using its name in this offer document for listing our shares on the SME Platform of NSE. For the purpose of this Issue, the designated Stock Exchange will be NSE.

BOOK RUNNING LEAD MANAGER		REGISTRAR TO THE ISSUE	
	<b>MARK CORPORATE ADVISORS PRIVATE LIMITED</b> CIN:U67190MH2008PTC181996 404/1, The Summit Business Bay, Sant Janabai Road (Service Lane), Off W. E. Highway, Vile Parle (East), Mumbai-400 057. Contact Person: Mr. Manish Gaur Tel. No.: +91 22 2612 3207/08 E-Mail ID: smeipo@markcorporateadvisors.com SEBI Regn No.: INM000012128 Investor Grievance E-Mail ID: compliance@markcorporateadvisors.com		<b>BIGSHARE SERVICES PRIVATE LIMITED</b> CIN: U99999MH1994PTC076534t 1 <sup>st</sup> Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makhwana Road, Marol, Andheri (E), Mumbai-400059. Contact Person: Mr. Ashok S Shetty Tel No.: +91 22 2847 0652/4043 0200 E-Mail ID: ipo@bigshareonline.com SEBI Regn No.: INR000001385

### ISSUE PROGRAMME

**BID/ISSUE OPENS ON: \*August 29, 2018**

**BID/ISSUE CLOSES ON: August 31, 2018**

\*Our Company in consultation with the BRLM may consider participation by the Anchor Investors. The Anchor Investor shall bid on the Anchor Investor Bidding Date i.e. one Working Day prior to the Bid/Issue

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## SECTION-I: GENERAL

### DEFINITIONS AND ABBREVIATIONS

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

*The words and expressions used but not defined herein shall have the same meaning as is assigned to such terms under the SEBI (ICDR) Regulations, the Companies Act, the SCRA, the Depositories Act and the rules and regulations made there under.*

#### Company Related Terms

Term	Description
Sumit Woods Limited”, “Sumit”, “SWL”, We” or “us” or “our Company” or “the Issuer”	Unless the context otherwise requires, refers to Sumit Woods Limited, a Company incorporated under the Companies Act, 1956 vide a certificate of incorporation issued by the Registrar of Companies, Maharashtra, Mumbai
“you”, “your” or “yours”	Prospective Investors in this Issue
Articles / Articles of Association/AOA	Articles of Association of our Company as amended from time to time
Auditors	The Statutory auditors of our Company, being M/s. SSRV & Associates, Chartered Accountants
Audit Committee	The committee of the Board of Directors constituted as the Company’s Audit Committee in accordance with Regulation 18 of the SEBI (LODR) Regulations and Section 177 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014
Bankers to our Company	State Bank of India
Board of Directors / Board	The Board of Directors of our Company or a committee constituted thereof
Companies Act	Companies Act, 1956 and/ or the Companies Act, 2013, as amended from time to time.
Company Secretary and Compliance Officer	Ms Rekha Rajaram Dekhale
Depositories Act	The Depositories Act, 1996, as amended from time to time
Director(s)	Director(s) of Sumit Woods Limited unless otherwise specified
ED	Executive Director
Equity Shares	Equity Shares of our Company of Face Value of ₹10/- each unless otherwise specified in the context thereof
Indian GAAP	Generally Accepted Accounting Principles in India
Group Companies	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 “Group Entities” on page 132 of this Red Herring Prospectus
Key Managerial Personnel / Key Managerial Employees	The officer vested with executive power and the officers at the level immediately below the Board of Directors as described in the section titled “Our Management” on page 115 of this Red Herring Prospectus
MD	Managing Director
MOA/ Memorandum / Memorandum of Association	Memorandum of Association of our Company as amended from time to time
Non Resident	A person resident outside India, as defined under FEMA
NRIs / Non Resident Indians	A person resident outside India, who is a citizen of India or a Person of Indian Origin as defined under FEMA Regulations, as amended
Peer Review Auditor	The independent peer reviewed Auditor of our Company, M/s. SSRV & Associates, Chartered Accountants
Person / persons	Any Individual, Sole Proprietorship, Unincorporated Association, Unincorporated Organization, Body Corporate, Corporation, Company, Partnership Firm, Limited Liability Partnership, Joint Venture, or Trust or Any Other Entity or Organization validly constituted and/or incorporated in

Term	Description
	the jurisdiction in which it exists and operates, as the context requires
Promoter / Promoter Group	Persons and entities constituting the promoter group of our Company, pursuant to Regulation 2(1)(zb) of the SEBI (ICDR) Regulations
Promoters	Mr. Mitaram Jangid; Mr. Subodh Nemlekar; Mr. Bhushan Nemlekar; Mrs. Kavita Nemlekar and Mrs. Sharda M Jangid
Registered Office	The Registered office of our Company, located at B-Wing, Office No-1101, Opp. Reliance Office, Express Zone, W.E.Highway, Malad-East Mumbai - 400097
ROC / Registrar of Companies	Registrar of Companies, Maharashtra, Mumbai
WTD	Whole-Time Director

## ISSUE RELATED TERMS

Term	Description
Applicant	Any prospective investor who makes an application for equity Shares in terms of this Red Herring Prospectus
Application Form	The Form in terms of which the applicant shall apply for the Equity Shares of our Company
Application Supported by Blocked Amount / ASBA	An application, whether physical or electronic, used by applicants to make an application authorising a SCSB to block the application amount in the ASBA Account maintained with the SCSB
ASBA Account	An account maintained with the SCSB and specified in the application form submitted by ASBA applicant for blocking the amount mentioned in the application form
Allotment	Issue of the Equity Shares pursuant to the Issue to the successful applicants
Allottee	The successful applicant to whom the Equity Shares are being / have been issued
Basis of Allotment	The basis on which equity shares will be allotted to successful applicants under the Issue and which is described in the section “Issue Procedure - Basis of allotment” on page 261 of this Red Herring Prospectus
Bankers to our Company	State Bank of India
Bankers to the Issue	IndusInd Bank Ltd
Bid(s)	An indication to make an Issue during the Bid/Issue Period by a Bidder pursuant to submission of the Bid cum Application Form to subscribe for or purchase our Equity Shares of our Company at a price within the Price Band, including all revisions and Modifications thereto, to the extent permissible under SEBI ICDR Regulations
Bid Amount	The highest value of the optional Bids as indicated in the Bid-cum-Application Form and payable by the Bidder upon submission of the Bid in this Issue
Bid Cum Application Form	The form in terms of which the Bidder shall make a Bid and which shall be considered as the application for the Allotment pursuant to the terms of the Red Herring Prospectus and the Prospectus
Bid Lot	3,000 Equity shares and in multiples of 3,000 Equity Shares thereafter
Bid/ Issue Closing Date	The date beyond which the Designated Intermediaries shall not accept Bids for the Issue, which shall be published by our Company in all edition of Business Standard (a widely circulated English national newspaper) and all editions of Business Standard (a widely circulated Hindi national newspaper) and Mumbai edition of Mumbai Lakshadeep, Marathi being the regional language in the place where our Registered and Corporate Office is located
Bid / Issue Opening Date	The date on which the Designated Intermediaries shall start accepting Bids for the Issue, which shall be published by our Company in all edition of Business Standard (a widely circulated English national newspaper) and all editions of Business Standard (a widely circulated Hindi national newspaper) and Mumbai edition of Mumbai Lakshadeep, Marathi being the regional language in the place where our Registered and Corporate Office is located
Bid / Issue Period	The period between the Bid/Issue Opening Date and the Bid/ Issue Closing

Term	Description
	Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof
Bidder	Any prospective Resident Indian Investor who makes a bid pursuant to the terms of the Red Herring Prospectus and the Bid Cum Application Form unless otherwise stated or implied
Bidding / Collection Centre	Centres at which the Designated Intermediaries shall accept the ASBA Forms, i.e. Designated SCSB Branch for SCSBs, Specified Locations for Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs, and Designated CDP locations for CDPs
Broker Centres	Broker centers notified by the Stock Exchanges where Bidders can submit the Bid cum Application Forms to a Registered Broker. The details of such Broker Centers, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchange on the following link: <a href="http://www.nseindia.com/Markets/PublicIssues/brokercentres">http://www.nseindia.com/Markets/PublicIssues/brokercentres</a>
Book Building Process / Book Building Method	The book building route as provided under Schedule XI of the SEBI (ICDR) Regulations, 2009, in terms of which this Issue is being made
BRLM/ Book Running Lead Manager	Book Running Lead Manager to the Issue, in this case being Mark Corporate Advisors Private Limited
CAN / Confirmation of Allotment 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
Cap Price	The higher end of the Price Band, above which the Issue Price will not be finalized and above which no Bids (or a revision thereof) will be accepted
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 Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Controlling Branches of SCSBs	Such branches of the SCSBs which co-ordinate Applications under this Issue made by the Applicants with the Book Running Lead Manager, the Registrar to the Issue and the Stock Exchanges, a list of which is provided on <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
Cut Off Price	Any price within the Price Band finalized by our Company in consultation with BRLM. A Bid submitted at Cut-off Price is a valid price at all levels within the Price Band. Only Retail Individual Bidders are entitled to Bid at the Cut-off Price, for a Bid Amount not exceeding Rs 2.00 Lakhs. No other category of Bidders is entitled to Bid at the Cut-off Price
Demographic Details	The details of the Applicants including the Applicants' address, names of the Applicants' father/husband, investor status, occupations and bank account details
Designated Intermediaries / Collecting Agents	Syndicate Members, Sub-Syndicate/Agents, SCSBs, Registered Brokers, Brokers, the CDPs and RTAs, who are authorized to collect Application Forms from the Bidders, in relation to the Issue
Depository	A depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996
Depository Participant / DP	A Depository Participant as defined under the Depositories Act, 1996
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Application Form from the ASBA Applicant and a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/home">http://www.sebi.gov.in/sebiweb/home</a> . Recognised-Intermediaries or at such other website as may be prescribed by SEBI from time to time
Designated CDP Locations	Such locations of the CDPs where Applicant can submit the Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the websites of the Stock Exchange i.e. <a href="http://www.nseindia.com">www.nseindia.com</a>



Term	Description
Designated RTA Locations	Such locations of the RTAs where Applicant can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the websites of the Stock Exchange i.e. <a href="http://www.nseindia.com">www.nseindia.com</a>
Designated Date	On the Designated Date, the SCSBs shall transfer the funds represented by allocation of Equity Shares into the Public Issue Account with the Bankers to the Issue
Red Herring Prospectus	The Red Herring Prospectus dated August 17 2018 issued in accordance with Section 32 of the Companies Act filed with the NSE under SEBI(ICDR) Regulations
Designated Market Maker / Market Maker	In our case, Intellect Stock Broking Limited having its Registered office at 232, Chittaranjan Avenue, 7 <sup>th</sup> Floor, Near Girish Park, Kolkata-700 006 who has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for any other period as may be notified by SEBI from time to time
Eligible NRI	NRI's from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the Red Herring Prospectus constitutes an invitation to subscribe to the Equity Shares Allotted herein
Escrow Agreement	Agreement entered into amongst the Company, Book Running Lead Manager, the Registrar and the Banker to the Issue to receive monies from the Bidders through the SCSBs Bank Account on the Designated Date in the Public Issue Account
FII/Foreign Institutional Investor	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India
First/ Sole Bidder	The Bidder whose name appears first in the Bid cum Application Form or Revision Form
Floor Price	The lower end of the Price Band, at or above which the Issue Price will be finalized and below which no Bids will be accepted
General Information Document	The General Information Document for investing in public issues prepared and issued in accordance with the circulars (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI and updated pursuant to the circular CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 notified by the SEBI and included in "Issue Procedure" on page 250 of this Red Herring Prospectus
IPO	Initial Public Offering
Issue / Issue Size / Public Issue	The Public Issue of 40,53,000 Equity Shares of ₹10/- each at ₹[•] per Equity Share including share premium of ₹[•] per Equity Share aggregating to ₹[•] Lakhs by Sumit Woods Limited
Issue Price	The final price at which Equity Shares will be allotted in terms of the Red Herring Prospectus. The Issue Price will be decided by our Company in consultation with the BRLM on the Pricing Date in accordance with the Book-Building Process and the Red Herring Prospectus. Unless otherwise stated or the context otherwise implies, the term Issue Price refers to the Issue Price applicable to investors other than Anchor Investors
Issue Proceeds	The proceeds of the Issue as stipulated by the Company. For further information about use of the Issue Proceeds please refer to section titled "Objects of the Issue" beginning on page 70 of this Red Herring Prospectus
Listing Agreement	Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our company and the NSE
Market Making Agreement	The Market Making Agreement dated August 14, 2018 between our Company and Market Maker
Market Maker Reservation Portion	The Reserved Portion of 2,19,000 Equity Shares of face value of ₹10/-each fully paid for cash at a price of ₹[•] per Equity Share aggregating ₹[•] for the Market Maker in this Issue
Mutual Fund	A Mutual Fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time

Term	Description
Mutual Fund Portion	5% of the QIB Portion (excluding the Anchor Investor Portion) i.e. [●] Equity Shares available for allocation to Mutual Funds, out of the QIB Portion
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of 38,34,000 Equity Shares of ₹10/- each at ₹[●]/- per Equity Share including share premium of ₹[●]/- per Equity Share aggregating to ₹[●] Lakhs by Sumit Woods Limited
Net Proceeds	The Issue Proceeds, less the Issue related expenses, received by the Company
Non Institutional Investors NIIs	All Bidders, including sub-accounts of FIIs registered with SEBI which are foreign corporate or foreign individuals, that are not QIBs or Retail Individual Investors and who have applied for Equity Shares for an amount of more than ₹2,00,000 (but not including NRIs other than Eligible NRIs)
NSE EMERGE	The SME platform of NSE, approved by SEBI as a SME Exchange for listing of equity shares Issued under Chapter X-B of the SEBI ICDR Regulations
OCBs	Overseas Corporate Body means and includes an entity defined in clause (xi) of Regulation 2 of the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB's) Regulations 2003 and which was in existence on the date of the commencement of these Regulations and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the Regulations. OCBs are not allowed to invest in this Issue
Other Investors	Investors other than Retail Individual Investors. These include individual bidders/applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for
Pay-in Period	The period commencing on the Bid/Issue Opening Date and extending until the closure of the Anchor Investor Pay-in Date
Person / Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust, or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires
Price Band	Price band of a minimum price (Floor Price) of ₹43 and the maximum price (Cap Price) of ₹45 and includes revisions thereof.
Pricing Date	The date on which our Company in consultation with the BRLM, finalizes the Issue Price
Prospectus	The Prospectus to be filed with the ROC on or after the Pricing Date in accordance with Section 32 of the Companies Act, 2013 and the SEBI (ICDR) Regulations containing, inter alia, the Issue Price, the size of the Issue and certain other information
Public Issue Account	An Account of the Company under Section 40 of the Companies Act, 2013 to receive monies from ASBA Accounts and from the Escrow Accounts, in case of Anchor Investor(s), on the Designated date
Qualified Institutional Buyers / QIBs	Mutual Funds, Venture Capital Funds, or Foreign Venture Capital Investors registered with the SEBI; FIIs and their sub-accounts registered with the SEBI, other than a subaccount which is a foreign corporate or foreign individual; Public financial institutions as defined in Section 2(72) of the Companies Act; 2013 Scheduled Commercial Banks; Multilateral and Bilateral Development Financial Institutions; State Industrial Development Corporations; Insurance Companies registered with the Insurance Regulatory and Development Authority; Provident Funds with minimum corpus of Rs 2,500 Lakh; Pension Funds with minimum corpus of Rs 2,500 Lakh; National Investment Fund set up by resolution F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India; and Insurance Funds set up and managed by the army, navy, or air force of the Union of India. Insurance Funds set up and managed by the Department of Posts, India
Refund Account	Account opened / to be opened with a SEBI Registered Banker to the Issue

Term	Description
	from which the refunds of the whole or part of the Application Amount, if any, shall be made
Registered Brokers	Stock brokers registered with the stock exchanges having nationwide terminals, other than the Members of the Syndicate
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 / Registrar to this Issue	Registrar to the Issue being BigShare Services Private Limited
Regulations	Unless the context specifies something else, this means the SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2009 as amended from time to time
Reserved Category / Categories	Categories of persons eligible for making application under reservation portion
Retail Individual Investors	Individual investors (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than Rs 2,00,000
Red Herring Prospectus / RHP	The Red Herring Prospectus to be issued in accordance with Section 32 of the Companies Act, 2013, and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Issue, including any addenda or corrigenda thereto. The Red Herring Prospectus will be registered with the RoC at least three days before the Bid/Issue Opening Date and will become the Prospectus upon filing with the RoC on or after the pricing date
SCSB	A Self Certified Syndicate Bank registered with SEBI under the SEBI (Bankers to an Issue) Regulations, 1994 and offers the facility of ASBA, including blocking of bank account. A list of all SCSBs is available at <a href="http://www.sebi.gov.in/cms/sebi_data/attachdocs/1365051213899.html">http://www.sebi.gov.in/cms/sebi_data/attachdocs/1365051213899.html</a>
Specified Cities	Cities as specified in the SEBI Circular No. CIR/CFD/DIL/1/2011 dated April 29, 2011, namely, Ahmedabad, Bangalore, Baroda (Vadodara), Chennai, Delhi, Hyderabad, Jaipur, Kolkata, Mumbai, Pune, Rajkot and Surat
SME Platform of NSE/ NSE EMERGE	The SME Platform of NSE for listing of equity shares offered under Chapter XB of the SEBI (ICDR) Regulations which was approved by SEBI as an SME Exchange on September 27, 2011
Specified Locations	Bidding centres where the Syndicate shall accept Bid cum Application Forms, a list of which is included in the Bid cum Application Form
Sub – Syndicate Members	A SEBI registered member of NSE appointed by the BRLM, and/ or the Syndicate Member to act as a Sub-Syndicate Member in the Issue
Syndicate Agreement	The agreement dated August 14, 2018 entered into among the BRLM, the Syndicate Members, Registrar of the Issue and our Company in relation to the collection of Bids in this Issue
Syndicate Members	Intermediaries registered with the SEBI and permitted to carry out activities as an underwriter, in this case being Mark Corporate Advisors Private Ltd.
Syndicate or Member of a Syndicate	Collectively, the BRLM and the Syndicate Members
Transaction Registration Slip / TRS	The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the Bidder, as proof of registration of the Application
Underwriters	Underwriters to the issue is Mark Corporate Advisors Private Limited
Underwriting Agreement	The Agreement entered into between the Underwriters and our Company dated August 14, 2018.
Working Days	i. Till Application / Issue closing date: All days other than a Saturday, Sunday or a public holiday; ii. Post Application / Issue closing date and till the Listing of Equity Shares: All trading days of stock exchanges excluding Sundays and bank holidays in accordance with the SEBI circular no. SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016



## TECHNICAL AND INDUSTRY RELATED TERMS

Term	Description
BUA	Built Up Area
ITES	Information Technology Enabled Services
LIG	Lower Income Group
MCGM	The Municipal Corporation of Greater Mumbai
MHADA	The Maharashtra Housing & Area Development Authority
MIG	Middle Income Group
NCR	National Capital Region
NHB	National Housing Bank
NPAs	Non-Performing Asset
OC	Occupancy Certificate
OECD	Organization For Economic Co-Operation and Development
PE	Private Equity
PERE	Private Equity Investment in Real Estate
PPP	Purchasing Power Parity
RBI	Reserve Bank Of India
REITs	Real Estate Investment Trusts
RERA	Real Estate Regulation and Development Act, 2016
SBI	State Bank of India
SEZ	Special Economic Zone
SPVs	Special Purpose Vehicles
Sq. ft	Square Feet
Sq. Mtrs.	Square Meters
SRA	Slum Rehabilitation Authority
YTD	Year To Date

## CONVENTIONAL AND GENERAL TERMS/ ABBREVIATIONS

Term	Description
A/c	Account
Act or Companies Act	Companies Act, 1956 and/or the Companies Act, 2013, as amended from time to time
AGM	Annual General Meeting
AO	Assessing Officer
ASBA	Application Supported by Blocked Amount
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
AY	Assessment Year
BG	Bank Guarantee
CAGR	Compounded Annual Growth Rate
CAN	Confirmation Allocation Note
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
CIT	Commissioner of Income Tax
CRR	Cash Reserve Ratio
Depositories	NSDL and CDSL
Depositories Act	The Depositories Act, 1996 as amended from time to time
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time
DIN	Director Identification Number
DP/ Depository Participant	A Depository Participant as defined under the Depository Participant Act, 1996
DP ID	Depository Participant's Identification
EBIDTA	Earnings Before Interest, Depreciation, Tax and Amortization
ECS	Electronic Clearing System

Term	Description
EoGM	Extra-ordinary General Meeting
EPS	Earnings Per Share
Financial Year/ Fiscal Year/ FY	The period of twelve months ended March 31 of that particular year
FDI	Foreign Direct Investment
FDR	Fixed Deposit Receipt
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations there-under and as amended from time to time
FEM Regulations / FEM 20	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, and Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 as amended
FII	Foreign Institutional Investor (as defined under SEBI FII (Foreign Institutional Investors) Regulations, 1995, as amended from time to time) registered with SEBI under applicable laws in India
FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended
FIs	Financial Institutions
FIPB	Foreign Investment Promotion Board, now repealed
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time
GDP	Gross Domestic Product
GIR Number	General Index Registry Number
Gov/ Government/GOI	Government of India
HUF	Hindu Undivided Family
IFRS	International Financial Reporting Standard
ICSI	Institute of Company Secretaries of India
ICAI	Institute of Chartered Accountants of India
Indian GAAP	Generally Accepted Accounting Principles in India
I.T. Act	Income Tax Act, 1961, as amended from time to time
ITAT	Income Tax Appellate Tribunal
INR/ ₹/ Rupees / ₹	Indian Rupees, the legal currency of the Republic of India
Ltd.	Limited
Pvt. Ltd.	Private Limited
MCA	Ministry of Corporate Affairs
MCHI CREDAI	Maharashtra Chamber of Housing Industry -The Confederation of Real Estate Developers Association of India
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 as amended
MOF	Ministry of Finance, Government of India
MOU	Memorandum of Understanding
NA	Not Applicable
NAV	Net Asset Value
NEFT	National Electronic Fund Transfer
NOC	No Objection Certificate
NR/ Non Residents	Non Resident
NRE Account	Non Resident External Account
NRI	Non Resident Indian, is a person resident outside India, as defined under FEMA and the FEM Regulations
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited
NTA	Net Tangible Assets
p.a.	Per annum
P/E Ratio	Price/ Earnings Ratio
PAN	Permanent Account Number allotted under the Income Tax Act, 1961, as amended
PAT	Profit After Tax

Term	Description
PBT	Profit Before Tax
PIO	Person of Indian Origin
PLR	Prime Lending Rate
R & D	Research and Development
RBI	Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934, as amended from time to time
RoNW	Return on Net Worth
RTGS	Real Time Gross Settlement
SAT	Security appellate Tribunal
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to Time
SCSBs	Self-Certified Syndicate Banks
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act, 1992
SEBI Act	Securities and Exchange Board of India Act 1992, as amended from time to time
SEBI Insider Trading Regulations	SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, including instructions and clarifications issued by SEBI from time to time
SEBI ICDR Regulations / ICDR Regulations / SEBI ICDR / ICDR	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended 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
Sec.	Section
Securities Act	The U.S. Securities Act of 1933, as amended
SME	Small and Medium Enterprises
Stamp Act	The Indian Stamp Act, 1899, as amended from time to time
State Government	The Government of a State of India
Stock Exchanges	Unless the context requires otherwise, refers to, NSE
STT	Securities Transaction Tax
TDS	Tax Deducted at Source
TIN	Tax payer Identification Number
UIN	Unique Identification Number
U.S. GAAP	Generally accepted accounting principles in the United States of America
VCFs	Venture capital funds as defined in and registered with the SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as the case may be
Wages Act	Payment of Wages Act, 1936
Workmen's Compensation Act	Workmen's Compensation Act, 1923

## PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

### Financial Data

Unless stated otherwise, the financial data in the Red Herring Prospectus is derived from our audited financial statements (Both consolidated and standalone) for the financial years ended March 31, 2018, 2017, 2016, 2015, and 2014 prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, 2009 and the Indian GAAP which are included in the Red Herring Prospectus, and set out in the section titled “Auditors Report and Financial Information of our Company” beginning on page 158 of the Red Herring Prospectus. Our Financial Year commences on April 1 and ends on March 31 of the following year, so all references to a particular Financial Year are to the twelve-month period ended March 31 of that year. In the Red Herring Prospectus, discrepancies in any table, graphs or charts between the total and the sums of the amounts listed are due to rounding-off.

There are significant differences between Indian GAAP, IFRS and U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included herein, and the investors should consult their own advisors regarding such differences and their impact on the financial data. Accordingly, the degree to which the restated financial statements included in the Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in the Red Herring Prospectus should accordingly be limited. Any percentage amounts, as set forth in the sections / chapters titled “Risk Factors”, “Business Overview” and “Management's Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages. 12, 92 and 202 respectively of this Red Herring Prospectus and elsewhere in the Red Herring Prospectus, unless otherwise indicated, have been calculated on the basis of our restated financial statements prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, 2009 and the Indian GAAP.

### Industry and Market Data

Unless stated otherwise, industry data used throughout the Red Herring Prospectus has been obtained or derived from 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 the Red Herring Prospectus is reliable, it has not been independently verified. Further, the extent to which the industry and market data presented in the Red Herring 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.

### Currency and units of presentation

In the Red Herring Prospectus, unless the context otherwise requires, all references to;

- “Rupees” or “₹” or “Rs” or “INR” or “₹” are to Indian rupees, the official currency of the Republic of India.
- “US Dollars” or “US\$” or “USD” or “\$” are to United States Dollars, the official currency of the United States of America,
- EURO or “€” are Euro currency,

All references to the word ‘Lakh’ or ‘Lac’, 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’.

## FORWARD LOOKING STATEMENTS

All statements contained in the Red Herring Prospectus that are not statements of historical facts constitute “forward-looking statements”. All statements regarding our expected financial condition and results of operations, business, objectives, strategies, plans, goals and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, our revenue and profitability, planned projects and other matters discussed in the Red Herring Prospectus regarding matters that are not historical facts. These forward looking statements and any other projections contained in the Red Herring Prospectus (whether made by us or any third party) are predictions and involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. All forward looking statements 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. Important factors that could cause actual results to differ materially from our expectations include but are not limited to:

- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Competition from existing and new entities may adversely affect our revenues and profitability;
- Political instability or changes in the Government could adversely affect economic conditions in India and consequently our business may get affected to some extent.
- Our business and financial performance is particularly based on market demand and supply of our products;
- The performance of our business may be adversely affected by changes in, or regulatory policies of, the Indian national, state and local Governments;
- Any downgrading of India’s debt rating by a domestic or international rating agency could have a negative impact on our business and investment returns;
- Changes in Government Policies and political situation in India may have an adverse impact on the business and operations of our Company;
- The occurrence of natural or man-made disasters could adversely affect our results of operations and financial condition.

For further discussion of factors that could cause the actual results to differ from the expectations, see the sections “Risk Factors,” “Business Overview” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages. 12, 92 and 202 respectively of this Red Herring Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated. Forward-looking statements reflect the current views as of the date of this Red Herring Prospectus and are not a guarantee of future performance. These statements are based on the management’s beliefs and assumptions, which in turn are based on currently available information. Although our Company believes 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. None of our Company, the Directors, the LM, or any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. Our Company and the Directors will ensure that investors in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchange.



## SECTION-II: RISK FACTORS

*An investment in the Equity Shares involves a high degree of risk. You should carefully consider all the information in the Red Herring Prospectus, including the risks and uncertainties summarised below, before making an investment in our Equity Shares. The risks described below are relevant to the industries our Company is engaged in, our Company and our Equity Shares. To obtain a complete understanding of our Company, you should read this section in conjunction with the chapters titled 'Our Business' and 'Management's Discussion and Analysis of Financial Condition and Results of Operations' beginning on page numbers 92 and 202 respectively, of the Red Herring Prospectus as well as the other financial and statistical information contained in the Red Herring Prospectus. Prior to making an investment decision, prospective investors should carefully consider all of the information contained in the section titled 'Financial Information' beginning on page number 158 of the Red Herring Prospectus. Unless stated otherwise, the financial data in this section is as per our financial statements prepared in accordance with Indian GAAP.*

*If any one or more of the following risks as well as other risks and uncertainties discussed in the Red Herring Prospectus were to occur, our business, financial condition and results of our operation could suffer material adverse effects, and could cause the trading price of our Equity Shares and the value of investment in the Equity Shares to materially decline which could result in the loss of all or part of investment. Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India, and is therefore subject to a legal and regulatory environment that may differ in certain respects from that of other countries.*

*The Red Herring Prospectus also contains forward looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of many factors, including the considerations described below and elsewhere in the Red Herring Prospectus.*

*These risks are not the only ones that our Company faces. Our business operations could also be affected by additional factors that are not presently known to us or that we currently consider to be immaterial to our operations. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify financial or other implication of any risks mentioned herein.*

### **Materiality**

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

- 1) *Some events may not be material individually but may be material when considered collectively.*
- 2) *Some events may have an impact which is qualitative though not quantitative.*
- 3) *Some events may not be material at present but may have a material impact in the future.*

### **INTERNAL RISK FACTORS:**

#### **1) Our Company's joint development/venture partners may not perform their obligations satisfactorily.**

Our company has formed approximately 11 joint ventures with other partners, to construct residential buildings, commercial buildings at Mumbai and Goa. The capital contribution to these ventures are contributed by the respective partners in their capital ratio and our Company is required to contribute capital of 12.5% to 67% of the total capital in each venture. The success of these joint development / ventures depends significantly on the satisfactory performance by the joint development/ venture partners and the fulfillment of their obligations. If either of the party fails to perform its obligations satisfactorily, the joint development/ venture may be unable to perform adequately or deliver its contracted services. In such a case, our Company may be required to make additional investments in the joint development/ venture or become liable for its obligations, which could result in significant losses and delays in completion of development projects. The inability of a joint development / venture partner to continue with a project due to financial or legal difficulties may put our Company in financial and legal difficulties to the extent of the share which may have impact on the results of operations. For further details refer the section titled "Our Group Companies" appearing on Page 132 of this Red Herring Prospectus.

#### **2) The Real Estate (Regulation And Development) Act, 2016 ("RERA") has been enacted to establish an authority for regulation and promotion of the real estate sector and our Company will be required to comply with the provisions which may affect the processes of construction and impose additional compliance requirements.**

The success of our Company's business depends greatly on our ability to effectively implement our business and strategies. While the RERA has been enacted to establish an authority for regulation and promotion of the real estate sector, and our Company will have to comply with the provisions which may affect the processes of construction and may impose on our Company additional compliance requirements which could result in additional costs which may adversely affect our business, financial condition and results of operations.

- 3) ***We have entered into certain transactions with related parties in the past and any such transactions or any future related party transactions may potentially involve conflicts of interest, which may adversely affect our business, prospects, financial conditions, and results of operation.***

We have entered into certain transactions with related parties, including our Promoters and Directors and may continue to do so in future. In Fiscal 2016, 2017 and 2018, the total amount of such related party transactions was ₹406.61 Lacs, ₹1505.97 Lacs and ₹738.82 Lacs, respectively. While we believe that all such transactions are in compliance with applicable laws and are on arms-length basis, there can be no assurance that we could not have achieved more favorable terms had such transactions not been entered into with related parties, or that we will be able to maintain existing terms in cases where the terms are more favorable than if the transaction had been conducted on arm's length basis. It is likely that we will enter into other related party transactions in the future. Any future transactions with our related parties could potentially involve conflicts of interest. There can be no assurance that such transactions, individually or in aggregate, will not have an adverse effect on our business prospects, financial condition and results of operations, including because of potential conflicts of interest or otherwise. For further information in relation to transactions with related parties, see "Related Party Transactions" on page 176 of this Red Herring Prospectus.

- 4) ***Our Company is involved in certain legal proceedings. Any adverse decision in such proceedings may have a material adverse effect on our business, results of operations and financial condition.***

Our Company is involved in certain legal proceedings. These legal proceedings are pending at different levels of adjudication before various courts, tribunals and forums. The following are the details of the proceedings pending against our Company and filed by our Company as on the date of this Red Herring Prospectus along with the amount involved, to the extent quantifiable;

(₹ in Lakhs)

Particulars	Nature of Cases	No. of Outstanding Cases	Amount involved
Cases filed by the Company	Civil	1	Not quantifiable
	Criminal	0	0
	Arbitration	0	0
	Tax Disputes	1	614.51
Cases filed against the Company	Civil	4	Not quantifiable
	Criminal	0	0
	Arbitration	0	0
	Tax Disputes	5	281.06

There can be no assurance that these litigations will be decided in our favor and consequently it may divert the attention of our management and Promoters and waste our corporate resources and we may incur significant expenses in such proceedings and may have to make provisions in our financial statements, which could increase our expenses and liabilities. If such claims are determined against us, there could be adverse effect on our business and financial condition. For the details of the cases filed by and against our Company, please see the chapter titled "Outstanding Litigations and Material Developments" beginning on page 213 of this Red Herring Prospectus.

- 5) ***Trade Receivable's forms a substantial part of our Current Assets. Failure to manage our Trade receivables could have an adverse impact on our Cash Flows and Financial Conditions.***

Our Company has Trade Receivables amounting to ₹258.62 Lacs as on March 31, 2018 on Consolidated Basis which is outstanding for a period of more than 6 months, which constitutes 29.51% of the total Trade Receivables as on that date. If any of our customers experiences any liquidity problem, it may result in delay or default in settling progress payments to us, which in turn will have an adverse impact on our cash flows and financial conditions.

**6) *Our Company is involved in certain legal proceedings. Any adverse decision in such proceedings may have a material adverse effect on our business, results of operations and financial condition***

Our group Companies are involved in certain legal proceedings. These legal proceedings are pending at different levels of adjudication before various courts, tribunals and forums. For the details of the proceedings pending against our group companies as on the date of this Red Herring Prospectus along with the amount involved, to the extent quantifiable, please see the chapter titled “Outstanding Litigations and Material Developments” beginning on page 213 of this Red Herring Prospectus. There can be no assurance that these litigations will be decided in the favour of our group company and consequently it may divert the attention of our management and Promoters and consume our corporate resources and we may incur significant expenses in such proceedings, which could increase our expenses and liabilities.

**7) *We generate our entire sales from the geographical regions of Mumbai and Goa and any adverse development affecting our operations in these regions could have an adverse impact on our turnover and revenue.***

Our revenues are concentrated from our operations in the city of Mumbai and the State of Goa. Such geographical concentration of our real estate business in these regions heightens our exposure to the adverse developments in these regions, like competition, economic and demographic conditions which in turn will affect our operations, finances and revenue from operations.

Factors such as competition, culture, regulatory regimes, business practices, customs, customer tastes, preferences and behavior in the cities and states where we plan to expand may be different from that of Mumbai and Goa and our experience may not be replicated in the other cities. In addition, as we enter new markets, we may have to compete with certain local builders, who may be more established in their presence and be more familiar with the local preferences, customs, tastes, behavior and have better and stronger relationships with the local contractors, suppliers, government authorities, have access to greater land access and may be in a stronger financial position than us, which all put together would give them a greater competitive advantage over us. Our inability to expand to other geographical regions would adversely affect our operations, finance and revenue from operations.

**8) *We may not be able to identify suitable project sites or enter into Development Agreements for land development rights at reasonable cost or favourable terms which may adversely affect our business and results of operations.***

Our performance is dependent on our ability to identify the suitable projects sites or to enter into Development Agreements for acquiring land development rights at reasonable cost and on favourable terms. Further, there are other factors that are beyond our control like availability of suitable land, location, the willingness of landowners to assign land development rights on terms acceptable, the availability and cost of financing, encumbrances on targeted project sites, government directives on land use, obtaining the necessary permits and approvals for land development, etc. Such factors may impede our efforts to acquire development rights on acceptable/suitable terms and conditions. This may cause us to modify, delay or abandon projects, which could adversely affect our business and results of operations.

**9) *Delay in raising funds from the IPO could adversely impact the implementation schedule.***

The proposed expansion, as detailed in the section titled, “Objects of the Issue” is to be entirely funded from the proceeds of this IPO. We have not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds may delay the implementation schedule. We therefore, cannot assure that we would be able to execute the expansion process within the given timeframe, or within the costs as originally estimated by us. Any time overrun or cost overrun may adversely affect our growth plans and profitability.

**10) *Our inventory levels are estimated by our management and are not confirmed by any outside authority/External Auditor.***

Our inventory comprises of property under construction (Work-in-Progress), Work in progress comprises of Land cost, developmental rights and transferable development rights, cost of construction/development, cost of materials and services and other expenses related to the projects under construction. Inventories are reflected in our balance sheet as “stock-in trade”. The inventory levels reflected in the audited balance sheet and the restated

financial statements and the notes and schedules annexed thereto are based on the certification given to current state of completion of the project by the Management of the Company. Our auditors rely on these certifications for the state of completion of project, cost of raw material, at our construction sites and other inventory amounts, although the company believes in effective internal control processes to determine the state of completion of the project and the other amounts, there is no independent verification or confirmation by any external authority or parties.”

- 11) Any delay in implementation of the project for which the funds are being raised, may result in incremental cost and time overruns of the Project and in turn could adversely affect our business operations and profitability.**

As envisaged in the chapter titled Objects of the Issue, we propose to utilize the proceeds of the issue for *construction and development of our proposed projects*. Our plans in relation to these projects are yet to be finalized and approved. Further, Company’s business plans are subject to various risks including time and cost overruns and delays in obtaining regulatory approvals. The length of time required to complete a project usually ranges from 18 to 24 months, within which there can be changes in the economic environment, local real estate market, prospective customer’s perception, price escalation, etc. If the changes take place during the duration of the project, then our projections regarding the costs, revenues, return on the project, profitability as well as our operations will be adversely affected. There could also be unexpected delays and cost overrun in relation to our projected / future projects and thus, no assurance can be given to complete them on scheduled time and within the expected budget.

- 12) Our Company has availed ₹499.65 / 719.02 lakhs on a stand alone basis and consolidated basis respectively as unsecured loan as on March 31, 2018 which are repayable on demand. Any demand from the lenders for repayment of such unsecured loan may affect our cash flow and financial condition.**

Our Company has, as per the restated audited financial statement as on March 31, 2018, availed total sum ₹499.65 / 719.02 lakhs on a stand alone basis and consolidated basis respectively as unsecured loan from promoter, promoter group, group companies/entities and relatives of Director/Promoter, which may be recalled at any time. There is no specific agreement entered into or terms of repayment agreed between the Company and such parties. Sudden recall may disrupt our operations and also may force us to opt for funding at unviable terms resulting in higher financial burden. Further, we will not be able to raise funds at short notice and thus result in shortage of working capital fund. For further details, please refer to the section “Unsecured Loans” under “Financial Statements” beginning on page 158 of this Red Herring Prospectus. Any demand for the repayment of such unsecured loan, may adversely affect our cash flow and financial condition.

- 13) Our logo / trademark is registered in our name. But the same is however used by all the group companies for which no payment is being received by us.**

We have applied for registering our Logo is registered in name and style as “Sumit Group” with the Trade Mark Registry by means of Intellectual Property Rights of India vide application Number 3715775. But the logo is used by all our group companies for which no payment is being charged by us. This could result in a revenue loss as other group companies could get a part of our business opportunities. Moreover, any negative publicity on account of poor performance of our group companies could be associated with our company as all the companies would be associated with the same brand name.

- 14) Our Company had negative cash flow in recent financial years, details of which are given below. Sustained negative cash flow could adversely impact our business, financial condition and results of operations.**

(₹ in Lakhs) (On consolidated basis)

Cash Flow from	Year ended March 31, 2018	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014
Operating Activities	1,762.98	-1,167.43	2,473.21	1,081.15	-481.84
Financing Activities	-1,198.34	378.81	-1,538.50	-773.66	1,165.22
Investment Activities	-430.14	498.91	-660.50	-205.76	-648.63

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet its 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 flow, it may adversely affect our business and financial operations. For further details please refer to the section titled ‘Financial Information’ and chapter titled

‘Management’s Discussion and Analysis of Financial Condition and Results of Operations’ beginning on page numbers 158 and 202 of this Red Herring Prospectus

- 15) ***We are dependent on external workforce and consultants for our construction activities. We cannot assure that such skilled labour will continue to be available at reasonable rates and in the areas in which we operate. If some of these third parties do not timely or satisfactorily complete our orders, our reputation and financial condition could be adversely affected.***

Being a real estate development company, we do not possess in-house construction expertise. Our current manpower strength is only 33 employees (including executive directors and unskilled employee). We rely on the skills and availability of the labour contractors or other agencies like architects, engineers, etc. that we engage in construction of building premises at our properties. The timing and quality of construction depends on our ability to extract work from such external agencies. Although, we believe that our relationships with such labour contractors, architects, engineers, etc. are cordial, we cannot assure that such skilled labour will continue to be available at reasonable rates and in the areas in which we operate. These external suppliers / contractors rely on several manufacturers and other suppliers to provide us with the construction products over which we do not have direct control of the quality of such products manufactured or supplied by such third party suppliers; we are exposed to risks relating to the quality of such products. In addition, even if some of these third parties do not timely or satisfactorily complete our orders, our reputation and financial condition could be adversely affected. Further, our lack of in-house staff and expertise may hinder us from participating in certain tenders or such opportunities to acquire land / property parcels wherein in-house experience or ability is an important criteria.

- 16) ***The demand for residential properties is dependent on the performance of the property market in the areas in which we operate, and any slowdown in the demand for such real estate property and the demand for business of our clients could adversely affect our business.***

Our business is concentrated on building residential properties and is entirely dependent on the demand for the same. Any slowdown in this demand or a slack in the real estate markets in which we operate, may adversely affect our business operations. It is not possible to predict whether demand for residential property in the areas in which we operate or generally will continue to grow in the future, as many social, political, economic, legal and other factors may affect the development of the property market. Accordingly, there can be no assurance that the level of demand will consistently match the level of supply. In the event of any unfavorable developments in the supply and demand or any decreases in property prices in the areas in which we operate or other parts in India, our business, financial condition and results of operations may be adversely affected.

Furthermore, our location could also prove to be a disadvantage as we may face competition from other builders in the same locality or some other locality in the city of Mumbai or the State of Goa, to the extent that these projects offer improved infrastructure development and facilities as compared to our projects. This competition may impact our ability to attract potential future residents and thereby adversely affect our ability to develop and sell our projects.

- 17) ***We face the risk of work stoppages and other labour risks.***

We operate in a labour intensive industry and we, including our contractors hire casual labourer’s to work on our projects at different locations. In the event of a labour dispute or our / contractor’s inability to negotiate successfully with the workmen or the sub-contractors, it could result in work stoppages or increased cost as we have to incur higher cost than anticipated. Our projects also require the services of third parties including engineers, contractors and suppliers of labour and materials. The contractual

Construction work of our projects is performed by third party sub-contractors. We may not be able to identify approximately experienced third parties and cannot assure you that skilled third parties will continue to be available at reasonable rate and in area in which we undertake our present and future projects. As a result we may be required to make additional investments or provide additional services to ensure adequate performance and delivery of contracted services. The number of contract labourer’s employed by us varies from time to time based on the nature and extent of work contracted to us and the availability of contract labour. We may not be able to secure the required number of contractual labourer’s required for the timely execution of our projects for a variety of reasons including but not limited to disputes with sub-contractors, changes in labour regulations that may limit availability of contractual labour. If our labour sub-contractors do not complete their obligations in a timely and satisfactory manner, our costs could increase and our reputation, business, cash flows and results of operations could be adversely affected. All these factors could affect our operations, finance and revenue from



operations adversely and in addition, we may also be exposed to the liability of penalties, sanctions or losses arising out of accidents or damages caused by our workers or contractors.

**18) *Our inability to purchase parcels of land on a contiguous basis and on acceptable terms in a timely manner or at all may affect our future development.***

We purchase parcels of land, along with development rights over parcels of land in various locations from various landholders, over a period of time, for future development. These parcels of land are subsequently consolidated to form a substantially contiguous land mass, upon which we undertake development. We cannot assure you that we will be able to purchase and obtain undisputed legal title to and possession of the land best suited for our projects. In the initial stages of the development of a project, we were able to purchase land at lower costs compared to the present costs of the land. However, as the project plans have gradually become public, land procurement becomes gradually more difficult and expensive. Additionally, landowners who refuse to sell their land to us. This may also affect the contiguity of land parcels required for the development of a project. Since formal transfer of title or land development rights with respect to such land is completed only after all requisite governmental consents and approvals have been obtained and all conditions precedent to such agreements with the land owners have been complied with, we are subject to the risk that pending such consents and approvals and compliance with conditions precedents, if any, sellers may transfer the land to other purchasers or that we may not be able to obtain title or land development rights with respect to such land. In any such event, partial payments made to sellers as consideration to purchase certain land or land development rights may be forfeited and we may be unable to recover such consideration under certain circumstances. The failure to purchase land on acceptable terms or at all may cause us to change, delay or limit the size of development materially and adversely affect our competitive position, business, financial condition and results of operation. Further, any failure to recover the partial payment made by us with respect to such land, could adversely affect our business, prospects, financial condition and results of operations.

**19) *Our Company is dependent on third parties for the supply of raw materials required for our projects and is exposed to risks relating to fluctuations in commodity prices and shortage of raw material. Further, we do not have any long term supply agreements with the raw material providers.***

Raw material costs are dependent on commodity prices, which are subject to fluctuations. There can be no assurance that strong demand, capacity limitations or other problems experienced by our suppliers will not result in occasional shortages or delay in their supply of raw materials. If we experience a significant or prolonged shortage of raw materials from any of our suppliers and we cannot procure the raw materials from other sources, we would be unable to meet our project execution schedules in timely fashion, which would adversely affect our sales, margins and customer relations. Further, in the absence of any long term supply agreements, we cannot assure that a particular supplier will continue to supply raw materials to us in the future. In the event the prices of such raw materials were to rise substantially or if imports were to rise substantially or if imports were to be restricted in any manner, we may find it difficult to make alternative arrangements for suppliers of our raw materials, on the terms acceptable to us, which could materially affect our business, results of operations and financial condition.

**20) *We face significant risk with regard to length of time needed to complete each project and there could be unscheduled delays and cost overruns in relation to our ongoing and future projects.***

There could be unscheduled delays and cost overruns in relation to our ongoing or forthcoming projects. The time taken to complete a project may vary based on the type of work. During this time there can be changes to the national, state and local business climate and regulatory environment, local real estate market conditions, perception of prospective customers with respect to the convenience and attractiveness of the project and changes with respect to competition from other property developments. Further, any changes to the business environment such as non - availability of raw materials or increase in cost of construction materials during such time may affect the cost and revenues associated with the project and may ultimately affect the profitability of a project. Additionally, there could be unscheduled delays and cost overruns in relation to ongoing and future projects and we cannot assure you that we will be able to complete these projects within the expected budgets and time schedules at all. Further, we may be penalized from our client for delay in completion of project.

**21) *Our business is subject to various operating risks at our construction sites, the occurrence of which can affect our results of operations and consequently, financial condition of our Company.***

Our business operations are subject to operating risks, such as breakdown or failure of equipment used at the project sites, weather conditions, interruption in power supply, shortage of consumables, performance below

expected levels of output or efficiency, natural disasters, obsolescence, labour disputes, accidents, our inability to respond to technological advancements and emerging construction industry standards and practices along with the need to comply with the directives of relevant government authorities. The occurrence of these risks, if any, could significantly affect our operating results, and the slowdown / shutdown of business operations may have a material adverse effect on our business operations and financial conditions.

**22) *The demand for real estate assets is subject to fluctuations in property values.***

Historically, the Indian real estate market has been subject to fluctuations, a phenomenon that can affect the optimal timing for the purchase of land, the sale of residential units and/or our ability to attract investment in the various businesses proposed to be carried out by us. We cannot assure you that real estate market volatility will not continue to affect the Indian real estate market, and our various operations amongst others, including the development and sale of real estate assets, in the future. As a result, we may experience fluctuations in property values over time which in turn may materially and adversely affect our business, financial condition and results of operations. While we have not experienced market volatility significantly impacting our real estate sales of built-up structures as we continue to launch units in the market, our real estate sales of built-up structures would be less insulated from the market trends, and the pricing and phasing of supply would need to be viewed in the context of competitive developments in Mumbai and Goa. There could be cycles of poor real estate absorption tractions in the lifecycle of the real estate development. Any such adverse market trends may adversely affect our business, results of operation and financial condition.

**23) *We conduct due diligence and assessment exercises prior to acquisition of land for undertaking development, but we may not be able to assess or identify certain risks and liabilities with regard to title.***

We constantly acquire land or development rights for our business and investment purposes. We internally assess and conduct due diligence exercise through external consultants to assess the title of the land / development rights and preparation of feasibility reports to assess its financial viability. This assessment process is based on information that is available or accessible by us / our consultants. There can be no assurance that such information is accurate, complete or current. Any decision based on inaccurate, incomplete or out-dated information may result in risks and liabilities associated with such projects. This may adversely affect our business, financial condition and results of operations. We have in the past been subject to land title / development related litigations post acquisition of lands and there is no assurance that we will be able to main dispute free assets in the future. For details regarding our land related litigations, please see “Outstanding Litigations and Material Developments” beginning on page 213 of this Red Herring Prospectus.

**24) *Our Company enters into Development Agreement for land developments rights with the owners of the land, which entails certain risks like specific performance of the terms of the agreement, litigations etc. Further, any disruption in the execution of the said agreements due to any reason whatsoever may have an adverse effect on our commercial operations and profitability.***

Our Company enters into development agreements for land developments rights with the owners of the land. We enter into and may continue to enter into similar arrangements in the future for acquiring land development rights with respect to the property being developed by us. Such agreements carry risks like specific performance of the terms and covenants of such agreement, project schedules and timelines to be met with, maintaining cordial relationship with the land owners, litigations/disputes etc. Since we do not acquire ownership with respect to such land upon the execution of such agreements, as a result, our Company is subject to the risk that our Company may never acquire registration of title with respect to such land. Our Company may also be required to make partial payments to the land owner for land development rights which our Company may be unable to recover under certain circumstances. Our Company’s inability to acquire land development rights, or if our Company fails to recover the partial payment made by it with respect to such land developments rights, it may adversely affect our Company’s business, financial condition and results of operation.

**25) *Compliance with applicable safety, health, environmental and other governmental regulations may be costly and adversely affect our competitive position and results of operations.***

We are subject to central and local laws, rules and regulations governing, among other things, the:

- conduct of our operations;
- additions to facilities and services;
- adequacy of medical care;
- quality of medical equipment and services;

- discharge of pollutants to air and water and handling and disposal of bio-medical, radioactive and other hazardous waste;
- qualifications of medical and support personnel;
- confidentiality, maintenance and security issues associated with health-related information and medical records; and
- Screening, stabilization and transfer of patients who have emergency medical conditions.

Safety, health and environmental laws and regulations in India are stringent and it is possible that they will become significantly more stringent in the future. If we are held to be in violation of such regulatory requirements, including conditions in the permits required for our operations, by courts or governmental agencies, we may have to pay fines, modify or discontinue our operations, incur additional operating costs or make capital expenditures. Any public interest or class action legal proceedings related to such safety, health or environmental matters could also result in the imposition of financial or other obligations on us. Any such costs could adversely affect our competitive position and results of operations.

**26) *We conduct due diligence and assessment exercises prior to acquisition of land for undertaking development, but we may not be able to assess or identify certain risks and liabilities.***

We acquire land or development rights for our business and investment purposes. We internally assess and conduct due diligence exercise through external consultants to assess the title of the land and preparation of feasibility reports to assess its financial viability. This assessment process is based on information that is available or accessible by us / our consultants. There can be no assurance that such information is accurate, complete or current. Any decision based on inaccurate, incomplete or out-dated information may result in risks and liabilities associated with such projects. This may adversely affect our business, financial condition and results of operations.

**27) *Our Group Companies / Ventures have incurred losses in past and any operating losses in the future could adversely affect the results of operations and financial conditions of our group company.***

The following group companies / ventures have incurred losses in the last 3 years:

(₹ in Lakhs)

Sr. No	Name of the Venture	2014-15	2015-16	2016-17
1.	Milestone Construction and Developers LLP	(0.06)	1.16	44.23
2.	Sumit Pragati Ventures LLP	(1.45)	11.36	1.78
3.	Sumit Star Land Developers LLP	(0.06)	(0.02)	(0.32)
4.	Sumit Pramukh Ventures	(0.78)	3.58	(2.70)
5.	Sumit Infotech Private Ltd	(0.43)	(0.46)	(0.54)
6.	Sumit Pragati Developers LLP	(1.63)	(0.45)	(5.64)
7.	Sumit Developers	2.30	2.03	(2.47)
8.	Second Home Resorts Ltd	(0.38)	(0.40)	(0.20)
9.	Access Facility Management LLP	15.30	1.21	(1.27)
10.	Mitasu Realty LLP	0.01	5.89	(2.47)

Further, few of our Group Company/entity have not started commercial activities. Any operating losses could adversely affect the overall operations of the group and financial conditions and also divert the attention of the management and promoter towards the group company which could have an adverse affect on our operations and financials. For more information, regarding the Company, please refer chapter titled “Our Group Companies/Entities” beginning on page 132 of this Red Herring Prospectus.

**28) *There is no monitoring agency appointed by Our Company and the deployment of funds are at the discretion of our Management and our Board of Directors, though it shall be monitored by the Audit Committee.***

As per SEBI (ICDR) Regulations, 2009 appointment of monitoring agency is required only for Issue size above ₹10,000 Lakh. Hence, we have not appointed a monitoring agency to monitor the utilization of Issue proceeds. However, the audit committee of our Board will monitor the utilization of Issue proceeds. Further, our Company shall inform about material deviations in the utilization of Issue proceeds to the NSE and shall also simultaneously make the material deviations / adverse comments of the audit committee.

**29) *Our operations have been concentrated in the State of Maharashtra and to a limited extent in Goa in India. Our growth strategy to expand into new geographic areas poses risks. We may not be able to successfully***

***manage some or all of such risks, which may have a material adverse effect on our revenues, profits and financial condition.***

Our operations have been geographically concentrated in the State of Maharashtra and to the limited extent in Goa in India. Our business is therefore significantly dependent on the general economic condition and activity in the State in which we operate, and the central, state and local Government policies relating to real estate development projects. Although investment in such sector in the areas in which we operate has been encouraged, there can be no assurance that this will continue. We may expand geographically, and may not gain acceptance or be able to take advantage of any expansion opportunities outside our current markets. This may place us at a competitive disadvantage and limit our growth opportunities. We may face additional risks if we undertake projects in other geographic areas in which we do not possess the same level of familiarity as competitors.

**30) *Our Company has not appointed any independent agency for the appraisal of the proposed Project.***

The total requirement of funds is our own estimates based on current conditions and are subject to changes in external circumstances or costs. Our estimates has been based on our past experience, the cost quotations for materials received by us and our internal estimates and the actual requirement of funds may exceed our estimates and this may have an adverse impact on our business, financial condition and results of operations.

**31) *We face competition in our business from domestic competitors. Such competition would have an adverse impact on our business and financial performance.***

The real estate market is highly competitive and fragmented, and we face competition from various domestic real estate developers. Some of our competitors have greater financial, marketing, sales and other resources than we do. Going forward as we may seek to diversify into new geographical areas, we will face competition from competitors that have a pan-India presence and also from competitors that have a strong presence in regional markets. Competitive overbuilding in certain markets may have a material adverse effect on our operations.

**32) *In addition to normal remuneration, other benefits and reimbursement of expenses some of our Directors (including our Promoters) and Key Managerial Personnel may be interested in our Company to the extent of their shareholding and dividend entitlement in our Company.***

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

**33) *Our Promoters and Promoter Group may continue to retain majority control in the Company after the Offer, which will enable them to influence the outcome of matters submitted to shareholders for approval. The Promoter Group may have interests that are adverse to the interests of our other shareholders and may take positions with which our other shareholders do not agree.***

Our Promoters and Promoter Group may beneficially own approximately 73% of our post-Offer equity share capital. As a result, the Promoter Group may have the ability to control our business including matters relating to any sale of all or substantially all of our assets, the timing and distribution of dividends and the election or termination of appointment of our officers and directors. This control could delay, defer or prevent a change in control of the Company, impede a merger, consolidation, takeover or other business combination involving the Company, or discourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of the Company even if it is in the Company's best interest. In addition, for so long as the Promoter Group continues to exercise significant control over the Company, they may influence the material policies of the Company in a manner that could conflict with the interests of our other shareholders. The Promoter Group may have interests that are adverse to the interests of our other shareholders and may take positions with which our other shareholders do not agree.

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

Our Company is mainly promoter driven. Our success largely depends on the continued services and performance of our management and other key personnel. If one or more members of our Key Managerial Personnel are unable or unwilling to continue in his/her present position, it may be difficult to find a replacement, and business might thereby be adversely affected. Competition for Key Managerial Personnel in our industry is intense and it is possible that our Company may not be able to retain existing Key Managerial Personnel or may fail to attract/retain new employees at equivalent positions in the future. The loss of service of the Promoters and other senior management could seriously impair the ability to continue to manage and expand the business efficiently. Further, the loss of any of the senior management or other key personnel may adversely affect the operations, finances and profitability of our Company. For further details on the key managerial personnel of our Company, please refer to the chapter titled “Our Management” beginning on page 115 of this Red Herring Prospectus.

**35) *Our insurance policies may not be adequate.***

We have maintained insurance coverage of our assets and accident policies as specified in section titled Insurance Policies on page 100 of the Red Herring Prospectus. We believe that the insurance coverage maintained, would reasonably cover all normal risks associated with the operation of our business, however, there can be no assurance that any claim under the insurance policies maintained by us will be met fully, in part or on time. In the event we suffer loss or damage that is not covered by insurance or exceeds our insurance coverage, our results of operations and cash flow may be adversely affected.

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

We require several statutory and regulatory permits, licenses and approvals to operate our business, some of which our Company has either received, applied for or is in the process of application. Few of these approvals are granted for fixed periods of time and need renewal from time to time. While we believe that we will be able to obtain the required permits and approvals as and when required, there can be no assurance that the relevant authorities will issue any or all requisite permits or approvals in the timeframe anticipated by us, or at all. Non-renewal of the permits and licenses would adversely affect our Company’s operations, thereby having a material adverse effect on our business, results of operations and financial condition. Further, some of our permits, licenses and approvals are subject to several conditions and we cannot provide any assurance that we will be able to continuously meet such conditions or be able to prove compliance with such conditions to the statutory authorities, which may lead to the cancellation, revocation or suspension of relevant permits, licenses or approvals. We cannot assure that strict adherence to the conditions so prescribed can be followed by us; non-adherence to such requirements may also result in cancellation, revocation or suspension of relevant permits, licenses or approvals. Any failure by us to apply in time, to renew, maintain or obtain the required permits, licenses or approvals, or the cancellation, suspension or revocation of any of the permits, licenses or approvals may result in the interruption of our operations and may have a material adverse effect on the business and financial condition. For further details, please refer to the chapters titled “Key Regulations and Policies” and “Government and Other Key Approvals” beginning on pages. 101 and 226, respectively, of this Red Herring Prospectus.

**37) *There may be potential conflict of interests between our company and other venture or enterprises promoted by our promoters or directors.***

The main business object/activities of majority of our Group Companies permit them 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. We have not yet entered into any non-compete agreement with any of these group companies and they may compete with us in the future. Further, many of these companies share their registered office with our company; as a result, there may be conflicts of interest between us and such Promoter Group companies in addressing business opportunities and strategies. In addition, some of our Directors are also directors on the Boards of the aforesaid companies or other companies engaged in, or whose Memorandum of Association enables them to engage in, the same line of business as us. These overlapping directorships could create conflicts of interest between us and the Promoter Group companies or other entities. For further details,



please refer to the chapters titled “*Financial Information of Our Group Companies*” and Annexure 26 Related Party Transactions” beginning on pages 158 And 176, respectively of this Red Herring Prospectus.

**38) *We require substantial capital for our business operations, and the failure to obtain additional financing in the form of debt or equity may adversely affect our ability to grow and our future profitability.***

Our business is capital intensive, requiring substantial capital to develop and market our projects. The actual amount and timing of our future capital requirements may also differ from estimates as a result of, among other things, unforeseen delays or cost overruns in developing our projects, change in business plans due to prevailing economic conditions, unanticipated expenses, regulatory and engineering design changes. To the extent our planned expenditure requirements exceed our available resources; we will be required to seek additional debt or equity financing. Additional financing could increase our cost, in case of debt increase in interest cost and additional restrictive covenants and in case of equity dilution of our earnings per share. We cannot assure that in future, we will be able to raise additional financing on acceptable terms in a timely manner or at all.

**39) *The government may exercise rights of compulsory purchase or eminent domain over our lands.***

The Right to Fair Compensation and Transparency in Rehabilitation and Resettlement Act, 2013 allows the central and state governments to exercise rights of compulsory purchase, which if used in respect of our land, could require us to relinquish land with minimal compensation and no right of appeal. The likelihood of such actions may increase as the central and state governments seek to acquire land for the development of infrastructure projects such as roads, airports and railways. Any such action in respect of one or more of our ongoing, forthcoming or upcoming projects could adversely affect our business.

**40) *We have entered into certain related party transactions and may continue to do so.***

We have entered into related party transactions with our Promoters, Promoter Group, Group Companies/Entities and Directors. While we believe that all such transactions have been conducted on the arms length basis, however it is difficult to ascertain whether more favorable terms would have been achieved had such transactions been entered with unrelated parties. Furthermore, it is likely that we may enter into related party transactions in the future. For details of these transactions, please refer to section titled “Related Party Transactions” at page 176 of this Red Herring Prospectus.

**41) *The business and future results of operations of our Company may be adversely affected if we incur any time or cost overruns.***

Our Company’s business plans are subject to various risks including time and cost overruns and delays in obtaining regulatory approvals. Further, there could also be unexpected delays and cost overrun in relation to our projected / future projects and thus, no assurance can be given to complete them on scheduled time and within the expected budget. If such changes take place during the course of development of any of our projects, then our projections regarding the costs, revenues, return on the project, profitability as well as our operations will be adversely affected.

**42) *Our business is subject to various operating risks at our construction sites, the occurrence of which can affect our results of operations and consequently, financial condition of our Company.***

Our business operations are subject to operating risks, such as breakdown or failure of equipments used at the project sites, weather conditions, interruption in power supply due to breakdown of power generators, shortage of consumables, performance below expected levels of output or efficiency, natural disasters, obsolescence, labour disputes, industrial accidents, our inability to respond to technological advancements and emerging realty industry standards and practices along with the need to comply with the directives of relevant government authorities. The occurrence of these risks, if any, could significantly affect our operating results, and the slowdown / shutdown of business operations may have a material adverse affect on our business operations and financial conditions.

**43) *We have not independently verified certain data in this Red Herring Prospectus.***

We have not independently verified data from industry publications contained herein and although we believe these sources to be reliable, we cannot assure you that they are complete or reliable. Such data may also be produced on a different basis from comparable information compiled with regard to other countries. Therefore, discussions of matters relating to India and its economy are subject to the caveat that the statistical and other data

upon which such discussions are based have not been verified by us and may be incomplete or unreliable. These facts and statistics are included in “Summary of Industry” and “Industry Overview” on pages. 26 and 83 respectively of this Red Herring 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, we cannot assure you that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be elsewhere.

**44) We have the following contingent liabilities not provided for as on March 31, 2018:**

Particulars	As on 31.03.2018 (Amount in ₹)
The demand made U/s 143(3) for Income Tax Assessment for the A.Y. 2011-12 for which order of CIT (A) received with a relief. However department had an appeal in ITAT.	2,73,25,140
The demand made U/s 143(3) for the Income Tax Assessment for the A.Y. 2010-11 for which company has filed Appeal to the Commissioner of Income-tax (Appeals)	6,14,51,370

For further details please refer to the financial statements appearing on Page 158 of this Red Herring Prospectus

**EXTERNAL RISK FACTORS**

**1) *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, change in regulatory framework, inflation, deflation, foreign exchange fluctuations, consumer credit availability, consumer debt levels, unemployment trends, terrorist threats and activities, worldwide military and domestic disturbances and conflicts, and other matters that influence consumer confidence, spending and tourism.

**2) *Any changes in the regulatory framework could adversely affect our operations and growth prospects***

Our Company is subject to various regulations and policies. For details, see section titled “Key Industry Regulations and Policies” beginning on page 102 of Red Herring Prospectus. Our business and prospects could be materially adversely affected by changes in any of these regulations and policies, including the introduction of new laws, policies or regulations or changes in the interpretation or application of existing laws, policies and regulations. There can be no assurance that our Company will succeed in obtaining all requisite regulatory approvals in the future for our operations or that compliance issues will not be raised in respect of our operations, either of which could have a material adverse affect on our business, financial condition and results of operations.

**3) *Civil disturbances, extremities of weather, regional conflicts and other political instability may have adverse effects on our operations and financial performance***

Certain events that are beyond our control such as earthquake, fire, floods and similar natural calamities may cause interruption in the business undertaken by us. Our operations and financial results and the market price and liquidity of our equity shares may be affected by changes in Indian Government policy or taxation or social, ethnic, political, economic or other adverse developments in or affecting India.

**4) *We are subject to risks arising from interest rate fluctuation, which could adversely impact our business, financial condition and operating results.***

Changes in interest rates could significantly affect our financial condition and results of operations. If the interest rates for our existing or future borrowings increase significantly, our cost of servicing such debt will increase. This may negatively impact our results of operations, planned capital expenditures and cash flows.

- 5) ***The price of our Equity Shares may be volatile, or an active trading market for our Equity Shares may not develop.***

Prior to this Issue, there has been no public market for our Equity Shares. Our Company and the Book Running Lead Manager have appointed Intellect Stock Broking Limited as Designated Market Maker for the equity shares of our Company. However, the trading price of our Equity Shares may fluctuate after this Issue due to a variety of factors, including our results of operations and the performance of our business, competitive conditions, general economic, political and social factors, the performance of the Indian and global economy and significant developments in India's fiscal regime, volatility in the Indian and global securities market, performance of our competitors, the Indian Capital Markets and Finance industry, changes in the estimates of our performance or recommendations by financial analysts and announcements by us or others regarding contracts, acquisitions, strategic partnership, joint ventures, or capital commitments.

- 6) ***Taxes and other levies imposed by the Government of India or other State Governments, as well as other financial policies and regulations, may have a material adverse impact on our business, financial condition and results of operations.***

Taxes and other levies imposed by the Central or State Governments in India that impact our industry includes GST, income tax and other taxes, duties or surcharges introduced on a permanent or temporary basis from time to time. There can be no assurance that these tax rates/slab will continue in the future. Any changes in these tax rates/slabs could adversely affect our financial condition and results of operations.

#### **Prominent Notes**

- 1) This is a Public Issue of 40,53,000 Equity Shares of ₹10/- each at a price of ₹[•]/- per Equity Share aggregating ₹[•] Lakhs of which 2,19,000 Equity Shares of face value of ₹10 each will be reserved for subscription by Market Maker to the Issue ("Market Maker Reservation Portion"). The Issue less the Market Maker Reservation Portion i.e. Net Issue of 38,34,000 Equity Shares of face value of ₹10 each is hereinafter referred to as the "Net Issue". The Issue and the Net Issue will constitute 26.50% and 25.07%, respectively of the post Issue paid up equity share capital of the Company.
- 2) For information on changes in our Company's name and registered office please refer to the chapter titled "History and Certain Corporate Matters" beginning on page 110 of the Red Herring Prospectus.
- 3) Our Net Worth as per Standalone Restated Financial Statement as on March 31, 2018 was ₹4,630.46 Lakhs. And Our Net Worth as per Consolidated Restated Financial Statement as on March 31, 2018 was ₹4,950.24 Lakhs.
- 4) The Net Asset Value per Equity Share as per Standalone Restated Financial Statement as on March 31, 2018 was ₹42.71/-. The Net Asset Value per Equity Share as per Consolidated Restated Financial Statement as on March 31, 2018 was ₹45.66/-.
- 5) Investors may contact the Book Running Lead Manager for any complaint pertaining to the Issue. All grievances relating to ASBA may be addressed to the Registrar to the Issue, with a copy to the relevant SCSBs, giving full details such as name, address of the Applicant, number of Equity Shares for which the applied, Application Amounts blocked, ASBA Account number and the Designated Branch of the SCSBs where the ASBA Form has been submitted by the ASBA Applicant.
- 6) The average cost of acquisition per Equity Share by our Promoters is set forth in the table below:

<b>Name of the Promoter</b>	<b>Number of Equity Shares Held</b>	<b>Average cost of Acquisition (in ₹)</b>
Mr. Mitaram Jangid	35,87,487	8.83
Mr. Subodh Nemlekar	27,54,532	7.33
Mr. Bhushan Nemlekar	8,04,545	7.33
Mrs. Kavita Nemlekar	6,69,318	18.23
Mrs. Sharda M Jangid	8,04,545	4.97

The average cost of acquisition of Equity Shares by our Promoters has been calculated by taking into account the amount paid by them to acquire, by way of fresh issuance or transfer, the Equity Shares, including the issue of

bonus shares to them less amount received by them for the sale of shares through transfer and the net cost of acquisition has been divided by total number of shares held as on date of this Red Herring Prospectus.

The average cost of acquisition of our Equity Shares by our Promoters has been reduced due to the issuance of bonus shares to them. For further details relating to the allotment of Equity Shares to our Promoter, please refer to the chapter titled “Capital Structure” beginning on page 47 of the Red Herring Prospectus.

- 7) There has been no financing arrangement whereby the Promoter Group, our Directors 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 the Red Herring Prospectus.
- 8) The details of transaction by our Company are disclosed under “Related Party Transactions” in Annexure 26 of “Auditor’s Report and Financial Information of our Company” beginning on page 158 of this Red Herring Prospectus.
- 9) Our Company, its Promoters / Directors, Company’s Associates or Group companies have not been prohibited from accessing the Capital Market under any order or direction passed by SEBI. The Promoters, their relatives, Company, group companies, associate companies are not declared as willful defaulters by RBI / Government authorities and there are no violations of securities laws committed in the past or pending against them.
- 10) Investors are advised to refer to the paragraph titled “Basis for Issue Price” beginning on page 77 of this Red Herring Prospectus.
- 11) The Book Running Lead Manager and our Company shall update Red Herring Prospectus and keep the investors / public informed of any material changes till listing of the Equity Shares offered in terms of Red Herring Prospectus and commencement of trading.
- 12) The Book Running Lead Manager and our Company shall make all information available to the public and investors at large and no selective or additional information would be made available for a section of the investors in any manner whatsoever.
- 13) No loans and advances have been made to any person(s) / companies in which Directors are interested except as stated in the Auditors Report. For details please refer to “Financial Information” beginning on page 158 of this Red Herring Prospectus.
- 14) Our Company does not have any contingent liabilities outstanding as on March 31, 2018, except as stated in the Auditors’ Report. For details please refer to “Financial Information” beginning on page 158 of this Red Herring Prospectus.

## SECTION-III: INTRODUCTION

### SUMMARY OF OUR INDUSTRY

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

### INTRODUCTION

#### Indian Real Estate Industry

The real estate sector is one of the most globally recognised sectors. In India, real estate is the second largest employer after agriculture and is slated to grow at 30 per cent over the next decade. The real estate sector comprises four sub sectors - housing, retail, hospitality, and commercial. The growth of this sector is well complemented by the growth of the corporate environment and the demand for office space as well as urban and semi-urban accommodations. The construction industry ranks third among the 14 major sectors in terms of direct, indirect and induced effects in all sectors of the economy.

It is also expected that this sector will incur more non-resident Indian (NRI) investments in both the short term and the long term. Bengaluru is expected to be the most favoured property investment destination for NRIs, followed by Ahmedabad, Pune, Chennai, Goa, Delhi and Dehradun.

India's rank in the Global House Price Index has jumped 13\* spots to reach the ninth position among 55 international markets, on the back of increasing prices in mainstream residential sector.

*(References: Media Reports, Press releases, \*for Q2 2017 in Knight Frank's Frank Global House Index, JLL India, Knight Frank Ind)*

#### Market Size

The Indian real estate market is expected to touch US\$ 180 billion by 2020. The housing sector alone contributes 5-6 per cent to the country's Gross Domestic Product (GDP).

In the period FY2008-2020, the market size of this sector is expected to increase at a Compound Annual Growth Rate (CAGR) of 11.2 per cent. Retail, hospitality and commercial real estate are also growing significantly, providing the much-needed infrastructure for India's growing needs.

A total of 2,17,900 new houses in six Indian States were sanctioned by the Ministry of Housing and Urban Affairs, Government of India under the Pradhan Mantri Awas Yojana (Urban) (PMAY) to push affordable housing in the urban areas of the country.

The private equity investments in real estate increased 26 per cent to a nine-year high of nearly Rs 40,000 crore (US\$ 6.01 billion) in 2016.

Sectors such as IT and ITeS, retail, consulting and e-commerce have registered high demand for office space in recent times. The office space absorption in 2016 across the top eight cities amounted to 34 million square feet (msf) with Bengaluru recording the highest net absorption during the year. Information Technology and Business Process Management sector led the total leasing table with 52 per cent of total space uptake in 2016. Mumbai is the best city in India for commercial real estate investment, with returns of 12-19 per cent likely in the next five years, followed by Bengaluru and Delhi-National Capital Region (NCR).

#### Investments

The Indian real estate sector has witnessed high growth in recent times with the rise in demand for office as well as residential spaces. The real estate sector in India is expected to attract investments worth US\$ 7 billion in 2017,



which will rise further to US\$ 10 billion by 2020. India has been ranked fourth in developing Asia for FDI inflows as per the World Investment Report 2016 by the United Nations Conference for Trade and Development. According to data released by Department of Industrial Policy and Promotion (DIPP), the construction development sector in India has received Foreign Direct Investment (FDI) equity inflows to the tune of US\$ 24.54 billion in the period April 2000-June 2017.

Some of the major investments in this sector are as follows:

- Private equity (PE) investments in the Indian real estate sector are estimated to cross US\$ 4 billion in 2017, supported by Government of India's regulatory reforms over the past two years.
- Fundraising and investments in India's office space sector, which have already reached more than US\$ 2 billion in 2017, are poised to rise higher with further foreign investment of US\$ 1.4 billion expected, as local developers and foreign investors expand their portfolios through fresh investments, acquisitions or launch of Real Estate Investment Trusts (REITs) to build and acquire office assets.
- South Korea's Mirae Asset group is planning to expand its Indian operations and enter the real estate sector in the country and will invest US\$ 500 million in commercial leased properties.
- A Rs 400 crore (US\$ 62.39 million) investment platform is being set up by private equity firm ASK Property Investment Advisors and Emerald Haven Realty, which will focus on property markets in Chennai and Bengaluru.
- The realty sector of India received investments of over Rs 16,000 crore (US\$ 2.51 billion) as both debt and equity in the first half of 2017 and 56 per cent of these investments were in residential projects.
- Piramal Realty, the real estate arm of Piramal Enterprises Ltd, has decided to invest Rs 2,400 crore (US\$ 376.71 million) in a 16-acre corporate park project in Kurla, Mumbai, its first ever commercial project.
- Indian real estate developer, BPTP has raised funds around Rs 190 crore (US\$ 29.5 million) from L&T Finance Holdings Ltd, which will be used to finance the construction of its two residential projects in Faridabad, Haryana.
- International Finance Corporation (IFC) will invest US\$ 200 million in Housing Development Finance Corporation Ltd (HDFC) via five-year non-convertible debentures (NCDs) or masala bonds which will be used by HDFC to provide loans for affordable housing projects across India.
- Godrej Properties Ltd has tied up with Taj Palaces Resorts Safaris for developing its mixed-use project called 'The Trees', spread across 9.2 acres, that will include a 150-room Taj Hotel, a luxury residential property called 'Godrej Origins' as well as a high-street retail court.
- Motilal Oswal Real Estate, a real estate-focused investment subsidiary of Motilal Oswal Private Equity Advisors Pvt Ltd, is planning to invest Rs 800 crore (US\$ 124 million) in FY 2017-18 in mid-income residential projects as well as commercial office projects.
- Xander, a Private Equity Group, has signed two major property deals, which includes a special economic zone worth Rs 2,290 crore (US\$ 354.95 million) in Chennai and a 2 million sq ft mall in Chandigarh for Rs 700 crore (US\$ 108.5 million).
- Canada Pension Plan Investment Board (CPPIB), the Canadian pension asset manager, has entered into a non-binding agreement with Island Star Mall Developers (ISML), a subsidiary of Phoenix Mills, to acquire up to 49 per cent in ISML in the next three years.
- Altico Capital, a non-banking finance company (NBFC), has teamed up with American private equity firm KKR & Co LP to invest Rs 435 crore (US\$ 65.25 million) in a 66-acre residential township, being developed by SARE Homes in Gurgaon.
- Gurgaon-based property search aggregator Square Yards Consulting Pvt Ltd has raised US\$ 12 million from the private equity arm of Reliance Group for strengthening its team and expanding its presence to more than 25 countries.
- Rising Straits Capital plans to raise US\$ 100 million to capitalise its real estate-focused non-banking financial company (NBFC), Rising Straits Finance Co. Pvt. Ltd.
- A joint venture between Dutch asset manager APG Asset Management and real estate asset platform Virtuous Retail, has acquired a portfolio of three shopping malls for US\$ 300 million, and has committed an additional US\$ 150 million as equity capital to expand the portfolio.
- Macquarie Infrastructure and Real Assets (MIRA) and Tata Housing Development Co. Ltd have entered into a 70:30 partnership to invest Rs 1,400 crore (US\$ 210 million) and Rs 600 crore (US\$ 90 million) respectively in high-end residential property projects, starting with four major cities of Mumbai, NCR, Bengaluru and Pune.
- Qatar Holdings LLC, a subsidiary of Qatar Investment Authority, has committed to invest US\$ 250 million in the affordable housing fund of Arthveda Fund Management Pvt Ltd.
- Piramal Realty, the real estate division of Piramal Group, plans to invest Rs 1,800 crore (US\$ 270.14 million) in an eight acre project named Piramal Revanta in Mulund, Mumbai.
- Ivanhoe Cambridge, the real estate arm of Canada's second largest pension fund manager Caisse de dépôt et placement du Québec (CDPQ), plans to enter into a Joint Venture (JV) agreement with Piramal Fund

Management to set up a US\$ 250 million venture, which will provide equity capital to developers of residential projects in the country.

### Government Initiatives

The Government of India along with the governments of the respective States has taken several initiatives to encourage the development in the sector. The Smart City Project, where there is a plan to build 100 smart cities, is a prime opportunity for the real estate companies. Below are some of the other major Government Initiatives:

- A new public private partnerships (PPP) policy with eight PPP options has been unveiled by the Ministry of Housing and Urban Affairs, Government of India, to push for investments in the affordable housing segment.
- The Delhi Government has declared 89 out of 95 villages in Delhi as urban areas which will ease the operationalising of the land pooling policy, thereby giving a boost to affordable housing in Delhi.
- The Reserve Bank of India (RBI) has proposed to allow banks to invest in real estate investment trusts (REITs) and infrastructure investment trusts (InvITs) which is expected to benefit both real estate and banking sector in diversifying investor base and investment avenues respectively.
- The Ministry of Housing and Urban Poverty Alleviation has sanctioned the construction of 84,460 more affordable houses for urban poor in five states, namely West Bengal, Jharkhand, Punjab, Kerala and Manipur under the Pradhan Mantri Awas Yojana (Urban) scheme with a total investment of Rs 3,073 crore (US\$ 460 million).

### Road Ahead

Securities and Exchange Board of India (SEBI) has given its approval for the Real Estate Investment Trust (REIT) platform which will help in allowing all kinds of investors to invest in the Indian real estate market. It would create an opportunity worth Rs 1.25 trillion (US\$ ) in the Indian market over the years. Responding to an increasingly well-informed consumer base and, bearing in mind the aspect of globalisation, Indian real estate developers have shifted gears and accepted fresh challenges. The most marked change has been the shift from family owned businesses to that of professionally managed ones. Real estate developers, in meeting the growing need for managing multiple projects across cities, are also investing in centralised processes to source material and organise manpower and hiring qualified professionals in areas like project management, architecture and engineering.

The growing flow of FDI into Indian real estate is encouraging increased transparency. Developers, in order to attract funding, have revamped their accounting and management systems to meet due diligence standards.

Exchange Rate Used: INR 1 = US\$ 0.015 as on October 10, 2017

**Source:** <https://www.ibef.org/industry/real-estate-india.aspx>

## **SUMMARY OF OUR BUSINESS**

Our Company was incorporated as ‘Sumit Woods Private Limited’ a private limited company under the Companies Act, 1956 pursuant to Certificate of Incorporation dated January 09, 1997 bearing registration number 152192 issued by the Registrar of Companies, Goa, Daman and Diu at Panaji, Goa. The Registered Office of our Company was shifted from Goa to Mumbai with effect from March 24, 2005. Subsequently, our Company was converted into a public limited company under the Companies Act and the name of our Company was changed to ‘Sumit Woods Limited’ pursuant to fresh certificate of incorporation dated February 06, 2018 issued by the Registrar of Companies, Mumbai.

We started our business under a partnership firm namely, “M/s Sumit Constructions” to carry on the business of civil contractors and executed projects for Modern Bread, Railway Officers and Government Holiday Homes. Due to expansion and growth of construction activities in the market, in 1997, Mr Mitaram Jangid and Mr Subodh Nemlekar incorporated our company (Original Promoters) with the object of acquiring land, carrying out construction work, developing and organizing of immovable properties etc. The first project was Kandivali Mitnayan Co-Op Housing Society with a built up area of 26000 Sqft. which was completed in the year 2004. Our Company has thereafter completed 19 projects till date. For the details of the first project and other completed projects, please refer the “Completed projects” herein after starting on Page 92 of this Red Herring Prospectus. During the period 2012-17, our main business activities were redevelopment of Old Buildings, (CESS Building Redevelopment / MHADA Redevelopment), and residential projects in Mumbai and in the State of Goa.

We are also a patron member of MCHI CREDAI, Mumbai. We are engaged in the construction and development activity for the last 31 years and along with our group companies have constructed many residential and commercial projects in Mumbai, Thane and Goa. We have handed over along with other project specific SPVs collectively more than 4,500 units across 2.86 million square feet totaling to 50 projects.

## **DESCRIPTION OF THE BUSINESS PROCESS**

The company follows a particular process for development of real estate projects. We prepare the layout of the building in consultation with the architects, make an arrangement to get all the approvals required for the project, carry out all the activities required for the construction and development of the project and after the completion of the development process we sell off the project.

### **Land Acquisition**

- 1) Identification and Evaluation of Potential Location
- 2) Regional Demographics
- 3) Title Search Report
- 4) Negotiation with the Land owners

### **Planning, Design and Approval**

- 1) Planning and Conceptualisation
- 2) Preparation of the Plan
- 3) Obtaining the statutory approvals

### **Project Execution**

- 1) Identification of Contractors for Execution
- 2) Project Supervision

### **Sales and Marketing**

- 1) Through Company Executives

## **BUSINESS STRATEGY**

### **1) Providing Affordable Housing:**

Our Company is intending to focus on providing affordable Housing to the middle class segment and upper middle income segments in the cities and we will continue to price such units at levels which we believe are competitive and appropriate.

### **2) Expansion of Business**

We intend to focus on entering into Joint Venture Agreements with other companies and also expand our business in Goa for the development of residential property across different price points. We also intend to expand geographically across India in the future.

### **3) Flexibility in mode of project acquisition**

Our business model allows us to source projects across various modes such as open land acquisition, society redevelopment, MHADA redevelopment and slum rehabilitation. This flexibility helps us source consistently and at prices where we believe we can add value to our business. We intend to continue to adopt flexibility in modes of project acquisition.

With strong project execution capabilities and Brand recall value we have now started taking projects under Development Management Model, wherein we develop the project under our Brand with zero investments in the said project.

### **4) Awards and Recognitions**

We have participated in the MCHI Exhibition regularly since 2010. Our company has been awarded the ABCI Silver Publication Award in 2015 and ABCI Bronze External Magazine Award in 2016. Our project Sumit Lata has been awarded the ABCI Silver award for Brochure Design. Our Project at Goa has been awarded the Iconic Planned Project Award by Mid-Day in the year 2017. In the year 2017, Sumit Group of Companies has been awarded the Developer of the year in the residential category by DNA.

## SUMMARY OF OUR FINANCIAL INFORMATION

The following tables set forth summary financial information derived from restated financial statements for the financial years ended March 31, 2014, 2015, 2016 2017 and 2018 both on a standalone and on a consolidated basis. These financial statements have been prepared in accordance with the Indian GAAP, the Companies Act and the SEBI (ICDR) Regulations and presented under the section titled “Financial Information” beginning on page number 158 of the Red Herring Prospectus. The summary financial information presented below should be read in conjunction with the chapter titled “Management’s Discussion and Analysis of Financial Conditions and Results of Operations” and “Financial Information” beginning on page numbers 202 and 158, respectively of the Red Herring Prospectus.

### Statement of Consolidated Assets and Liabilities, As Restated

(₹ in Lakhs)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
<b>Equity &amp; Liabilities</b>					
Shareholders' Funds					
Share Capital	1,084.05	778.46	776.25	776.25	776.25
Reserve & Surplus	3,866.18	3,247.20	2,823.57	2,735.27	2,649.50
<b>Total (A)</b>	<b>4,950.24</b>	<b>4,025.66</b>	<b>3,599.82</b>	<b>3,511.52</b>	<b>3,425.75</b>
Non-Current Liabilities					
Share Application Money					
Long Term Borrowings	4,041.90	4,804.85	3,872.70	4,736.43	4,626.80
Deferred Tax Liabilities (Net)					
Other Long Term Liabilities	23.60	24.73	17.69	9.93	9.47
<b>Total (B)</b>	<b>4,065.50</b>	<b>4,829.58</b>	<b>3,890.39</b>	<b>4,746.37</b>	<b>4,636.27</b>
Current Liabilities					
Short Term Borrowings	678.84	738.80	2,649.76	1,099.87	1,377.27
Trade Payables	555.34	669.44	705.53	560.50	567.78
Other Current Liabilities	1,280.34	1,971.33	2,663.12	2,696.36	2,455.92
Short Term Provisions	220.62	8.30	3.74	-	-
<b>Total (C)</b>	<b>2,735.14</b>	<b>3,387.88</b>	<b>6,022.14</b>	<b>4,356.73</b>	<b>4,400.97</b>
<b>Total (D=A+B+C)</b>	<b>11,750.88</b>	<b>12,243.12</b>	<b>13,512.35</b>	<b>12,614.62</b>	<b>12,462.99</b>
Assets					
Fixed Assets:					
Tangible Assets	760.91	823.70	922.05	1,002.02	1,254.97
Intangible Assets	3.00	5.01	5.86	3.69	4.39
Capital Work in Progress					
Non Current Investments	2,174.84	1,726.63	1,994.95	1,298.36	1,120.97
Deferred Tax Assets (Net)	12.80	2.16	2.21	10.16	13.99
Long Term Loans & Advances	199.48	90.07	94.98	92.75	64.47
Other Non Current Assets	-	-			
<b>Total (E)</b>	<b>3,151.03</b>	<b>2,647.57</b>	<b>3,020.05</b>	<b>2,406.98</b>	<b>2,458.79</b>
<b>Current Assets</b>					
Current Investments					
Inventories	6,732.26	6,802.48	8,608.44	8,690.35	8,426.05
Trade Receivables	876.36	1,612.64	816.40	742.34	543.79
Cash & Bank Balances	295.77	161.28	450.98	176.78	75.04
Short Term Loans & Advances	223.79	571.43	367.09	457.36	548.11
Other Current Assets	471.66	447.72	249.39	140.81	411.21
<b>Total (F)</b>	<b>8,599.85</b>	<b>9,595.54</b>	<b>10,492.30</b>	<b>10,207.64</b>	<b>10,004.20</b>
<b>Total (G=E+F)</b>	<b>11,750.88</b>	<b>12,243.12</b>	<b>13,512.35</b>	<b>12,614.62</b>	<b>12,462.99</b>



# Statement of Consolidated Profit and Loss, As Restated

(₹ in Lakhs)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
<b>Income</b>					
Revenue from Operations	3,289.31	4,451.98	2,906.61	2,906.11	1,900.28
Other Income	143.82	245.33	54.53	45.31	73.32
<b>Total</b>	<b>3,433.13</b>	<b>4,697.31</b>	<b>2,961.14</b>	<b>2,951.42</b>	<b>1,973.60</b>
<b>Expenditure</b>					
Cost of Materials Consumed	434.65	501.76	670.50	741.80	1,085.64
Decrease/(Increase) in Stock	70.22	1,805.95	81.91	-264.30	-2,047.99
Employees Costs	169.38	239.24	279.98	287.00	285.54
Provision for Gratuity	2.31	2.16	7.04	7.76	0.46
Operating, Administrative, Selling and Other Expenses	1,072.05	1,003.32	1,050.73	1,073.22	1,382.03
Depreciation & Amortization	65.69	95.96	89.06	111.40	124.67
Preliminary Expenses Written Off	-	-	-	-	-
Interest & Finance Charges	605.99	654.46	689.46	890.22	749.39
Exceptional Items		-	-	-	-
<b>Total</b>	<b>2,420.29</b>	<b>4,302.86</b>	<b>2,868.70</b>	<b>2,847.10</b>	<b>1,579.75</b>
<b>Net Profit before Tax</b>	<b>1,012.84</b>	<b>394.44</b>	<b>92.44</b>	<b>104.32</b>	<b>393.86</b>
Less: Provision for Taxes:					
Current Tax	248.95	80.78	12.43	14.78	123.85
Deferred tax	-10.64	0.41	6.94	4.19	-1.52
Earlier Year Taxes	-	-	-	-	-
MAT Credit Entitlement	-	-	-1.91		
<b>Net Profit After Tax &amp; Before Extraordinary Items</b>	<b>774.53</b>	<b>313.26</b>	<b>74.98</b>	<b>85.35</b>	<b>271.52</b>
Extra Ordinary Items					
<b>Net Profit</b>	<b>774.53</b>	<b>313.26</b>	<b>74.98</b>	<b>85.35</b>	<b>271.52</b>

# Statement of Consolidated Cash Flow, As Restated

(₹ in Lakhs)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
<b>Cash Flow From Operating Activities</b>					
<b>Net profit before taxes</b>	<b>1,012.84</b>	<b>402.90</b>	<b>88.91</b>	<b>94.38</b>	<b>556.05</b>
Adjustment for:					
Depreciation & Amortisations	62.69	92.96	86.06	108.40	121.67
Discount received	-	-0.04	-0.03	-2.04	-
Conversion of Assets into stock in trade	-	-	-	176.81	-
Provision for Gratuity	2.31				
Add: Interest & Finance Charges	608.99	657.46	692.46	893.22	752.39
Less: Interest/Dividend Income	-125.37	-147.66	-46.30	-37.90	-32.81
Add / (Less): Loss / (Profit) on Sale of Assets	-2.30	-71.69	-	6.86	-
<b>Operating Profit before Working capital changes</b>	<b>1,559.16</b>	<b>933.94</b>	<b>821.10</b>	<b>1,239.73</b>	<b>1,397.30</b>
Adjustments for:					
(Decrease)/Increase in Trade Payables	-114.10	-36.08	145.03	-7.28	-596.47
(Increase)/Decrease in Trade receivables	736.28	-796.25	-74.05	-198.56	-14.36
(Increase)/Decrease in Short-term Loans & Advances	347.63	-204.33	90.26	112.75	-29.80
(Increase)/Decrease in Inventories	70.22	1,805.95	81.91	-264.30	-2,047.99
(Decrease)/Increase in Short Term Borrowings	-59.96	-1,910.96	1,549.89	-277.41	466.70
(Decrease)/Increase in Other Current Liabilities & Provisions	-476.50	-680.18	-20.49	240.48	625.54
(Increase) in other current Assets	-50.79	-198.33	-108.58	248.41	-159.75
Net Changes in Working Capital					
<b>Cash Generated from Operations</b>	<b>2,011.94</b>	<b>-1,086.24</b>	<b>2,485.07</b>	<b>1,093.83</b>	<b>-358.83</b>
Taxes	-248.95	-81.19	-11.86	-12.68	-123.01
<b>Net Cash Flow from Operating Activities (A)</b>	<b>1,762.98</b>	<b>-1,167.43</b>	<b>2,473.21</b>	<b>1,081.15</b>	<b>-481.84</b>
<b>Cash Flow From Investing Activities</b>					
Payments for acquisition of assets	-0.66	-1.66	-9.26	-42.56	-227.38
Sale Proceeds from Asset	2.77	79.70	1.26	4.58	-
Interest received	125.37	147.66	46.30	37.90	32.81
Decrease/ (Increase) in Investment	-448.22	268.29	-696.57	-177.39	-414.93
Loans and advances given / repaid (Net)	-109.41	4.91	-2.22	-28.28	-39.13
<b>Net Cash Flow from Investing Activities (B)</b>	<b>-430.14</b>	<b>498.91</b>	<b>-660.50</b>	<b>-205.76</b>	<b>-648.63</b>
<b>Cash Flow From Financing Activities</b>					
Proceeds from/Repayments of LT borrowings [Net]	-762.96	932.15	-863.73	109.64	1,908.14
Finance Cost	-608.99	-657.46	-692.46	-893.22	-752.39
Issue of Preference shares	4.17	2.21	-	-	-
Receipt of Securities Premium	145.83	77.19	-	-	-
Decrease (Increase) in Long Term Loans & Advances	23.60	24.73	17.69	9.93	9.47
<b>Net Cash Flow from Financing Activities (C)</b>	<b>-1,198.34</b>	<b>378.81</b>	<b>-1,538.50</b>	<b>-773.66</b>	<b>1,165.22</b>
<b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents</b>	<b>134.50</b>	<b>-289.71</b>	<b>274.21</b>	<b>101.73</b>	<b>34.75</b>
Cash and cash equivalents at the beginning of the year / Period	161.28	450.98	176.78	75.04	40.29
<b>Cash and cash equivalents at the end of the year/ Period</b>	<b>295.77</b>	<b>161.28</b>	<b>450.98</b>	<b>176.78</b>	<b>75.04</b>

# Statement of Assets and Liabilities on Standalone Basis, As Restated

(Rs. In Lakh)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
<b>Equity &amp; Liabilities</b>					
<b>Shareholders' Funds</b>					
Share Capital	1,084.05	778.46	776.25	776.25	776.25
Reserve & Surplus	3,546.41	3,128.79	2,791.22	2,737.17	2,640.27
<b>Total (A)</b>	<b>4,630.46</b>	<b>3,907.25</b>	<b>3,567.47</b>	<b>3,513.42</b>	<b>3,416.52</b>
<b>Non Current Liabilities</b>					
Share Application Money	-	-	-	-	-
Long Term Borrowings	2,960.69	3,944.71	2,916.31	3,976.49	4,277.43
Deferred Tax Liabilities (Net)					
Other Long Term Liabilities	23.60	24.73	17.69	9.93	9.47
<b>Total (B)</b>	<b>2,984.29</b>	<b>3,969.44</b>	<b>2,934.00</b>	<b>3,986.43</b>	<b>4,286.90</b>
<b>Current Liabilities</b>					
Short Term Borrowings	685.14	736.35	2,649.76	1,099.87	1,323.99
Trade Payables	371.29	449.02	520.09	468.85	413.22
Other Current Liabilities	832.55	1,043.54	1,641.16	1,801.87	1,674.67
Short Term Provisions	-	-	-	-	-
<b>Total (C)</b>	<b>1,888.98</b>	<b>2,228.91</b>	<b>4,811.00</b>	<b>3,370.59</b>	<b>3,411.88</b>
<b>Total (D=A+B+C)</b>	<b>9,503.74</b>	<b>10,105.59</b>	<b>11,312.47</b>	<b>10,870.44</b>	<b>11,115.30</b>
<b>Assets</b>					
<b>Fixed Assets:</b>					
Tangible Assets	760.43	823.34	921.64	1,001.66	1,254.85
Intangible Assets	3.00	5.01	5.86	3.69	4.39
Capital Work in Progress	-				
Non Current Investments	2,987.67	2,296.96	2,851.04	2,152.22	2,583.67
Deferred Tax Assets (Net)	12.81	2.16	2.21	9.15	13.37
Long Term Loans & Advances	199.48	90.07	93.71	41.05	34.50
Other Non Current Assets					
<b>Total (E)</b>	<b>3,963.38</b>	<b>3,217.55</b>	<b>3,874.46</b>	<b>3,207.77</b>	<b>3,890.77</b>
<b>Current Assets</b>					
Current Investments	-				
Inventories	4,461.47	4,634.00	6,300.42	6,555.58	6,153.91
Trade Receivables	741.16	1,607.22	745.58	637.84	503.64
Cash & Bank Balances	148.53	87.48	81.24	40.19	55.93
Short Term Loans & Advances	134.76	514.00	281.62	372.29	511.05
Other Current Assets	54.44	45.34	29.14	56.77	-
<b>Total (F)</b>	<b>5,540.36</b>	<b>6,888.04</b>	<b>7,438.01</b>	<b>7,662.67</b>	<b>7,224.53</b>
<b>Total (G=E+F)</b>	<b>9,503.74</b>	<b>10,105.59</b>	<b>11,312.47</b>	<b>10,870.44</b>	<b>11,115.30</b>

**Statement of Profit and Loss on Standalone Basis, As Restated**
**(Rs. In Lakh)**

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
<b>Income</b>					
Revenue from Operations	1,987.36	3,660.65	2,242.41	1,915.16	1,303.64
Other Income	126.68	238.90	42.72	87.64	84.53
<b>Total</b>	<b>2,114.04</b>	<b>3,899.55</b>	<b>2,285.13</b>	<b>2,002.80</b>	<b>1,388.17</b>
<b>Expenditure</b>					
Cost of Materials Consumed	194.95	557.29	527.62	476.81	331.71
Decrease/(Increase) in Stock	172.53	1,666.42	255.16	(401.67)	(1,233.27)
Employees Costs	169.38	208.94	254.90	268.52	279.88
Provision for Gratuity	2.31	2.16	7.04	7.76	0.46
Operating, Administrative, Selling and Other Expenses	325.28	470.40	487.90	587.67	1,077.55
Depreciation & Amortization	65.69	95.79	88.85	111.30	124.65
Preliminary Expenses Written Off	-	-	-	-	-
Interest & Finance Charges	481.81	584.30	597.69	829.56	722.23
Exceptional Items	-	-	-	-	-
<b>Total</b>	<b>1,411.96</b>	<b>3,585.31</b>	<b>2,219.16</b>	<b>1,879.94</b>	<b>1,303.22</b>
<b>Net Profit before Tax</b>	<b>702.07</b>	<b>314.24</b>	<b>65.97</b>	<b>122.86</b>	<b>84.95</b>
<b>Less: Provision for Taxes:</b>					
Current Tax	139.52	53.82	6.89	21.31	29.39
Deferred tax	(10.64)	0.05	6.94	4.22	(1.52)
Earlier Year Taxes	-	-	-	-	-
MAT Credit Entitlement	-	-	(1.91)	-	-
<b>Net Profit After Tax &amp; Before Extraordinary Items</b>	<b>573.19</b>	<b>260.38</b>	<b>54.05</b>	<b>97.32</b>	<b>57.08</b>
Extra Ordinary Items	-	-	-	-	-
<b>Net Profit</b>	<b>573.19</b>	<b>260.38</b>	<b>54.05</b>	<b>97.32</b>	<b>57.08</b>

**Statement of Cash Flow on Standalone Basis, As Restated**
**(Rs. In Lakh)**

Particulars	31.01.18	31.03.17	31.03.16	31.03.15	31.03.14
<b>Cash Flow From Operating Activities</b>					
Net profit before taxes	702.05	316.40	73.01	130.61	85.42
Adjustment for:					
Add: Depreciation & Amortisations	62.69	92.79	85.85	108.30	121.65
Add: Interest & Finance Charges	484.81	587.30	600.69	829.56	722.23
Provision for Gratuity	2.31				
Less: Interest/Dividend Income	(116.93)	(145.67)	(42.31)	(37.41)	(32.81)
Add: Preliminary Expenses Written Off.					
Add / (Less): Loss / (Profit) on Sale of Assets	(2.30)	(71.69)	-	6.86	-
Operating Profit before Working capital changes	1,132.64	779.14	717.24	1,037.92	896.49
Adjustments for:					
Decrease (Increase) in Inventories	172.53	1,666.42	255.16	(401.67)	(1,233.27)
Decrease (Increase) in Trade & Other Receivables	866.07	(861.65)	(107.74)	(134.20)	19.49
Decrease (Increase) in Short Term Loans & Advances (Excel Taxes)	379.23	(232.37)	97.58	138.76	(36.72)
Decrease (Increase) in Other Current Assets	(9.10)	16.20	7.71	(56.77)	-
Increase (Decrease) in Trade Payables	(77.73)	(71.06)	51.24	55.62	(638.18)
Increase (Decrease) in Short Term Borrowings	(51.21)	-	-	(224.12)	416.41
Increase (Decrease) in Other Current Liabilities	(214.38)	2,506.15	1,391.99	118.65	166.19
<b>Net Changes in Working Capital</b>					
Cash Generated from Operations	2,198.06	(1,241.88)	2,413.18	534.19	(409.61)
Taxes	(139.52)	(53.82)	(7.08)	(33.60)	(35.68)
<b>Net Cash Flow from Operating Activities (A)</b>	2,058.54	(1,295.69)	2,406.10	500.58	(445.28)
<b>Cash Flow From Investing Activities</b>					
Sale /(Purchase) of Fixed Assets and CWIP	4.54	78.04	(8.00)	138.32	(227.38)
Decrease (Increase) in Investments	(690.71)	554.08	(698.83)	-	-
Loans and advances given / repaid (Net)	(109.41)	3.64	(39.66)	438.45	(365.82)
Interest received	116.93	145.67	42.31	37.41	32.81
<b>Net Cash Flow from Investing Activities (B)</b>	(678.65)	781.44	(704.18)	614.17	(560.38)
<b>Cash Flow From Financing Activities</b>					
Receipt of Securities Premium	145.83	77.18	-	-	-
Interest & Finance Charges	(484.81)	(587.30)	(600.69)	(829.56)	(722.23)
Increase / (Repayment) of Long Term Borrowings	(984.02)	1,028.40	(1,060.19)	(300.93)	1,759.64
Issue of Preference shares	4.17	2.21	-	-	-
Decrease (Increase) in Long Term Loans & Advances					
<b>Net Cash Flow from Financing Activities (C)</b>	(1,318.83)	520.49	(1,660.88)	(1,130.50)	1,037.41
<b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents</b>	61.05	6.23	41.04	(15.74)	31.74
<b>Cash and cash equivalents at the beginning of the year / Period</b>	87.48	81.24	40.19	55.93	24.19
<b>Cash and cash equivalents at the end of the year/ Period</b>	148.53	87.48	81.23	40.19	55.93



## THE ISSUE

Present Issue in terms of the Red Herring Prospectus:

PARTICULARS	DETAILS
Equity Shares Offered	40,53,000 Equity Shares of ₹10/- each at an Issue Price of ₹[•]- each aggregating to ₹[•] Lakhs
Of which	
Reserved for Market Makers	2,19,000 Equity Shares of ₹10/- each at an Issue Price of ₹[•]/- each aggregating to ₹[•] Lakhs
Net Issue to the Public	38,34,000 Shares of ₹10/- each at an Issue Price of [•]each aggregating to ₹[•] Lakhs
<i>Of which</i>	
QIB Portion	Atleast 25% subject to maximum of 50% of the Net Issue to the Public
<i>Of which</i>	
Anchor Investor Portion	[•] Equity Shares of Face Value of ₹10/- each
Balance available for allocation to QIBs other than Anchor Investors (assuming Anchor Investor Portion is fully subscribed)	[•] Equity Shares of Face Value of ₹10/- each
<i>Of which</i>	
Available for allocation to Mutual Funds only (5% of the QIB portion excluding Anchor Investor Portion)	[•] Equity Shares of Face Value of ₹10/- each
Balance of all QIBs including Mutual Funds	[•] Equity Shares of Face Value of ₹10/- each
Retail Portion	Not less than 35% of the Net Issue to the Public, will be available for allocation to investors up to ₹2.00 Lakhs
Non Institutional Portion	Not less than 15% of the Net Issue to the Public, will be available for allocation to investors above ₹2.00 Lakhs
<b>Pre and Post Issue Equity Shares</b>	
Equity Shares Outstanding Prior to the Issue	1,12,40,522 Equity Shares of ₹10/- each
Equity Shares Outstanding after the Issue	1,52,93,522 Equity Shares of ₹10/- each
Use of Proceeds	For further details please refer chapter titled “Objects of the Issue” beginning on page 70 of this Red Herring Prospectus for information on use of Issue Proceeds

### Notes:

The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on April 27, 2018 and by the shareholders of our Company vide a special resolution passed pursuant to section 62(1)(c) of the Companies Act, 2013 at the Extra-Ordinary General Meeting held on May 04, 2018.

This Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time.

1) In the event of over-subscription, Allotment shall be made on a proportionate basis, subject to valid Bids received at or above the Issue Price;

2) Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in any category except QIB Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories.

3) Our Company in consultation with the BRLM may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with SEBI Regulation. 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 Anchor Investor Allocation Price. In the event of undersubscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. 5% of the QIB Portion (excluding Anchor Investor Portion) shall be

available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids.

For further details please refer to section titled “Issue Related Information” beginning on page 241 of this Red Herring Prospectus.

## GENERAL INFORMATION

Our Company was originally incorporated as “Sumit Woods Private Limited” at Goa on January 09, 1997 under the provisions of the Companies Act, 1956 vide Certificate of Incorporation issued by the Registrar of Companies, Goa, Daman & Diu at Panaji Goa. Our registered office was thereafter shifted to Mumbai with effect from March 24, 2005. Subsequently, the name of our company was changed to “Sumit Woods Limited” on February 06, 2018 and a fresh Certificate of Incorporation consequent upon change of name was issued by the Registrar of Companies, Maharashtra, Mumbai. The Corporate Identification Number of our Company is U36101MH1997PLC152192. For details of change in name and registered office of our Company, please refer to section titled “History and Certain Corporate Matters” beginning on page 110 of this Red Herring Prospectus.

### Brief details of our Company:

Particulars	Details
<b>Registered Office</b>	B-Wing, Office No-1101, Opp. Reliance Office, Express Zone, W.E.Highway, Malad-East Mumbai - 400097
<b>Date of Incorporation</b>	January 09, 1997
<b>Company Identification Number</b>	U36101MH1997PLC152192
<b>Company Category</b>	Company limited by Shares
<b>Registrar of Company</b>	Maharashtra, Mumbai
<b>Address of the RoC</b>	Everest, 5th Floor, 100 Marine Drive, Mumbai, Maharashtra 400002
<b>Company Secretary and Compliance Officer</b>	Ms Rekha Ramnath Dekhale C/o B-1101, Express Zone, Western Express Highway, Malad (East), Mumbai-400 097 Tel No.: +91-22-28749966 / 77 Email: contact@sumitwoods.com; Web site: www.sumitwoods.com
<b>Designated Stock Exchange</b>	NSE EMERGE
<b>Issue Program</b>	Bid opens on : August 29, 2018   Bid closes on : August 31, 2018

**Note:** Investors can contact the Company Secretary and Compliance officer in case of any pre issue or post issue related problems such as non-receipt of letter of allotment or credit of securities in depository’s beneficiary account or dispatch of refund order etc.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the relevant SCSB or the Syndicate / Sub – Syndicate Members to whom the Bid was submitted (at ASBA Bidding Locations), giving full details such as name, address of the applicant, number of Equity Shares applied for, Bid Amount blocked, ASBA Account number and the Designated Branch of the relevant SCSBs or details of the Syndicate / Sub – Syndicate Members to whom the Bid was submitted (at ASBA Bidding Locations) where the ASBA Form was submitted by the ASBA Bidder.

### Board of Directors of our Company

Presently, our Board of Directors comprises of the following Directors:

Sl.No	Name	Age	Address	Designation	DIN
1	Mrs. Kavita Nemlekar	37	1205,Tower-C, Oberoi Woods,Mohan Gokhale Rd, Off W.E.Highway, Goregaon East Mumbai –400063	Chariperson and Director	02067121
2	Mr. Mitaram Jangid	62	B-3101/3102, Oberoi Woods, Mohan Gokhale Marg, Next to Oberoi International School, Goregaon Mumbai - 400063	Managing Director	00043757
3	Mr. Subodh Nemlekar	66	102/C,Yashodhan,1 <sup>st</sup> Floor,RSC-7, Shri Krishna Nagar, Borivali East Mumbai - 400066	Joint Managing Director	00043795
4	Mr. Bhushan Nemlekar	39	1205,Tower-C, Oberoi Woods,Mohan Gokhale Rd, Off W.E.Highway, Goregaon East Mumbai –400063	Whole Time Director Director-Finance)	00043824
5	Ms. Pooja N. Chogle	34	289, Chogle House, Babhai Lakmanya Tilak Road Behind Municipal School, Borivali,West Mumbai – 400092	Independent Director	08105139

6	Mr. Gurunath Narayan Malvankar	67	B/601, Building No.1/122, Bhakti Heights, Near Reliance Energy Office, Tilak Nagar, Chembur, Mumbai - 400089	Independent Director	08105137
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For further details pertaining to the education qualification and experience of our Directors, please refer the chapter titled “Our Management” beginning on page 115 of this Red Herring Prospectus.

#### ***Book Running Lead Manager***

##### **Mark Corporate Advisors Private Limited**

CIN: U67190MH2008PTC181996

404/1, The Summit Business Bay, Sant Janabai Road (Service Lane),

Off W. E. Highway, Vile Parle (East),

Mumbai - 400 057.

Contact Person: Mr. Manish Gaur

Tel. No.: +91 22 2612 3207/08

Email: [smeipo@markcorporateadvisors.com](mailto:smeipo@markcorporateadvisors.com)

SEBI Regn No.: INM000012128

Investor Grievance Email: [compliance@markcorporateadvisors.com](mailto:compliance@markcorporateadvisors.com)

#### ***Registrar to the Issue***

##### **Bigshare Services Private Limited**

1st Floor, Bharat Tin Works Building,

Opp. Vasant Oasis, Makhwana Road,

Marol, Andheri (E), Mumbai – 400059.

Contact Person: Mr. Ashok S Shetty

Tel No.: +91 22 2847 0652/4043 0200

Email: [ipo@bigshareonline.com](mailto:ipo@bigshareonline.com)

SEBI Regn No.: INR000001385

#### ***Legal Counsel to the Issue***

##### **Juris Matrix Partners LLP**

Advocates & Solicitors

302, Apeejay House,

130, Mumbai Samachar Marg,

Fort, Mumbai - 400 001.

Tel: +91 22 3265 3364/+91 22 2285 6164

Fax: +91 22834519

Email: [anil@jurismatrix.net](mailto:anil@jurismatrix.net)

#### ***Market Maker***

##### **Intellect Stock Broking Limited**

232, Chittaranjan Avenue 7<sup>TH</sup> Floor Near Girish Park Kolkata-700 006

Tel: +91 9987088868

Email: [sjindal@intellectmoney.com](mailto:sjindal@intellectmoney.com)

Contact Person : Sandeep Jindal

SEBI Regn. No. :INB231296535

#### ***Bankers to our Company***

<b>State Bank of India</b> Industrial Finance Branch, Natraj Building, Andheri East, Mumbai – 400 069	<b>State Bank of India</b> Goa Branch: Ponda Goa , Gracia Building , Margao Road, Goa – 403 401
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### ***Statutory Auditors of our Company***

**SSRV & Associates,**  
Chartered Accountants,  
Office No. 215, Gundecha Ind. Estate,  
Adjacent Growels Mall, Akruli Road, Kandivali (East)  
Mumbai- 400 101  
Tel: +91 22 60601105/ 67337024  
Email: ssrvandassociates@gmail.com  
**Membership No. 403437**  
FRN: 135901W  
**Contact Person:** Mr Vishnu Kant Kabra

### ***Independent Auditors of our Company (Peer Review certified)***

**SSRV & Associates,**  
Chartered Accountants,  
Office No. 215, Gundecha Ind. Estate,  
Adjacent Growels Mall, Akruli Road, Kandivali (East)  
Mumbai- 400 101  
Tel: +91 22 60601105/ 67337024  
Email: ssrvandassociates@gmail.com  
**Membership No. 403437**  
FRN: 135901W  
**Contact Person:** Mr Vishnu Kant Kabra

### ***Bankers to the Issue/Escrow Collection Banks/ Refund Bankers to the Issue***

**Indusind Bank**  
PNA House Office, 4<sup>th</sup> Floor, Plot No. 57 & 57/1  
Street No. 17, MIDC Andheri (East), Mumbai – 4000 093  
**Tel No.:** 022 6102 9243/44/45  
**Email:** [sunil.fadtari@indusind.com](mailto:sunil.fadtari@indusind.com)  
**Contact Person:** Mr. Sunil Fadtari  
**SEBI Regn No.:** INBI00000002

### ***Self Certified Syndicate Banks (SCSB's)***

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

### ***Syndicate Members***

**Mark Corporate Advisors Private Limited**  
CIN: U67190MH2008PTC181996  
404/1, The Summit Business Bay, Sant Janabai Road (Service Lane),  
Off W. E. Highway, Vile Parle (East), Mumbai-400 057.  
**Tel. No.:** +91 22 2612 3207/08  
**E-Mail ID:** smeipo@markcorporateadvisors.com  
**SEBI Regn No.:** INM000012128

### ***Broker Centres Designated CDP Locations/ Designated RTA Locations***

In accordance with SEBI Circular No. CIR/CFD/14/2012 dated October 4, 2012 and CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, Applicants can submit Application Forms with the Registered Brokers at the Broker Centres, CDPs at the Designated CDP Locations or the RTAs at the Designated RTA Locations, respective lists of which, including details such as address and telephone number, are available at the



websites of the Stock Exchange at [www.nseindia.com](http://www.nseindia.com). The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Application Forms from the Designated Intermediaries will be available on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) and updated from time to time.

#### **Statement of Responsibility of the Book Running Lead Manager/ Statement of inter se allocation of responsibilities**

Since Mark Corporate Advisors Private Limited is the sole Book Running Lead Manager to this Issue, a statement of inter se allocation of responsibilities amongst Book Running Lead Managers is not required.

#### **Credit Rating**

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

#### **IPO Grading**

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

#### **Brokers to the Issue**

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

#### **Expert Opinion**

Except for the report which will be provided by (a) Peer Review auditors' reports on the restated financial statements; and (b) statement of tax benefits by the statutory auditors, (a copy of the said report and statement of tax benefits has been included in the Prospectus), we have not obtained any other expert opinions.

#### **Trustees**

This is being an issue of Equity Shares; the appointment of trustee is not required.

#### **Appraisal and Monitoring Agency**

The objects of the Issue have not been appraised by any agency. The Objects of the Issue and means of finance, therefore, are based on internal estimates of our Company.

As per SEBI (ICDR) Regulations, 2009, as amended, appointment of monitoring agency is required only if Issue size exceeds ₹10,000 Lakh. Hence, our Company is not required to appoint a monitoring agency in relation to the issue. However, Audit Committee of our Company will be monitoring the utilization of the Issue Proceeds. However, as per the Clause 52 of SEBI (LODR), the SME Listing Agreement to be entered into with the Stock Exchanges upon listing of the Equity Shares and in accordance with the corporate governance requirements, the Audit Committee of our Company would be monitoring the utilization of the Issue Proceeds.

#### **Underwriting**

This Issue is 100% Underwritten. The Underwriting agreement is dated August 14, 2018. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions specified therein. The Underwriters have indicated their intention to underwrite the following number of specified securities being offered through this Issue:

Details of the Underwriter	Number of Shares Underwritten	Amount Underwritten (₹ in Lakhs)	% of the total Issue Size Underwritten
Mark Corporate Advisors Private Ltd	40,53,000	[•]	100.00%

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

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

Our Company and the Book Running Lead Manager have entered into a tripartite agreement dated August 14, 2018 with the following Market Maker, duly registered with NSE to fulfill the obligations of Market Making

**Name: Intellect Stock Broking Limited**

**Address: 232, Chittaranjan Avenue 7<sup>th</sup> Floor Near Girish Park Kolkata-700 006**

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

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

- 1) The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the stock exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
- 2) The minimum depth of the quote shall be ₹1,00,000. However, the investors with holdings of value less than ₹1,00,000 shall be allowed to offer their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he/she sells his/her entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
- 3) Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
- 4) After a period of three (3) months from the market making period, the market maker would be exempted to provide quote if the Shares of market maker in our Company reaches to 25% of Issue Size (Including the 2,19,000 Equity Shares out to be allotted under this Issue.) Any Equity Shares allotted to Market Maker under this Issue over and above 2,19,000 Equity Shares would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of market maker in our Company reduce to 24% of Issue Size, the market maker will resume providing 2-way quotes.
- 5) There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, NSE may intimate the same to SEBI after due verification.
- 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.
- 7) There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
- 8) The Market Maker(s) shall have the right to terminate said arrangement by giving a three months' notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker(s).

In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 106V of the SEBI (ICDR) Regulations, 2009. Further our Company and the Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particulars point of time. The Market Making Agreement is available for inspection at our registered office from 11.00 a.m. to 5.00 p.m. on working days.

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

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

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

11) Price Band and Spreads: SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for issue size up to ₹250 crores, the applicable price bands for the first day shall be:

i. 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.

ii. In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the issue price.

Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading. The price band shall be 20% and the market maker spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time. The call auction is not applicable of those companies, which are listed at SME platform.

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

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

### **Book Building Process**

The Book Building Process, with reference to the Issue, refers to the process of collection of Bids on the basis of the Red Herring Prospectus and the Bid cum Application Forms. The Price Band for the issue will be decided by our company and in consultation with the BRLM, which would be announced at least five working days before the opening of the Bid/Issue. The Issue Price shall be determined by our Company, in consultation with the BRLM, in accordance with the Book Building Process, after the Bid/ Issue Closing Date.

The principal parties involved in the Book Building Process are:

- Our Company;
- The BRLM;
- Syndicate Member(s) who are intermediaries registered with SEBI or registered as brokers with NSE and eligible to act as Underwriters. The Syndicate Member(s) are appointed by the BRLM;
- Registrar to the Issue;
- All Designated Intermediaries

The SEBI ICDR Regulations have permitted the Issue of securities to the public through the Book Building Process, wherein atleast 25% subject to maximum of 50% of the Net Issue shall be available for allocation on a proportionate basis to QIBs, provided that our Company, in consultation with the BRLM may allocate upto 60% of the QIB Portion to Anchor Investors on a discretionary basis. 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 Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall

be added to the QIB Portion. 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. Further atleast 15% of the Net Issue shall be available for allocation on a proportionate basis to Non Institutional Bidders and atleast 35% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price.

Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in the Non- Institutional Portion and Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spillover from other categories or a combination of categories.

All Bidders (excluding Anchor Investors) can participate in the Issue only through the ASBA process. Anchor Investors are not permitted to participate through the ASBA process. In accordance with the SEBI Regulations, QIBs and Non-Institutional Bidders are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise or withdraw their Bids prior to the Bid/Issue Closing Date. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bidding Date.

The process of Book Building under the SEBI ICDR Regulations is subject to change from time to time and the investors are advised to make their own judgment about investment through this process prior to making a Bid or application in the Issue. For further details on the method and procedure for Bidding, please see section entitled Issue Procedure on page 250 of this Red Herring Prospectus.

Illustration of Book Building Process and Price Discovery Process (Investors should note that this example is solely for illustrative purposes and is not specific to the Issue and 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 equity share, issue size of 3,000 equity shares and receipt of five bids from bidders, details of which are shown in the table below. A graphical representation of the consolidated demand and price would be made available at the bidding centres during the bidding period. The illustrative book below shows the demand for the equity shares of the Issuer Company at various prices and is collated from bids received from various investors.

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

The price discovery is a function of demand at various prices. The highest price at which the issuer is able to issue the desired number of shares is the price at which the book cuts off, i.e., ₹22 in the above example. The issuer, in consultation with the BRLMs will, finalize the issue price at or below such cut-off price, i.e., at or below ₹22. All bids at or above this issue price are valid bids and are considered for allocation in the respective categories.

#### ***Steps to be taken by the Bidders for Bidding***

Check eligibility for making a Bid (see section titled “Issue Procedure” on page 250 of this Red Herring Prospectus);

Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;

Ensure correctness of your PAN, DP ID and Client ID mentioned in the Bid cum Application Form. Based on these parameters, the Registrar to the Issue will obtain the Demographic Details of the Bidders from the Depositories.

Except for Bids on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market,

for Bids of all values ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for investors residing in Sikkim is subject to the Depository Participants verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims

Ensure that the Bid cum Application Form is duly completed as per instructions given in this Red Herring Prospectus and in the Bid cum Application Form.

#### ***Bid / Issue Program***

<b>Activity</b>	<b>Indicative dates</b>
Bid Opening Date	Wednesday, August 29, 2018
Bid Closing Date	Friday, August 31, 2018
Finalisation of Basis of Allotment with the Designated Stock Exchange	Wednesday, September 05, 2018
Credit of Equity Shares to Demat accounts of Allottees	Thursday, September 06, 2018
Initiation of refunds	Thursday, September 06, 2018
Commencement of trading of Equity Shares	Monday, September 10, 2018

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

Bids and any revision to the same shall be accepted only between 10.00 a.m. and 5.00 p.m. (IST) during the Issue Period. On the Issue Closing Date, the Bids and any revision to the same shall be accepted between 10.00 a.m. and 5.00 p.m. (IST) or such extended time as permitted by the Stock Exchanges, in case of Bids by Retail Individual Bidders after taking into account the total number of bids received up to the closure of timings and reported by the Book Running Lead Manager to the Stock Exchanges. It is clarified that Bids not uploaded on the electronic system would be rejected. Bids will be accepted only on Working Days. Neither our Company nor the Book Running Lead Manager is liable for any failure in uploading the Bids due to faults in any software/hardware system or otherwise.

Non Retail Bidders shall not be allowed to either withdraw or lower the size of their Bid at any stage. Non Retail Bidders may revise their Bids upwards (in terms of quantity of Equity Shares) during the Issue Period. Such upward revision must be made using the Revision Form.

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



## CAPITAL STRUCTURE

Our Share Capital before the issue and after giving effect to the issue, as on the date of filing of this Red Herring Prospectus, is set forth below:

(₹ in Lakhs)

Sr. No.	Particulars	Aggregate value at Face Value	Aggregate value at Issue Price
A.	<b>Authorized Share Capital</b> 1,70,00,000 Equity Shares of face value of ₹10/- each	1700.00	-
B.	<b>Issued, subscribed and paid-up Share Capital before the Issue</b> 1,12,40,522 Equity Shares of face value of ₹10/- each	1124.05	-
C.	<b>Present issue in terms of this Red Herring Prospectus</b> Issue of 40,53,000 Equity Shares of ₹10/- each at a price of [●]/- per Equity Share	405.30	[●]
	<b>Which comprises</b>		
	2,19,000 Equity Shares of ₹10/- each at an Issue Price of [●]/- per Equity Share reserved as Market Maker Portion	21.90	[●]
	Net Issue to Public of 38,34,000 Equity Shares of ₹10/- each at an Issue Price of [●]/- per Equity Share to the Public	383.40	[●]
	<b>Of Which</b>		
	QIB Portion of [●] Equity Shares	[●]	[●]
	Non Institutional Portion of not less than [●] Equity Shares	[●]	[●]
	Retail Portion of not less than [●] Equity Shares	[●]	[●]
D	<b>Paid up Equity capital after the Issue</b> 1,52,93,522 Equity Shares of ₹10/- each	1529.35	.....
E	<b>Securities Premium Account</b>		
	Before the Issue	1510.34	
	After the Issue	[●]	

**Note:** The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on April 27, 2018, and by the shareholders of our Company vide a special resolution passed at the EGM held on May 04, 2018.

**Class of Shares:** The Company has only one class of shares i.e. Equity shares of ₹10/- each only. Our Company has no outstanding convertible instruments as on the date of the Red Herring Prospectus.

### Changes in the Authorized Share Capital of Our Company:

Sr. No.	Particulars	Cumulative no. of shares	Cumulative Authorized Share Capital (₹ in Lakhs)	Date of Meeting	Whether AGM/ EGM
1.	On incorporation	25,000 Equity Shares	2.50 - Equity Share Capital	N.A.	N.A.
2.	Increase from ₹2.50 Lakhs to ₹30.00 Lakhs	3,00,000 Equity Shares	30.00 - Equity Share Capital	December 11, 2002	EGM
3	Increase from ₹30.00 Lakhs to ₹100.00 Lakhs	10,00,000 Equity Shares	100.00 - Equity Share Capital	January 15, 2004	EGM
4	Increase from ₹100 Lakhs to ₹300.00 Lakhs	30,00,000 Equity Shares	300.00 - Equity Share Capital	September 30, 2005	AGM
5	Increase from ₹300 Lakhs to ₹1500.00 Lakhs	1,50,00,000 Equity Shares	1500.00 - Equity Share Capital	September 24, 2017	AGM
6.	Bifurcation into Preference and Equity	1,49,00,000 Equity Shares; 1,00,000 Preference Shares	1490.00 - Equity Share Capital; 10.00 -Preference Share Capital	September 30, 2016	AGM
7	Reclassification into Equity Share Capital	1,50,00,000 Equity Shares	1500.00 - Equity Share Capital	November 28, 2017	EGM
8	Increase from ₹1500 Lakhs to ₹1700 Lakhs	1,70,00,000 Equity Shares	1700.00 - Equity Share Capital	April 26, 2018	EGM

## 1. Equity Share Capital History:

a. Our existing Equity Share Capital has been subscribed and allotted as under:

Date of allotment	Number of equity shares Allotted	Face value (In ₹)	Issue price (In ₹)	Nature of consideration (Cash, other than Cash, Bonus)	Nature of allotment/ Transaction	Cumulative Number of Equity Shares	Cumulative Paid up Equity share Capital (In Rs)	Cumulative Share Premium (In ₹)
09.01.1997	2	10	10	Cash	Subscription to Memorandum <sup>(b)</sup>	2	20.00	-
12.11.2002	24,998	10	10	Cash	Further allotment <sup>(c)</sup>	25,000	250000	-
15.01.2003	2,50,000	10	10	Cash	Further allotment <sup>(d)</sup>	2,75,000	2750000	-
11.03.2005	7,25,000	10	10	Cash	Further allotment <sup>(e)</sup>	10,00,000	10000000	-
30.03.2006	10,00,000	10	10	Cash	Further allotment <sup>(f)</sup>	20,00,000	20000000	-
23.03.2007	10,00,000	10	10	Cash	Further allotment <sup>(g)</sup>	30,00,000	30000000	-
17.03.2008	40,00,000	10	10	Cash	Further allotment <sup>(h)</sup>	70,00,000	70000000	-
01.10.2009	2,50,000	10	200	Cash	Further allotment <sup>(i)</sup>	72,50,000	72500000	4,75,00,000
15.03.2010	2,50,000	10	200	Cash	Further allotment <sup>(i)</sup>	75,00,000	75000000	9.50.00.000
14.03.2011	2,62,500	10		Cash	Further allotment <sup>(k)</sup>	77,62,500	77625000	14,48,75,000
16.06.2017	41,667	10	360	Cash	Further allotment <sup>(l)</sup>	78,04,167	78041670	15,94,58,450
22.11.2017	28,37,878	10	200	Consideration other than cash <sup>(d)</sup>	Bonus in the ratio of 4:11 <sup>(m)</sup>	106,42,045	106420450	13,10,79,670
29.11.2017	1,98,477	10	40	Consideration other than cash <sup>(e)</sup>	Conversion of Preference Shares into Equity Shares in the ratio of 9:1 <sup>(n)</sup>	108,40,522	108405220	13,70,33,980
12.05.2018	4,00,000	10	45	Cash	Further allotment <sup>(o)</sup>	112,40,522	112405220	15,10,33,980

b. The details of the allotment of Equity Shares of the face value of ₹10/- made to the subscribers are as under:

Sr.No	Name of the Allottees	No. of Shares Allotted
1)	Subodh Ramakanth Nemlekar	1
2)	Mitaram Ramlal Jangid	1
<b>TOTAL</b>		<b>2</b>

- c. The details of the further allotment of Equity Shares of the face value of ₹10/- per share on 12.11.2002 is as under:

Sr. No.	Name of Allottee	No. of Shares Allotted
1)	Subodh Ramakanth Nemlekar	2499
2)	Mitaram Ramlal Jangid	2499
3)	Sharda M Jangid	5000
4)	Bhushan Nemlekar	5000
5)	Jamna Jangid*	5000
6)	Varsha Nemlekar	5000
<b>TOTAL</b>		<b>24998</b>

\* These Equity Shares were transferred to Mr. Gautam Jangid on October 01, 2007 and thereafter it was transmitted to Mr. Mitaram Jangid on December 10, 2014.

- d. The details of the further allotment of Equity Shares of the face value of ₹10/- per share on 15. 1.2003 is as under:

Sr. No.	Name of Allottee	No. of Shares Allotted
1)	Subodh Ramakanth Nemlekar	25000
2)	Mitaram Ramlal Jangid	25000
3)	Sharda M Jangid	50000
4)	Bhushan Nemlekar	50000
5)	Jamna Jangid*	50000
6)	Varsha Nemlekar	50000
<b>TOTAL</b>		<b>250000</b>

\* These Equity Shares were transferred to Mr. Gautam Jangid on October 01, 2007 and thereafter it was transmitted to Mr. Mitaram Jangid on December 10, 2014.

- e. The details of the further allotment of Equity Shares of the face value of ₹10/- per share on 11.03.2005 is as under:

Sr. No.	Name of Allottee	No. of Shares Allotted
1)	Subodh Ramakanth Nemlekar	72500
2)	Mitaram Ramlal Jangid	72500
3)	Sharda M Jangid	145000
4)	Bhushan Nemlekar	145000
5)	Jamna Jangid*	145000
6)	Varsha Nemlekar	145000
<b>TOTAL</b>		<b>725000</b>

\* These Equity Shares were transferred to Mr. Gautam Jangid on October 01, 2007 and thereafter it was transmitted to Mr. Mitaram Jangid (135000 Equity Shares) and to Mrs. Sharda Jangid (10000 Equity Shares) on December 10, 2014.

- f. The details of the further allotment of Equity Shares of the face value of ₹10/- per share on 30.03.2006 is as under:

Sr. No.	Name of Allottee	No. of Shares Allotted
1)	Subodh Ramakanth Nemlekar	199990
2)	Mitaram Ramlal Jangid	249990
3)	Bhushan Nemlekar	100000
4)	Varsha Nemlekar	100000
5)	Mitaram Jangid HUF	250000
6)	Mitasu Woods	10
7)	Subodh Nemlekar HUF*	100000
8)	Sumit Constructions	10
<b>TOTAL</b>		<b>1000000</b>

\* These shares have been transferred to Ms. Dhanashree Nemlekar on February 22, 2011.

- g. The details of the further allotment of Equity Shares of the face value of ₹ 10/- per share on 23.03.2007 is as under:

Sr. No.	Name of Allottee	No. of Shares Allotted
1)	Subodh Ramakanth Nemlekar	500000
2)	Mitaram Ramlal Jangid	500000
<b>TOTAL</b>		<b>1000000</b>

- h. The details of the further allotment of Equity Shares of the face value of ₹10/- per share on 17.03.2008 is as under:

Sr. No.	Name of Allottee	No. of Shares Allotted
1)	Subodh Ramakanth Nemlekar	1220000
2)	Mitaram Ramlal Jangid	1570000
3)	Sharda Jangid	200000
4)	Bhushan Nemlekar	290000
5)	Kavita Nemlekar	470000
6)	Varsha Nemlekar	20000
7)	Mitaram HUF	50000
8)	Gautam Jangid*	180000
<b>TOTAL</b>		<b>4000000</b>

\* These Equity Shares were transferred to Mrs. Sharda Jangid on December 10, 2014.

- i. The details of the further allotment of Equity Shares of the face value of ₹10/- per share on 01.10.2009 is as under:

Sr. No.	Name of Allottee	No. of Shares Allotted
1)	Gnaneshwar Trading & Finance Co Ltd	50000
2)	Sidh Housing Development Co Ltd	50000
3)	Stocknet International Ltd	25000
4)	Artillengence Bio Innovations Ltd	50000
5)	Oshin Investments Ltd	50000
6)	Olympus Vision Ltd	25000
<b>TOTAL</b>		<b>250000</b>

Note: The above shares have been transferred to Sumit Infotech Private Limited on 12.07.2010.

- j. The details of the further allotment of Equity Shares of the face value of ₹10/- per share on 15.03.2010 is as under:

Sr. No.	Name of Allottee	No. of Shares Allotted
1)	Blazer Venture P Ltd	25000
2)	Matrix Systel P Ltd	75000
3)	Microchip Infotel P Ltd	75000
4)	Nexgen Infotel P Ltd	25000
5)	Warner Multimedia Ltd	50000
<b>TOTAL</b>		<b>250000</b>

Note: The above shares have been transferred to Sumit Infotech Private Limited on 12.07.2010

- k. The details of the further allotment of Equity Shares of the face value of ₹10/- per share on 14.03.2011 is as under:

Sr. No.	Name of Allottee	No. of Shares Allotted
1)	Sumit Infotech P Ltd	262500
<b>TOTAL</b>		<b>262500</b>

- l. The details of the further allotment of Equity Shares of the face value of ₹10/- per share on 16.06.2017 is as under:

Sr. No.	Name of Allottee	No. of Shares Allotted
1)	Mitaram Jangid	20834
2)	Kavita Nemlekar	20833
<b>TOTAL</b>		<b>41667</b>

**m. The details of Bonus allotment of Shares in ratio of 4: 11 are as under:**

Sr. No.	Name of Allottee	No. of Shares Allotted
1.	Mr. Subodh Ramakanth Nemlekar	734,542
2.	Mr Mitaram Ramlal Jangid	956,663
3.	Sharda M Jangid	214,545
4.	Bhushan S Nemlekar	214,545
5.	Varsha S Nemlekar	116,364
6.	Mitaram R Jangid (HUF)	109,091
7.	Mitasu Woods Pvt. Ltd	3
8.	Kavita B Nemlekar	178,485
9.	Dhanashree S Nemlekar	36,364
10.	Sumit Infotech Private limited	277,273
11.	Sumit Construction	3
<b>Total</b>		<b>28,37,878</b>

The Bonus allotment has been made by capitalizing credit balance of share premium account to the extent of ₹2,83,78,780.

**n. The details of preference shares converted into Equity Shares of the Face Value of ₹10/- per share on November 29, 2017 are as under:**

Sr. No.	Name of Allottee	No. of Shares Allotted
1.	Manoj Jangid	3,744
2.	Sandesh Kishor Achrekar	3,744
3.	Amod Ashok Bhalekar	3,744
4.	Karishma Tejas Panchal	3,744
5.	Ramesh M. Sharma	3,744
6.	Sunil Shantaram Tamhankar	3,744
7.	Khatri Mohanmad Tasleem Munawwar Ali	3,744
8.	Pradeep Mulchand Jangid	3,744
9.	Ganesh Shashikant Humane	3,744
10.	Ankush C Chintale	3,744
11.	Sanjeev Bhanudas Ingle	3,744
12.	Clint Dos Santos	3,744
13.	Kiran P. Pednekar	3,744
14.	Prathamesh P Lad	3,744
15.	Ashish Vilas Aitwade	3,744
16.	Ashish Kumar Vishwakarma	3,744
17.	Vishal G Verma	3,744
18.	Manjushri Subhash Panchal	3,744
19.	Sunil Pandurang Mali	3,744
20.	Deepali Z Ghadigaonkar	3,744
21.	Rakesh Anirudh Parab	3,744
22.	Manasvi Mahesh Anbhavance	3,744
23.	Vinayak Gangaram Manjrekar	3,744
24.	Sudam Muralidhar Sawant	3,744
25.	Sachin Gole	3,744
26.	Chetan Pakhad	3,744
27.	Rakesh Shrirang Nikalaje	3,744
28.	Sandeep Sahadev Main	3,744
29.	Tanaji Rohidas Lohakare	14,985
30.	Sheetal Tanaji Lohakare	14,985
31.	Pushpa Ramesh Harale	4,995
32.	Rajendra Sanwarmal Jangid	3,744
33.	Alok B Tiwari	9,990
34.	Harishankar Upadhyay	9,990

Sr. No.	Name of Allottee	No. of Shares Allotted
35.	Kailash Ramesh Temkar	3,744
36.	Laxmi Choudhari Pravin	4,995
37.	Kailas Chand Sharma	7,488
38.	Sachin S. Dalvi	4,995
39.	Dinesh Savlaram Dalvi	4,995
40.	Deepali Rahul Bamnolkar	4,995
41.	Nisha Manoj Jangid	3,744
<b>Total</b>		<b>198477</b>

**o. The details of the further allotment of Equity Shares of the face value of ₹10/- per share on 12.05.2018 is as under:**

Sr. No.	Name of Allottee	No. of Shares Allotted
1)	Sumit Kumar Gupta	50,000
2)	Manisha Gupta	50,000
3)	Nisha Baruah	1,00,000
4)	Amit Agarwal	1,00,000
5)	Shruti Agarwal	1,00,000
<b>Total</b>		<b>4,00,000</b>

**1) History of Preference Share Capital:**

Date of allotment	Number of Preference shares Allotted	Face value (In ₹)	Issue price (In ₹)	Nature of consideration (Cash, other than Cash, Bonus)	Nature of allotment/ Transaction	Cumulative Number of Preference Shares	Cumulative Paid up Preference Share Capital (In Rs)	Cumulative Share Premium (In ₹)
27/12/2016	22,053	10	360	Cash	Further allotment	22,053	2,20,530	77,18,550

**Note: These outstanding Preference shares have been converted into Equity shares on November 29, 2017.**

Further, our Company has not allotted any Equity Shares pursuant to any scheme approved under section 391 to 394 of the Companies Act, 1956 and/or under Section 230 to 234 of the Companies Act, 2013.

**2) Share Capital Build-up of our Promoters & Lock-in:**

Our Promoters had been allotted Equity Shares from time to time. The following is the Equity share capital build-up of our Promoters:

**a. Mr Subodh Nemlekar**

Date of Allotment / Transfer	Nature of Issue Allotment / Transfer	Number of shares	Cumulative No. of Equity Shares	Face Value	Issue/ Transfer Price	Total Consideration	% of Pre Issue Capital	% of post issue Capital	Source of Funds	Pledge
01..09.1997	Subscription to Memorandum	1	1	10	10	10	0.00%	0.00%	Personal Income / Saving	No
12.11.2002	Further allotment for cash	2499	2500	10	10	24990	0.02%	0.02%	Personal Income / Saving	No
15.01.2003	Further allotment for cash	25000	27500	10	10	250000	0.22%	0.16%	Personal Income / Saving	No
11.03.2005	Further allotment for cash	72500	100000	10	10	725000	0.64%	0.47%	Personal Income / Saving	No



Date of Allotment / Transfer	Nature of Issue Allotment / Transfer	Number of shares	Cumulative No. of Equity Shares	Face Value	Issue/ Transfer Price	Total Consideration	% of Pre Issue Capital	% of post issue Capital	Source of Funds	Pledge
30.03.2006	Further allotment for cash	199990	299990	10	10	1999900	1.78%	1.31%	Personal Income / Saving	No
23.03.2007	Further allotment for cash	500000	799990	10	10	5000000	4.45%	3.27%	Personal Income / Saving	No
17.03.2008	Further allotment for cash	1220000	2019990	10	10	12200000	10.85%	7.98%	Personal Income / Saving	No
22.11.2017	Bonus Issue	734542	2754532	10	-	-	6.53%	4.80%	-	No
<b>TOTAL</b>		<b>27,54,532</b>					<b>24.51%</b>	<b>18.01%</b>		

**b. Mr Mitaram Jangid**

Date of Allotment / Transfer	Nature of Issue Allotment / Transfer	Number of shares	Cumulative No. of Equity Shares	Face Value	Issue/ Transfer Price	Total Consideration	% of Pre Issue Capital	% of post issue Capital	Source of Funds	Pledge
01..09.1997	Subscription to Memorandum	1	1	10	10	10	0.00%	0.00%	Personal Income / Saving	No
12.11.2002	Further allotment for cash	2499	2500	10	10	24990	0.02%	0.02%	Personal Income / Saving	No
15.01.2003	Further allotment for cash	25000	27500	10	10	250000	0.22%	0.16%	Personal Income / Saving	No
11.03.2005	Further allotment for cash	72500	100000	10	10	725000	0.64%	0.47%	Personal Income / Saving	No
30.03.2006	Further allotment for cash	249990	349990	10	10	2499900	2.22%	1.63%	Personal Income / Saving	No
23.03.2007	Further allotment for cash	500000	849990	10	10	5000000	4.45%	3.27%	Personal Income / Saving	No
17.03.2008	Further allotment for cash	1570000	2419990	10	10	15700000	13.97%	10.27%	Personal Income / Saving	No
12.10.2014	Transmission	190000	2609990	10	-	-	1.69%	1.24%	-	No
16.06.2017	Further Allotment for cash	20834	2630824	10	360	7500240	0.19%	0.14%	Personal Income / Saving	No
22.11.2017	Bonus Issue	956663	3587487	10	-	-	8.51%	6.26%	-	No
<b>TOTAL</b>		<b>35,87,487</b>					<b>31.92%</b>	<b>23.46%</b>		

**c. Mrs Sharda M Jangid**

Date of Allotment / Transfer	Nature of Issue Allotment / Transfer	Number of shares	Cumulative No. of Equity Shares	Face Value	Issue/ Transfer Price	Total Consideration	% of Pre Issue Capital	% of post issue Capital	Source of Funds	Pledge
12.11.2002	Further allotment for cash	5000	5000	10	10	50000	0.04%	0.03%	Personal Income / Saving	No
15.01.2003	Further allotment for cash	50000	55000	10	10	500000	0.44%	0.33%	Personal Income / Saving	No
11.03.2005	Further allotment for cash	145000	200000	10	10	1450000	1.29%	0.95%	Personal Income / Saving	No
17.03.2008	Further allotment for cash	200000	400000	10	10	2000000	1.78%	1.31%	Personal Income / Saving	No
12.10.2014	Transmission	190000	590000	10	-	-	1.69%	1.24%	-	No
22.11.2017	Bonus Issue	214545	804545	10	-	-	1.91%	1.40%	-	No
	<b>TOTAL</b>	<b>804545</b>					<b>7.16%/</b>	<b>5.26%</b>		

**d. Mr Bhushan Nemlekar**

Date of Allotment / Transfer	Nature of Issue Allotment / Transfer	Number of shares	Cumulative No. of Equity Shares	Face Value	Issue/ Transfer Price	Total Consideration	% of Pre Issue Capital	% of post issue Capital	Source of Funds	Pledge
12.11.2002	Further allotment for cash	5000	5000	10	10	50000	0.04%	0.03%	Personal Income / Saving	No
15.01.2003	Further allotment for cash	50000	55000	10	10	500000	0.44%	0.33%	Personal Income / Saving	No
11.03.2005	Further allotment for cash	145000	200000	10	10	1450000	1.29%	0.95%	Personal Income / Saving	No
30.03.2006	Further allotment for cash	100000	300000	10	10	1000000	0.89%	0.65%	Personal Income / Saving	No
17.03.2008	Further Allotment for Cash	290000	590000	10	10	2900000	2.58%	1.90%	Personal Income / Saving	No
22.11.2017	Bonus Issue	214545	804545	10	-	-	1.91%	1.41%	-	No
	<b>TOTAL</b>	<b>804545</b>					<b>7.16%</b>	<b>5.26%</b>		

e. Mrs Kavita Nemlekar

Date of Allotment / Transfer	Nature of Issue Allotment / Transfer	Number of shares	Cumulative No. of Equity Shares	Face Value	Issue/ Transfer Price	Total Consideration	% of Pre Issue Capital	% of post issue Capital	Source of Funds	Pledge
17.03.2008	Further Allotment for Cash	470000	470000	10	10	470000	4.18%	3.07%	Personal Income / Savings	No
16.06.2017	Further Allotment for Cash	20833	490833	10	360	7499880	0.19%	0.14%	Personal Income / Savings	No
22.11.2017	Bonus Issue	178485	669318	10	-	-	1.59%	1.17%	-	No
	<b>TOTAL</b>	<b>669318</b>					<b>5.95%</b>	<b>4.38%</b>		

As per clause (a), sub-regulation (1) of Regulation 32 of SEBI ICDR Regulations and in terms of the aforesaid table, an aggregate of 20.01% of the Post-Issue Equity Share Capital of our Company i.e. 30,60,000 equity shares shall be locked in by our Promoters for three years. The lock-in shall commence from the date of commencement of commercial production or date of allotment in the proposed public issue, whichever is later and the last date of lock-in shall be reckoned as three years from the actual date of commencement of Lock-in period (“**Minimum Promoters’ contribution**”). The Promoters’ contribution has been brought into to the extent of not less than the specified minimum amount and has been contributed by the persons defined as Promoter under the SEBI ICDR Regulations. Our Company has obtained written consents from our Promoter for the lock-in of 30,60,000 Equity Shares for 3 years. We confirm that the minimum Promoters’ contribution of 20% of the Post Issue Capital of our Company which is subject to lock-in for three years does not consist of:

- Equity Shares acquired during the preceding three years for consideration other than cash and revaluation of assets or capitalization of intangible assets;
- Equity Shares acquired during the preceding three years resulting from a bonus issue by utilization of revaluation reserves or unrealized profits of the issuer or from bonus issue against equity shares which are ineligible for minimum Promoters’ contribution;
- Equity Shares acquired by Promoter during the preceding one year at a price lower than the price at which equity shares are being offered to public in the Issue; or equity shares pledged with any creditor.
- Further, our Company has not been formed by the conversion of a partnership firm into a company and no Equity Shares have been allotted pursuant to any scheme approved under Section 391-394 of the Companies Act, 1956 and/or under Section 230 to 234 of the Companies Act, 2013.
- The Equity Shares held by the Promoters and offered for Minimum Promoters’ Contribution are not subject to any pledge.
- All the Equity Shares held by our Promoters are in the Dematerialised form.

### 3) Details of Promoters’ Contribution Locked-in for Three Years

Pursuant to the SEBI (ICDR) Regulations, an aggregate of at least 20% of the post Issue 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 20% of the post issue 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 Red Herring 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:

Date of Allotment	Nature of Acquisition	Number of Equity Shares	Face Value	Issue Price	Nature of Consideration	% of Pre Issue Equity Capital	% of Post Issue Equity Capital
<b>a. Mr Mitaram Jangid</b>							
01..09.1997	Subscription to Memorandum	1	10	10	Cash	0.00%	0.00%
12.11.2002	Further allotment for cash	2499	10	10	Cash	0.02%	0.02%
15.01.2003	Further allotment for cash	25000	10	10	Cash	0.22%	0.16%
11.03.2005	Further allotment for cash	72500	10	10	Cash	0.64%	0.47%
30.03.2006	Further allotment for cash	249990	10	10	Cash	2.22%	1.63%
23.03.2007	Further allotment for cash	500000	10	10	Cash	4.45%	3.27%
17.03.2008	Further allotment for cash	53748	10	10	Cash	0.47%	0.35%
	<b>Total (a)</b>	<b>903738</b>				<b>8.02%</b>	<b>5.91%</b>

<b>b. Mr Subodh Nemlekar</b>							
01..09.1997	Subscription to Memorandum	1	10	10	Cash	0.00%	0.00%
12.11.2002	Further allotment for cash	2499	10	10	Cash	0.02%	0.02%
15.01.2003	Further allotment for cash	25000	10	10	Cash	0.22%	0.16%
11.03.2005	Further allotment for cash	72500	10	10	Cash	0.64%	0.47%
30.03.2006	Further allotment for cash	199990	10	10	Cash	1.78%	1.31%
23.03.2007	Further allotment for cash	500000	10	10	Cash	4.45%	3.27%
	<b>Total (b)</b>	<b>799990</b>				<b>7.12%</b>	<b>5.23%</b>

<b>c. Mr Bhushan Nemlekar</b>							
12.11.2002	Further allotment for cash	5000	10	10	Cash	0.04%	0.03%
15.01.2003	Further allotment for cash	50000	10	10	Cash	0.44%	0.33%

11.03.2005	Further allotment for cash	145000	10	10	Cash	1.29%	0.95%
30.03.2006	Further allotment for cash	100000	10	10	Cash	0.89%	0.65%
17.03.2008	Further Allotment for Cash	290000	10	10	Cash	2.58%	1.90%
22.11.2017	Bonus Issue	84965	10	-	Consideration other than Cash	0.76%	0.56%
	<b>Total (c)</b>	<b>674965</b>				<b>6.00%</b>	<b>4.42%</b>

**d. Mrs Sharda Jangid**

12.11.2002	Further allotment for cash	5000	10	10	Cash	0.04%	0.03%
15.01.2003	Further allotment for cash	50000	10	10	Cash	0.44%	0.33%
11.03.2005	Further allotment for cash	145000	10	10	Cash	1.29%	0.95%
17.03.2008	Further allotment for cash	200000	10	10	Cash	1.78%	1.31%
12.10.2014	Transmission	190000	10	10	-	1.69%	1.24%
22.11.2017	Bonus Issue	47107	10	-	Consideration other than Cash	0.41%	0.30%
	<b>Total (d)</b>	<b>637107</b>				<b>5.65%</b>	<b>4.16%</b>

**e. Mrs Kavita Nemlekar**

17.03.2008	Further allotment for cash	44200	10	10	Cash	0.39%	0.28%
	<b>Total (e)</b>	<b>44200</b>				<b>0.39%</b>	<b>0.28%</b>
	<b>Grand Total (a+b+c+d+e)</b>	<b>30,60,000</b>				<b>27.18%</b>	<b>20.01%</b>

**4) Equity Shares locked-in for one year**

In addition to 20.01% of the post-Issue capital of our Company which shall be locked-in for three years as the Minimum Promoters' Contribution, the balance Pre-Issue Paid-up Equity Share Capital of our Company i.e. 81,80,522 Equity Shares will be locked-in for a period of one year from the date of allotment in the proposed Initial Public Offer.

**5) Other requirements in respect of "Lock-in"**

In terms of Regulation 40 of the SEBI (ICDR) Regulations, the Equity Shares held by persons other than the Promoters' prior to the Issue may be transferred to any other person holding the Equity Shares which are locked-in as per Regulation 37 of the SEBI (ICDR) Regulations, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as applicable. In terms of Regulation 40 of the SEBI (ICDR) Regulations, the Equity Shares held by our Promoters which are locked in as per the provisions of Regulation 36 of the SEBI (ICDR) Regulations, may be transferred to and amongst Promoters / members of the Promoter Group or to a new promoter or persons in control of our Company, subject to continuation of lock-in in the hands of transferees for the remaining period and compliance of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as applicable.

In terms of Regulation 39 of the SEBI (ICDR) Regulations, the locked-in Equity Shares held by our Promoter can be pledged only with any scheduled commercial banks or public financial institutions as collateral security for loans granted by such banks or financial institutions, subject to the followings:

- If the specified securities are locked-in in terms of sub-regulation (a) of Regulation 36 of the SEBI (ICDR) Regulations, the loan has been granted by such bank or institution for the purpose of financing one or more of the objects of the issue and the pledge of specified securities is one of the terms of sanction of the loan;
- If the specified securities are locked-in in terms of sub-regulation (b) of Regulation 36 of the SEBI (ICDR) Regulations and the pledge of specified securities is one of the terms of sanction of the loan.

We further confirm that our promoters' contribution of 20.01% of the post issue Equity Share Capital does not contain any contribution from any Alternative Investment



### 9). Our shareholding pattern

The shareholding pattern of our Company before the issue as per Regulation 31 of the SEBI (LODR) Regulations, 2015 is given here below:

#### i. Summary of Shareholding Pattern

Category (I)	Category of shareholder (II)	No. of share holders (III)	No of fully paid-up equity shares held (IV)	No of Partly paid-up equity shares held (V)	No of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares( calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No of shares Underlying Outstanding convertible securities (Including Warrants) (X)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) As a % of (A+B+C2 )	Number of Locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								No. of voting rights			Total as a % of (A+B+C)			No.(a)	As a % of total shares held (b)	No.(a)	As a % of total shares held (b)	
								Class : X	Class : Y	Total								
1	Promoter & Promoter Group		10642045			10642045	94.67	10642045	0	10642045	94.67	0	94.67	0	0	0	0	10642045
2	Public	46	598477	0	0	598477	5.33	598477	0	598477	5.33	0	5.33	0	0	0	0	598477
3	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Shares Underlying DRs	--	-	--	-	--	-	--	-	--	-	--	-	--	-	-	-	--
5	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	TOTAL	57	11240522			11240522	100.00	11240522		11240522	100.00		100.00					11240522

*Note: The term “Encumbrance” has the same meaning as assigned under regulation 28(3) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.*

- (a) Our Company will file the shareholding pattern of our Company in the form prescribed under Regulation 31 of SEBI (LODR) Regulations, one day prior to the listing of the Equity Shares. The shareholding pattern will be uploaded on the website of NSE before commencement of trading of our Equity Shares.
- (b) There are no Equity Shares against which depository receipts have been issued.
- (c) Other than the Equity Shares, there is no other class of securities issued by our Company.

### Shareholding Pattern of the Promoter and Promoter Group

Category (I)	Category of shareholder (II)	No. of shareholders (III)	No of fully paid-up equity shares held (IV)	No of Partly paid-up equity shares held (V)	No of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)		No of shares Underlying Outstanding convertible securities (Including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								No. of voting rights	Total as a % of (A+B+C)			No.(a)	As a % of total shares held (b)	No.(a)	As a % of total shares held (b)	
<b>1)</b>	<b>Indian</b>															
(a)	Individuals/ HUF	<b>8</b>	<b>9602245</b>	<b>0</b>	<b>0</b>	<b>9602245</b>	<b>88.58</b>	<b>9602245</b>	<b>90.23</b>	<b>0</b>	<b>90.23</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>9602245</b>
	Subodh R. Nemlekar		2754532	0	0	2754532	25.41	2754532	25.41	0	25.41	0	0	0	0	2754532
	Mitaram Jangid		3587487	0	0	3587487	33.09	3587487	33.09	0	33.09	0	0	0	0	3587487
	Sharda M Jangid		804545	0	0	804545	7.42	804545	7.42	0	7.42	0	0	0	0	804545
	Bhushan S		804545	0	0	804545	7.42	804545	7.42	0	7.42	0	0	0	0	804545

	Nemlekar															45
	Varsha S Nemlekar		436364	0	0	436364	4.03	436364	4.03	0	4.03	0	0	0	0	4363 64
	Mitaram R Jangid (HUF)		409091	0	0	409091	3.77	409091	3.77	0	3.77	0	0	0	0	4090 91
	Kavita B Nemlekar		669318	0	0	669318	6.17	669318	6.17	0	6.17	0	0	0	0	6693 18
	Dhanashree S Nemlekar		136364	0	0	136364	1.26	136364	1.26	0	1.26	0	0	0	0	1363 64
(b)	Central / State Govt	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(c)	Financial Institutions / Banks	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	<b>Any Other (Specify)</b>	<b>3</b>	<b>1039799</b>	<b>0</b>	<b>0</b>	<b>1039799</b>	<b>9.59</b>	<b>1039799</b>	<b>9.59</b>	<b>0</b>	<b>9.59</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1039 799</b>
	Mitasu Woods P Ltd		13	0	0	13	0.00	13	0.00	0	0.00	0	0	0	0	13
	Sumit Infotech P Ltd		1039773	0	0	1039773	9.59	1039773	00.39	0	00.39	0	0	0	0	1039 773
	Sumit Construction		13	0	0	13	0.00	13	0.00	0	0.00	0	0	0	0	13
	<b>Sub- Total (A)(1)</b>	<b>11</b>	<b>10642045</b>	<b>0</b>	<b>0</b>	<b>10642045</b>	<b>94.67</b>	<b>10642045</b>	<b>94.67</b>	<b>0</b>	<b>94.67</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1064 2045</b>
<b>2)</b>	<b>Foreign</b>															
(a)	Individuals (Non- Resident Individuals/ Foreign Individuals)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(b)	Government	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(c)	Institutions	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(d)	Foreign Portfolio Investor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

(e)	Any Other (Specify)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	<b>Sub- Total (A)(2)</b>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	<b>Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)</b>	<b>11</b>	<b>10642045</b>	<b>0</b>	<b>0</b>	<b>10642045</b>	<b>94.67</b>	<b>10642045</b>	<b>94.67</b>	<b>0</b>	<b>94.67</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>10642045</b>

### iii. Shareholding Pattern of our Public Shareholders

Category (I)	Category of shareholder (II)	No. of shareholders (III)	No of fully paid-up equity shares held (IV)	No of Partly paid-up equity shares held (V)	No of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V) +(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)		No of shares Underlying Outstanding convertible securities (Including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								No. of voting rights	Total as a % of (A+B+C)			No.(a)	As a % of total shares held (b)	No.(a)	As a % of total shares held (b)	

<b>1)</b>	Institutions	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>(a)</b>	Mutual Funds / UTI	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>(b)</b>	Venture Capital Funds	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>(c)</b>	Alternate Investment Funds	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>(d)</b>	Foreign Venture Capital Investors	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>(e)</b>	Foreign Portfolio Investors	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>(f)</b>	Financial Institutions Banks	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>(g)</b>	Insurance Companies	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>(h)</b>	Provident Funds/Pension Funds	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>(i)</b>	Any Other (Specify)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	<b>Sub- Total (B)(1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>2)</b>	<b>Central Government/State Government(s)/President of India</b>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	<b>Sub- Total (B)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>3)</b>	<b>Non Institutions</b>															
<b>(a)</b>	Individuals - i. Individual shareholders holding nominal share capital up to ₹2 lakhs.	46	598477	0	0	598477	5.33	598477	5.33	0	5.33	0	0	0	0	598477
	ii. Individual shareholders holding nominal share capital in excess of ₹2 lakhs.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>(b)</b>	NBFCs registered with RBI	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>(c)</b>	Employee Trust	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>(d)</b>	Overseas Depositories (holding DRs) (balancing figure)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>(e)</b>	Any other (Specify)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>(f)</b>	<b>Sub- Total (B)(3)</b>	<b>46</b>	<b>598477</b>	<b>0</b>	<b>0</b>	<b>598477</b>	<b>5.33</b>	<b>598477</b>	<b>5.33</b>	<b>0</b>	<b>5.33</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>598477</b>
	<b>Total Public Shareholding (B) = (B)(1)+(B)(2)+(B)(3)</b>	<b>46</b>	<b>598477</b>	<b>0</b>	<b>0</b>	<b>598477</b>	<b>5.33</b>	<b>598477</b>	<b>5.33</b>	<b>0</b>	<b>5.33</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>598477</b>



**iv. Statement showing shareholding pattern of the Non Promoter-Non Public Shareholder**

Category (I)	Category of shareholder (II)	No. of shareholders (III)	No of fully paid-up equity shares held (IV)	No of Partly paid-up equity shares held (V)	No of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V) +(VI)	Shareholding as a % of total no. of shares(calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)		No of shares Underlying Outstanding convertible securities (Including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								No. of voting rights	Total as a % of (A+B+C)			No.(a)	As a % of total shares held (b)	No.(a)	As a % of total shares held (b)	
1)	<b>Custodian/ DR Holder</b>															
	Name of DR Holder (If available)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	<b>Subtotal (C) (1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
2)	Employee Benefit Trust (Under SEBI	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

	(Share based Employee Benefit ) Regulation s, 2014)															
	<b>Subtotal (C) (2)</b>							0								
	<b>Total Non-Promoter - Non Public Shareholding (C)=(C)(1) +(C)(2)</b>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

We will file shareholding pattern of our Company in, the form prescribed under Regulation 31 of the SEBI Listing Regulations, one day prior to the listing of the Equity Shares. The Shareholding pattern will be uploaded on the website of NSE before commencement of trading of such equity shares

10. The shareholding pattern of our Promoter and Promoter Group and public before and after the Issue:

Sr.No	Name of Shareholder	Pre Issue		Post Issue	
		No. of equity shares	As a % of Issued Capital	No. of equity shares	As a % of Issued Capital
A. Promoters					
1	Mitaram Jangid	35,87,487	31.92	35,87,487	23.46%
2	Subodh Nemlekar	27,54,532	24.51	27,54,532	18.01%
3	Sharda M Jangid	8,04,545	7.16	8,04,545	5.26%
4	Bhushan S Nemlekar	8,04,545	7.16	8,04,545	5.26%
5	Kavita Nemlekar	6,69,318	5.95	6,69,318	4.38%
TOTAL (A)		86,20,427	76.70	86,20,427	56.37%
B. Promoter Group					
6	Varsha S Nemlekar	4,36,364	3.88%	4,36,364	2.85%
7	Mitaram R Jangid (HUF)	4,09,091	3.64%	4,09,091	2.67%
8	Dhanashree S Nemlekar	1,36,364	1.21%	1,36,364	0.89%
9	Mitasu Woods P Ltd	13	0.00%	13	0.00%
10	Sumit Infotech P Ltd	10,39,773	9.25%	10,39,773	6.80%
11	Sumit Constuctions	13	0.00%	13	0.00%
TOTAL (B)		20,21,618	17.97%	20,21,618	13.22%
C. Public		5,98,477	5.33%	5,98,477	3.91%
GRAND TOTAL (A+B+C)		1,12,40,522	100.00%	1,12,40,522	73.50%

11. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of the Red Herring Prospectus until the Equity Shares have been listed. Further, our Company may propose to alter our capital structure within 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.

12. There are no transactions in our Equity Shares, which have been purchased/(Sold) by our Promoters, their relatives and associates, persons in promoter group (as defined under sub-clause (zb) sub-regulation (1) of Regulation 2 of the SEBI (ICDR) Regulations, 2009) or the Directors of the Company and their immediate relatives as defined in sub-clause (ii) of clause (zb) of sub-regulation (1) of regulation 2 of the SEBI (ICDR) Regulations, 2009 during the past six months immediately preceding the date of filing this Red Herring Prospectus

13. The members of the Promoter Group, our Directors or the relatives of our Directors have not 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 six months preceding the date of filing of the Red Herring Prospectus.

14. Our Company, our Promoter, our Directors and the Book Running Lead Manager to this Issue have not entered into any buy-back, standby or similar arrangements with any person for purchase of our Equity Shares issued by our Company through the Red Herring Prospectus.

15. There are no safety net arrangements for this public issue.

16. As on the date of filing of the Red Herring Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other financial instruments into our Equity Shares.

17. All the Equity Shares of our Company are fully paid up as on the date of the Red Herring Prospectus. Further, since the entire money in respect of the Issue is being called on application, all the successful applicants will be issued fully paid-up equity shares.

18. As per RBI regulations, OCBs are not allowed to participate in this Issue.

#### 19. Equity Shares held by top ten shareholders:

##### a) Particulars of the top ten shareholders as on the date of the Red Herring Prospectus:

Sr. No.	Name of shareholder	No of shares held	% of pre issue paid up capital
1.	Mitaram Jangid	3587487	31.92
2.	Subodh R. Nemlekar	2754532	25.41
3.	Sumit Infotech Pvt Ltd	1039773	9.25
4.	Sharda M Jangid	804545	7.16
5.	Bhushan S Nemlekar	804545	7.16
6.	Kavita Nemlekar	669318	5.95
7.	Varsha S Nemlekar	436364	3.88
8.	Mitaram R Jangid (HUF)	409091	3.64
9.	Dhanashree S Nemlekar	136364	1.21
10.	Amit Agarwal*	1,00,000	0.89
11.	Shruti Agarwal*	1,00,000	0.89
12.	Nisha Baruha*	1,00,000	0.89

\* Three (3) Shareholders holds the same quantity of Equity Shares.

##### b) Particulars of top ten shareholders ten days prior to the date of the Red Herring Prospectus:

Sr. No.	Name of shareholder	No of shares held	% of pre issue paid up capital
1.	Mitaram Jangid	3587487	31.92
2.	Subodh R. Nemlekar	2754532	25.41
3.	Sumit Infotech Pvt Ltd	1039773	9.25
4.	Sharda M Jangid	804545	7.16
5.	Bhushan S Nemlekar	804545	7.16
6.	Kavita Nemlekar	669318	5.95
7.	Varsha S Nemlekar	436364	3.88
8.	Mitaram R Jangid (HUF)	409091	3.64
9.	Dhanashree S Nemlekar	136364	1.21
10.	Amit Agarwal*	1,00,000	0.89
11.	Shruti Agarwal*	1,00,000	0.89
12.	Nisha Baruha*	1,00,000	0.89

\* Three (3) Shareholders holds the same quantity of Equity Shares.

##### c) Particulars of the top ten shareholders two years prior to the date of the Red Herring Prospectus:

Sr. No.	Name of shareholder	No of shares held	% of pre issue paid up capital
1	Mitaram Jangid	2609990	33.62
2	Subodh R. Nemlekar	2019990	25.88
3	Sumit Infotech P Ltd	762,500	9.77
4	Sharda M Jangid	590000	5.96
5	Bhushan S Nemlekar	590000	5.98
6	Kavita Nemlekar	470000	6.05
7	Varsha S Nemlekar	320000	4.10
8	Mitaram R Jangid (HUF)	300000	3.84
9	Dhanashree S Nemlekar	100000	1.28
10	Sumit Constructions	10	0.00

- 20.** Our Company has not raised any bridge loan against the proceeds of this Issue. However, depending on business requirements, we might consider raising bridge financing facilities, pending receipt of the Net Proceeds.
- 21.** Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
- 22.** Under-subscription, if any, in any category except QIB Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories.
- 23.** An Applicant cannot make an application for more than number of Equity Shares being issued through this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors.
- 24.** No payment, direct or indirect in the nature of discount, commission, allowance or otherwise shall be made either by us or our Promoters to the persons who receive allotments, if any, in this Issue.
- 25.** We have 57 shareholders as on the date of filing of the Red Herring Prospectus.
- 26.** Our Promoter and the members of our Promoter Group will not participate in this Issue.
- 27.** Our Company has not made any public issue or right issue since its incorporation.
- 28.** Neither the Book Running Lead Manager, nor their associates hold any Equity Shares of our Company as on the date of the Red Herring Prospectus.
- 29.** Our Company shall ensure that transactions in the Equity Shares by the Promoter and the Promoter Group between the date of filing the Red Herring Prospectus and the Issue Closing Date shall be reported to the Stock Exchanges within twenty-four hours of such transaction.
- 30.** Except Mr. Mitaram Jangid Managing Director who holds 35,87,487 Equity Shares, Mr Subodh Nemlekar, Joint Managing Director who holds 27,54,532 Equity Shares, and Mr Bhushan Nemlekar, Whole Time Director (Director-Finance) who holds 8,04,545 Equity Shares, Mrs. Kavita Nemlekar, Non-Executive Director (Chairperson) who holds 6,69,318 Equity Shares, Mr. Ramesh Sharma, Head of Legal Department who holds 3,744 Equity Shares, Mrs. Karishma Panchal, Head of HR & Administration Department, who holds 3,744 Equity Shares, and Clint Dos Santos, Head of Project Execution, who holds 3,744 Equity Shares, none of our other Directors or Key Managerial Personnel holds Equity Shares in our Company. For further details of holding see the chapter titled “Our Management” beginning on page 115 of this Red Herring Prospectus.

## SECTION-IV: PARTICULARS OF THE ISSUE

### OBJECTS OF THE ISSUE

The Objects of the Issue are to finance our business expansion plans, reduce debt cost and achieve the benefits of listing on the SME platform of NSE. We believe that listing will enhance our corporate image and brand name of our Company.

**The objects of the Issue are as stated below:**

- (i) To meet the fund requirements for execution of our Ongoing and Forthcoming Projects and other working capital requirements;
- (ii) To repay/prepay the secured loans;
- (iii) To provide funds to meet General Corporate Purpose;
- (iv) To meet Public Issue Expenses.

The other Objects of the Issue also include creating a public trading market for the Equity Shares of our Company by listing them on SME Platform of NSE. We believe that the listing of our Equity Shares will enhance our visibility and brand name and enable us to avail of future growth opportunities.

The main objects of our Memorandum of Association permits us to undertake our existing activities and the activities for which the funds are being raised by us, through the present Issue. The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution. The details of the proceeds of the Issue are summarized in the table below:

(₹ in Lakhs)

Sr. No.	Particulars	Amount*
1)	Gross Proceeds	[ ]
2)	Less: Issue Related expenses*	[ ]
3)	Net Proceeds	[ ]

\* To be finalized on determination of issue price.

### Requirements of Funds

The Cost of Project as estimated by our management are given below:

(₹ in Lakhs)

Sr. No.	Particulars	Amount
1)	To meet the fund requirements for execution of our Ongoing and Forthcoming Projects and other working capital requirements	922.00
2)	Repayment/prepayment of secured loans	400.00
3)	General Corporate Purposes	[ ]
<b>TOTAL</b>		[ ]

We propose to meet the entire requirement of funds for the Objects from the Net Proceeds of the Issue. Accordingly, the requirement under Regulation 4(2)(g) of the SEBI ICDR Regulations of firm arrangements of finance through verifiable means for the 75% of the stated means of finance excluding the Issue Proceeds and internal accruals is not applicable.

Our fund requirements and deployment thereof are based on the estimates of our management. These are based on current circumstances of our business and are subject to change in light of changes in external circumstances or costs or in our financial condition, business or strategy. Our management, in response to the dynamic nature of the industry, will have the discretion to revise its business plan from time to time and consequently our funding requirement and deployment of funds may also change. This may also include rescheduling the proposed utilization of Proceeds and increasing or decreasing expenditure for a particular object vis-à-vis the utilization of Proceeds. In case of a shortfall in the Net Proceeds, our management may



explore a range of options which include utilisation of our internal accruals, debt or equity financing. Our management expects that such alternate arrangements would be available to fund any such shortfall.

### Variation in fund requirements and Surplus / Shortfall of Net Proceeds

Whilst we intend to utilise the Issue Proceeds in the manner provided above, in the event of a surplus, we will use such surplus towards general corporate purposes including meeting future growth requirements. In case of any variations in the actual utilization of funds earmarked for the above activities, increased fund deployment for a particular activity may be financed by surplus funds, if any, available in any other object for which funds are being raised in the Issue, subject to applicable law. In the event of any shortfall in the Issue Proceeds, our Company will bridge the fund requirements from internal accruals, debt or equity financing. In the event that estimated utilization out of the Net Proceeds in a Fiscal is not completely met, the same shall be utilized in the next Fiscal. No part of the issue proceeds will be paid as consideration to Promoter, Promoter Group, Group Entities, directors, Key Managerial Personnel and associates

### Brief Details of the Objects

#### i. To Meet the Fund Requirements For Execution Of Our Ongoing And Forthcoming Projects And Other Working Capital Requirements:

The calculation of Working Capital Requirement is given here under:-

(₹ in

Lakhs)

Particulars	FY17	FY18E	FY19E
<b>CURRENT ASSETS:</b>			
Inventories	4634	5283	5758
Trade Receivables	1607	2289	3057
Cash and Cash Equivalents	87	747	744
Short Term Loans and Advances	4	4	25
Other Current Assets	646	802	922
<b>Total Current Assets(A)</b>	<b>6978</b>	<b>9124</b>	<b>10506</b>
<b>CURRENT LIABILITIES:</b>			
Trade Payables	449.02	516.38	619.65
Other Current Liabilities	1698	1754	1952
Short Term Provisions	33	95	115
<b>Total Current Liabilities(B)</b>	<b>2180</b>	<b>2365</b>	<b>2686</b>
<b>Total Working Capital Requirement(A-B)</b>	<b>4799</b>	<b>6759</b>	<b>7820</b>
<b>Funding Pattern</b>			
Working Capital funding from Banks	57	0	0
<b>Issue Proceeds</b>			<b>922</b>
Internal Accruals	4742	6759	6898

Assumption of Holding Levels (days)			
Particulars	FY17	FY18E	FY19E
<b>Current Assets</b>			
Trade Receivables	150	167	170
<b>Current Liabilities</b>			
Trade Payables	42	38	35

Further details on the above projects are provided in the Section titled “Our Business” beginning on page 92 of the Red Herring Prospectus.

## ii. Repayment/prepayment of Secured Loans

Our Company has entered into various financing arrangements with banks and other entities. The borrowing arrangements entered into by our Company include borrowings in the form of terms loans, fund based and non-fund based working capital facilities. For details of these financing arrangements including indicative terms and conditions, see Financial Indebtedness beginning on page 200 of this Red Herring Prospectus. As on July 31, 2018, the amount outstanding under the borrowing arrangements entered into by our Company was Rs 2926.00 Lakhs on a standalone basis. Our Company intends to utilize Rs. 400.00 Lakhs of the Net Proceeds towards repayment or prepayment of secured loans availed by our Company. We believe that such repayment or prepayment or redemption or earlier redemption will help reduce our outstanding indebtedness and debt servicing costs and enable utilization of the internal accruals for further investment in business growth and expansion. In addition, we believe that this would improve our ability to raise further resources in the future to fund potential business development opportunities. The selection of borrowings proposed to be repaid amongst our borrowing arrangements availed will be based on various factors, including (i) cost of the borrowing to our Company including applicable interest rates, (ii) any conditions attached to the borrowings restricting our ability to prepay/ repay the borrowings and time taken to fulfil, or obtain waivers for fulfilment of such conditions, (iii) receipt of consents for prepayment from the respective lenders, (iv) terms and conditions of such consents and waivers, (v) levy of any prepayment penalties and the quantum thereof, (vi) provisions of any laws, rules and regulations governing such borrowings, and (vii) other commercial considerations including, among others, the amount of the loan outstanding and the remaining tenor of the loan.

Our Company intends to repay the following existing debts to the extent of Rs. 400.00 Lakhs from the IPO proceeds;

(₹in Lakhs)

Sr. No.	Name of the Lender	Amount of Loan	Rate of Interest	Amount Outstanding as on July 31, 2018	Amount proposed to be repaid
1	State Bank of India	4500.00	11.30%	2926.00	400.00
<b>Total</b>		<b>4500.00</b>	<b>11.30%</b>	<b>2926.00</b>	<b>400.00</b>

Further details on our Financial Indebtedness, please refer to the section on “Financial Indebtedness” beginning on page 200 of the Red Herring Prospectus.

## iii. General Corporate Purpose:

Our Company will have the flexibility in applying ₹[●] Lakhs for general corporate purpose towards brand building exercises, financing normal capital expenditure, strategic initiatives, expanding into new geographies, preoperative expenses, funding routine working capital if any and strengthening our marketing capabilities. Our Management, in accordance with the policies of our Board, will have the flexibility in utilizing the proceeds earmarked for general corporate purposes.

## iv. Issue Related Expenses:

The expenses of this Issue includes, among others, underwriting and management fees, selling commission, printing and distribution expenses, legal fees, advertising expenses and listing fees. The estimated Issue expenses are as follows:

(₹in Lakhs)

Sr. No.	Particulars	Amount	% of total Expenses	% of the Total Issue Size
1.	Payment to Merchant Banker including fees and reimbursements of Market Making Fees, selling commissions, brokerages, payment to other intermediaries such as Legal Advisors, Registrars, Bankers etc and other out of pocket expenses.	[●]	[●]	[●]
2.	Printing & Stationery and Postage Expenses	[●]	[●]	[●]

3.	Marketing and Advertisement Expenses	[●]	[●]	[●]
4.	Regulatory fees and other expenses	[●]	[●]	[●]
5.	Other Miscellaneous expenses	[●]	[●]	[●]
	<b>Total</b>	[●]	[●]	[●]

\*\*SCSBs will be entitled to a processing fee of ₹10/- per Application Form for processing of the Application Forms procured by other Application Collecting Intermediary and submitted to them on successful allotment.

Selling commission payable to registered broker, SCSBs, RTAs, CDPs on the portion directly procured from Retail Individual Applicants and Non Institutional Applicants, would be 0.05 % on the Allotment Amount or Rs 100/- 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 Issue Price.

### Schedule of implementation

The funds raised from this Issue shall be utilized for the specified Objects during FY 2018-19.

### Deployment of Funds in the Project

Our Company has incurred the following expenditure on the project till July 31, 2018. The same has been certified by M/s. SSRV & Associates, our Statutory Auditors, Chartered Accountants *vide* their certificate dated August 16, 2018.

(₹ in Lakhs)

Sl. No	Particulars	Amount deployed till July 31, 2018
1.	Issue Related Expenses	18.56

The above funds were deployed from the Company's internal accruals and same will be adjusted against Issue Proceeds.

### Details of Balance Fund Deployment

(₹ in Lakhs)

Sl. No.	Particulars	Amount already deployed	FY 2018-19	Total
1	To meet the fund requirements for execution of our Ongoing and Forthcoming Projects and other working capital requirements	Nil	922.00	922.00
2	Repayment of secured loans	Nil	400.00	400.00
3	General Corporate Purposes	Nil	[●]	[●]
4	Issue Related Expenses	18.56	[●]	[●]
	<b>Total</b>	18.56	[●]	[●]

### Appraisal Report

None of the objects for which the Issue Proceeds will be utilised have been financially appraised by any financial institution / banks.

### Bridge Financing Facilities

We have currently not raised any bridge loans against the Net Proceeds.

### **Interim Use of Funds**

The management, in accordance with the approval of the Board of Directors, will have the flexibility in deploying the Issue Proceeds. Pending utilization for the purposes described above, we intend to invest the Issue Proceeds in interest/dividend bearing liquid instruments including money market mutual funds and deposits with banks for the necessary duration. Such investments would be in accordance with all applicable laws and investment policies approved by our Board from time to time. Our Company confirms that pending utilization of the Issue Proceeds; it shall not use the funds for any investments in the equity markets.

### **Monitoring of Issue proceeds**

As per SEBI (ICDR) Regulations, 2009, as amended, appointment of monitoring agency is required only if Issue size exceeds ₹10,000 Lakh. Hence, our Company is not required to appoint a monitoring agency in relation to the issue. However, Audit Committee of our Company will be monitoring the utilization of the Issue Proceeds. 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 Application of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in this Red Herring Prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full.

## **BASIC TERMS OF THE ISSUE**

### **Ranking of Equity Shares**

The Equity Shares being issued in the Issue shall be subject to the provisions of the Companies Act and the Memorandum and Articles of Association and shall rank *pari-passu* with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees in receipt of Allotment of Equity Shares under this Issue will be entitled to dividends and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, please refer to the section titled “*Main Provisions of Articles of Association*” beginning on page number 295 of the Red Herring Prospectus.

### **Mode of Payment of Dividend**

he declaration and payment of dividend will be as per the provisions of Companies Act and recommended by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividend, if declared, to our Shareholders as per the provisions of the Companies Act and our Articles of Association.

### **Face Value and Issue Price per Share**

The face value of the Equity Shares is ₹10 each and the Issue Price is ₹[●] per Equity Share. The Issue Price is determined by our Company in consultation with the Book Running Lead Manager and is justified under the section titled “*Basis for Issue Price*” beginning on page 77 of the Red Herring Prospectus. At any given point of time there shall be only one denomination for the Equity Shares.

### **Compliance with SEBI ICDR Regulations**

Our Company shall comply with all requirements of the SEBI ICDR Regulations. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

### **Minimum Number of Allottees**

The minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies collected shall be refunded within 15 days of closure of issue.

### **Market Making**

The shares offered through this issue are proposed to be listed on the SME Platform of NSE, wherein the Book Running Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Makers of the SME Platform for a minimum period of three years from the date of listing of shares offered through this RHP. For further details of the agreement entered into between the Company, the Book Running Lead Manager and the Market Maker please see “*General Information – Details of the Market Making Arrangements for this Issue*” beginning on page 43 of the RHP.

### **Minimum Subscription**

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. 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 refund the entire subscription amount received. If there is a delay beyond eight days, after our Company becomes liable to pay the amount, our Company shall pay interest as prescribed under Section 73 of the Companies Act.

The minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies collected shall be refunded within 15 days of closure of issue.

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.

#### **Arrangements for Disposal of Odd Lots**

The trading of the equity shares will happen in the minimum contract size of 3,000 equity shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the market maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME Platform of NSE.



## BASIS FOR ISSUE PRICE

The Issue Price is determined by our Company in consultation with the Book Running Lead Manager. The financial data presented in this section are based on our Company's Restated Financial Statements. Investors should also refer to the sections titled "Risk Factors" and "Auditors Report And Financial Information Of Our Company" on page 12 and 158, respectively, of this Red Herring Prospectus to get a more informed view before making the investment decision.

### Qualitative Factors

- 1) Experienced Promoters and a well trained employee base – Our promoters Mr. Mitaram Jangid and Mr Subodh Nemlekar are experienced in our line of business. They are ably supported by our other directors and employees, which combines expertise and experience to outline plans for the future development of the company. Since the commencement of our operations, we have witnessed consistent and stable growth. Our Promoters have significant industry experience and has been instrumental in the consistent growth of our company. We believe that the knowledge and experience of our promoter and management will enable us to identify new opportunities, rapidly respond to market conditions, adapt to changes in the business landscape and competitive environment and enhances the growth in the business.
- 2) Strong financial position - We believe that our strong financial position will provide us with the financial flexibility to fund our growth and expansion and allow us to respond quickly and competitively to further capitalise on emerging opportunities in the market.
- 3) Improving functional efficiency – Our Company intends to improve operating efficiency to achieve cost reductions to have a competitive edge over the peers. We believe that this can be done through continuous process improvement, customer services.
- 4) Established brand and image– We are engaged in providing services to our clients and over the years, we have established ourselves as a reliable brand in India and we have projects at prime locations in the city and have built Clients' trust for our quality, consistency and continuous performance.

For details of qualitative factors, please refer to the paragraph "Our Competitive Strengths" in the chapter titled "Business Overview" beginning on page 92 of the Red Herring Prospectus.

### Quantitative Factors

#### (i) Basic & Diluted Earnings Per Share (EPS)#:

As per restated Standalone Financial Statements:

Financial Year/Period	Basic and Diluted EPS (in ₹)	Weighted Average
Financial Year 2015-16	0.51	1
Financial Year 2016-17	2.45	2
Financial Year 2017-18	5.29	3
Weighted Average Price	<b>3.55</b>	<b>6</b>

### As per restated Consolidated Financial Statements:

Financial Year/Period	Basic and Diluted EPS (in ₹)	Weighted Average
Financial Year 2015-16	0.71	1
Financial Year 2016-17	2.95	2
Financial Year 2017-18	7.14	3
Weighted Average Price	<b>4.67</b>	<b>6</b>

# Face Value of Equity Share is ₹10.

EPS Calculations have been done in accordance with Accounting Standard 20-“Earning per Share” issued by the Institute of Chartered Accountants of India.

Basic earnings per share are calculated by dividing the net profit after tax by the weighted average number of Equity Shares outstanding during the period. Weighted Average number of Equity Shares is the number of Equity Shares outstanding at the beginning of the year/period adjusted by the number of Equity Shares issued during year/period multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares except where the results are anti-dilutive.

- Price to Earnings (P/E) ratio in relation to Price Band of ₹43 to ₹45 per Equity Share of ₹10/- per Share paid up.

Particulars	P/E ratio at Floor Price (i.e ₹43)	P/E ratio at Cap Price(i.e ₹45)
a. Based on Basic / Diluted EPS of F.Y. 2017-18 on a standalone basis	8.13	8.51
b. Based on Weighted Average EPS on a standalone basis	12.11	12.68
c. Based on Basic / Diluted EPS of F Y 2017-18 on a consolidated basis	6.02	6.30
d. Based on Weighted Average EPS on a consolidated basis	9.21	9.64
Industry P/E		20.20
Highest		420.20
Lowest		0.90

Source: Capital Market, Sector-Construction, July30-August 12, 2018

### 3. Return on Net Worth:

$$\text{Return on networth (\%)} = \frac{\text{Net profit after tax as restated}}{\text{Networth as the end of the year}} * 100$$

#### As per Restated Standalone Financial Statements

Period	Return on Net Worth (%)	Weights
Financial Year ended March 31, 2016	1.52%	1
Financial Year ended March 31, 2017	6.66%	2
Financial Year ended March 31, 2018	12.37%	3
<b>Weighted Average</b>	<b>8.66%</b>	

#### As per Restated Consolidated Financial Statements

Period	Return on Net Worth (%)	Weights
Financial Year ended March 31, 2016	2.08%	1
Financial Year ended March 31, 2017	7.78%	2
Financial Year ended March 31, 2018	15.65%	3
<b>Weighted Average</b>	<b>10.76</b>	

#### 4. Minimum Return on Increased Net Worth required to maintain pre-issue Earnings per Share:

Period	At Floor Price i.e ₹43	At Cap Price i.e ₹45
On Standalone Basis	12.36%	12.21%
On Consolidated Basis	15.88%	15.69%

#### 5. Net Asset Value per Equity Share:

Particulars	Amount (in Rs) - On Standalone basis	Amount (in ₹) on Consolidated basis
As of March 31, 2016	33.66	33.96
As of March 31, 2017	36.78	37.90
As of March 31, 2018	42.71	45.66
NAV per Equity Share after the Issue at Floor Price	42.79	44.94
NAV per Equity Share after the Issue at Cap Price	43.33	45.48

#### 6. Comparison of Accounting Ratios with Peer Group Companies:

Name of the company	Standalone/ Consolidated	Face Value (Rs)	EPS (Rs) Basic	P/E Ratio	RoNW (%)	NAV per Equity Share (₹)
<b>Sumit Woods Limited</b>						
As at March 31, 2018	Consolidated	10	7.14	6.30	15.65	45.66
<b>Peer Group*</b>						
Ashiana Housing Ltd	Consolidated	2	3.4	37.9	4.7	73.40
Arihant Superstructures Limited	Consolidated	10	3.1	20.6	33.6	29.20

\*Source: Annual Accounts of the Company and based on March 31, 2018 financial statements as reported to BSE

Market Price as on July 31, 2018

The peer group identified is broadly based on the service lines that we are into, but their scale of operations is not comparable to us.

The Price Band of ₹43/- to 45/- per Equity Share is determined by our Company in consultation with the Book Running Lead Manager and is justified based on the above accounting ratios. For further details, please refer to the section titled '*Risk Factors*', and chapters titled '*Our Business*' and '*Financial Information*' beginning on page numbers 12, 92 and 158, respectively of the RHP.

## STATEMENT OF POSSIBLE TAX BENEFITS

### Statement of possible special tax benefits available to the company and its shareholders

To  
The Board of Directors,  
**Sumit Woods Limited**  
(Formerly known as **Sumit Woods Private Limited**)  
B-1101, Express Zone,  
W. E. Highway,  
Malad (E), Mumbai-97.

We refer to proposed issue of the shares of **Sumit Woods Limited**, formerly known as **Sumit Woods Private Limited** ('the Company'). We enclose herewith the statement showing the possible tax benefits available to the Company and the shareholders of the Company under the Income - Tax Act, 1961 ('Act'), as applicable to the assessment year 2019-20 relevant to the financial year 2018-19 for inclusion in the Red Herring Prospectus ("Draft Offer Document") for the proposed issue of shares.

Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Income-tax Act 1961. Hence, the ability of the Company or its shareholders to derive these direct tax benefits is dependent upon their fulfilling such conditions, which is based on the business imperatives, the company or its shareholders may or may not choose to fulfill.

The benefits discussed in the enclosed statement are neither exhaustive nor conclusive. The contents stated in the Annexure are based on the information and explanations obtained from the Company. This statement is only intended to provide general information to guide the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultant with respect to specific tax implications arising out of participation in the issue. We are neither suggesting nor are we advising the investor to invest money or not to invest money based on this statement.

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;
- the conditions prescribed for availing the benefits, where applicable have been/would be met;
- the revenue authorizes/courts will concur with the views expressed herein.

For **S S R V & Associates**  
**Chartered Accountants**  
**F.R.N. 135901W**

Vishnu Kant Kabra  
(Partner)  
M.No. 403437

Place: Mumbai  
Date: May 22, 2018

**ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO SUMIT WOODS LIMITED (“THE COMPANY”) AND ITS SHAREHOLDERS UNDER THE APPLICABLE TAX LAWS IN INDIA**

Outlined below are the possible Special tax benefits available to the Company and its shareholders under the direct tax laws in force in India. These benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence, the ability of the Company or its shareholders to derive the special tax benefits is dependent upon fulfilling such conditions, which based on business imperatives it faces in the future, it may not choose to fulfill.

**1. Special Tax Benefits available to the Company**

There are no Special tax benefits available to the Company.

**2. Special Tax Benefits available to the shareholders of the Company**

There are no Special tax benefits available to the shareholders of the Company.

**Notes:**

All the above benefits are as per the current tax laws and any change or amendment in the laws/regulations, which when implemented would impact the same.

**For S S R V & Associates  
Chartered Accountants**

**F.R.N. 135901W**

Vishnu Kant kabra  
**(Partner)**  
**M.No. 403437**

Place: Mumbai  
Date: May 22, 2018

## SECTION-V: ABOUT US

### INDUSTRY OVERVIEW

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

### INTRODUCTION

#### Indian Construction Industry

- USD 1 Trillion investments for infrastructure sector projected during 2012-17
- USD 650 Billion investments in urban infrastructure estimated over next 20 years.
- 100% Foreign Direct Investment (FDI) permitted through the automatic route for townships, cities.
- Construction sector contributes towards 8% of the Indian GDP (at constant prices). Last five year estimates (2006-07 to 2010-11).
- Additional Fact: increased to 3.85 lakh crore (7.9% of the total GDP) in 2010-11 from 284798 crore (8% of the total GDP) in 2006-07.
- Additional Facts: Growth rate for GDP in construction 8.1%
- 100 Smart Cities and 500 AMRUT Cities will invite investment of 2 Trillion Rupees in the next five years.
- INR 62,009 Crore. would be invested under Swachh Bharat Mission (SBM) in urban areas.

( Source : <http://www.makeinindia.com/sector/construction>)

#### Indian Real Estate Industry

The real estate sector is one of the most globally recognised sectors. In India, real estate is the second largest employer after agriculture and is slated to grow at 30 per cent over the next decade. The real estate sector comprises four sub sectors - housing, retail, hospitality, and commercial. The growth of this sector is well complemented by the growth of the corporate environment and the demand for office space as well as urban and semi-urban accommodations. The construction industry ranks third among the 14 major sectors in terms of direct, indirect and induced effects in all sectors of the economy.

It is also expected that this sector will incur more non-resident Indian (NRI) investments in both the short term and the long term. Bengaluru is expected to be the most favoured property investment destination for NRIs, followed by Ahmedabad, Pune, Chennai, Goa, Delhi and Dehradun.

India's rank in the Global House Price Index has jumped 13\* spots to reach the ninth position among 55 international markets, on the back of increasing prices in mainstream residential sector.

**References: Media Reports, Press releases, \*for Q2 2017 in Knight Frank's Frank Global House Index, JLL India, Knight Frank Ind**

#### Market Size

The Indian real estate market is expected to touch US\$ 180 billion by 2020. The housing sector alone contributes 5-6 per cent to the country's Gross Domestic Product (GDP).



In the period FY2008-2020, the market size of this sector is expected to increase at a Compound Annual Growth Rate (CAGR) of 11.2 per cent. Retail, hospitality and commercial real estate are also growing significantly, providing the much-needed infrastructure for India's growing needs.

A total of 2,17,900 new houses in six Indian states were sanctioned by the Ministry of Housing and Urban Affairs, Government of India under the Pradhan Mantri Awas Yojana (Urban) (PMAY) to push affordable housing in the urban areas of the country.

The private equity investments in real estate increased 26 per cent to a nine-year high of nearly Rs 40,000 crore (US\$ 6.01 billion) in 2016.

Sectors such as IT and ITeS, retail, consulting and e-commerce have registered high demand for office space in recent times. The office space absorption in 2016 across the top eight cities amounted to 34 million square feet (msf) with Bengaluru recording the highest net absorption during the year. Information Technology and Business Process Management sector led the total leasing table with 52 per cent of total space uptake in 2016. Mumbai is the best city in India for commercial real estate investment, with returns of 12-19 per cent likely in the next five years, followed by Bengaluru and Delhi-National Capital Region (NCR).

## Investments

The Indian real estate sector has witnessed high growth in recent times with the rise in demand for office as well as residential spaces. The real estate sector in India is expected to attract investments worth US\$ 7 billion in 2017, which will rise further to US\$ 10 billion by 2020. India has been ranked fourth in developing Asia for FDI inflows as per the World Investment Report 2016 by the United Nations Conference for Trade and Development. According to data released by Department of Industrial Policy and Promotion (DIPP), the construction development sector in India has received Foreign Direct Investment (FDI) equity inflows to the tune of US\$ 24.54 billion in the period April 2000-June 2017.

Some of the major investments in this sector are as follows:

- Private equity (PE) investments in the Indian real estate sector are estimated to cross US\$ 4 billion in 2017, supported by Government of India's regulatory reforms over the past two years.
- Fundraising and investments in India's office space sector, which have already reached more than US\$ 2 billion in 2017, are poised to rise higher with further foreign investment of US\$ 1.4 billion expected, as local developers and foreign investors expand their portfolios through fresh investments, acquisitions or launch of Real Estate Investment Trusts (REITs) to build and acquire office assets.
- South Korea's Mirae Asset group is planning to expand its Indian operations and enter the real estate sector in the country and will invest US\$ 500 million in commercial leased properties.
- A Rs 400 crore (US\$ 62.39 million) investment platform is being set up by private equity firm ASK Property Investment Advisors and Emerald Haven Realty, which will focus on property markets in Chennai and Bengaluru.
- The realty sector of India received investments of over Rs 16,000 crore (US\$ 2.51 billion) as both debt and equity in the first half of 2017 and 56 per cent of these investments were in residential projects.
- Piramal Realty, the real estate arm of Piramal Enterprises Ltd, has decided to invest Rs 2,400 crore (US\$ 376.71 million) in a 16-acre corporate park project in Kurla, Mumbai, its first ever commercial project.
- Indian real estate developer, BPTP has raised funds around Rs 190 crore (US\$ 29.5 million) from L&T Finance Holdings Ltd, which will be used to finance the construction of its two residential projects in Faridabad, Haryana.
- International Finance Corporation (IFC) will invest US\$ 200 million in Housing Development Finance Corporation Ltd (HDFC) via five-year non-convertible debentures (NCDs) or masala bonds which will be used by HDFC to provide loans for affordable housing projects across India.
- Godrej Properties Ltd has tied up with Taj Palaces Resorts Safaris for developing its mixed-use project called 'The Trees', spread across 9.2 acres, that will include a 150-room Taj Hotel, a luxury residential property called 'Godrej Origins' as well as a high-street retail court.

- Motilal Oswal Real Estate, a real estate-focused investment subsidiary of Motilal Oswal Private Equity Advisors Pvt Ltd, is planning to invest Rs 800 crore (US\$ 124 million) in FY 2017-18 in mid-income residential projects as well as commercial office projects.
- Xander, a Private Equity Group, has signed two major property deals, which includes a special economic zone worth Rs 2,290 crore (US\$ 354.95 million) in Chennai and a 2 million sq ft mall in Chandigarh for Rs 700 crore (US\$ 108.5 million).
- Canada Pension Plan Investment Board (CPPIB), the Canadian pension asset manager, has entered into a non-binding agreement with Island Star Mall Developers (ISML), a subsidiary of Phoenix Mills, to acquire up to 49 per cent in ISML in the next three years.
- Altico Capital, a non-banking finance company (NBFC), has teamed up with American private equity firm KKR & Co LP to invest Rs 435 crore (US\$ 65.25 million) in a 66-acre residential township, being developed by SARE Homes in Gurgaon.
- Gurgaon-based property search aggregator Square Yards Consulting Pvt Ltd has raised US\$ 12 million from the private equity arm of Reliance Group for strengthening its team and expanding its presence to more than 25 countries.
- Rising Straits Capital plans to raise US\$ 100 million to capitalise its real estate-focused non-banking financial company (NBFC), Rising Straits Finance Co. Pvt. Ltd.
- A joint venture between Dutch asset manager APG Asset Management and real estate asset platform Virtuous Retail, has acquired a portfolio of three shopping malls for US\$ 300 million, and has committed an additional US\$ 150 million as equity capital to expand the portfolio.
- Macquarie Infrastructure and Real Assets (MIRA) and Tata Housing Development Co. Ltd have entered into a 70:30 partnership to invest Rs 1,400 crore (US\$ 210 million) and Rs 600 crore (US\$ 90 million) respectively in high-end residential property projects, starting with four major cities of Mumbai, NCR, Bengaluru and Pune.
- Qatar Holdings LLC, a subsidiary of Qatar Investment Authority, has committed to invest US\$ 250 million in the affordable housing fund of Arthveda Fund Management Pvt Ltd.
- Piramal Realty, the real estate division of Piramal Group, plans to invest Rs 1,800 crore (US\$ 270.14 million) in an eight acre project named Piramal Revanta in Mulund, Mumbai.
- Ivanhoe Cambridge, the real estate arm of Canada's second largest pension fund manager Caisse de dépôt et placement du Québec (CDPQ), plans to enter into a Joint Venture (JV) agreement with Piramal Fund Management to set up a US\$ 250 million venture, which will provide equity capital to developers of residential projects in the country.

## Government Initiatives

The Government of India along with the governments of the respective states has taken several initiatives to encourage the development in the sector. The Smart City Project, where there is a plan to build 100 smart cities, is a prime opportunity for the real estate companies. Below are some of the other major Government Initiatives:

- A new public private partnerships (PPP) policy with eight PPP options has been unveiled by the Ministry of Housing and Urban Affairs, Government of India, to push for investments in the affordable housing segment.
- The Delhi Government has declared 89 out of 95 villages in Delhi as urban areas which will ease the operationalising of the land pooling policy, thereby giving a boost to affordable housing in Delhi.
- The Reserve Bank of India (RBI) has proposed to allow banks to invest in real estate investment trusts (REITs) and infrastructure investment trusts (InvITs) which is expected to benefit both real estate and banking sector in diversifying investor base and investment avenues respectively.
- The Ministry of Housing and Urban Poverty Alleviation has sanctioned the construction of 84,460 more affordable houses for urban poor in five states, namely West Bengal, Jharkhand, Punjab, Kerala and Manipur under the Pradhan Mantri Awas Yojana (Urban) scheme with a total investment of Rs 3,073 crore (US\$ 460 million).

## Road Ahead

The Securities and Exchange Board of India (SEBI) has given its approval for the Real Estate Investment Trust (REIT) platform which will help in allowing all kinds of investors to invest in the Indian real estate market. It would create an opportunity worth Rs 1.25 trillion (US\$ ) in the Indian market over the years. Responding to an increasingly well-informed consumer base and, bearing in mind the aspect of globalisation, Indian real estate developers have shifted gears and accepted fresh challenges. The most marked change has been the shift from family owned businesses to that of professionally managed ones. Real estate developers, in meeting the growing need for managing multiple projects across cities, are also investing in centralised processes to source material and organise manpower and hiring qualified professionals in areas like project management, architecture and engineering.

The growing flow of FDI into Indian real estate is encouraging increased transparency. Developers, in order to attract funding, have revamped their accounting and management systems to meet due diligence standards.

Exchange Rate Used: INR 1 = US\$ 0.015 as on October 10, 2017

**Source:** <https://www.ibef.org/industry/real-estate-india.aspx>

## FDI POLICY

100% investment permitted in Construction-development projects (which would include development of townships, construction of residential/ commercial premises, roads or bridges, hotels, resorts, hospitals, educational institutions, recreational facilities, city and regional level infrastructure, townships) with the following conditions:

- (a) Each phase of the construction development project would be considered as a separate project.
- (b) The investor will be permitted to exit on completion of the project or after development of trunk infrastructure i.e. roads, water supply, street lighting, drainage and sewerage.
- (c) Notwithstanding anything contained at (b) above, a person resident outside India will be permitted to exit and repatriate foreign investment before the completion of project under automatic route, provided that a lock-in-period of three years, calculated with reference to each tranche of foreign investment has been completed. Further, transfer of stake from a person resident outside India to another person resident outside India, without repatriation of foreign investment will neither be subject to any lock-in period nor to any government approval.
- (d) The project shall conform to the norms and standards, including land use requirements and provision of community amenities and common facilities, as laid down in the applicable building control regulations, bye-laws, rules, and other regulations of the State Government/ Municipal/ Local Body concerned.
- (e) The Indian investee company will be permitted to sell only developed plots. For the purposes of this policy "developed plots" will mean plots where trunk infrastructure i.e. roads, water supply, street lighting, drainage and sewerage, have been made available.
- (f) The Indian investee company shall be responsible for obtaining all necessary approvals, including those of the building/ layout plans, developing internal and peripheral areas and other infrastructure facilities, payment of development, external development and other charges and complying with all other requirements as prescribed under applicable rules/ bye-Laws/ regulations of the State Government/ Municipal/ Local Body concerned.
- (g) The State Government/ Municipal/ Local Body concerned, which approves the building/ development plans, will monitor compliance of the above conditions by the developer.

### Note:

- (1) Foreign investment is not permitted in an entity which is engaged or proposes to engage in real estate business, construction of farm houses and trading in transferable development rights (TDRs).

- (2) Condition of lock-in period will not apply to Hotels and Tourist Resorts, Hospitals, Special Economic Zones (SEZs), Educational Institutions, Old Age Homes and investment by NRIs/ OCIs.
- (3) Completion of the project will be determined as per the local bye-laws/ rules and other regulations of State Governments.
- (4) Foreign investment up to 100 percent under automatic route is permitted in completed projects for operating and managing townships, malls/ shopping complexes and business centres. Consequent to such foreign investment, transfer of ownership and/ or control of the investee company from persons resident in India to persons resident outside India is also permitted. However, there would be a lock-in-period of three years, calculated with reference to each tranche of foreign investment and transfer of immovable property or part thereof is not permitted during this period.
- (5) "Transfer", in relation to this sector, includes,-
  - a. the sale, exchange or relinquishment of the asset; or
  - b. the extinguishment of any rights therein; or
  - c. the compulsory acquisition thereof under any law; or
  - d. any transaction involving the allowing of the possession of any immovable property to be taken or retained in part performance of a contract of the nature referred to in section 53A of the Transfer of Property Act, 1882 (4 of 1882) ; or
  - e. any transaction, by acquiring capital instruments in a company or by way of any agreement or any arrangement or in any other manner whatsoever, which has the effect of transferring, or enabling the enjoyment of, any immovable property.
- (6) Real estate business' means dealing in land and immovable property with a view to earning profit therefrom and does not include development of townships, construction of residential/ commercial premises, roads or bridges, educational institutions, recreational facilities, city and regional level infrastructure, townships;

Explanation:

- a. Investment in units of Real Estate Investment Trusts (REITs) registered and regulated under the Securities and Exchange Board of India (REITs) regulations 2014 shall also be excluded from the definition of "real estate business".
- b. Earning of rent income on lease of the property, not amounting to transfer, will not amount to real estate business.
- c. Transfer in relation to real estate includes,
  - (i) the sale, exchange or relinquishment of the asset; or
  - (ii) the extinguishment of any rights therein; or
  - (iii) the compulsory acquisition thereof under any law; or
  - (iv) any transaction involving the allowing of the possession of any immovable property to be taken or retained in part performance of a contract of the nature referred to in section 53A of the Transfer of Property Act, 1882 (4 of 1882); or
  - (v) any transaction, by acquiring capital instruments in a company or by way of any agreement or any arrangement or in any other manner whatsoever, which has the effect of transferring, or enabling the enjoyment of, any immovable property.

***(Source : Notification No. FEMA 20(R)/ 2017-RB dated November 07, 2017 of the RBI notifying the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017)***

### **Real Estate (Regulation and Development) Act, 2015 (RERA)**

The Real Estate (Regulation and Development) Act, 2016 (RERA) is an Act passed by the Indian Parliament. The RERA seeks to protect the interests of home buyers and also boost investments in the real estate sector. The Rajya Sabha passed the RERA bill on March 10, 2016, followed by the Lok Sabha on March 15, 2016 and it came into force from May 1, 2016. 59 of its 92 sections were notified on May 1, 2016 and the remaining provisions came into force from May 1, 2017. Under the Act, the central and state governments are required to notify their own rules under the Act, six months, on the basis of the model rules framed under the central Act.

## Why RERA?

For long, home buyers have complained that real estate transactions were lopsided and heavily in favour of the developers. RERA and the government's model code, aim to create a more equitable and fair transaction between the seller and the buyer of properties, especially in the primary market. RERA, it is hoped, will make real estate purchase simpler, by bringing in better accountability and transparency, provided that states do not dilute the provisions and the spirit of the central act.

The RERA will give the Indian real estate industry its first regulator. The Real Estate Act makes it mandatory for each state and union territory, to form its own regulator and frame the rules that will govern the functioning of the regulator.

## How will RERA impact home Buyers:

Some of the important compliances are:

- Informing allottees about any minor addition or alteration.
- Consent of 2/3rd allottees about any other addition or alteration.
- No launch or advertisement before registration with RERA
- Consent of 2/3rd allottees for transferring majority rights to 3rd party.
- Sharing information project plan, layout, government approvals, land title status, sub-contractors.
- Increased assertion on the timely completion of projects and delivery to the consumer.
- An increase in the quality of construction due to a defect liability period of five years.
- Formation of RWA within specified time or 3 months after majority of units have been sold.

The most positive aspect of this Act is that it provides a unified legal regime for the purchase of flats; apartments, etc., and seeks to standardise the practice across the country. Below are certain key highlights of the Act:

**Establishment of the regulatory authority:** The absence of a proper regulator (like the Securities Exchange Board of India for the capital markets) in the real estate sector, was long felt. The Act establishes Real Estate Regulatory Authority in each state and union territory. Its functions include protection of the interests of the stakeholders, accumulating data at a designated repository and creating a robust grievance redressal system. To prevent time lags, the authority has been mandated to dispose applications within a maximum period of 60 days; and the same may be extended only if a reason is recorded for the delay. Further, the Real Estate Appellate Authority (REAT) shall be the appropriate forum for appeals.

**Compulsory registration:** According to the central act, every real estate project (where the total area to be developed exceeds 500 sq mtrs or more than 8 apartments is proposed to be developed in any phase), must be registered with its respective state's RERA. Existing projects where the completion certificate (CC) or occupancy certificate (OC) has not been issued, are also required to comply with the registration requirements under the Act. While applying for registration, promoters are required to provide detailed information on the project e.g. land status, details of the promoter, approvals, schedule of completion, etc. Only when registration is completed and other approvals (construction related) are in place, can the project be marketed.

**Reserve account:** One of the primary reasons for delay of projects was that funds collected from one project, would invariably be diverted to fund new, different projects. To prevent such a diversion, promoters are now required to park 70% of all project receivables into a separate reserve account. The proceeds of such account can only be used towards land and construction expenses and will be required to be certified by a professional.

**Continual disclosures by promoters:** After the implementation of the Act, home buyers will be able to monitor the progress of the project on the RERA website since promoters will be required to make periodic submissions to the regulator regarding the progress of the project.

**Title representation:** Promoters are now required to make a positive warranty on his right title and interest on the land, which can be used later against him by the home buyer, should any title defect be discovered. Additionally, they are required to obtain insurance against the title and construction of the projects, proceeds of which shall go to the allottee upon execution of the agreement of sale.

**Standardisation of sale agreement:** The Act prescribes a standard model sale agreement to be entered into between promoters and homebuyers. Typically, promoters insert punitive clauses against home buyers which penalised them for any default while similar defaults by the promoter attracted negligible or no penalty. Such penal clauses could well be a thing of the past and home buyers can look forward to more balanced agreements in the future.

**Penalty:** To ensure that violation of the Act is not taken lightly, stiff monetary penalty (up to 10% of the project cost) and imprisonment has been prescribed against violators.

### Benefits of RERA

Industry	Developer	Buyer	Agents
<ul style="list-style-type: none"> <li>• Governance and transparency</li> <li>• Project efficiency and robust project delivery</li> <li>• Standardization and quality</li> <li>• Enhance confidence of investors</li> <li>• Attract higher investments and PE funding</li> <li>• Regulated Environment</li> </ul>	<ul style="list-style-type: none"> <li>• Common and best practices</li> <li>• Increase efficiency</li> <li>• Consolidation of sector</li> <li>• Corporate branding</li> <li>• Higher investment</li> <li>• Increase in organised funding</li> </ul>	<ul style="list-style-type: none"> <li>• Significant buyers protection</li> <li>• Quality products and timely delivery</li> <li>• Balanced agreements and treatment</li> <li>• Transparency – sale based on carpet area</li> <li>• Safety of money and transparency on utilisation</li> </ul>	<ul style="list-style-type: none"> <li>• Consolidation of sector (due to mandatory state registration)</li> <li>• Increased transparency</li> <li>• Increased efficiency</li> <li>• Minimum litigation by adopting best practices</li> </ul>

(Source: [housing.com/news/rera-will-impact-real-estate-industry](http://housing.com/news/rera-will-impact-real-estate-industry))

### Real Estate Investment Trust (REIT)

REIT or Real Estate Investment Trust refers to an entity created with the sole purpose of channelling investible funds into operating, owning or financing income-producing real estate. REITs are modelled on the lines of mutual funds and provide investors with an extremely liquid way to get a stake in real estate. It is a type of security that provides all types of investors, big or small, an outlet for regular income, portfolio diversification, and long-term capital appreciation. Like any other security, REITs can enlist themselves on a stock exchange.

In India, the Real Estate Investment Trusts were introduced by the Securities and Exchange Board of India (SEBI) in 2007. The securities watchdog only released draft regulations which due to certain limitations were later on rejected. In September, 2013, SEBI came out with revised regulations for REITs, which were approved on September 26, 2014.

REITs have many advantages for interested investors. It provides a regular income stream along with reduced portfolio volatility and dividends and wealth accumulation. As a result of it being a listed entity, it is bought and sold with ease providing great liquidity. It is a natural hedge against inflation as returns have been seen to consistently outpace Consumer Price Inflation.

There are primarily two types of REITs - equity and mortgage. Real Estate Investment Trusts are extremely beneficial for the development of an economy as they allow dormant investable funds to be channelled into infrastructure projects such as apartment complexes, hospitals, schools and the likes.

### FUTURE PROSPECTS FOR THE REAL ESTATE INDUSTRY

The various steps taken by the Centre including the introduction of Real Estate Regulation Act (RERA) and the Goods and Services Tax (GST) along with Real Estate Investment Trusts (REITs) will help improve transparency in the long run and thus increase investor confidence in the real estate sector, *Anshuman*



**Magazine**, Chairman, India and South East Asia, CBRE, said in an interview. While 2017 would be the year of consolidation, the sector's growth prospects for 2018 would be 'brighter than ever' as the impact of the regulations would unfold throughout this year. Edited excerpts:

Recent government initiatives including RERA, GST and demonetisation have all been positive steps towards increasing transparency and boosting consumer confidence in the real estate market. With the overall market moving towards ease of doing business, we can expect potential investors to relook at the market for investment opportunities. We believe that the long term market dynamics for the sector will remain positive, especially in the residential market. With RERA being implemented, developers are likely to focus on timely delivery of ongoing projects and also remain increasingly flexible on pricing and payment structures. This will help increase activity. The government has increased allocation under the Pradhan Mantri Awas Yojana scheme. This will not only encourage home buyers to invest but also encourage participation from private players to launch projects in this segment.

2017 is expected to be a year of consolidation — with the results of all policy initiatives taken in 2016 beginning to take shape. Most of the steps are aimed at improving transparency and improving overall investor sentiment. The passage of the Real Estate Regulation Act was the most significant reform that the real estate sector has seen in the recent times. Once implemented in the right spirit, it will not only help regulate the sector and promote transparency, but could also facilitate greater volumes of domestic as well as overseas investment flows. The confidence of home buyers is also likely to revive.

The government has taken yet another step to improve transparency and accountability in the sector with amendments to the Benami Transactions Act 1988; with the new act coming into force from November 1, 2016. As the impact of these regulations unfolds in 2017, the sector's future growth prospects in 2018 look brighter than ever.

Post RERA, we expect the real estate market to be much more transparent and investor friendly. RERA has been created to ensure accountability towards the buyer and developers, protect consumer's interests, ensure fair play and reduce frauds and delays. Another objective of the act is to instil transparency in the sector which is needed for the overall improvement in investor confidence and to encourage greater institutional capital inflows into the sector. The bill is likely to add to buyer confidence as they are expected to feel more in control/aware of any changes in their project. With RERA being implemented across the states, developers are likely to focus on the timely delivery of their ongoing projects and also remain increasingly flexible on pricing and payment structures.

Consolidation is also on the cards as smaller developers are expected to enter into collaborations and joint developments with prominent players. Project delays, changes in project layout/plans without the consent of the owners are expected to stop. Mandatory online submission of requisite documents is likely to streamline the approval process. Complete information disclosure will be another benefit as developers will have to disclose project information such as details of the promoter, plan of development work, land status, status of statutory approvals, names and addresses of real estate agents, contractors, architects, and structural engineers, among other details.

The country witnessed what was expected — a short-term shock; however, the economy is already on its way to absorb the impact of the move. Consumption/sales across sectors that had seen a relative dip in the immediate months post demonetisation, are already picking up at an expected pace, mainly due to the smooth remonetisation process adopted by the government. The real estate industry was already moving towards increased transparency and governance, with demonetisation being another step in the same direction. Several steps taken by the government combined with this announcement, will further improve transparency and increase investor confidence in the real estate market in the long run. The outlook is positive for 2017; residential supply jumped by 70% q-o-q in Q1 2017. Compared to only 18,000 units launched in Q4 2016, we have seen more than 30,000 units launched in Q1. Housing sales jumped by 80% q-o-q in Q1 2017. Compared to only 14,000 units sold in Q4 2016, we have seen more than 23,000 units sold in Q1.

While it is too early to gauge the overall impact that these incentives will have on the market, there is no doubt that in the long term, the affordable housing segment is expected to see positive traction. With private developers incentivised to enter into this segment, we can expect renewed activity in the affordable housing segment and fresh supply to start entering the market soon.



Residential prices will remain mostly stable over the coming few months. Over the past couple of months, there hasn't been a significant dip in prices as far as the primary market is concerned, as was being expected; however, there has been some rationalisation in the secondary market. However, sales and new launches have improved in Q1, vis-a-vis Q4 '16, and there is an overall recovery in sight.

*(Source:<http://www.thehindu.com/business/Industry/prospects-for-2018-brighter-than-ever/article18595320.ece>)*

## BUSINESS OVERVIEW

Our Company was originally incorporated as “Sumit Woods Private Limited” at Goa on January 09, 1997 under the provisions of the Companies Act, 1956 vide Certificate of Incorporation issued by the Registrar of Companies, Goa, Daman and Diu at Panaji, Goa. The Registered Office of the Company was thereafter shifted to Mumbai with effect from March 24, 2005. Subsequently, our Company was converted into a public limited company under the Companies Act and the name of our Company was changed to ‘Sumit Woods Limited’ pursuant to fresh certificate of incorporation consequent upon change of name on conversion to public limited company dated February 06, 2018 issued by the Registrar of Companies, Maharashtra, Mumbai.

We started our business under a partnership firm namely, “M/s Sumit Constructions” to carry on the business of civil contractors and executed projects for Modern Bread, Railway Officers and Government Holiday Homes. Due to expansion and growth of construction activities in the market, in 1997, Mr. Mitaram Jangid and Mr. Subodh Nemlekar incorporated our company (Original Promoters) with the object of acquiring land, carrying out construction work, developing and organizing of immovable properties etc. The first project was Kandivali Mitnayan Co-Op Housing Society with a built up area of 26000 Sq. ft. which was completed in the year 2004. Our Company has thereafter completed 19 projects till date. For the details of the first project and other completed projects, please refer the “Completed projects” herein after starting on Page 92 of this Red Herring Prospectus. During the period 2012-17, our main business activities were redevelopment of Old Buildings, (CESS Building Redevelopment / MHADA Redevelopment), and residential projects in Mumbai and in the State of Goa.

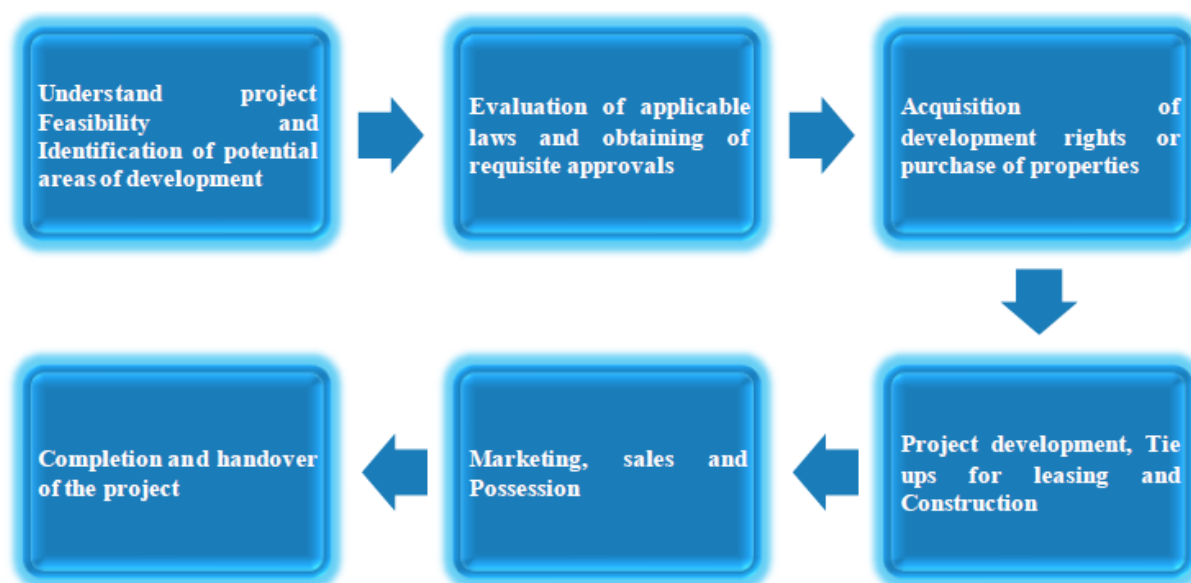
We are also a patron member of M C H I, CREDAI Mumbai. We are engaged in the construction and development activity for the past 31 years and have constructed many residential and commercial projects in Mumbai, Thane and Goa. We have handed over along with other project specific SPVs collectively more than 4,500 units across 2.86 million square feet totaling to 50 projects.

### Completed Projects

For details regarding the ongoing projects and the projects completed by us, please refer to the details provided in this Chapter.

### Business Process

The following chart will illustrate the business process:



## **1) Understand project feasibility and Identification of potential areas of development**

One of the key factors in real estate development is the ability to assess the potential of a location after evaluating relevant demographic trends and economic parameters. The company relies on the experience and the ability of the management to evaluate potential locations. The company uses the experience to evaluate locations where it can gain an early mover advantage. The process of land identification begins with the selection of an appropriate site that has growth potential. This is done by the projects research team of the company, which gathers market data on possible prospects for development. The views of local real estate marketing professionals are also considered. Following these steps, a survey is conducted at the proposed site and a preliminary feasibility report is prepared. The report is based on an analysis of certain criteria, including, among other things: (a) the standard of living and disposable income of the local population, (b) relevant growth prospects in terms of trade and industry and (c) the financial viability of the project. The next step, after area identification, involves identifying the type of project to be undertaken and deciding the scale of the project. Typically, decisions at this stage involve examining the viability of townships, commercial complexes or residential buildings on the identified project site. Final decisions on the location, nature, financial feasibility and scale of each project are made by the senior management of the company.

## **2) Evaluation of applicable laws and obtaining of requisite approvals**

When assessing the feasibility of a new project, it is imperative to become familiar with the legal regime governing the land on which the new project will be developed, since legal regimes vary from state to state. Company evaluates the factors that affect the obtaining of approvals required for the implementation of the project. The approvals generally required for a real estate development project include approval of the building plans, approval of layouts, approvals related to certain infrastructure facilities such as power and water and land-use approvals such as, in some instances, for the conversion of agricultural lands to nonagricultural lands. Similarly, approvals from the fire authorities are often required for projects that involve the construction of high-rise buildings. Building completion certificates are obtained from the appropriate authorities after the projects have been completed in accordance with applicable law. For details of the legal requirements applicable to the company, see the section titled “Key Regulations and Policies” on page 101 of this Red Herring Prospectus.

## **3) Acquisition of development rights or purchase of properties**

Generally, the company either acquires the development rights for properties or buys the properties outright. Generally, land is outright purchased from private parties. In instances where company plans to develop properties through a joint venture or similar arrangement, it may acquire the development rights through the joint venture or in collaboration with the joint venture partners. On occasion, company acquires the right to develop properties through collaboration with other entities that hold title to the land. The titleholder is typically given the option, as consideration for granting the development rights, to share in a portion of the sale proceeds. When the land is purchased directly from the titleholders, company executes the conveyance deeds in respect of such properties in order to acquire clear title to the property. It also enters into arrangements with third parties who procure land and make arrangements with titleholders to purchase their land in targeted locations. Under these arrangements, in addition to the purchase price, third parties are paid certain predetermined fee for their services. In the case of joint ventures, development rights are initially acquired in various ways but are ultimately held by the relevant joint venture, and as a result company holds a joint venture interest in such rights. Title may be held similarly, or may be held by a particular joint venture who participates in the joint venture by providing the land.

## **4) Project development, Tie ups for leasing and Construction**

The design and planning of the project is completed by either the in-house planning department of the company or reputable external architects and structural consultants engaged by the company. The majority of external architects and structural consultants are engaged for a specific project and are drawn from a pool of architects and consultants with whom the company had previous experience. The planning department or the external architect or consultant provides the structural design of the project; however, estimates of the requirements for manpower, materials and machinery are always provided by the in-house planning of the company. Engaged external architects or consultants may continue to advise the company during the course of the project. Once the

design and estimates for the project have been finalized, a project team will be set up under the supervision of a site engineer, who serves as the central coordinator for the project and who reports to the senior management of the Company. The purchase of materials is centralized and is based on estimates given by the planning division or the external architect, as the case may be. For construction and for the supply of labour and materials, service/supply orders are made with various service providers and suppliers. Company negotiates orders on an individual basis and do not have any tender or bidding process. Great efforts are made to ensure that raw materials and other goods and services sourced from third-party vendors are delivered and paid for in a timely manner.

## 5) Marketing, sales and Possession

Sales and distribution efforts are conducted through two main channels: direct sales through the sales executives of the company and indirect sales through a broker network. Sales efforts begin as soon as possible after the company has entered into an agreement to acquire land. For residential projects, company typically build, furnish and landscape model units and maintain on-site sales offices. Company constructs an on-site sales office before construction of the model unit is completed. The sales center is later moved to one of the model units. In line with industry practice in India, company benefits from a large network of real estate agents and other developers and builders. Real estate agents, commissions are determined based on location, stage of the project and target customers. Company engages in a number of promotional activities for its projects. The pricing of the projects is decided by a committee consisting of the Executive Chairman, Managing Director, and Executive Directors of the company. The pricing of a project is arrived at after considering the prevailing market, the competitive landscape and the nature of the project.

## 6) Completion and handover of the project

Once construction has been completed, company conveys the relevant interests in the property to residential buyers or, in the case of commercial / retail properties, licensees and investors. It is ensured that the entire consideration is paid at the time of the transfer of interest. When license is provided to commercial licensees, an interest-free security deposit equal to 3-6 months of license fees is received and monthly license fee is charged that is paid at the beginning of the month.

## OUR COMPETITIVE STRENGTHS

- 1) **Experienced Promoters and a well-trained employee base:** Our promoters Mr. Mitaram Jangid and Mr. Subodh Nemlekar are experienced in our line of business. They are ably supported by our other directors and employees, which combine expertise and experience to outline plans for the future development of the company. Since the commencement of our operations, we have witnessed consistent and stable growth. Our Promoters have significant industry experience and has been instrumental in the consistent growth of our company. We believe that the knowledge and experience of our promoter and management will enables us to identify new opportunities, rapidly respond to market conditions, adapt to changes in the business landscape and competitive environment and enhances the growth in the business.
- 2) **Established Brand Name and Projects in Prime Locations of the City:** We have over the years, established ourselves as a reliable brand in Mumbai and Goa and we have projects at prime locations in the city and have built Clients' trust for our quality, consistency and continuous performance. We develop residential and commercial projects and we have completed 20 Projects and are currently constructing 3 projects in Mumbai and Goa.
- 3) **Financial resources :** The Net Worth of our Company as on March 31, 2018 on a standalone basis is ₹4,630.46 Lakhs and on a consolidated basis is ₹4,950.24Lakhs and our post issue net worth will be approximately ₹[•] Lakhs, which will allow our Company to undertake higher value projects. Our net profit for the year ended March 31, 2018 on standalone basis is ₹573.19 Lakhs and on a consolidated basis is ₹774.53 Lakhs, We strive to maintain a conservative debt ratio. We believe that we have the ability to leverage our balance sheet to take advantage of a favourable business cycle or market opportunity. We believe that our financial strength and strong project pipeline make us well positioned for changes in market conditions.

- 4) **Planning out the project and analyzing it from multi dimensions by experts reduce the chances of failure:** We have a dedicated team of professionals for efficient management of projects. Experienced and qualified, competent associates like Interior Designers, Environmental consultants, Planning consultants, Architects and Structural Engineers forming a part of the team for all projects helps us to plan and analyze our projects from different perspective and chooses the most viable option which will be beneficial for the company. Hence Planning out the project and analyzing it from multi dimensions by experts reduce the chances of failure

## **BUSINESS STRATEGY**

### **5) Providing Affordable Housing:**

Our Company is intending to focus on providing affordable Housing to the middle class segment and upper middle income segments in the cities and we will continue to price such units at levels which we believe are competitive and appropriate.

### **6) Expansion of Business**

We intend to focus on entering into Joint Venture Agreements with other companies and also expand our business in Goa for the development of residential property across different price points. We also intend to expand geographically across India in the future.

### **7) Flexibility in mode of project acquisition**

Our business model allows us to source projects across various modes such as open land acquisition, society redevelopment, MHADA redevelopment and slum rehabilitation. This flexibility helps us source consistently and at prices where we believe we can add value to our business. We intend to continue to adopt flexibility in modes of project acquisition.

With strong project execution capabilities and Brand recall value we have now started taking projects under Development Management Model, wherein we develop the project under our Brand with zero investments in the said project.

### **8) Awards and Recognitions**

We have participated in the MCHI Exhibition regularly since 2010. Our company has been awarded the ABCI Silver Publication Award in 2015 and ABCI Bronze External Magazine Award in 2016. Our project Sumit Lata has been awarded the ABCI Silver award for Brochure Design. Our Project at Goa has been awarded the Iconic Planned Project Award by Mid-Day in the year 2017. In the year 2017, Sumit Group of Companies has been awarded the Developer of the year in the residential category by DNA.

## **SWOT**

### **Strengths**

- Transparency in all our processes and services
- Delivering economic homes for segment of middle income group
- Project completion with full Occupation Certificate
- A customer centric business approach

### **Weaknesses**

- Project Management skill constantly being improved
- Project funding hampered due to volatile market

- Few technical processes to be stream lined
- Adaptability to Modus Operations

### Opportunities

- Continuous real estate boom will create more construction opportunities
- Booming Infrastructure Sector

### Threats

- Volatile Markets
- Depletion of raw materials and natural resources especially steel, sand and water
- No cash flow of liquid money in market
- Finances available at Higher interest rates

### Competition

The real estate market is highly competitive and fragmented, and we face competition from various domestic real estate developers. Some of our competitors have greater financial, marketing, sales and other resources than we do. Moreover, as we seek to diversify into new geographical areas, we face competition from competitors that have a pan-India presence and also from competitors that have a strong presence in regional markets. Competitive overbuilding in certain markets may have a material adverse effect on our operations in that market.

### Export possibility and obligation

Our Company doesn't have any export obligation as we are not exporting any material.

### Health, Safety and Environment

We are committed to complying with applicable health, safety and environmental regulations and other requirements in our operations. To help ensure effective implementation of our safety policies and practices, at the beginning of every property development, we identify potential material hazards, evaluate material risks and institute, implement and monitor appropriate risk mitigation measures.

### *Details of the Project Completed by Sumit Woods Limited:*

Sr. No.	Name of the Project	Location	Type of Project	Year of Commencement	Year of Completion	BUA (In Sq. ft)
1)	Kandivali Mitnayan Co-op. Hsg. Soc. Ltd.	Kandivali (W), Mumbai	Residential	2003	2004	26,000
2)	Mitasu Apartment	Borivali (E), Mumbai	Residential	2003	2004	17,000
3)	Sumit Hill Clave-Goa	Ponda, Goa	Residential	2004	2005	35,000
4)	Mitasu Manor-Goa	Ponda, Goa	Residential	2004	2005	30,000
5)	Charkop Sun-N-Shell Co-op. Hsg. Soc. Ltd.	Kandivali (W), Mumbai	MHADA	2003	2005	44,000
6)	Mitasu Enclave	Borivali (W), Mumbai	Residential	2005	2007	15,000
7)	Gorai Sumit Co-op. Hsg. Soc. Ltd.	Borivali (W), Mumbai	MHADA	2005	2007	15,700
8)	Mitasu Marvel-Goa	Ponda, Goa	Residential	2005	2007	30,000
9)	Sumit Abode-I	Matunga (W), Mumbai	Residential	2009	2010	10,000
10)	Sumit Classic-Goa	Ponda, Goa	Residential	2007	2008	45,000

Sr. No.	Name of the Project	Location	Type of Project	Year of Commencement	Year of Completion	BUA (In Sq. ft)
11)	Sumit Shivam Shopping Centre	Ponda, Goa	Residential	2007	2008	15,000
12)	Casa Mitasu	Ponda, Goa	Residential	2009	2010	40,000
13)	Sumit Pramukh Enclave	Malad (E), Mumbai	SRA Redevelopment Project	2009	2012	67,200
14)	Mitasu Mansion	Ponda, Goa	Residential	2010	2012	42,000
15)	Sumit Garden	Ponda, Goa	Residential	2010	2012	22,526
16)	Sumit Bells - Plot B	Goa	Residential	2012	2016	17,500
17)	Sumit Mount – 1 & 2	Goa	Residential	2012	2016	29,900
18)	Sun Sumit Enclave	Borivali (W), Mumbai	Residential	2013	2016	33,900
19)	Gorai Mitasu	Borivali (W), Mumbai	MHADA Project	2007	2017	40,000
20)	Sumit Samarth Arcade – Wing B,C,D,E,F	Goregaon (W), Mumbai	Commercial and Residential	March 2013	July 2015	77,000
21)	Sumit Mount – Building 3	Goa	Residential	March 2014	March 2018	27,125
	<b>TOTAL</b>					<b>679,851</b>

***Ongoing Projects of Sumit Woods Limited:***

Sr. No	Name of the Project	Location	Type of Project	Year of Commencement	BUA Area (in Sq. Ft)
1)	Sumit Bells - Plot C	Goa	Residential	September 2017	33,907
2)	Sumit Samarth Arcade- Wing A	Goregaon (W), Mumbai	Commercial and Residential	March 2013	22,000
3)	Sudamapuri	Borivali (W), Mumbai	Residential	Yet to Start	25,500
4)	Daag Plot	Goa	Residential + Commercial	Yet to Start	49,740
	<b>TOTAL</b>				<b>1,31,147</b>

***Details of Project Completed by Joint Ventures:***

Sr. No.	Name of the Project	Name of JV	Location	Type of Project	Year of Commencement	Estimated Year of Completion	Saleable Area (in Sq. Ft.)	Capital Contribution	Profit Sharing
1)	Sumit Abode-II	Sumit Pragati Ventures LLP	Matunga, Mumbai	Residential	2013	2016	24,000	372.24	50%
2)	Sumit Hendre Residency	Milestone Constructions & Developers	Byculla (W), Mumbai	Residential	2015	2017	42,000	29.43	50%



		LLP							
3)	Sumit Artista	Sumit Realty Private Limited	Santa cruz (E), Mumbai	Residential	2014	2017	99,261	1.75	35%
4)	Sumit Greendale (B2)	Sumit Pragati Shelters LLP	Virar (W), Dist. Thane	Residential	2013	2017	5,41,000	272.91	35%
	<b>Total</b>						<b>7,06,261</b>		

**Details of Ongoing Project by Joint Ventures:**

Sr. No.	Name of the Project	Name of JV	Location	Type of Project	Year of Commencement	Saleable Area (in Sq. Ft)	Capital Contribution	Profit Sharing
1)	Sumit Garden Grove	Sumit Garden Grove Construction LLP	Borivali (W), Mumbai	Residential	Jun-14	1,20,000	161.79	12.50%
2)	Sumit Lata	Sumit Snehashish Venture	Sion, Mumbai	Residential	Jul-15	30,000	385.12	50%
3)	Sumit Province	Sumit Kundil Joint Venture	Goa	Residential	Sep-15	80,000	-8.96	50%
4)	Sumit Greendale (Phase II)	Sumit Pragati Shelters LLP	Virar (W) Dist. Thane	Residential	Aug-13	3,50,000	272.91	35%
5)	Span Trident-Tower C	Sumit Star Land Developers LLP	Bhayander (W), Dist. Thane	Residential	Oct-13	87,237	494.98	25%
6)	Sai Prasad	Sumit Snehashish Joint Venture	Vile Parle, Mumbai	Residential	Mar-16	14,000	113.67	50%
	<b>Total</b>					<b>7,66,237</b>		

**Human Resources**

As on the date of this Red Herring Prospectus, we have 33 employees excluding the Directors. Our employees are a mix of highly skilled, semi-skilled personnel which gives us both stability and growth. The department wise break up of employees is as under:

Department	No. of Employees
Design and Development	4
HR & Admin	10
Purchase	1
Accounts	5
Legal	2
Liasoning	1
Sales	3
Site Executive Department	7
<b>Total</b>	<b>33</b>

#### Land and Property Owned by our Company

Sr. No	Kind of Property	Address	Size	Vendor Details	Date of Purchase	Title
1)	Commercial Property (Registered Office)	B-Wing, Office No-1101, Opp. Reliance Office, Express Zone, W.E.Highway, Malad-East Mumbai - 400097	649.71 Sq. mtrs. Carpet Area	Sumit Woods Private Limited	28/02/2013	Agreement For Sale of Apartment
2)	Branch Office	S-102, Sumit Classic, Opp. Ponda Municipal Council, Ponda, Goa-403401	130.00 sq. Mtr. Super Built Up Area	Sumit Woods Private Limited	18/10/2007	Agreement For Sale of Apartment
3)	Residential Property	Flat No. 505, Mitasu Mansion, Shanti Nagar, Ponda, Goa	106 sq. mtrs.	Sumit Woods Private Limited	Flat unsold is in possession of Sumit Woods Private Limited	(Shown in Balance Sheet as Stock)
4)	Land (Sumit Bells-Plot A)	Survey No. 269/5 of Village Nuvem, District & Taluka Salcete, District of South Goa, Goa	3050 sq. mtrs	Sumit Woods Private Limited	07/03/2011	Deed of Sale (Shown in Balance Sheet as Inventory)
5)	Land (Sumit Bells-Plot C)	268/3-B of Village Nuvem, Taluka Salcete, District of South Goa, Goa	3740 sq. mtrs.	Sumit Woods Private Limited	03/05/2012	Deed of Sale (Shown in Balance Sheet as Inventory)
6)	Plot – (Saivan)	Survey No. 109, Village Saivan, Taluka – Vasai Maharashtra	13510 sq. mtrs.	Sumit Woods Private Limited	25/07/2008	Registered Deed of Conveyance (Shown in Balance Sheet as Inventory)
7)	Bora Properties	Plot D-2, Survey No. 16/1-B, forming part of property known as Baingunim at Bainguinim, Village	3502 sq. mtrs.	Sumit Woods Private Limited	18.12.2010	Registered Deed of Sale ((Shown in Balance Sheet as

Sr. No	Kind of Property	Address	Size	Vendor Details	Date of Purchase	Title
		Panchyat, Old Goa, Taluka-Tiswadi, Sub Dist. Inhas, North Goad, State-Goa				Inventory)
8)	Mitasu Mansion	Plot bearing Survey No. 166/5 of Ponda , known as Bodriachom Bata, Shanti Nagar, Ponda, Goa	1892 sq. mtrs.	Sumit Woods Private Limited	16.11.2007	Registered Deed of Sale (Shown in Balance Sheet as Inventory)

### Capacity and Capacity Utilization

Our Company being in the service industry, installed capacity and capacity utilization is not applicable to us.

### Intellectual Property Rights

Our Company had made an application for registration of trademark as entry No: 3715775 under Class 37 on December 30, 2017. However, the trademark is used by all our Group Companies and for which no fee is being charged by our Company.

### Indebtedness

For details of Indebtedness, please refer the Chapter on “Financial Indebtedness” on Page 200 of this Red Herring Prospectus.

### Insurance

At present, we have a Standard Fire and Perils Policy for our projects at Mumbai and Goa, which provides insurance cover against loss from fire, earthquake and social perils. Our Registered Office is also insured under an Office Umbrella Policy under which the Furniture, Building Material, Cash in the Office and the moveable assets are insured against loss from fire, earthquake and social perils. We have also taken a Vehicle Insurance Policy for our vehicles at the Project site. This we believe is in line with the customary industry practices.

## KEY INDUSTRY REGULATIONS AND POLICIES

*The following description is a summary of the relevant regulations and policies as prescribed by the Government of India, and the respective bye laws framed by the local bodies, and others incorporated under the laws of India. The information detailed in this Chapter has been obtained from the various legislations, including rules and regulations promulgated by the regulatory bodies and the bye laws of the respective local authorities that are available in the public domain. The statements produced 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 and 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. We are subject to a number of Central and State legislations which regulate substantive and procedural aspects of the business. Additionally, the business activities of our Company require sanctions, approval, license, registration etc. from the concerned authorities, under the relevant Central and State legislations and local bye-laws. For details of Government and Other Approvals obtained by the Company in compliance with these regulations, see section titled —Government and Other Approvals beginning on page 226 of the this Red Herring Prospectus. The following is an overview of some of the important laws, policies and regulations which are pertinent to our business as a player in the field of real estate developers for commercial purpose.*

### KEY REGULATIONS IN RELATION TO THE REAL ESTATE SECTOR

#### The Indian Contract Act, 1872

Any commercial activity requires ‘understanding’ among people concerned. This understanding is often reduced into writing to give effect to the intention of the parties. Such formal versions are known as contracts. These contracts define the rights and obligations of various parties to facilitate easy performance of the contractual obligations. The Indian Contract Act, 1872 codifies the legal principles that govern such ‘contracts’. The Act basically identifies the ingredients of a legally enforceable valid contract in addition to dealing with certain special type of contractual relationships like indemnity, guarantee, bailment, pledge, quasi contracts, contingent contracts etc. In India, Indian Contract Act, 1872 governs the Contract and its applicability extends to whole of India except State of Jammu and Kashmir. It came into force on First day of September 1872. Section 2(h) defines —Contract as an agreement enforceable by law; in other words it is a) A Contract is an agreement; an agreement is a promise and a promise is an accepted proposal; b) An Agreement which is legally enforceable alone is a contract. Section 2(e) of the act defines the term ‘Agreement’ as ‘every promise or every set of promises forming consideration for each other’. An Agreement is a promise or a commitment or set of reciprocal promises or commitments. An agreement involves an offer or proposal by one person and acceptance of such offer or proposal by another person. Section 2(b) defines term Promise i.e., —When a person to whom proposal is made signifies his assent thereto, the proposal is said to be accepted. Proposal when accepted becomes a promise. Section 2(d) defines Lawful Consideration as a mean for ‘compensation’ for doing or omitting to do an act or deed. It is also referred to as ‘quid pro quo’ viz ‘something in return for another thing’. Section 2(b) defines Promise as —A Proposal when accepted becomes a promise. In simple words, when an offer is accepted it becomes promise. Section 2(c) defines Promisor and promisee as —When the proposal is accepted, the person making the proposal is called as promisor and the person accepting the proposal is called as promisee. An agreement enforceable by law is a valid contract. In other words it satisfies all the requirements of a valid contract as laid down in section 10. If any of the essential requirements is missing it becomes a void contract.

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

## **Indian Stamp Act, 1899**

Under the Stamp Act, stamp duty is payable on instruments evidencing a transfer or creation or extinguishment of any right, title or interest in immovable property. Stamp duty must be paid on all instruments specified under the Stamp Act at the rates specified in the schedules to the Stamp Act. The applicable rates for stamp duty on instruments chargeable with duty vary from state to state. Instruments chargeable to duty under the Stamp Act, which are not duly stamped, are incapable of being admitted in court as evidence of the transaction contained therein and it also provides for impounding of instruments that are not sufficiently stamped or not stamped at all. However, the instruments which have not been properly stamped can, in certain cases, be validated by paying a penalty of up to 10 times of the proper duty or deficient portion thereof payable on such instruments.

## **The Registration Act, 1908**

The Registration Act has been enacted with the objective of providing public notice of the execution of documents affecting, inter alia, the transfer of interest in immovable property. The purpose of the Registration Act is the conservation of evidence, assurances, title and publication of documents and prevention of fraud. It details the formalities for registering an instrument. Section 17 of the Registration Act identifies documents for which registration is compulsory and includes, among other things, any non-testamentary instrument which purports or operates to create, declare, assign, limit or extinguish, whether in present or in future, any right, title or interest, whether vested or contingent, in any immovable property of the value of one hundred rupees or more, and a lease of immovable property for any term exceeding one year or reserving a yearly rent. A document will not affect the property comprised in it, nor be treated as evidence of any transaction affecting such property (except as evidence of a contract in a suit for specific performance or as evidence of part performance under the TP Act or as collateral), unless it has been registered. Evidence of registration is normally available through an inspection of the relevant land records, which usually contains details of the registered property. Further, registration of a document does not guarantee title of land.

## **The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (“Land Acquisition Act, 2013”)**

The 2013 Land Acquisition Act has replaced the Land Acquisition Act, 1894 and aims at establishing a participative, informed and transparent process for land acquisition for industrialization, development of essential infrastructural facilities and urbanization. While aiming to cause least disturbance to land owners and other affected families, it contains provisions aimed at ensuring just and fair compensation to the affected families whose land has been acquired or is proposed to be acquired. It provides for rehabilitation and resettlement of such affected persons.

## **The Real Estate (Regulation and Development) Act, 2016**

This Act was notified by the Parliament on March 25, 2016 and extends to the whole of India except the State of Jammu and Kashmir. It establishes the Real Estate Regulatory Authority for regulations and promotions of the real estate sector and to ensure sale of plot, apartment or building, as the case may be, or sale of real estate project, in an efficient and transparent manner and to protect the interest of consumers in the real estate sector and to establish an adjudicating mechanism for speedy dispute redressal and also to establish the Appellate Tribunal to hear appeals from the decisions, directions or orders of the Real Estate Regulatory Authority and the adjudicating officer and for matters connected therewith or incidental thereto. The salient features of the Act are as following:

- Under the Act, instead of a regular forum of consumers, the purchasers of real estate units from a developer would have a specialised forum called the —Real Estate Regulatory Authority which will be set up within one year from the date of coming into force of the Act. In the interim, the appropriate Government (i.e., the Central or State Government) shall designate any other regulatory authority or any officer preferably the Secretary of the department dealing with Housing, as the Regulatory Authority.
- The promoter has to register their project (residential as well as commercial) with the Regulatory Authority before booking, selling or offering apartments for sale in such projects. In case a project is to be promoted in

phases, then each phase shall be considered as a standalone project, and the promoter shall obtain registration for each phase.

- Under the Act, developers can sell units only on carpet area, which means the net usable floor area of an apartment. This excludes the area covered by the external walls, areas under services shafts, exclusive balcony or verandah area and exclusive open terrace area, but includes the area covered by the internal partition walls of the apartment.
- The Act mandates that a promoter shall deposit 70% of the amount realised from the allottees, from time to time, in a separate account to be maintained in a scheduled bank. This is intended to cover the cost of construction and the land cost and the amount deposited shall be used only for the concerned project.
- Stringent penal provisions have been prescribed under the Act against the promoter in case of any contravention or non-compliance of the provisions of the Act or the orders, decisions or directions of the Regulatory Authority or the Appellate Tribunal which are the following: a) If promoter does not register its project with the Regulatory Authority – the penalty may be up to 10% of the estimated cost of the project as determined by the Regulatory Authority; b) If promoter does not comply with the aforesaid order of the Regulatory Authority - imprisonment of up to three years and a further penalty of up to 10% of the estimated cost, or both; and c) In case the promoter provides any false information while making an application to the Regulatory Authority or contravenes any other provision of the Act – the penalty may be up to 5% of the estimated cost of the project or construction.

### **The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996**

The central government has enacted the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 (the —BOCWA) as a comprehensive central legislation governing construction workers. The BOCWA aims at regulating the employment and conditions of service of construction workers and to provide for their safety, health and welfare measures and for other related matters. The responsibility of providing for immediate assistance in case of accidents, old age pension, loans for construction of houses, premium for group insurance, financial assistance for education, to meet medical expenses, maternity benefits etc. to beneficiaries vests with the building and other construction workers welfare board. The Central Government has notified the Building and other Construction Workers (Regulation of Service and Conditions of Service) Central Rules, 1998 which deals with the health and safety measures that must be taken in relation to construction workers.

## **STATUTORY LEGISLATIONS**

### **The Companies Act, 1956**

The Act deals with laws relating to companies and certain other associations. It was enacted by the parliament in 1956. The Companies Act primarily regulates the financing, functioning and winding up of companies. The Act prescribes regulatory mechanism regarding all relevant aspects including organizational and financial aspects of companies. In the functioning of the corporate sector, although freedom of companies is important, protection of the investors and shareholders, on whose funds they flourish, is equally important. The Companies Act plays the balancing role between these two competing factors, namely, management autonomy and investor protection. ]

### **The Companies Act, 2013**

The consolidation and amendment in law relating to Companies Act, 1956 made a way to enactment of Companies Act, 2013. The Companies Act, 2013, has been introduced to replace the existing Companies Act, 1956 in a phased manner. The Ministry of Corporate Affairs has vide its notification dated September 12, 2013 has notified 98 Sections of the Companies Act, 2013 and the same are applicable from the date of the aforesaid notification. A further 183 Sections 110 have been notified on March 26, 2014 and have become applicable from April 1, 2014. The Companies (Amendment) Act, 2015 has inter-alia amended various Sections of the Companies Act, 2013 to take effect from May 29, 2015. Further, vide the Companies (Amendment) Act, 2015,

Section 11 of the Companies Act, 2013 has been omitted and Section 76A has been inserted in the Companies Act, 2013. The Ministry of Corporate Affairs, has also issued rules complementary to the Companies Act, 2013 establishing the procedure to be followed by companies in order to comply with the substantive provisions of the Companies Act, 2013. The act deals with incorporation of companies and the procedure for incorporation and post incorporation. The procedure relating to winding up, voluntary winding up, appointment of liquidator also forms part of the act. The provision of this act shall apply to all the companies incorporated either under this act or under any other previous law. It shall also apply to banking companies, companies engaged in generation or supply of electricity and any other company governed by any special act for the time being in force. Further, Schedule V (read with sections 196 and 197), Part I lay down 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 the firm. The provisions relating to remuneration payable to the directors by the companies is provided under Part II of the said schedule.

### **Sexual Harassment at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The Sexual Harassment at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (—SHWPPR Act) provides for protection against sexual harassment at the workplace to women and prevention and redressal of complaints of sexual harassment. The SHWPPR Act defines —Sexual Harassment to include any unwelcome sexually determined behavior (whether directly or by implication). —Workplace under the SHWPPR Act has been defined widely to include government bodies, private and public sector organizations, non-governmental organizations, organizations carrying on commercial, vocational, educational, entertainment, industrial, financial activities, hospitals and nursing homes, educational institutes, sports institutions and stadiums used for training individuals. The SHWPPR Act requires an employer to set up an —Internal Complaints Committee at each office or branch, of an organization employing at least 10 employees. The Government in turn is required to set up a —Local Complaint Committee at the district level to investigate complaints regarding sexual harassment from establishments where our internal complaints committee has not been constituted.

### **Regulation of Foreign Investment in India**

Foreign investment in India is primarily governed by the provisions of the Foreign Exchange Management Act, 1999 (—FEMA) and the rules and regulations promulgated there under. The RBI, in exercise of its powers under FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 (FEMA Regulations) which prohibit, restrict and regulate, transfer or issue of securities to a person resident outside India. Pursuant to the FEMA Regulations, no prior consent or approval is required from the RBI for foreign direct investment under the automatic route within the specified sectoral caps prescribed for various industrial sectors. In respect of all industries not specified under the automatic route, and in respect of investments in excess of the specified sectoral limits provided under the automatic route, approval for such investment may be required from the FIPB and/or the RBI. Further, FIIs may purchase shares and convertible debentures of an Indian company under the portfolio investment scheme through registered brokers on recognized stock exchanges in India. Regulation 1 (4) of Schedule II of the FEMA Regulations provides that the total holding by each FII or SEBI approved sub-account of an FII shall not exceed 10% of the total paid-up equity capital of an Indian company or 10% of the paid-up value of each series of convertible debentures issued by an Indian company and the total holdings of all FIIs and sub accounts of FIIs added together shall not exceed 24% of the paid-up equity capital or paid-up value of each series of convertible debentures. However, this limit of 24% may be increased up to the statutory ceiling as applicable, by the Indian company concerned passing a resolution by its board of directors followed by the passing of a special resolution to the same effect by its shareholders.

## **TAX RELATED LEGISLATIONS**

### **Income Tax Act, 1961**

Income Tax Act, 1961 is applicable to every Domestic / Foreign Company whose income is taxable under the provisions of this Act or Rules made under it depending upon its —Residential Status and —Type of Income involved. U/s 139(1) every Company is required to file its Income tax return for every Previous Year by 30th September of the Assessment Year. Other compliances like those relating to Tax Deduction at Source, Fringe



Benefit Tax, Advance Tax, Minimum Alternative Tax and like are also required to be complied by every Company.

### **Professional Tax**

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of each State is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the incomes of individuals, profits of business or gains in vocations. The professional tax is charged as per the List II of the Constitution. The professional taxes are classified under various tax slabs in India. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such person before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such person and employer has to obtain the registration from the assessing authority in the prescribed manner. Every person liable to pay tax under these Acts (other than a person earning salary or wages, in respect of whom the tax is payable by the employer), shall obtain a certificate of enrolment from the assessing authority.

### **Goods and Service Tax (GST)**

Goods and Services Tax (GST) is levied on supply of goods or services or both jointly by the Central and State Governments. It was introduced as The Constitution (One Hundred and First Amendment) Act 2017 and is governed by the GST Council. GST provides for imposition of tax on the supply of goods or services and will be levied by center on intra-state supply of goods or services and by the States including Union territories with legislature/ Union Territories without legislature respectively. A destination based consumption tax GST would be a dual GST with the center and states simultaneously levying tax with a common base. The GST law is enforced by various acts viz. Central Goods and Services Act, 2017 (CGST), State Goods and Services Tax Act, 2017 (SGST), Union Territory Goods and Services Tax Act, 2017 (UTGST), Integrated Goods and Services Tax Act, 2017 (IGST) and Goods and Services Tax (Compensation to States) Act, 2017 and various rules made thereunder. Tax payers with an aggregate turnover of ₹20 lakhs would be exempted from tax. The exemption threshold for special category of states like North-East shall be ₹10 lakhs. Small taxpayers with an aggregate turnover in preceding financial year up to ₹75 lakhs (50 lakhs in case of special category states) may opt for composition levy. Under GST, goods and services are taxed at the following rates, 0%, 5%, 12% and 18%. There is a special rate of 0.25% on rough precious and semi-precious stones and 3% on gold. In addition a cess of 15% or other rates on top of 28% GST applies on few items like aerated drinks, luxury cars and tobacco products. Export and supplies to SEZ shall be treated as zero-rated supplies. Import of goods and services would be treated as inter-state supplies. Every person liable to take registration under these Acts shall do so within a period of 30 days from the date on which he becomes liable to registration. The Central/State authority shall issue the registration certificate upon receipt of application. The Certificate shall contain fifteen digit registration numbers known as Goods and Service Tax Identification Number (GSTIN). In case a person has multiple business verticals in multiple locations in a state, a separate application will be made for registration of each and every location. The registered assessee is then required to pay GST as per the rules applicable thereon and file the appropriate returns as applicable thereon. GST has replaced following indirect taxes and duties at the central and state levels.

Central Excise Duty, Duties of Excise (Medicinal and Toilet Preparations), additional duties on excise –goods of special importance, textiles and textile products, commonly known as CVD – special additional duty of customs, service tax, central and state surcharges and cesses relating to supply of goods and services, state VAT, Central Sales Tax, Luxury Tax, Entry Tax (all forms), Entertainment and Amusement Tax (except when levied by local bodies), taxes on advertisements, purchase tax, taxes on lotteries, betting and gambling. It is applicable on all goods except for alcohol for human consumption and five petroleum products.

### **Value Added Tax (“VAT”)**

The levy of Sales Tax within the state is governed by the Value Added Tax Act and Rules 2008 (—the VAT Act) of the respective states. The VAT Act has addressed the problem of Cascading effect (double taxation) that

were being levied under the hitherto system of sales tax. Under the current regime of VAT the trader of goods has to pay the tax (VAT) only on the Value added on the goods sold. Hence VAT is a multi-point levy on each of the entities in the supply chain with the facility of set-off of input tax- that is the tax paid at the stage of purchase of goods by a trader and on purchase of raw materials by a manufacturer. Only the value addition in the hands of each of the entities is subject to tax. Periodical returns are required to be filed with the VAT Department of the respective States by the Company.

## **GENERAL LEGISLATIONS**

### **The Competition Act, 2002**

The Competition Act, 2002 prohibits anti competitive agreements, abuse of dominant positions by enterprises and regulates combinations in India. The Competition Act also established the Competition Commission of India (the “CCI”) as the authority mandated to implement the Competition Act. The provisions of the Competition Act relating to combinations were notified recently on March 4, 2011 and came into effect on June 1, 2011. Combinations which are Likely to cause an appreciable adverse effect on competition in a relevant market in India are void under the Competition Act. A combination is defined under Section 5 of the Competition Act as an acquisition, merger or amalgamation of enterprise(s) that meets certain asset or turnover thresholds. There are also different thresholds for those categorized as „Individuals and „Group. The CCI may enquire into all combinations, even if taking place outside India, or between parties outside India, if such combination is Likely to have an appreciable adverse effect on competition in India. Effective June 1, 2011, all combinations have to be notified to the CCI within 30 days of the execution of any agreement or other document for any acquisition of assets, shares, voting rights or control of an enterprise under Section 5(a) and (b) of the Competition Act (including any binding document conveying an agreement or decision to acquire control, shares, voting rights or assets of an enterprise); or the board of directors of a company (or an equivalent authority in case of other entities approving a proposal for a merger or amalgamation under Section 5(c) of the Competition Act. The obligation to notify a combination to the CCI falls upon the acquirer in case of an acquisition, and on all parties to the combination jointly in case of a merger or amalgamation.

### **The Consumer Protection Act, 1986 (COPRA)**

The Consumer Protection Act, 1986 (COPRA) provides better protection to the interests of consumers. This is enabled with the establishment of consumer councils and other authorities for the settlement of consumers’ disputes and matters connected therewith. COPRA protects the consumers against any unfair/restrictive trade practice that has been adopted by any trader or service provider or if the goods purchased by him suffer from any defect or deficiency. In case of consumer disputes, the same can be referred to the redressal forums set up by the government such as the National Commission, the State Commission and the District Forums. Such redressal forums have the authority to grant the following reliefs, that is, removal of defects, replacement of goods, compensation to the consumer, etc. The COPRA provides for a three tier consumer grievance redressal mechanism at the national, state and district levels.

### **Shops and Establishments legislations in various States**

Our Company is governed by the various Shops and Establishments legislations, as applicable, in the states where it has its branch offices. These legislations regulate the conditions of work and employment in shops and commercial establishments and generally prescribe obligations in respect of registration, opening and closing hours, daily and weekly working hours, holidays, leave, health and safety measures and wages for overtime work.

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

The Specific Relief Act, 1963 is complimentary to the provisions of the Contract Act and the Transfer of Property Act, as the Act applies both to movable property and immovable property. The Act applies in cases where the Court can order specific performance of a contract. Specific relief can be granted only for purpose of enforcing individual civil rights and not for the mere purpose of enforcing a civil law. —Specific performance

means Court will order the party to perform his part of agreement, instead of imposing on him any monetary liability to pay damages to other party.

### **Negotiable Instruments Act, 1881**

In India, cheques are governed by the Negotiable Instruments Act, 1881, which is largely a codification of the English Law on the subject. The Act provides effective legal provision to restrain people from issuing cheques without having sufficient funds in their account or any stringent provision to punish them in the event of such cheque not being honoured by their bankers and returned unpaid. Section 138 of the Act, creates statutory offence in the matter of dishonour of cheques on the ground of insufficiency of funds in the account maintained by a person with the banker which is punishable with imprisonment for a term which may extend to two year, or with fine which may extend to twice the amount of the cheque, or with both.

### **Trade Marks Act, 1999 (Trade Marks Act)**

The Trade Marks Act provides for the application and registration of trademarks in India. The purpose of the Trade Marks Act is to grant exclusive rights to marks such as a brand, label and heading and to obtain relief in case of infringement for commercial purposes as a trade description. The registration of a trademark is valid for a period of 10 years and can be renewed in accordance with the specified procedure. Application for trademark registry has to be made to controller-general of patents, designs and trade - marks who is the registrar of trademarks for the purposes of the Trade Marks Act. The Trade Marks Act prohibits any registration of deceptively similar trademarks or chemical compound among others. It also provides for penalties for infringement, falsifying and falsely applying trademarks.

## **OTHER APPLICABLE LAWS**

### **Industrial (Development and Regulation) Act, 1951**

The Industrial (Development and Regulation) Act, 1951 has been liberalized under the New Industrial Policy dated July 24, 1991, and all industrial undertakings are exempt from licensing except for certain industries such as distillation and brewing of alcoholic drinks, cigars and cigarettes of tobacco and manufactured tobacco substitutes, all types of electronic aerospace and defense equipment, industrial explosives including detonating fuses, safety fuses, gun powder, nitrocellulose and matches and hazardous chemicals and those reserved for the small scale sector. An industrial undertaking, which is exempt from licensing, is required to file an Industrial Entrepreneurs Memorandum ("IEM") with the Secretariat for Industrial Assistance, Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and no further approvals are required.

### **Industrial Disputes Act, 1947**

The Industrial Disputes Act, 1947 (Industrial Disputes Act) provides for mechanism and procedure to secure industrial peace and harmony by investigation and settlement of industrial disputes by negotiations. The Industrial Disputes Act extends to whole of India and applies to every industrial establishment carrying on any business, trade, manufacture or distribution of goods and services irrespective of the number of workmen employed therein. Every person employed in an establishment for hire or reward including contract labour, apprentices and part time employees to do any manual, clerical, skilled, unskilled, technical, operational or supervisory work, is covered by the Act. The Act also provides for (a) the provision for payment of compensation to the Workman on account of closure or layoff or retrenchment. (b) the procedure for prior permission of appropriate Government for laying off or retrenching the workers or closing down industrial establishments (c) restriction on unfair labour practices on part of an employer or a trade union or workers.

### **Industrial Employment (Standing Orders) Act, 1946**

The Industrial Employment (standing orders) Act requires employers in industrial establishments to formally define conditions of employment under them. It applies to every industrial establishment wherein 100 (reduced to 50 by the Central Government in respect of the establishments for which it is the Appropriate Government) or

more workmen are employed. The Act calls for the submission of such conditions of work to the relevant authorities for their approval.

### **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 Wages Act, 1936**

The Payment of Wages Act, 1936 as amended (the —Payment of Wages Act) has been enacted to regulate the payment of wages in a particular form at regular intervals without unauthorized deductions and to ensure a speedy and effective remedy to employees against illegal deductions and / or unjustified delay caused in paying wages. It applies to the persons employed in a factory, industrial or other establishment, whether directly or indirectly, through a sub contractor and provides for the imposition of fines and deductions and lays down wage periods. The Payment of Wages Act is applicable to factories and industrial or other establishments where the monthly wages payable are less than ₹6,500 per month.

### **Employees' Provident Fund and Miscellaneous Provisions Act, 1952**

The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (PF Act), provides that every establishment employing more than 20 (twenty) persons, either directly or indirectly, in any other capacity whatsoever, is covered by the provisions of the PF Act. The employer of such establishment is required to make a monthly contribution matching to the amount of the employee's contribution to the provident fund. It is also mandatory requirement to maintain prescribed records and registers and filing of forms with the PF authorities. The PF Act also imposes punishments on any person who violate any of the provisions of the schemes made under the PF Act and specifically on employers who contravene or default in complying with certain provisions of the PF Act. If the person committing an offence is a company, every person, who at the time the offence was committed was in charge of the company, as well as the company, shall be deemed to be guilty of the offence and shall be liable to be prosecuted accordingly.

### **Payment of Bonus Act, 1965**

The Payment of Bonus Act, 1965 is applicable to every establishment employing 20 or more employees. The said Act provides for payment of the minimum bonus specified under the Act to the employees. It further requires the maintenance of certain books and registers such as the register showing computation of the allocable surplus; the register showing the set on & set off of the allocable surplus and register showing the details of the amount of Bonus due to the employees. Further it also require for the submission of Annual Return in the prescribed form (FORM D) to be submitted by the employer within 30 days of payment of the bonus to the Inspector appointed under the Act.

### **Employees' State Insurance Act, 1948**

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. Whereas it is expedient 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; this Act requires all the employees of the establishment to which this act applies to be insured to the manner provided there under. The 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 Apprentices Act, 1961**

The Apprentices Act, 1961, as amended (the Apprentices Act) regulates and controls the programme of training of apprentices and matters connected there with. The term *Apprentice* means a person who is undergoing apprenticeship training in pursuance of a contract of apprenticeship. *Apprenticeship Training* means a course of training in any industry or establishment undergone in pursuance of a contract of apprenticeship and under prescribed terms and conditions which may be different for different categories of apprentices. Every person engaging as an apprentice is required to enter into a contract of apprenticeship with the employer which is reviewed and registered by the apprenticeship advisor.

### **The Workmen Compensation Act, 1923 (“WCA”)**

The Workmen 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 WCA makes every employer liable to pay compensation in accordance with the WCA 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. In case the employer fails to pay compensation due under the WCA within one month from the date it falls due, the commissioner appointed under the WCA may direct the employer to pay the compensation amount along with interest and may also impose a penalty.

### **The Equal Remuneration Act, 1976**

The Equal Remuneration Act, 1976, as amended (—ER Act) provides for the payment of equal remuneration to men and women workers for same or similar nature of work and prevention of discrimination, on the ground of sex, against women in the matter of employment and for matters connected therewith or incidental thereto. Under the ER Act, no discrimination is permissible in recruitment and service conditions, except where employment of women is prohibited or restricted by law. It also provides that every employer should maintain such registers and other documents in relation to the workers employed by him/ her in the prescribed manner.

### **The Maternity Benefit Act, 1961**

The Maternity Benefit Act, 1961, as amended regulates the employment of pregnant women and ensures that they get paid leave for a specified period during and after their pregnancy. The Maternity Benefit Act is applicable to establishments in which 10 or more employees are employed, or were employed on any day of the preceding 12 months. Under the Maternity Benefit Act, a mandatory period of leave and benefits should be granted to female employees who have worked in the establishment for a minimum period of 80 days in the preceding 12 months from the date of her expected delivery. Such benefits essentially include payment of average daily wage for the period of actual absence of the female employee. The maximum period for which any woman shall be entitled to maternity benefit shall be 12 weeks, of which not more than six weeks shall precede the date of her expected delivery. Entitlement of six weeks of paid leave is also applicable in case of miscarriage or medical termination of pregnancy.

### **Child Labour (Prohibition and Regulation) Act, 1986**

This statute 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. Under this Act the employment of child labour in the building and construction industry is prohibited.

### **Trade Union Act, 1926 and Trade Union (Amendment) Act, 2001**

Provisions of the Trade Union Act, 1926 provides that any dispute between employers and workmen or between workmen and workmen, or between employers and employers which is connected with the employment, or non-employment, or the terms of employment or the conditions of labour, of any person shall be treated as trade dispute. For every trade dispute a trade union has to be formed. For the purpose of Trade Union Act, 1926, Trade Union means combination, whether temporary or permanent, formed primarily for the purpose of regulating the relations between workmen and employers or between workmen and workmen, or between employers and employers, or for imposing restrictive condition on the conduct of any trade or business etc.

## HISTORY AND CERTAIN CORPORATE MATTERS

Our Company was originally incorporated as “Sumit Woods Private Limited” at Goa on January 09, 1997 under the provisions of the Companies Act, 1956 vide Certificate of Incorporation issued by the Registrar of Companies, Goa, Daman and Diu at Panaji, Goa. The Registered Office of the Company was thereafter shifted to Mumbai with effect from March 24, 2005. Subsequently, the name of our company was changed to Sumit Woods Limited consequent to the conversion of our company into a Public limited company and fresh Certificate of Incorporation dated February 06, 2018 was issued by the Registrar of Companies, Maharashtra at Mumbai.

We started our business under a partnership firm namely, “M/s Sumit Constructions” to carry on the business of civil contractors and executed projects for Modern Bread, Railway Officers and Government Holiday Homes. Due to expansion and growth of construction activities in the market, in 1997, Mr Mitaram Jangid and Mr Subodh Nemlekar incorporated our company (Original Promoters) with the object of acquiring land, carrying out construction work, developing and organizing of immovable properties etc. The first project was Kandivali Mitnayan Co-Op Housing Society with a built up area of 26000 Sqft. which was completed in the year 2004. Our Company has thereafter completed 19 projects till date. For the details of the first project and other completed projects, please refer the “Completed projects” herein after provided on Page 92 of this Red Herring Prospectus. During the period 2012-17, our main business activities were redevelopment of Old Buildings, (CESS Building Redevelopment / MHADA Redevelopment), and residential projects in Mumbai and in the State of Goa.

### Registered Office:

Registered Office of the Company is presently situated at B-1101, Express Zone, Western Express Highway, Malad (East), Mumbai-400 097. The Registered office of our Company has been changed from time to time since incorporation, details of which are given hereunder:

Date	From	To	Reason
10/06/2004	50, 2 <sup>nd</sup> Floor, Ponda Commerce Center, Ponda , Goa- 403401	103, Dattani Trade Center, Chandravarkar Road, Borivali (West), Mumbai 400 092	Shifting of Registered Office from Goa to Mumbai
26/01/2008	103, Dattani Trade Center, Chandravarkar Road, Borivali (West), Mumbai 400 092	101, Mitasu Enclave, R.M. Bhattad Marg, Opp. HDFC Bank, Chikuwadi, Borivali (West), Mumbai 400 092	Sale of Office Premises
21/12/2013	101, Mitasu Enclave, R.M. Bhattad Marg, Opp. HDFC Bank, Chikuwadi, Borivali (West), Mumbai 400 092	B-Wing, Office No-1101, Opp. Reliance Office, Express Zone, W.E.Highway, Malad- East Mumbai - 400097	Sale of Office Premises

### 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 Issue. Furthermore, the activities of our Company which we have been carrying out until now are in accordance with the objects of the Memorandum. The Main Objects of our Company are:

1. To carry on the business of manufacturers and dealers in wooden furniture for Houses, Offices, Shops and to carry on the business of builders, constructors, developers, contractors or deal in all kind of immovable property, including but not limited to houses, land, buildings and without limitation to foregoing, to carry on the business of construction of bridges, roads, hotels, shops, commercial establishments, malls and to deal in transferable development rights.

### Amendments to the Memorandum of Association



The following changes have been made in the Memorandum of Association of our Company since its inception:

Date of Amendment	Particulars of Change
11/12/2002	<ul style="list-style-type: none"> <li>Increase in authorized capital of Company from 25,000 to 3,00,000 equity shares</li> <li>Change of clause II of MOA for change in registered office of the Company</li> </ul>
15/01/2004	Increase in authorized capital of Company from 3,00,000 to 10,00,000 equity shares
30/09/2005	Increase in authorized capital of Company from 10,00,000 to 30,00,000 equity shares
20/07/2007	Alteration of object clause inserting clause 1A as below <ul style="list-style-type: none"> <li>To carry on the business of builders, constructors, developers, contractors or deal in all kinds of immovable property, including but not limited to, houses, land, buildings and without limitation to foregoing, to carry on business of construction of bridges, roads, hotels, shops, commercial establishment, malls and to deal in transferable development right.</li> </ul>
24/09/2007	Increase in authorized capital of Company from 30,00,000 to 1,50,00,000 equity shares
30/09/2016	Reclassification of authorized capital into equity shares and preference shares No. of Equity Shares: 1,49,00,000 No. of Preference Shares: 1,00,000
28/11/2017	Reclassification of authorized capital into equity shares No. of Equity Shares: 1,50,00,000
26/04/2018	Increase in Authorised Capital of Company from 1,50,00,000 Equity Shares to 1,70,00,000 Equity Shares

### Key Events and Milestones:

The following table sets forth the key events and milestones in the history of our Company, since incorporation

1986-2003	<ul style="list-style-type: none"> <li>➤ Our Founder Members, Mr. Mitaram Jangid and Subodh Nemlekar started their first project "Gharkul Building" at Charkop under the firm name of <b>Gharkul</b>. We completed 4 projects under the name of Gharkul Constructions and Gharkul Enterprises with a total Built up Area of 80,000 sq.ft.</li> <li>➤ A new firm "Sumit Constructions" was formed and completed 15 projects under this banner with a total built-up area of 3,50,000 sq.ft. New Company "Sumit Woods Private Ltd" incorporated at Goa on January 09, 1997</li> </ul>
2003-2011	<ul style="list-style-type: none"> <li>➤ The first project under Sumit Woods Pvt. Ltd. "Kandivali Mitnayan Co-Op Housing Society" in Mumbai, Kandivili was completed.</li> <li>➤ 15 projects completed with a total area of 3,70,000 sq.ft.</li> <li>➤ Registered Office shifted to Mumbai with effect from March 24, 2005</li> </ul>
2011-2012	<ul style="list-style-type: none"> <li>➤ Completed Four Projects namely:               <ol style="list-style-type: none"> <li>1. Sumit Pramukh Enclave, Mumbai</li> <li>2. Mitasu Mansion, Ponda, Goa</li> <li>3. Sumit Garden, Ponda Goa</li> <li>4. Siddhant, Bandra, Mumbai</li> </ol> </li> </ul>
2012 – 2014	<ul style="list-style-type: none"> <li>➤ Launched two of our biggest projects namely "<b>Sumit Greendale &amp; Sumit Greendale NX</b>" in Global City, Virar (West) consisting of 838 units with Development Rights agreement with Evershine Developers and Rustomjee.</li> <li>➤ We also launched Five new project during this period :-               <ul style="list-style-type: none"> <li>❖ "Sumit Bhoomi, Lalbaug, Mumbai</li> <li>❖ "Sumit Bells – Plot B, Goa</li> <li>❖ "Sumit Mount I &amp; II" in Goa</li> <li>❖ "Sun Sumit Enclave", Borivali (West), Mumbai</li> </ul> </li> </ul>



	<ul style="list-style-type: none"> <li>❖ “Sumit Abode – II”, Matunga, Mumbai</li> <li>❖ Span Trident – Tower C, Bhayander, Thane Dist.</li> </ul>
2014-2016	<ul style="list-style-type: none"> <li>➤ We Launched Five new project during this period :- <ul style="list-style-type: none"> <li>❖ “Sumit Garden Groove” ,Borivili (W)</li> <li>❖ “Sumit Artista”, BKC , Mumbai ,</li> <li>❖ Sumit Province, Goa</li> <li>❖ Sumit Lata, Mumbai</li> <li>❖ Sumit Hendre Residenc , Mumbai.</li> <li>❖ “Sai Prasad”, Vile Parle, Mumbai</li> </ul> </li> <li>➤ We Completed Our Project "Sumit Bhoomi"</li> <li>➤ <b><u>Special Recognitions :-</u></b> <ul style="list-style-type: none"> <li>❖ We won Best Stall Design award in MCHI-CREDAI property 2014 exhibition by public choice.</li> <li>❖ We celebrated our completion of 30 years in real estate business , by organizing a musical evening and celebratory Function at Prabodhankar Thakrey Hall , Borivali (West), Mumbai.</li> <li>❖ Nominated for CNBC Awaaz - Real Estate Awards in the year 2015 for our Project "Sumit Greendale", Virar.</li> </ul> </li> </ul>
2016-2017	<ul style="list-style-type: none"> <li>➤ We were able to complete a total of Seven Project along with Full OC in this period which we feel is a stand out achievement despite various unfavorable conditions prevailing in Real Estate Sector. <ul style="list-style-type: none"> <li>❖ Sumit Bells – Plot B</li> <li>❖ Sumit Province A &amp; B</li> <li>❖ Sun Sumit Enclav , Mumbai</li> <li>❖ Sumit Greendale Phase I, Virar</li> <li>❖ Sumit Artista, BKC, Mumbai</li> <li>❖ Sumit Hendre Residency, Byculia, Mumbai</li> <li>❖ Sumit Abode – II, Matunga, Mumbai</li> </ul> </li> <li>➤ <b><u>Special Recognitions :-</u></b> <p>We received “<b>Iconic Developer - Western Award</b>” for our Project "Sumit Greendale", Virar from “<b>Mid-Day Real Estate Icons</b>” from presented by <b>Mr. Prakash Mehta., Maharashtra Housing Minister</b></p> </li> </ul>
2017-2018	<ul style="list-style-type: none"> <li>➤ We Launched Two new project during this period :- <ul style="list-style-type: none"> <li>❖ "SUMIT BELLS - PLOT C"., Goa</li> </ul> </li> <li>➤ Our Company was converted into a <b>Public Limited Compay</b> with the name “<b>Sumit Woods Limited</b>”</li> <li>➤ We have completed following projects: <ul style="list-style-type: none"> <li>❖ Sumit Mount III, Goa</li> <li>❖ Gorai Mitasu, Mumbai</li> </ul> </li> <li>➤ <b><u>Special Recognitions :-</u></b> <ul style="list-style-type: none"> <li>❖ Our Founder Director, Mr. Subodh Nemlekar published his Autobiography "Eka Shwashace Antar" on the occasion of his turning 65 years.</li> <li>❖ Sumit Group of Companies was awarded “The Developer of the year in the residential category”by “DNA Real Estate &amp; Infrastructure Awards</li> </ul> </li> </ul>

	<p>2017”</p> <ul style="list-style-type: none"> <li>❖ Our Project Sumit Bells at Goa was awarded “The Iconic Planned Project Award by Mid-Day Real Estate Icons Award”</li> <li>❖ Our Cricket Team “Sumit Lions” won Silver Trophy in the inaugural Mumbai Cricket Association 20-20 Cricket Tournament 2018.</li> <li>❖ Our Founder Member “Shri Mitaram Jangid” was felicitated by Mr. Satyapal Singh-Current Union Minister at Birla Matrushri Grah, Mumbai.</li> </ul>
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### **Subsidiaries/Holdings of the company**

Our Company does not have any holding company and nor we have any subsidiary company/(ies) except for Mitasu Developers Private Limited, which was incorporated on May 10, 2018 and no operations have started.

### **Raising of Capital in form of Debt or Equity**

For details of increase in equity capital of our company, please refer section “Capital Structure” on page 47 of this Red Herring Prospectus.

### **Revaluation of assets**

Our Company has not revalued its assets since its incorporation.

### **Injunction and restraining order**

Our company is not under any injunction or restraining order, as on date of filing of the Red Herring Prospectus.

### **Mergers and acquisitions in the history of our Company**

There has been no merger or acquisition of businesses or undertakings in the history of our Company.

### **Defaults or Rescheduling of borrowings with financial institutions/banks**

There have been no Defaults or Rescheduling of borrowings with financial institutions/banks.

### **Strikes and lock-outs**

Our Company has, since incorporation, not been involved in any labour disputes or disturbances including strikes and lock- outs. As on the date of the Red Herring Prospectus, our employees are not unionized.

### **Time and cost overruns in setting up projects**

As on the date of the Red Herring Prospectus, there have been no time and cost overruns in any of the projects undertaken by our Company.

### **Shareholders’ agreement**

Our Company does not have any subsisting shareholders’ agreement as on the date of this Red Herring Prospectus.

### **Other Agreements**

Our Company does not have any other agreement as on the date of this Red Herring Prospectus.

### **Strategic Partners**

Our Company does not have any strategic partner(s) as on the date of this Red Herring Prospectus.

### **Financial Partners**

As on the date of this Red Herring 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.

## OUR MANAGEMENT

In accordance with our Articles of Association, our Company is required to have not less than 3 (three) directors and not more than 15 (fifteen) directors. Our Company currently has 6 directors on our Board out of which 3 are Executive Directors, 1 is Non-Executive Directors and 2 are Independent Directors.

The following table sets forth details regarding the Board of Directors as of the date of this Red Herring Prospectus:

1. Mr. Mitaram Jangid	
<b>Father's Name</b>	Shri. Ramlal Jangid
<b>Address</b>	B-3101/3102, Oberoi Woods, Mohan Gokhale Marg, Next to Oberoi International School, Goregaon, Mumbai - 400063
<b>Age</b>	61
<b>Designation</b>	Managing Director
<b>Status</b>	Executive
<b>DIN</b>	00043757
<b>Occupation</b>	Business
<b>Nationality</b>	Indian
<b>Qualification</b>	B. Com
<b>No. of Years of Experience</b>	35
<b>Date of Appointment</b>	December 11, 2002
<b>Present:</b> Appointed as Managing Director w.e.f. <b>May 26, 2018</b>	
<b>Term of Appointment</b>	Will hold office for a period of 5 years i.e. w.e.f May 26, 2018
<b>Other Directorships</b>	<ol style="list-style-type: none"> <li>1. Sumit Realty Pvt. Ltd.</li> <li>2. Sumit Infotech. Pvt. Ltd.</li> <li>3. Mitasu Woods Pvt. Ltd.</li> <li>4. Second Home Resorts Ltd</li> <li>5. Sumit Abode Pvt. Ltd.</li> <li>6. Sumit Woods Goa Private Limited</li> </ol>

2. Mr. Subodh Nemlekar	
<b>Father's Name</b>	Shri Ramakant Nemlekar
<b>Address</b>	102/C, Yashodhan, 1 <sup>st</sup> Floor, RSC-7, Shri Krishna Nagar, Borivali (East) Mumbai - 400066
<b>Age</b>	67
<b>Designation</b>	Joint Managing Director
<b>Status</b>	Executive
<b>DIN</b>	00043795
<b>Occupation</b>	Business – Self Employed
<b>Nationality</b>	Indian
<b>Qualification</b>	B.A- Economics
<b>No. of Years of Experience</b>	40
<b>Date of Appointment</b>	January 01, 1997
<b>Present:</b> Appointed as Joint Managing Director w.e.f.. <b>May 26, 2018</b>	
<b>Term of Appointment</b>	Will hold office for a period of 5 years i.e. w.e.f May 26, 2018
<b>Other Directorships</b>	<ol style="list-style-type: none"> <li>1. Sumit Infotech. Pvt. Ltd.</li> <li>2. Mitasu Woods Pvt. Ltd.</li> <li>3. Second Home Resorts Ltd</li> <li>4. Sumit Abode Pvt. Ltd.</li> <li>5. Sumit Woods Goa Private Limited</li> </ol>

<b>3. Mr. Bhushan Nemlekar</b>	
<b>Father's Name</b>	<b>Mr. Subodh Nemlekar</b>
<b>Address</b>	1205,Tower - C,Oberoi Woods,Mohan Gokhale rd., Off W.E.Highway, Goregaon (East) Mumbai - 400063
<b>Age</b>	40
<b>Designation</b>	Whole Time Director (Director-Finance)
<b>Status</b>	Executive
<b>DIN</b>	00043824
<b>Occupation</b>	Business
<b>Nationality</b>	Indian
<b>Qualification</b>	B .Com , completed owner/President Management programme from Harvard Business School, United States
<b>No. of Years of Experience</b>	14
<b>Date of Appointment</b>	December 11, 2002
<b>Present:</b> Appointed as Whole Time Director (Director-Finance) w.e.f. <b>May 26, 2018</b>	
<b>Term of Appointment</b>	Will hold office for a period of 5 years i.e. w.e.f May 26, 2018
<b>Other Directorships</b>	<ol style="list-style-type: none"> <li>1. Sumit Infotech. Pvt. Ltd.</li> <li>2. Mitasu Woods Pvt. Ltd.</li> <li>3. Second Home Resorts Ltd</li> <li>4. Sumit Abode Pvt. Ltd.</li> <li>5. Sumit Woods Goa Private Limited</li> </ol>

<b>4. Mrs Kavita Nemlekar</b>	
<b>Father's Name</b>	Mr Sharad Adurkar
<b>Address</b>	1205,Tower-C,Oberoi Woods,Mohan Gokhale rd, off W.E.Highway,Goregaon (East) Mumbai - 400063
<b>Age</b>	37
<b>Designation</b>	Chairperson & Director
<b>Status</b>	Non Executive
<b>DIN</b>	02067121
<b>Occupation</b>	Business
<b>Nationality</b>	Indian
<b>Qualification</b>	Diploma in Architechture
<b>No. of Years of Experience</b>	10 years in the field of Design and Architecture
<b>Date of Appointment</b>	Dec 13, 2017
<b>Present:</b> Appointed as Director w.e.f.. <b>December 13, 2017</b>	
<b>Term of Appointment</b>	Liable for retire by rotation.
<b>Other Directorships</b>	Mitasu Develepeers Private Limited
<b>5. Ms Pooja N Chogle</b>	
<b>Father's Name</b>	Satish Yashwant Mhatre.....
<b>Address</b>	289, Chogle House ,Babhai Lakmanya Tilak Road Behind Muncipal School Borivali, (W) Mumbai - 400092
<b>Age</b>	34
<b>Designation</b>	Director
<b>Status</b>	Independent
<b>DIN</b>	08105139
<b>Occupation</b>	Self Employed Professional – Architect and Interior

	Designer
<b>Nationality</b>	Indian
<b>Qualification</b>	Diploma of Architecture
<b>No. of Years of Experience</b>	10 years
<b>Date of Appointment</b>	April 26, 2018
<b>Present:</b> Appointed as Director w.e.f. <b>April 26, 2018</b>	
<b>Term of Appointment</b>	Will hold office for a period of 5 years i.e. up to April 26, 2023.
<b>Other Directorships</b>	None

6. Mr. Gurunath Narayan Malvankar	
<b>Father's Name</b>	Narayan Gangaram Malvankar.
<b>Address</b>	B/601,Building No.1/122, Bhakti Heights, Near Reliance Energy Office, Tilak Nagar ,Chembur, Mumbai - 400089
<b>Age</b>	67
<b>Designation</b>	Director
<b>Status</b>	Independent
<b>DIN</b>	08105137
<b>Occupation</b>	Retired Banker
<b>Nationality</b>	Indian
<b>Qualification</b>	B.com (Hons) Bombay University, CAIIB ( Certified associate of Indian institute of Bankers , ICWA ( Int) of Institute of Costs and Woks Accountants.
<b>No. of Years of Experience</b>	40 years
<b>Date of Appointment</b>	April 26, 2018
<b>Present:</b> Appointed as Director w.e.f. <b>April 26, 2018</b>	
<b>Term of Appointment</b>	Will hold office for a period of 5 years i.e. up to April 26, 2023.
<b>Other Directorships</b>	None

As on the date of this Red Herring Prospectus;

- None of the above mentioned Directors are on the RBI List of willful defaulters;
- None of the Promoters, persons forming part of our Promoter Group, our Directors or persons in control of our Company or our Company are debarred from accessing the capital market by SEBI;
- None of the Promoters, Directors or persons in control of our Company, has been or is involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority;
- None of our Directors are/were director of any company whose shares were delisted from any stock exchange(s) up to the date of filling of this Red Herring Prospectus;
- None of our Directors are/were director of any company whose shares were suspended from trading by stock exchange(s) or under any order or directions issued by the stock exchange(s)/ SEBI/ other regulatory authority in the last five years; and
- In respect of the track record of the directors, there have been no criminal cases filed or investigations being undertaken with regard to alleged commission of any offence by any of our directors and none of our directors have been charge-sheeted with serious crimes like murder, rape, forgery, economic offence.

### **Relationship between the Directors**

There is no relationship between any Directors of our Company except Mr Subodh Nemlekar and Mr Bhushan Nemlekar are father and son and Mrs. Kavita Nemlekar is wife of Mr. Bhushan Nemlekar.

### **Arrangement and understanding with major shareholders, customers, suppliers and others**

There is no arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the above mentioned Directors was selected as director or member of senior management.

### **Service Contracts**

None of our directors have entered into any service contracts with our company except for acting in their individual capacity as Chairperson/ Managing Director and/or Whole-Time Director and no benefits are granted upon their termination from employment other than the statutory benefits provided by our company. Except statutory benefits upon termination of their employment in our Company or retirement, no officer of our Company, including the directors and key Managerial personnel, are entitled to any benefits upon termination of employment.

### **Borrowing Powers of the Board of Directors**

Our Articles, subject to the provisions of Section 180(1) (c) of the Companies Act, 2013, authorizes our Board, to raise or borrow and secure the payment of any sum or sums of money subject to the provisions of Section 180(1)(a) of the Companies Act, 2013 for the business purposes of the Company. The shareholders of the Company, through a special resolution passed at the General Meeting held on May 26, 2018 authorized our Board to borrow monies together with monies already borrowed by us up to ₹300.00 Crores, if the aggregate for the time being of the paid-up capital of the Company and its free reserves is less than ₹100 Crore.

### **Brief Profile of our Directors**

**Shri Mitaram Jangid**, aged 61 years, is a Promoter and Managing Director of our Company. He completed his graduation in Commerce from Dalmia College, Malad, Mumbai in 1979. In 1987, He partnered with Mr. Subodh Nemlekar (our Companies Joint Managing Director) and founded our company. He has achieved good market reputation and creditability and has grown our Company to one of the trusted Real Estate Company in Mumbai & Goa. He heads Design Development activity of our Company and also look after the overall progress of all projects of our company.

**Shri Subodh Nemlekar**, aged 66 years is the Promoter & Joint Managing Director of our Company. He completed his education with Economics and graduated with B.A from Shivaji University, Kolhapur. He worked earlier in the Vigilance branch – DIG's Office, Western Railway, Churchgate. He then took voluntary retirement to pursue his career in the Construction & Development Industry. He is the founder member of the Company along with Mr. Mitaram Jangid. He is involved in the Business development activities of our company.

**Shri Bhushan Nemlekar**, aged 40 years is a Promoter and Whole Time Director (Director-Finance) of our Company. He completed his Bachelor of Commerce (B. Com) from Dahanukar College, Mumbai and has a degree in Executive MBA (Owner/President Management - 2015) from Harvard Business School, Boston, USA. He has been associated with our Company since 15 years. He handles and leads the Sales Department along with Project Financing and is responsible for formulating strategies for marketing in order to achieve corporate goals and objectives.

**Mrs. Kavita Bhushan Nemlekar**, aged 37 holds a diploma in Architecture from Maharashtra State Board of Technical Education. She has over ten years of experience in the field of designing and architecture. She is also associated with M/s. S. L. Format as consulting Architect.



**Mrs. Pooja Chogle**, aged 34 holds a diploma in Architecture. She is an Architect and Interior Decorator and has over 10 years of experience in this field. She has been appointed as an independent director of our company with effect from 26<sup>th</sup> April, 2018

**Shri Gurunath Narayan Malvankar**, aged 67 is a B.com (Hons) from Bombay University, CAIIB (Certified Associate of Indian Institute of Bankers), ICWA (Int) of Institute of Costs and Works Accountants. He is a ex-banker and served with the State Bank of India for a total period of 36 years. He resigned from State Bank of India as a Deputy General Manager. He was also the Deputy Managing Director and CEO of Saraswat Co-operative Bank, Mumbai and served with this bank for a period of 4 years. He has been appointed as an independent director of our company with effect from 26<sup>th</sup> April, 2018.

### **Terms & Conditions & Remuneration to our Directors**

#### **(i) Mr. Bhushan Nemlekar**

- Salary: 3,00,000 p.a.
- Variable Pay to be paid as decided by the Board.
- All other terms and conditions of his employment be decided by the Board.

#### **(ii) Mr. Subodh Nemlekar**

- Salary: 3,00,000 p.a.
- Variable Pay to be paid as decided by the Board.
- All other terms and conditions of his employment be decided by the Board.

#### **(iii) Mr. Mitaram Jangid**

- Salary: 3,00,000 p.a.
- Variable Pay to be paid as decided by the Board.
- All other terms and conditions of his employment be decided by the Board.

### **Sitting fees payable to Non-Executive Directors**

We have not paid any sitting fees till date. However, the Board of Directors has approved, vide their resolution passed in the meeting held on April 26, 2018, the payment of sitting fees of ₹20,000/- per meeting to be paid to Non-Executive Directors including Independent Directors of the Company for attending the Board Meetings and Meetings of various Committees to be held after the issue, irrespective of number of Board and/or Committee Meetings in a year.

### **Shareholding of Directors**

The shareholding of our directors as on the date of this Red Herring Prospectus is as follows

<b>Sr. No.</b>	<b>Name of the Director</b>	<b>No. Equity Shares held</b>	<b>Category/ Status</b>
1	Mitaram Ramlal Jangid	35,87,487	Promoter
2	Subodh Ramakant Nemlekar	27,54,532	Promoter
3	Bhushan Subodh Nemlekar	8,04,545	Promoter
4	Kavita Bhushan Nemlekar	6,69,318	Promoter

### **Interest of Directors**

All the non-executive directors of the company may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of the Board or Committee thereof as well as to the extent of other remuneration and/or reimbursement of expenses payable to them as per the applicable laws. The directors may be regarded as interested in the shares and dividend payable thereon, if any, held by or that may be subscribed by and allotted/transferred to them or the companies, firms and trust, in which they are interested as directors, members, partners and or trustees. All directors may be deemed to be interested in the contracts,

agreements/arrangements entered into or to be entered into by the issuer company with any company in which they hold directorships or any partnership or proprietorship firm in which they are partners or proprietors as declared in their respective declarations. Executive Director is interested to the extent of remuneration paid to them for services rendered to the company. Except as stated under section titled “Related Party Transaction” starting on page 176 of this Red Herring Prospectus, our company has not entered into any contracts, agreements or arrangements during the preceding two years from the date of this Red Herring Prospectus in which our directors are interested directly or indirectly.

#### Changes in the Board of Directors during the Last Three Years:

Name of Directors	Date of Appointment	Date of change in Designation	Date of Cessation	Reason for the changes in the board
Mrs Sharda Jangid	December 11, 2002	-	August 12, 2016	Pre-occupation
Mrs Dhanashree Subodh Nemlekar	February 22, 2010	-	August 12, 2016	Pre-Occupation
Mrs Kavita Nemlekar	December 13, 2017	-	-	Appointer as Non – Executive Director to Broad base
Mr Mitaram Jangid	December 11, 2002	May 26, 2018	-	Change in designation to Managing Director
Mr Subodh Nemlekar	January 01, 1997	May 26, 2018	-	Change in designation to Joint Managing Director
Mr Bhushan Nemlekar	December 11, 2002	May 26, 2018	-	Change in designation to Whole Time Director ( Director-Finance)
Mr Gurunath Malvankar	April 26, 2018	-	-	Appointed as Independent Director
Mrs Pooja Chogle	April 26, 2018	-	-	Appointed as Independent Director

#### Corporate Governance

In addition to the applicable provisions of the Companies Act, 2013 with respect to the Corporate Governance, provisions of the SEBI Listing Regulations will be applicable to our company immediately up on the listing of Equity Shares on the Stock Exchanges. As on date of this Red Herring Prospectus, as our Company is coming with an issue in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009 as amended from time to time, the requirement specified in Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of SEBI (LODR) Regulations, 2015 is not applicable to our Company, although we are required to comply with requirement of the Companies Act, 2013 wherever applicable. Our Company has complied with the corporate governance requirement, particularly in relation to appointment of independent directors including woman director on our Board, constitution of an Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee. Our Board functions either on its own or through committees constituted thereof, to oversee specific operational areas.

#### Composition of Board of Directors

Currently the Board has 6 Directors, of which the Chairman of the Board is a Non Executive Director. In compliance with the requirements of Companies Act, 2013, our Company has 3 Promoter – Executive Director, 1 (one) Promoter – Non-Executive Director and 2 (Two) Independent Director on the Board. Composition of Board of Directors is set forth in the below mentioned table:

Sr. No.	Name of Directors	Designation	Status	DIN
1	Mr Mitaram Jangid	Managing Director	Promoter	00043757

Sr. No.	Name of Directors	Designation	Status	DIN
2	Mr Subodh Nemlekar	Joint Managing Director	Promoter	00043795
3	Mr Bhushan Nemlekar	Whole Time Director (Director-Finance)	Promoter Non Executive Director	00043824
4	Mrs Kavita Nemlekar	Chairperson Non -Executive Director	Promoter Non Executive Director	02067121
5	Mr Gurunath Malvankar	Non -Executive Independent Director	Independent Director	08105137
6	Mrs Pooja Chogle	Non -Executive Independent Director	Independent Director	08105139

## Committees

Our Company has constituted the following committees:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders' Relationship Committee

**Details of composition, terms of reference etc. of each of the above committees are provided hereunder;**

### 1. Audit Committee:

The Board of Directors of our Company has, in pursuance to provisions of Section 177 of the Companies Act, 2013, in its Meeting held on May 26, 2018 constituted the Audit Committee. The constitution is as under:

Name	Designation	Nature of Directorship
Mr Gurunath Malvankar	Chairman	Non -Executive Independent Director
Mrs Pooja Chogle	Member	Non -Executive Independent Director
Mr Bhushan Nemlekar	Member	Whole Time Director (Director – Finance)

Our Company Secretary and Compliance officer will act as the secretary of the Committee.

### Terms of Reference:

- i. Recommendation for the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor, their remuneration and fixation of terms of appointment of the Auditors of the Company;
- ii. Review and monitor the auditors' independence and performance, and effectiveness of audit process;
- iii. Examination of financial statement and auditors' report thereon including interim financial result before submission to the Board of Directors for approval;
  - a. Changes, if any, in accounting policies and practices and reasons for the same
  - b. Major accounting entries involving estimates based on the exercise of judgment by management
  - c. Significant adjustments made in the financial statements arising out of audit findings
  - d. Compliance with listing and other legal requirements relating to financial statements
  - e. Disclosure of any related party transactions
  - f. Qualifications in the draft audit report.
- iv. Approval or any subsequent modification of transactions of the Company with related party; Provided that the Audit Committee may grant omnibus approval for related party transactions proposed to be entered in to by the Company subject to such conditions provided under the Companies Act, 2013 or any subsequent modification(s) or amendment(s) thereof;

v. Review, with the management, and monitor the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

vi. Scrutiny of Inter-corporate loans and investments;

vii. Review and discuss 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;

viii. To review the functioning of the Whistle Blower mechanism, in case the same is existing;

ix. Valuation of undertakings or assets of the company, where ever it is necessary;

x. Evaluation of internal financial controls and risk management systems and reviewing, with the management, performance of internal auditors, and adequacy of the internal control systems; and

xi. Carrying out any other function as assigned by the Board of Directors from time to time.

### **Review of Information**

i. Statement of significant related party transactions (as defined by the audit committee), submitted by management;

ii. Management letters / letters of internal control weaknesses issued by the statutory auditors;

iii. Internal audit reports relating to internal control weaknesses; and

iv. The appointment, removal and terms of remuneration of the Internal Auditor.

### **Powers of Committee**

i. To investigate any activity within its terms of reference;

ii. To seek information from any employees;

iii. To obtain outside legal or other professional advice; and

iv. To secure attendance of outsiders with relevant expertise, if it considers necessary.

### **Quorum and Meetings**

The audit committee shall meet at least four times in a year and not more than one hundred and twenty days shall lapse between two meetings. The quorum of the meeting of the Audit Committee shall be one third of total members of the Audit Committee or 2, whichever is higher, subject to a minimum of two Independent Director being present at the Meeting.

## **2. Nomination and Remuneration Committee**

The Board of Directors of our Company has, in pursuance to provisions of Section 178 of the Companies Act, 2013, in its Meeting held on May 26, 2018 constituted the Nomination and Remuneration Committee. The constitution is as under:

<b>Name</b>	<b>Designation</b>	<b>Nature of Directorship</b>
Mrs Pooja Chogle	Chairman	Non -Executive Independent Director
Mr Gurunath Malvankar	Member	Non -Executive Independent Director
Mrs Kavita Nemlekar	Member	Director

Our Company Secretary and Compliance officer will act as the secretary of the Committee.

#### **Terms of reference**

- i. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- ii. Formulation of criteria for evaluation of Independent Directors and the Board;
- iii. To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- iv. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal and shall carry out evaluation of every director's performance.

#### **Quorum and Meetings**

The Committee is required to meet at least once a year. The quorum necessary for a meeting of the Committee is one third of total members of the Nomination and Remuneration Committee or 2 members, whichever is higher.

### **3. Stakeholders' Relationship Committee**

The Board of Directors of our Company has, in pursuance to provisions of Section 178 of the Companies Act, 2013, in its Meeting held on **May 26, 2018** constituted the Stakeholders' Relationship Committee. The constitution is as under:

<b>Name</b>	<b>Designation</b>	<b>Nature of Directorship</b>
Mr Gurunath Malvankar	Chairman	Non -Executive Independent Director
Mr Mitaram Jangid	Member	Managing Director
Mrs Pooja Chogle	Member	Non -Executive Independent Director

Our Company Secretary and Compliance officer will act as the secretary of the Committee.

#### **Terms of reference**

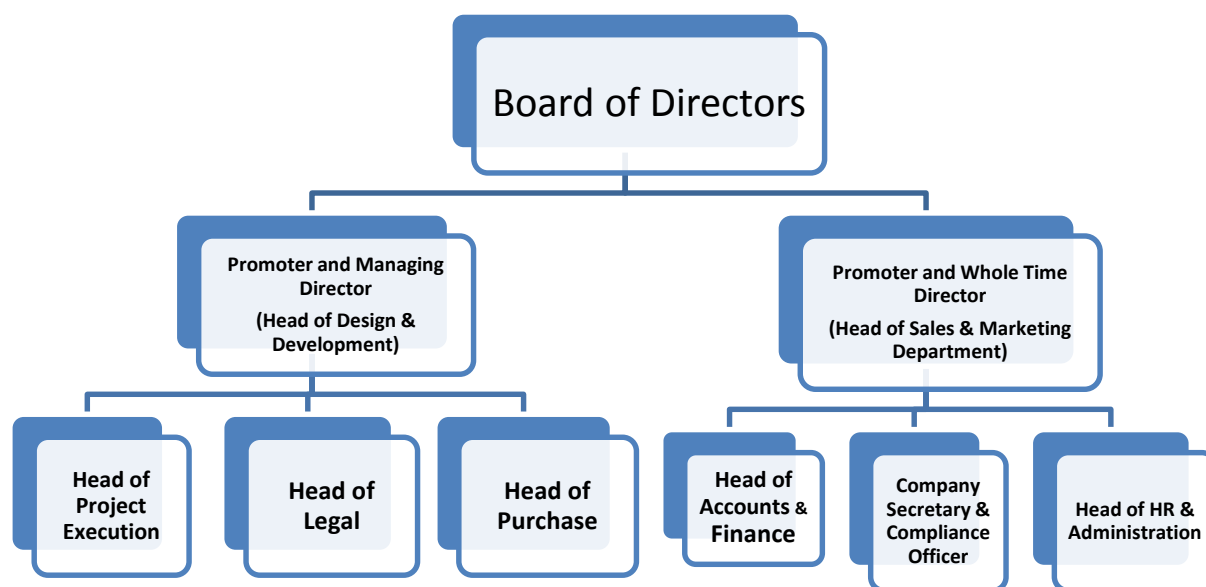
- To supervise and ensure;
- i. Efficient transfer of shares; including review of cases for refusal of transfer / transmission of shares;
  - ii. Redressal of shareholder and investor complaints like transfer of Shares, non-receipt of balance sheet, non-receipt of declared dividends etc.;
  - iii. Issue duplicate. Split and//consolidated share certificates;
  - iv. Dematerialization and Rematerialization of Shares;
  - v. Review of cases for refusal of transfer / transmission of shares and debentures;
  - vi. Reference to statutory and regulatory authorities regarding investor grievances and to otherwise ensure proper and timely attendance and redressal of investor queries and grievances; and
  - vii. Such other matters as may be required by any statutory, contractual or other regulatory requirements to be attended to by such committee from time to time.

#### **Quorum and Meetings**

The Stakeholders Relationship Committee shall meet at least once a year. The quorum shall be one third of total members of the Stakeholders Relationship Committee or 2 members, whichever is higher

#### **Management Organization Structure**

The Management Organization Structure of the company is depicted from the following chart:



### Our Key Management Personnel

Our Company is managed by our Board of Directors, assisted by qualified professionals, who are permanent employees of our Company. Below are the details of the Key Managerial Personnel of our Company:

Sl No.	Name	Post / Department
1.	Mr. Mitaram Jangid	Promoter and Managing Director And Head of Design Development
2.	Mr. Bhushan S. Nemlekar	Promoter and Whole Time Director And Head of Sales Department
3.	Mr. Clint P Dos Santos	Head of Project Execution
4.	Ms. Priyanka Waghela	Head of Accounts & Finance
5.	Ms. Rekha Dhekale	Company Secretary & Compliance Officer
6.	Mrs. Karishma Panchal	Head of Human Resource & Administration Department
7.	Mr. Ramesh Sharma	Head of Legal Department
8.	Mr. Kunal Sonawane	Head of Purchase Department
9.	Ms. Amruta Jangid	Manager, Branding & Marketing

#### **Mr. Mitaram Jangid** (Promoter and Managing Director)

**Mr. Mitaram Jangid**, aged 61 years, is a Promoter and Managing Director of our Company. He completed his graduation in Commerce from Dalmia College, Malad, Mumbai in 1979. In 1986 he partnered with Mr. Subodh Nemlekar (our Company's Joint Managing Director ) and founded our company. He has achieved good market reputation and creditability and has grown our Company to one of the trusted Real Estate Company in Mumbai & Goa. He heads Design Development activity of our Company.

#### **Mr. Bhushan Subodh Nemlekar** (Promoter & Whole Time Director)

**Mr. Bhushan Subodh Nemlekar**, aged 40 years is a Promoter and Whole Time Director of our Company. He completed his Bachelor of Commerce (B. Com) from Dahanukar College, Mumbai and has a degree in Executive MBA (Owner/President Management - 2015) from Harvard Business School, Boston, USA. He has been associated with our Company since 15 years. He handles and leads the Sales Department along with

Project Financing and is responsible for formulating strategies for marketing in order to achieve corporate goals and objectives.

**Mr. Clint P Dos Santos (Head of Project Execution )**

*Mr. Clint P Dos Santos*, aged 43 years is the Project Head of our Company. He is Civil Engineer (B.E – Civil) from Datta Meghe college of Engineering, Mumbai University having more than 20 years of experience in the field of Project Planning, Execution and Construction. He is associated with our company since August 1997 and his core job specifications are successful planning, execution, monitoring, control and completion of projects of the Company. He is also responsible for obtaining permits for building sites and supervising the projects from start to end and ensuring completion of the project on timely basis. He has received ₹11.78 lakhs as remuneration during the FY-2017-2018.

**Ms. Privanka Waghela (Head of Accounts and Finance)**

*Ms. Priyanka Waghela* aged 28 years, is the Head of Accounts and Finance Department. She is a Chartered Accountant and a member of the Institute of Chartered Accountants of India. She has 5 years of experience. She is associated with our company since November 2016. Her core job specifications are overseeing the Finance, Finalisation of Accounts, Taxation, Statutory Audit and compliances of our Company along with Supervision of Accounts and Finance department. She has received ₹6.72 lakhs as remuneration during the FY-2017-2018.

**Ms. Rekha Dhekale (Company Secretary and Compliance Officer)**

*Ms. Rekha Dhekale*, aged 30 years, is the Company Secretary and Compliance Officer of our Company. She holds degree of Company Secretary from Institute of Company Secretaries of India and has experience of 3 years in Company related Compliances. She is employed with our company since January 2018 and her core job specifications are to handle all the compliance matters related to our Company. She has received ₹60,000 as remuneration during FY-2017-18. (January 2018 to March 2018)

**Mr. Ramesh Sharma (Head of Legal Department)**

*Mr. Ramesh Sharma*, aged 40 years is the Legal Head of our Company. He has pursued Bachelor's Degree in Law from K.M Law College , South Gujarat University and has total experience of 17 years. He is associated with our company since August 2006 and his core job specifications are handling all Litigation, Legal proceedings and Documentations, Liaisoning and attending Court matters. He has received ₹8.14 lakhs as remuneration during FY-2017-18.

**Mrs. Karishma Panchal (Head of HR & Admin Department)**

*Mrs. Karishma Panchal*, aged 30 years is the Head of Human Resource and Administration Department of our company. She has pursued her graduation in Biotechnology and Master's Degree in Business Administration from IIFM (Indian Institute of Financial Management), Mumbai. She has total 6 years of experience in Human Resources and Administration Work. She is associated with our company since July 2014. She handles profile of Recruitment, Payroll, Statutory Compliances, Employee Engagements/ Relations, Performance Management, Training and Development, Administration and coordinate the administrative functions of an organization. She has received ₹3.91 lakhs as remuneration during FY-2017-18.

**Mr. Kunal Sonawane (Head of Purchase Department)**

*Mr. Kunal Sonawane*, aged 31 years is the Head of Purchase Department with 7 years of Experience. He has pursued Master's Degree in Marketing from Khalsa College, Mumbai. He is working with our company since June 2017 and his core job specifications are to Develop Purchasing Policy and Planning, Procurement of raw materials ,locate vendors of materials, equipment or supplies, and review them in order to determine product availability and terms of sales, Prepare and process requisitions and Purchase Orders for supplies and equipment. He has received ₹ 3.00 lakhs as remuneration during FY-2017-18. (June 2017 to March,2018)

**Ms. Amruta Mitaram Jangid (Manager-Marketing & Branding Operations)**

*Ms. Amruta Mitaram Jangid*, a dynamic young professional in interior designing and marketing. She has exhibited her excellence and is leading the gamut of Marketing and Branding for the organisation. She leads in the development, implementation and execution of a comprehensive brand management plan in form of advertising, promotions and communication across platforms of web sites, electronic media pages, social media



and other applications. Active participation in publications for promotions and events. She is also responsible for compliance of RERA Regulations. She has received ₹12 Lakhs remuneration during the FY – 2017 – 2018.

**Notes:**

- All of our Key Managerial Personnel mentioned above are on the payrolls of our Company as permanent employees.
- There is no agreement or understanding with major shareholders, customers, suppliers or others pursuant to which any of the above mentioned personnel was selected as a director or member of senior management.
- None of the key managerial personnel, are “related” to the Promoters or Directors of our Company within the meaning of Section 6 of the Companies Act, except Ms. Amruta Jangid, who is a daughter of our Promoter, Mr. Mitaram Jangid.
- None of our Key Managerial Personnel has entered into any service contracts with our company except acting in their Individual Capacity as Chairperson/ Managing Director and/or Whole-Time Directors and no benefits are granted upon their termination from employment other than statutory benefits provided by our Company. Further, our Company has appointed Key Managerial Personnel i.e. Company Secretary and Compliance officer for which our company has not executed any formal service contracts; although they are abide by their terms of appointments.

**Details of Service Contracts of our Key Managerial Personnel**

Our key managerial personnel have not entered into any other contractual arrangements with our Company.

**Bonus or Profit sharing plan for the Key Management Personnel**

Our Company does not have any bonus or profit sharing plan for our Key Managerial personnel.

**Changes in the Key Management Personnel**

The following are the changes in the Key Management Personnel in the last three years preceding the date of filing this Red Herring Prospectus.

Sl.No	Name of the Employee	Date of Appointment	Date of Cessation	Reason
1.	Ms. Amisha Jain	15/06/2016	31/12/2017	Resignation
2.	Mr. Manish Jain	15/08/2016	30/06/2017	Resignation
3.	Mrs. Pooja Jangid	01/03/2013	30/11/2016	Resignation
4.	Mr. Jignesh Derassari	01/04/2009	10/09/2016	Resignation
5.	Ms Priyanka Waghela	07/11/2016	Till date	Appointment
6.	Ms Rekha Dhekale	01/01/2018	Till date	Appointment
7.	Mr Kunal Sonawane	12/06/2017	Till date	Appointment

**Employee Stock Option Scheme**

As on the date of filing of Red Herring Prospectus, our company does not have any ESOP Scheme for its employees.

**Relation of the Key Managerial Personnel with our Promoters/ Directors**

Name of the Key Management Personnel	Designation	Relationship
Mr. Mitaram Jangid	Promoter and Managing Director Head of Design Development	Husband of Mrs. Sharda Jangid (Promoter)

Mr. Bhushan S. Jangid	Promoter and Whole Time Director (Director Finance) & Head of Sales Department	Son of Mr. Subodh Nemlekar (Promoter and Joint Managing Director) & Also Husband of Mrs. Kavita B. Nemlekar (Promoter and Non Executive Director)
Ms. Amruta Jangid	Manager, Branding & Marketing	Daughter of Mr. Mitaram Jangid (Promoter)

### Payment of Benefit to Officers of Our Company (non-salary related)

Except the statutory payments made by our Company, in the last two years, our company has not paid any sum to its employees in connection with superannuation payments and ex-gratia/ rewards and has not paid any non-salary amount or benefit to any of its officers.

### Shareholding of the Key Management Personnel

Except as disclosed below, none of the Key Managerial Personnel hold any Equity Shares of our Company as on the date of this Red Herring Prospectus.

Sl.No	Name of Key Management Personnel	Designation	No. of Equity Shares
1.	Mr. Mitaram Jangid	Promoter and Managing Director Head of Design Development	35,87,487
2.	Mr. Bhushan S. Jangid	Promoter and Whole Time Director & Head of Sales Department	8,04,545
3.	Mrs. Karishma Panchal	Head of HR and Administrative Department	3,744
4.	Mr. Ramesh Sharma	Head of Legal Department	3,744
5.	Mr. Clint Dos Santos	Head of Project Execution	3,744

### Employees

As on March 31, 2018, our Company has 33 permanent employees. For details of the Employees/ Manpower of our Company, please refer to the paragraph titled 'Manpower' under the chapter titled 'Our Business' beginning on page number 92 of this Red Herring Prospectus.



## OUR PROMOTER AND PROMOTER GROUP

### The Promoters of our Company are:

1. Mr. Mitaram Jangid;
2. Mr. Subodh Nemlekar and
3. Mr. Bhushan Nemlekar
4. Mrs. Sharda M. Jangid
5. Mrs. Kavita B. Nemlekar

For details of the build-up of our Promoter's shareholding in our Company, see section titled, "Capital Structure" beginning on page 47 of this Red Herring Prospectus. The brief profile of our Promoters are as follows:

	<p><b>Name: Mr Mitaram Jangid</b>  <b>Passport No:</b> N9470542  <b>Driving License:</b> MH02 19820028445  <b>Voters ID:</b> SIQ3800570  <b>PAN:</b> AABPJ5802G</p> <p><b>Address:</b> 3101/3102, Oberoi Woods, Tower B, Off. W. E. Highway, Goregaon East, Mumbai- Maharashtra – 400 063</p> <p>For further details relating to Mr Mitaram Jangid, including terms of appointment as our Managing Director and other directorships, please refer to the chapter titled "<i>Our Management</i>" beginning on page number 115 of the RHP.</p>
	<p><b>Name: Mr Subodh Nemlekar</b>  <b>Passport No:</b> M8770273  <b>Driving License:</b> MH02-19870041473  <b>PAN:</b> AAAPN6889N</p> <p><b>Address:</b> C/1206, Oberoi Woods, Mohan Gokhale Road, Off. W. E. Highway, Goregaon East, Mumbai, Maharashtra – 400 063</p> <p>For further details relating to Mr Subodh Nemlekar, including terms of appointment as our Joint Managing Director and other directorships, please refer to the chapter titled "<i>Our Management</i>" beginning on page number 115 of the RHP.</p>
	<p><b>Name: Mr Bhushan Nemlekar</b>  <b>Passport No:</b> Z4235201  <b>PAN:</b> ABDPN8584C</p> <p><b>Address:</b> 1205, Oberoi Woods, Tower C, Mohan Gokhale Road, Off. W. E. Highway, Goregaon East, Mumbai, Maharashtra – 400 063</p> <p>For further details relating to Mr Bhushan Nemlekar, including terms of appointment as our Whole Time Director (Director Finance) and other directorships, please refer to the chapter titled "<i>Our Management</i>" beginning on page number 115 of the RHP.</p>

	<p><b>Name: Mrs. Sharda Jangid</b>  <b>Passport No: G5823470</b>  <b>PAN: AAAPJ8470D</b></p> <p><b>Address:</b> 3101/3102, Oberoi Woods, Tower B, Off. W. E. Highway, Goregaon East, Mumbai- Maharashtra – 400 063</p> <p>Mrs. Sharda Mitaram Jangid, born in 1961, completed her education upto 12th. From 1992 to 1999, she administered and operated her own commercial establishment, a boutique shop, Sukanya boutique. She was also a Director in Sumit Woods Ltd from December 2002 to August 2016.</p>
	<p><b>Name: Mrs. Kavita Nemlekar</b>  <b>Driving License: MH02-20090195455</b>  <b>PAN: ADDPA4357J</b></p> <p><b>Address:</b> 1205, Oberoi Woods, Tower C, Mohan Gokhale Road, Off. W. E. Highway, Goregaon East, Mumbai, Maharashtra – 400 063</p> <p>For further details relating to Mrs. Kavita Bhushan Nemlekar, including terms of appointment as our Chairperson and Director and other directorships, please refer to the chapter titled “Our Management” beginning on page number 115 of the RHP.</p>

### Other Ventures of our Promoters

For details pertaining to other ventures of our Promoters, refer chapter titled “Financial Information of our Group Companies” beginning on page 132 of this Red Herring Prospectus.

### Declaration

We declare and confirm that the details of the permanent account numbers, bank account numbers and passport numbers of our individuals Promoters will be submitted to the Stock Exchange on which the specified securities are proposed to be listed at the time of filing this Red Herring Prospectus with the Stock Exchange.

### Confirmations

Our Promoters have confirmed that they have not been declared as willful defaulters by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past or are currently pending against them. Further, none of our Promoters have been directly or indirectly, debarred from accessing the capital market or have been restrained by any regulatory authority from, directly or indirectly, acquiring the securities or any other authorities. Additionally, none of our Promoters have direct or indirect relation with the companies, its promoters and whole time director, which are compulsorily delisted by any recognized stock exchange. We and Our promoters, group companies, and companies promoted by the promoters / promoting company confirm that:

- No material regulatory or disciplinary action has been taken by a stock exchange or regulatory authority in the past one year against them;
- There are no defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, Fis during the past three years.
- The details of outstanding litigation including its nature and status are disclosed in the section title “Outstanding Litigation and Material Developments” appearing on page 213 of this Red Herring Prospectus.

## **Relationship of Promoters with each other and with our Directors**

Our Director Cum Promoter Mr Subhodh Nemlekar and our Executive Director, Mr. Bhushan Nemlekar are related as father and son. Mr Bhushan Nemlekar and Mrs Kavita Nemlekar are related as husband and wife. Mr Mitaram Jangid and Mrs Sharda Jangid are related as husband and wife. There is no other relationship between our Promoters and any of the Directors of our Company.

## **Interest of our Promoters**

Except as stated in Annexure 26 “Related Party Transaction” starting on page 176 of this Red Herring Prospectus and to the extent of compensation, remuneration/ sitting fees to be paid and reimbursement of expenses to be made in accordance with their respective terms of appointment, our Promoters do not have any other interest in our business. Further, our Promoters may be deemed to be interested to the extent of the payments made by our Company, if any, to the Promoter Group entities. For the payments that are made by our Company to certain Promoter Group entities, please refer Annexure “Related Party Transactions” on page 176 of this Red Herring Prospectus.

### *Interest in promotion of our Company*

Our Promoters are interested in the promotion of our Company in their capacity as a shareholder of our Company and influencing significant control over the management and policy decisions of our Company.

### *Interest in the property of our Company*

Our Promoters do not have any interest in any property acquired by or proposed to be acquired by our Company two years prior to filing of the RHP.

### *Interest as member of our Company*

Our Promoters jointly hold 86,20,427 Equity Shares in our Company and are therefore interested to the extent of their respective shareholding and the dividend declared, if any, by our Company. Except to the extent of their respective shareholding in our Company and benefits provided to them and as disclosed in the chapter titled “Our Management” beginning on page number 115 of this Red Herring Prospectus, our Promoters hold no other interest in our Company.

## **Interest as a creditor of our Company**

As on the date of this Red Herring Prospectus, our Company has not availed any secured loan from the Promoters of our Company.

## **Interest as Director of our Company**

Except as stated in the “Statement of Related Party Transactions” beginning on page number 176 of this Draft Prospectus, our Promoters / Directors, may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of our Board or Committees thereof as well as to the extent of remuneration and/or reimbursement of expenses payable to them for services rendered to us in accordance with the provisions of the Companies Act and in terms of our AoA.

## **Payment of benefits to our Promoters**

Except as stated in the section Annexure “Related Party Transactions” on page 176 of this Draft Red Herring Prospectus, there has been no payment of benefits made to our Promoters during the two years preceding the filing of this Red Herring Prospectus.

## Our Promoter Group

Promoter and Promoter Group in terms of Regulation 2(1)(za) and 2(1)(zb) of the SEBI ICDR Regulations. In addition to our Promoters named above, the following individuals and entities form a part of the Promoter Group:

Relationship with Promoter	Mr. Mitaram Jangid	Mr. Subodh Nemlekar	Mr. Bhushan Nemlekar	Mrs. Sharda Jangid	Mrs. Kavita Nemlekar
<b>Father</b>	Ramlal Jangid	Ramakant Nemlekar	Subodh Nemlekar	Hanumanprasad Sharma	Sharad Adulkar
<b>Mother</b>	Jamana Jangid	Nirmala R. Nemlekar	Dhanashree Nemlekar	Laxmi Sharma	Lata Adhulkar
<b>Spouse</b>	Sharda Jangid	Dhanashree Nemlekar	Kavita B. Nemlekar	Mitaram Jangid	Bhushan Nemlekar
<b>Brothers</b>	Mahesh Jangid, Sunil Jangid, Deepak Jangid	-	-	Naval Sharma	Pranav Adhulkar
<b>Sisters</b>	Saroj Jangid, Shankuntala Sharma, Kalpana Jangid	Sushma Rege, Subhangi Vardhe, Kamalangi Kamat	Varsha	Meena Sharma	-
<b>Sons</b>	Gautam Jangid	Bhushan Nemlekar	Ishan B. Nemlekar	Gautam Jangid	Ishan B. Nemlekar
<b>Daughters</b>	Amruta Jangid	Varsha	-	Amruta Jangid	-
<b>Spouse's Father</b>	Hanuman Prasad Sharma	Dattatray Tendulkar	Sharad Adulkar	Ramlal Jangid	Subodh Nemlekar
<b>Spouse's Mother</b>	Laxmi Sharma	Vidyavati Tendulkar	Lata Adhulkar	Jamana Jangid	Dhanashree Nemlekar
<b>Spouse's Brothers</b>	Naval Sharma	Vikas D. Tendulkar	Pranav Adhulkar	Mahesh Jangid, Sunil Jangid, Deepak Jangid	-
<b>Spouse's Sisters</b>	Meena Sharma	Sneha Masurekar, Kalpana Sakhalkar		Saroj Jangid, Shankuntala Sharma, Kalpana Jangid	Varsha

## B. Companies, Proprietary concerns, HUF's related to our promoters

Nature of Relationship	Entity
Any Body Corporate in which ten percent or more of the equity share capital is held by promoter or an immediate relative of the promoter or a firm or HUF in which promoter or any one or more of his immediate relative is a member	
Any Body corporate in which Body Corporate as provided above holds ten percent or more of the equity share capital.	
Any Hindu Undivided Family or firm in which the aggregate shareholding of the promoter and his immediate relatives is equal to or more than ten percent.	*

\*For details on our Promoter Group refer Chapter Titled “Our Group Companies/Entities” beginning on page 132 of this Red Herring Prospectus.

## OUR GROUP COMPANIES/ENTITIES

The definition of “Group Companies” was amended pursuant to the SEBI (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2015, to include companies covered under applicable accounting standards and such other companies as are considered material by the Board. Pursuant to a Board resolution dated May 22<sup>nd</sup> 2018 our Board has formulated a policy with respect to companies/entities which it considered material to be identified as group companies/entities, pursuant to which the following entities are identified as Group Companies/Entities of our Company.

1. Sumit Realty Private Limited
2. Milestone Construction and Developers LLP
3. Sumit Pragati Ventures LLP
4. Sumit Pragati Shelters LLP
5. Sumit Garden Grove Construction LLP
6. Sumit Star Land Developers LLP
7. Sumit Kundil Joint Venture
8. Sumit Chetna Ventures
9. Sumit Pramukh Venture
10. Sumit Snehashish Ventures
11. Sumit Snehashish Joint Ventures
12. Sun Sumit Ventures
13. Sumit Infotech Private Limited
14. Sumit Abode Private Limited
15. Sumo Real Estate LLP
16. Sumit Pragati Developers LLP
17. Sumit Developers
18. Sumit Constructions
19. Second Home Resorts Ltd
20. Sumit Real Infra LLP
21. Sumit Buildtech LLP
22. Sumit Real Corn LLP
23. Access Facility Management LLP
24. Mitasu Woods Private Ltd
25. Sumit Bhoomi Ventures
26. Sumit Woods Goa Private Ltd
27. Mitasu Realty LLP
28. Sumit Michigan LLP
29. Sumit & D Choksi Developer LLP

Except as stated above, there are no companies/entities which are considered material by the Board of Directors of our Company to be identified as group companies/entities. As per sub clause C (2) of clause (IX) of Schedule VIII, we have provided the financial information of unlisted group companies/entities.

### 1. Sumit Realty Private Limited (SRPL)

#### Brief Corporate Information

**SRPL** is a private company incorporated under the provisions of Companies Act, 1956 and it has been incorporated on December 09, 2009. The registered office is presently situated at 1101, Express Zone, B Wing, Western Express Highway, Malad East, Mumbai – 400097. The Corporate Identification number of SIPL is U70102MH2009PTC197710.

#### Current Nature of Activities

SRPL is in the business of Real Estate Development and Construction.



## Board of Directors

As on date of this Red Herring Prospectus, the following are the Directors of SRPL

Sl.No	Name	Designation
1	Mitaram Jangid	Director
2	Vinod Shah	Director
3	Mahendra Panani	Director
4	John Dantas	Director

## Shareholding Pattern

As on date of this Red Herring Prospectus, the following are the Shareholders of SRPL

Sl.No	Name of the Shareholder	Number of Shares held	Percentage
1	Sumit Woods Limited	17500	35.00
2	Pragati Civil Solutions Private Limited	17500	35.00
3	Mahendra Panani	7500	15.00
4	John Dantas	7500	15.00
	<b>Total</b>	<b>50000</b>	<b>100.00</b>

## Financial Performance

The summary of audited standalone financials for the previous three years is as follows:

*(Rs in lakhs except per share data)*

Particulars	March 31, 2015	March 31, 2016	March 31, 2017
Equity Share Capital (face value ₹10/- each)	5.00	5.00	5.00
Reserves & Surplus (excluding revaluation reserve)	120.48	160.91	255.74
Total Income	5280.05	2028.32	1292.31
Profit/ (Loss) after Tax	110.02	40.43	94.82
Earnings Per Share and Diluted Earnings per share (in ₹)	220.00	81.00	190
<b>Net Asset Value Per Share (in ₹)</b>	<b>250.96</b>	<b>331.82</b>	<b>521.48</b>

## 2. Milestone Constructions and Developers LLP

### Brief Corporate Information

Milestone Constructions and Developers LLP is a LLP incorporated pursuant to section 12(1) of the Limited Liability Partnership Act, 2008 on November 18, 2010. The registered office is presently situated at 1101, Express Zone, B Wing, Western Express Highway, Malad East, Mumbai – 400 097

### Current Nature of Activities

Milestone Constructions and Developers LLP is in the business of development of real estate and construction of residential buildings.

## Partners

As on date of this Red Herring Prospectus, the following are the Partners of Milestone Constructions and Developers LLP are

Sl. No	Name	Body Corporate DP Nominee	Designation
1	Ashish P Hendre	-	Designated Partner
2	Sumit Woods Limited	Subodh Nemlekar	Designated Partner

## Share in the LLP

Sl.No	Name	Share
1	Ashish P Hendre	50%
2	Sumit Woods Limited	50%

## Financial Performance

The summary of audited standalone financials for the previous three years is as follows:

(₹ in Lakhs)

Particulars	March 31, 2015	March 31, 2016	March 31, 2017
Members Contribution	5.00	5.00	5.00
Partners' Current Account	354.63	367.79	332.01
Total Revenue	1.29	3.18	2155.99
Profit after Taxes	(0.06)	1.16	44.23

## 3. Sumit Pragati Ventures LLP

### Brief Corporate Information

Sumit Pragati Ventures LLP is incorporated pursuant to section 12(1) of the Limited Liability Partnership Act, 2008 on November 30, 2010. The registered office is presently situated at 1101, Express Zone, B Wing, Western Express Highway, Malad East, Mumbai – 400 097

### Current Nature of Activities

Sumit Pragati Ventures LLP is in the business of developing residential projects. It has completed one project Sumit Abode II at Matunga, Mumbai in 2017 and is currently planning for other projects at different places at Mumbai.

## Partners

As on date of this Red Herring Prospectus, the following are the Partners of Sumit Pragati Ventures LLP are

Sl.No	Name	Body Corporate DP Nominee	Designation
1	Sumit Woods Limited	Mitaram Jangid	Designated Partner
2	Pragati Civil Solutions Private Limited	Vinod Shah	Designated Partner

## Share in the LLP

Sl.No	Name	Share
1	Sumit Woods Limited	50%
2	Pragati Civil Solutions Private Limited	50%

## Financial Performance

The summary of audited standalone financials for the previous three years is as follows:

(₹ in Lakhs)

Particulars	March 31, 2015	March 31, 2016	March 31, 2017
Members Contribution	5.00	5.00	5.00
Reserves and Surplus	(2.76)	0.00	0.00
Partners' Current Account	673.95	560.90	562.54
Total Revenue	0.58	1450.44	49.07
Profit after Taxes	(1.45)	11.36	1.78

## 4. Sumit Pragati Shelters LLP

### Brief Corporate Information

Sumit Pragati Shelters LLP is incorporated pursuant to section 12(1) of the Limited Liability Partnership Act, 2008 on January 19, 2012. The registered office is presently situated at 1101, Express Zone, B Wing, Western Express Highway, Malad East, Mumbai – 400 097.

### Current Nature of Activities

Sumit Pragati Shelters LLP is in the business of real estate development and construction. It has entered into a development agreement with Enigma Construction Private Limited and Evershine Developers for development rights for the construction of two residential projects at Village Dongare, within the sub-district of Vasai in the neighbourhood of Mumbai. It has completed project named Sumit Greendale (Phase I) & Sumit Greendale NX Phase II). Sumit Greendale has received Occupancy Certificate (OC) and for Sumit Greendale NX application for Occupancy Certificate has been made.

### Partners

As on date of this Red Herring Prospectus, the following are the Partners of Sumit Pragati Shelters LLP are

Sl. No	Name	Body Corporate DP Nominee	Designation
1	Sumit Woods Limited	Mitaram Jangid	Designated Partner
2	Pragati Civil Solutions Private Limited	Vinod Shah	Designated Partner
3	Mr Mahendra Panani	-	Partner
4	Mr John Dantas	-	Partner

### Share in the LLP

Sl.No	Name	Share
1	Sumit Woods Limited	35%
2	Pragati Civil Solutions Private Limited	35%
3	Mr Mahendra Panani	15%
4	Mr John Dantas	15%
	<b>TOTAL</b>	<b>100%</b>

## Financial Performance

The summary of audited standalone financials for the previous three years is as follows:

(₹ in Lakhs)

Particulars	March 31, 2015	March 31, 2016	March 31, 2017
Members Contribution	5.00	5.00	5.00
Partners' Current Account	131.63	2054.79	495.37
Total Revenue	267.50	3936.75	3601.93
Profit after Taxes	100.86	40.34	34.08

## 5. Sumit Garden Grove Construction LLP

### Brief Corporate Information

Sumit Garden Grove Construction LLP is incorporated pursuant to section 12(1) of the Limited Liability Partnership Act, 2008 on September 10, 2012. The registered office is presently situated at 1101, Express Zone, B Wing, Western Express Highway, Malad (East), Mumbai – 400097.

### Current Nature of Activities

Sumit Garden Grove Construction LLP is in the business of real estate development and construction. Currently it is constructing a Residential Real Estate project named “Sumit Garden Grove” in Borivali West, Mumbai

### Partners

As on date of this Red Herring Prospectus, the following are the Partners of Sumit Garden Grove Construction LLP are

Sl. No	Name	Body Corporate DP Nominee	Designation
1	Sumit Woods Limited	Mitaram Jangid	Designated Partner
2	Ruby Ventures Private Limited	Bimal Shah	Designated Partner
3	Gunjan K Shah	-	Partner
4	Praful Tank	-	Partner
5	Sanjay Morarkhia	-	Partner
6	Ishan Mehta	-	Partner
7	Meet Shah	-	Partner

### Share in the LLP

Sl No	Name	Share
1	Sumit Woods Limited	12.50%
2	Gunjan Shah	18.75%
3	Ruby Ventures Private Limited	18.75%
4	PNK Space Development Private Limited	12.50%
5	Meet Shah	12.50%
6	Ishan Rajesh Mehta	12.50%
7	Sanjay Mafatlal Morarkhia	12.50%
	<b>Total</b>	<b>100.00%</b>

## Financial Performance

The summary of audited standalone financials for the previous three years is as follows:

(₹ in Lakhs)

Particulars	March 31, 2015	March 31, 2016	March 31, 2017
Members Contribution	1.00	1.00	1.00
Partners' Current Account	617.79	780.19	1150.43
Total Revenue	0.00	0.05	0.12
Profit after Taxes	0.00	(0.10)	0.03

## 6. Sumit Star Land Developers LLP

### Brief Corporate Information

Sumit Star Land Developers LLP is incorporated pursuant to section 12(1) of the Limited Liability Partnership Act, 2008 on July 27, 2011. The registered office is presently situated at 1101, Express Zone, B Wing, Western Express Highway, Malad East, Mumbai – 400 097.

### Current Nature of Activities

Sumit Star Land Developers LLP is in the business of real estate development and construction.

### Partners

As on date of this Red Herring Prospectus, the following are the Partners of Sumit Star Land Developers LLP are

Sl. No	Name	Body Corporate DP Nominee	Designation
1	Sumit Woods Limited	Subodh Nemlekar	Designated Partner
2	Babita S Narang	-	Partner
3	Paresh C Tejura	-	Partner
4	Sanjay Patel	-	Designated Partner
5	Nilesh Kantilal Shah	-	Partner
6	Nimesh M Shah	-	Partner

### Share in the LLP

Sl. No	Name	Share
1	Sumit Woods Limited	25.00%
2	Babita S Narang	10.00%
3	Paresh C Tejura	15.00%
4	Sanjay Patel	25.00%
5	Nilesh Kantilal Shah	15.00%
6	Nimesh M Shah	10.00%
	<b>Total</b>	<b>100.00%</b>

## Financial Performance

The summary of audited standalone financials for the previous three years is as follows:

(₹ in Lakhs)

Particulars	March 31, 2015	March 31, 2016	March 31, 2017
Members Contribution	0.50	0.50	0.50

Particulars	March 31, 2015	March 31, 2016	March 31, 2017
Reserves and Surplus	(0.09)	(0.12)	(0.44)
Partners' Current Account	1305.51	1498.85	1748.04
Total Revenue	1.47	0.00	0.00
Profit after Taxes	(0.06)	(0.02)	(0.32)

## 7. Sumit Kundil Joint Ventures

### Brief Corporate Information

**Sumit Kundil Joint Ventures** is a Joint Venture between Sumit Woods Limited and Kundil Realty Private Limited and it has been formed on October 24, 2011. The registered office is presently situated at 101, Mitasu Enclave, Plot No: 560 TPS – III, Bhattad Road, Borivali (West), Mumbai – 400 092

### Current Nature of Activities

**Sumit Kundil Joint Ventures** is a Joint venture for the development of a land owned by Kundil at Ponda, North Goa.

### Partners

As on date of this Red Herring Prospectus, the following are the Partners of Sumit Kundil Joint Ventures are

Sl.No	Name	Designation
1	Sumit Woods Ltd	Member
2	Kundil Realty P Ltd	Member

### Financial Performance

The summary of audited standalone financials for the previous three years is as follows:

(₹ in Lakhs)

Particulars	March 31, 2015	March 31, 2016	March 31, 2017
Members Contribution	61.05	(337.19)	(426.10)
Total Revenue	272.28	1040.09	167.54
Net Profit	28.27	7.50	6.83

## 8. Sumit Chetna Ventures

### Brief Corporate Information

**Sumit Chetna Ventures** is an Association of Persons incorporated on November 20, 2010. The registered office is presently situated at 1101, Express Zone, B Wing, Western Express Highway, Malad East, Mumbai – 400 097.

### Current Nature of Activities

**Sumit Chetna Ventures** is a Joint Ventures formed between Sumit Woods Limited & Anubhash Finvest Private Limited for doing business of real estate development and construction. It is developing a project name “Sumit Proxima” in Borivali East, Mumbai.

### Partners

As on date of this Red Herring Prospectus, the following are the members of Sumit Chetna Ventures

Sl.No	Name	Designation
1	Sumit Woods Limited	Member
2	Anubhash Finvest Private Limited	Member

## Share in the AOP

Sl.No	Name	Share
1	Sumit Woods Limited	67.00%
2	Anubhash Finvest Private Limited	33.00%
	<b>Total</b>	<b>100.00%</b>

## Financial Performance

The summary of audited standalone financials for the previous three years is as follows:

(₹ in Lakhs)

Particulars	March 31, 2015	March 31, 2016	March 31, 2017
Members Contribution	(199.11)	130.02	94.78
Total Revenue	917.73	255.77	96.49
Profit after Taxes	46.76	17.07	6.22

## 9. Sumit Pramukh Ventures

### Brief Corporate Information

**Sumit Pramukh Ventures** is an Association of Persons. The registered office is presently situated at 1101, Express Zone, B Wing, Western Express Highway, Malad (East), Mumbai 400097.

### Current Nature of Activities

**Sumit Pramukh Ventures** is in the business of real estate development and construction.

### Partners

As on date of this Red Herring Prospectus, the following are the Partners of Sumit Pramukh Ventures are

Sl.No	Name	Designation
1	Sumit Woods Ltd.	Member
2	Shri Pramukh Enterprise	Member

## Financial Performance

The summary of audited standalone financials for the previous three years is as follows:

(₹ in Lakhs)

Particulars	March 31, 2015	March 31, 2016	March 31, 2017
Members Contribution	190.85	204.88	198.28
Total Revenue	0.00	0.00	2.27
Net Profit	(0.78)	3.58	(2.70)

## 10. Sumit Snehashish Venture

### Brief Corporate Information

**Sumit Snehashish Venture** is a Joint Venture between Sumit Woods Limited, Snehashish Developers LLP and Prarubi Gems Impex Private Limited and it has been incorporated on October 24, 2011. The registered office is presently situated at 1101, Express Zone, B Wing, Western Express Highway, Malad East, Mumbai – 400 097.



## Current Nature of Activities

**Sumit Snehashish Venture** is currently developing a Residential Real Estate Project named Sumit Lata in Sion, Mumbai

## Partners

As on date of this Red Herring Prospectus, the following are the Partners of Sumit Snehashish Venture are

Sl.No	Name	Designation
1	Sumit Woods Limited	Member
2	Prarubi Gems Impex P Ltd	Member
3	Shahashish Developers LLP	Member

## Financial Performance

The summary of audited standalone financials for the previous three years is as follows:

(Rs in lakhs)

Particulars	March 31, 2015	March 31, 2016	March 31, 2017
Members Contribution	1884.85	1740.00	868.63
Total Revenue	0.00	0.00	1525.09
Profit after Taxes	0.00	0.00	42.63

## 11. Sumit Snehashish Joint Venture

### Brief Corporate Information

**Sumit Snehashish Joint Venture** is a Joint Venture between Sumit Woods Limited and Snehashish Developers LLP and it has been incorporated on March 25, 2014. The registered office is presently situated at 1101, Express Zone, B Wing, Western Express Highway, Malad East, Mumbai – 400 097

## Current Nature of Activities

**Sumit Snehashish Joint Venture** is currently undertaken a Redevelopment Residential Real Estate Project named Sai Prasad in Vile Parle East, Mumbai

## Partners

As on date of this Red Herring Prospectus, the following are the Partners of Sumit Snehashish Joint Venture are

Sl.No	Name	Designation
1	Sumit Woods Limited	Member
2	Snehashish Developers LLP	Member

## Financial Performance

The summary of audited standalone financials for the previous three years is as follows:

(₹ in lakhs)

Particulars	March 31, 2015	March 31, 2016	March 31, 2017
Members Contribution	148.76	221.96	260.95
Total Revenue	0.00	0.00	0.00
Profit after Taxes	0.00	0.00	0.00

## 12. Sun Sumit Ventures

### Brief Corporate Information

It's an Association of Persons and it has been formed on August 30, 2012. The registered office is presently situated at  
G-1, Surya Apts., R. M. Bhaftad Marg, Chikwadi, Borivali West, Mumbai - 400092

### Current Nature of Activities

It has completed a project named "Sun Sumit Enclave" in Borivali East, Mumbai

### Members

As on date of this Red Herring Prospectus, the following are the Members of Sun Sumit Ventures

Sl No	Name	Designation
1	Sun Associates	Member
2	Sumit Woods Pvt. Ltd.	Member

### Financial Performance

The summary of audited standalone financials for the previous three years is as follows:

(₹ in Lakhs)

Particulars	March 31, 2015	March 31, 2016	March 31, 2017
Members Contribution	156.27	69.53	526.98
Total Revenue	750.15	337.22	754.97
Profit after Taxes	10.21	38.17	204.92

## 13. Sumit Infotech Private Limited (SIPL)

### Brief Corporate Information

**Sumit Infotech Private Limited (SIPL)** is a private company incorporated under the provisions of Companies Act, 1956 and it has been incorporated on March 07, 2007. The registered office is presently situated at 1101, Express Zone, B Wing, Western Express Highway, Malad East, Mumbai – 400 097. The Corporate Identification number of SIPL is U72900MH2007PTC168409.

### Current Nature of Activities

SIPL was incorporated with the object of providing all solutions in respect of information technology related services, developing necessary software and trading and assembling of all types of computers, computer hardware and parts and accessories thereof. The company has however not been carrying any commercial activity in the last 3 years.

### Board of Directors

As on date of this Red Herring Prospectus, the following are the Directors of SIPL

Sl.No	Name	Designation
1	Mitaram Jangid	Director
2	Subodh Nemlekar	Director
3	Bhushan Nemlekar	Director

## Shareholding Pattern

As on date of this Draft Prospectus, the following are the Shareholders of SIPL

Sl.No	Name of the Shareholder	Number of Shares held	Percentage
1	Mitaram R Jangid	125000	25.00
2	Bhushan Nemlekar	62500	12.50
3	Subodh Nemlekar	62500	12.50
4	One2E Solutions Private Limited	50000	10.00
5	Bhadrawati Ispat & Energy Limited (Formally known as Sidh Housing Developments Ltd)	50000	10.00
6	Albatross Share Registry Private Limited	25000	5.00
7	Artelligence Bio-Innovations Limited	25000	5.00
8	Nextgen Infotel Private Limited	25000	5.00
9	Octopus Infotel Private Limited	25000	5.00
10	Oshin Investments & Finance Private Limited	25000	5.00
11	Stocknet International Limited	25000	5.00
	<b>Total</b>	<b>500000</b>	<b>100.00</b>

## Financial Performance

The summary of audited standalone financials for the previous three years is as follows:

*(in lakhs except per share data)*

Particulars	March 31, 2015	March 31, 2016	March 31, 2017
Equity Share Capital (face value ₹10/- each)	50.00	50.00	50.00
Reserves & Surplus (excluding revaluation reserve)	470.18	469.72	469.18
Total Income	0.00	0.00	0.00
Profit/ (Loss) after Tax	(0.43)	(0.46)	(0.54)
Earnings Per Share and Diluted Earnings per share (in ₹)	(0.09)	(0.09)	(0.11)
Net Asset Value Per Share (in ₹)	104.04	103.95	103.84

### 14. Sumit Abode Private Limited (SAPL)

#### Brief Corporate Information

**SAPL** is a private company incorporated under the provisions of Companies Act, 1956 and it has been incorporated on December 18, 2009. The registered office is presently situated at 1101, Express Zone, B Wing, Western Express Highway, Malad East, Mumbai 400097. The Corporate Identification number of SIPL is U70102MH2009PTC197993.

#### Current Nature of Activities

SAPL is in business of constructions, builders, developers and taking all type of contractors of real estate including infrastructure developers like roads, bridges, townships, highways, sewage, airports, jetties and ports. The company has however not been carrying any commercial activity in the last 3 years.

## Board of Directors

As on date of this Red Herring Prospectus, the following are the Directors of SAPL

Sl.No	Name	Designation
1	Mitaram Jangid	Director
2	Subodh Nemlekar	Director
3	Bhushan Subodh Nemlekar	Director
4	Dharmendrakumar Acharatlal Roliya	Director

## Shareholding Pattern

As on date of this Red Herring Prospectus, the following are the Shareholders of SAPL

Sl. No	Name of the Shareholder	Number of Shares held	Percentage
1	Mitaram R Jangid	3200	32.00
2	Subodh Nemlekar	1600	16.00
3	Bijal Shah	1800	18.00
4	Dharmendra Roliya	1800	18.00
5	Bhushan S. Nemlekar	1600	16.00
	<b>Total</b>	<b>10000</b>	<b>100.00</b>

## Financial Performance

The summary of audited standalone financials for the previous three years is as follows:

(₹in lakhs except per share data)

Particulars	March 31, 2015	March 31, 2016	March 31, 2017
Equity Share Capital (face value ₹10/- each)	1.00	1.00	1.00
Reserves & Surplus (excluding revaluation reserve)	2.30	2.82	4.63
Total Income	13.23	17.34	11.69
Profit/ (Loss) after Tax	1.97	0.52	1.81
Earnings Per Share and Diluted Earnings per share (in ₹)	19.73	5.21	18.08
Net Asset Value Per Share (in ₹)	33.00	38.20	56.30

## 15. Sumo Real Estate LLP

### Brief Corporate Information

Sumo Real Estate LLP is incorporated pursuant to section 12(1) of the Limited Liability Partnership Act, 2008 on April 09, 2012. The registered office is presently situated at 1101, Express Zone, B Wing, Western Express Highway, Malad East, Mumbai – 400 097

### Current Nature of Activities

Sumo Real Estate LLP is in the business of dealing in immovable properties including but not limited to buying, selling, acquiring and giving on rental basis apartments, plazas, bungalows, commercial offices, shops, warehouses, and flats, industrial and commercial buildings.

## Partners

As on date of this Red Herring Prospectus, the following are the Partners of Sumo Real Estate LLP are

Sl. No	Name	Designation
1	Mitaram Ramlal Jangid	Designated Partner
2	Subodh R Nemlekar	Designated Partner

## Share in the LLP

Sl. No	Name	Share
1	Mitaram Ramlal Jangid	50%
2	Subodh R Nemlekar	50%

## Financial Performance

The summary of audited standalone financials for the previous three years is as follows:

(Rs in lakhs)

Particulars	March 31, 2015	March 31, 2016	March 31, 2017
Members Contribution	1.01	1.03	1.03
Total Revenue	0.00	0.00	0.00
Profit after Taxes	0.00	0.00	0.00

## 16. Sumit Pragati Developers LLP

### Brief Corporate Information

Sumit Pragati Developers LLP is incorporated pursuant to section 12(1) of the Limited Liability Partnership Act, 2008 on January 21, 2011. The registered office is presently situated at 1101, Express Zone, B Wing, Western Express Highway, Malad East, Mumbai – 400 097

### Current Nature of Activities

Sumit Pragati Developers LLP is in the business of development of real estate and construction of residential buildings.

## Partners

As on date of this Red Herring Prospectus, the following are the Partners of Sumit Pragati Developers LLP are

Sl.No	Name	Designation
1	Mitaram Ramlal Jangid	Designated Partner
2	Vinod Rajnal Shah	Designated Partner
3	Subodh Ramakant Nemlekar	Designated Partner

## Share in the LLP

Sl. No	Name	Share
1	Mitaram Ramlal Jangid	23.75%
2	Subodh Ramakant Nemlekar	23.75%
3	Vinod Rajnal Shah	22.50%
4	Mahendra Godmal Panani	22.50%

Sl. No	Name	Share
5	Darshana Binoy Shah	5.00%
6	Anil Vinayak Koregaonkar	2.50%
	<b>TOTAL</b>	<b>100%</b>

### Financial Performance

The summary of audited standalone financials for the previous three years is as follows:

(₹ in Lakhs)

Particulars	March 31, 2015	March 31, 2016	March 31, 2017
Members Contribution	5.00	5.00	5.00
Partners' Current Account	622.66	717.21	711.57
Total Revenue	1.75	1.57	1.86
Profit after Taxes	(1.63)	(0.45)	(5.64)

### 17. Sumit Developers

#### Brief Corporate Information

Sumit Developers is a Partnership Firm formed under the Partnership Act, 1932 on April 02, 2004. The registered office is situated at 103, Dattani Trade Center, Chandavarkar Road, Borivali (West), Mumbai – 400 092.

#### Current Nature of Activities

Sumit Developers is in the business of Construction, Developers, Contracts and Engineers and allied Lines and to act as Commission Agents.

#### Partners

As on date of this Red Herring Prospectus, the following are the Partners of Sumit Developers

Sl.No	Name	Designation
1	Subodh R Nemlekar	Partner
2	Mitaram R Jangid	Partner
3	Anil V Korgaonkar	Partner

#### Share in the Partnership

Sl.No	Name	Share
1	Subodh Nemlekar	40.00%
2	Mitaram Jangid	40.00%
3	Anil Korgaonkar	20.00%
	<b>Total</b>	<b>100.00%</b>

### Financial Performance

The summary of audited standalone financials for the previous three years is as follows:

(₹ in Lakhs)

Particulars	March 31, 2015	March 31, 2016	March 31, 2017
Members Contribution	38.30	54.68	91.32
Total Revenue	1046.29	1190.95	106.25
Profit after Taxes	2.30	2.03	(2.47)

## 18. Sumit Constructions

### Brief Corporate Information

Sumit Constructions is a Partnership Firm formed under the Partnership Act, 1932 on July 21, 1994. The registered office is situated at 1101, Express Zone, B Wing, Western Express Highway, Malad East, Mumbai – 400 097

### Current Nature of Activities

Sumit Constructions is in the business of sale and purchase of materials for construction of buildings and all kinds of agency business.

### Partners

As on date of this Red Herring Prospectus, the following are the Partners of Sumit Constructions

Sl. No	Name	Designation
1	Subodh R Nemlekar	Partner
2	Mitaram R Jangid	Partner

### Share in the Partnership

Sl. No	Name	Share
1	Subodh Nemlekar	50.00%
2	Mitaram Jangid	50.00%
	<b>Total</b>	<b>100.00%</b>

### Financial Performance

The summary of audited standalone financials for the previous three years is as follows:

(₹ in Lakhs)

Particulars	March 31, 2015	March 31, 2016	March 31, 2017
Members Contribution	(214.38)	(214.38)	(207.76)
Total Revenue	522.97	117.03	58.68
Profit after Taxes	0.25	1.05	2.02

## 19. Second Home Resorts Limited

### Brief Corporate Information

Second Home Resorts Limited is a limited company incorporated under the Companies Act, 1956 on August 23, 1996. The registered office is situated at 1101, Express Zone, B Wing, Western Express Highway, Malad East, Mumbai – 400 097

### Current Nature of Activities

Second Home Resorts Limited is in the business of developing, maintaining and running holiday resorts.



## Board of Directors

As on date of this Red Herring Prospectus, the following are the Directors of Second Home Resorts Ltd

Sl . No	Name	Designation
1	Mitaram Jangid	Director
2	Subodh Nemlekar	Director
3	Bhushan Nemlekar	Director

## Shareholding Pattern

As on date of this Red Herring Prospectus, the following are the Shareholders of Second Home Resorts Ltd

Sl.No	Name of the Shareholder	Number of Shares held	Percentage
1	Mitaram R Jangid	24800	49.60
2	Subodh Nemlekar	24750	49.50
3	Sharda M. Jangid	150	0.30
4	Bhushan S. Nemlekar	100	0.20
5	Dhanshree S. Nemlekar	100	0.20
6	Mohan P. Kala	100	0.20
	<b>Total</b>	<b>50000</b>	<b>100.00</b>

## Financial Performance

The summary of audited standalone financials for the previous three years is as follows:

(₹ in Lakhs except per share data)

Particulars	March 31, 2015	March 31, 2016	March 31, 2017
Equity Share Capital (face value ₹10/- each)	5.00	5.00	5.00
Reserves & Surplus (excluding revaluation reserve)	(2.37)	(2.77)	(2.97)
Total Income	0.00	0.00	0.00
Profit/ (Loss) after Tax	(0.38)	(0.40)	(0.20)
Earnings Per Share and Diluted Earnings per share (in ₹)	(0.77)	(0.40)	(0.80)
Net Asset Value Per Share (in ₹)	5.26	4.46	4.06

## 20. Sumit Real Infra LLP

### Brief Corporate Information

Sumit Real Infra LLP is incorporated pursuant to section 12(1) of the Limited Liability Partnership Act, 2008 on July 29, 2015. The registered office is presently situated at 1101, Express Zone, B Wing, Western Express Highway, Malad East, Mumbai – 400 097

### Current Nature of Activities

Sumit Real Infra LLP is in the business of real estate development and construction.

## Partners

As on date of this Red Herring Prospectus, the following are the Partners of Sumit Real Infra LLP are

Sl. No	Name	Designation
1	Mitaram Jangid	Designated Partner
2	Subodh Nemlekar	Designated Partner

## Share in the LLP

Sl.No	Name	Share
1	Mitaram Jangid	50.00%
2	Subodh Nemlekar	50.00%
	<b>Total</b>	<b>100.00%</b>

## Financial Performance

The summary of audited standalone financials for the previous three years is as follows:

(₹ in Lakhs)

Particulars	March 31, 2016	March 31, 2017
Members Contribution	0.52	0.52
Partners' Current Account	0.00	0.00
Total Revenue	0.00	0.00
Profit after Taxes	0.00	0.00

## 21. Sumit Buildtech LLP

### Brief Corporate Information

Sumit Buildtech LLP is incorporated pursuant to section 12(1) of the Limited Liability Partnership Act, 2008 on July 29, 2015. The registered office is presently situated at 1101, Express Zone, B Wing, Western Express Highway, Malad East, Mumbai – 400 097

### Current Nature of Activities

Sumit Buildtech LLP is in the business of real estate development and construction.

## Partners

As on date of this Red Herring Prospectus, the following are the Partners of Sumit Buildtech LLP are

Sl.No	Name	Designation
1	Mitaram Jangid	Designated Partner
2	Subodh Nemlekar	Designated Partner

## Share in the LLP

Sl.No	Name	Share
1	Mitaram Jangid	50.00%
2	Subodh Nemlekar	50.00%
	<b>Total</b>	<b>100.00%</b>

## Financial Performance

The summary of audited standalone financials for the previous three years is as follows:

(₹ in Lakhs)

Particulars	March 31, 2016	March 31, 2017
Members Contribution	0.52	0.52
Reserves and Surplus	0.00	0.00
Partners' Current Account	0.00	0.00
Total Revenue	0.00	0.00
Profit after Taxes	0.00	0.00

## 22. Sumit Real Corn LLP

### Brief Corporate Information

Sumit Real Corn LLP is incorporated pursuant to section 12(1) of the Limited Liability Partnership Act, 2008 on July 29, 2015. The registered office is presently situated at 1101, Express Zone, B Wing, Western Express Highway, Malad East, Mumbai – 400 097

### Current Nature of Activities

Sumit Real Corn LLP is in the business of real estate development and construction.

### Partners

As on date of this Red Herring Prospectus, the following are the Partners of Sumit Real Corn LLP are

Sl. No	Name	Designation
1	Mitaram Jangid	Designated Partner
2	Subodh Nemlekar	Designated Partner

### Share in the LLP

Sl. No	Name	Share
1	Mitaram Jangid	50.00%
2	Subodh Nemlekar	50.00%
	<b>Total</b>	<b>100.00%</b>

## Financial Performance

The summary of audited standalone financials for the previous three years is as follows:

(₹ in Lakhs)

Particulars	March 31, 2016	March 31, 2017
Members Contribution	0.52	0.52
Partners' Current Account	0.00	0.00
Total Revenue	0.00	0.00
Profit after Taxes	0.00	0.00

## 23. Access Facility Management LLP

### Brief Corporate Information

Access Facility Management LLP was incorporated as a private limited company as Mitasu Infrastructure Private Limited under the Companies Act, 1956 on 05/12/2009. The name was changed to Access Facility Management

Private Limited on 26/11/2013 and was converted into an LLP under the LLP Act, 2008 on November 21, 2016. The registered office is presently situated at 1101, Express Zone, B Wing, Western Express Highway, Malad (East), Mumbai – 400 097

### Current Nature of Activities

Access Facility Management LLP is in the business of real estate development and construction.

### Partners

As on date of this Red Herring Prospectus, the following are the Partners of Sumit Real Corn LLP are

Sl No	Name	Designation
1	Mitaram Jangid	Designated Partner
2	Subodh Nemlekar	Designated Partner
3	Bhushan Nemlekar	Designated Partner

### Share in the LLP

Sl. No	Name	Share
1	Mitaram Jangid	50.00%
2	Subodh Nemlekar	25.00%
3	Bhushan Nemlekar	25.00%
	<b>Total</b>	<b>100.00%</b>

### Financial Performance

The summary of audited standalone financials for the previous three years is as follows:

(₹ in Lakhs)

Particulars	March 31, 2015	March 31, 2016	March 31, 2017
Members / Shareholders' Contribution	1.00	1.00	1.00
Reserves and Surplus	(0.09)	0.74	0.00
Partners' Current Account	0.00	0.00	(0.31)
Total Revenue	16.66	20.28	6.74
Profit after Taxes	15.30	1.21	(1.27)

## 24. Mitasu Woods Private Limited (MWPL)

### Brief Corporate Information

Mitasu Woods Private Limited (MWPL) is a private limited company incorporated under the Companies Act, 1956 on August 13, 1996 at Goa. The registered office is situated at 50, Second Floor, Ponda Commerce Centre, Ponda, Goa – 403 401. The Corporate Identification number of MWPL is U36101GA1996PTC002155.

### Current Nature of Activities

Mitasu Woods Private Limited is in the business of manufacturers and wood dealers in wooden furniture for houses, offices and shops.

### Board of Directors

As on date of this Red Herring Prospectus, the following are the Directors of Mitasu Woods Private Limited

Sl.No	Name	Designation
1	Mitaram Jangid	Director
2	Subodh Nemlekar	Director
3	Bhushan Nemekar	Director

### Shareholding Pattern

As on date of this Red Herring Prospectus, the following are the Shareholders of Mitasu Woods Private Limited

Sl.No	Name of the Shareholder	Number of Shares held	Percentage
1	Mitaram R Jangid	10,000	50.00
2	Subodh Nemlekar	10,000	50.00
	<b>Total</b>	20,000	100.00

### Financial Performance

The summary of audited standalone financials for the previous three years is as follows:

(₹ in Lakhs except per share data)

Particulars	March 31, 2015	March 31, 2016	March 31, 2017
Equity Share Capital (face value ₹10/- each)	2.00	2.00	2.00
Reserves & Surplus (excluding revaluation reserve)	31.09	33.54	34.30
Total Income	71.60	32.30	45.60
Profit/ (Loss) after Tax	2.94	0.78	1.21
Earnings Per Share and Diluted Earnings per share (in ₹)	147.03	39.05	60.87
Net Asset Value Per Share (in ₹)	165.47	177.70	181.47

## 25. Sumit Bhoomi Ventures

### Brief Corporate Information

**Sumit Bhoomi Ventures** is an Association of Persons. The registered office is presently situated at 1101, Express Zone, B Wing, Western Express Highway, Malad (East), Mumbai - 400 097

### Current Nature of Activities

**Sumit Bhoomi Ventures** is in the business of real estate development and construction.

### Partners

As on date of this Red Herring Prospectus, the following are the Partners of Sumit Bhoomi Ventures are

Sl. No	Name	Designation
1	Sumit Developers	Member
2	Bhoomi Shahswat Estate Pvt. Ltd	Member

## Financial Performance

The summary of audited standalone financials for the previous three years is as follows:

(₹ in Lakhs)

Particulars	March 31, 2015	March 31, 2016	March 31, 2017
Members Contribution	153.07	179.32	169.78
Total Revenue	983.35	675.91	118.30
Net Profit	91.07	40.65	3.33

## 26. Sumit Woods Goa Private Limited

### Brief Corporate Information

Sumit Woods Goa P Ltd is a private limited company incorporated under the Companies Act, 1956 on February 12, 2011. The registered office is situated at 101, Mitasu Enclave, Plot No: 560 TPS – III, Bhattad Road, Borivali (West), Mumbai – 400 092. The Corporate Identification number of SWGPL is U45400MH2011PTC213366.

### Current Nature of Activities

Sumit Woods Goa Private Limited is in the business of development and construction of real estate.

### Board of Directors

As on date of this Red Herring Prospectus, the following are the Directors of Sumit Woods Goa Private Limited

Sl.No	Name	Designation
1	Mitaram Jangid	Director
2	Subodh Nemlekar	Director
3	Bhushan Nemlekar	Director

### Shareholding Pattern

As on date of this Red Herring Prospectus, the following are the Shareholders of Sumit Woods Goa Private Limited

Sl.No	Name of the Shareholder	Number of Shares held	Percentage
1	Mitaram Jangid	5000	50.00
2	Subodh Nemlekar	2500	25.00
3	Bhushan Nemlekar	2500	25.00
	<b>Total</b>	<b>10000</b>	<b>100.00</b>

## Financial Performance

The summary of audited standalone financials for the previous three years is as follows:

(₹ in Lakhs except per share data)

Particulars	March 31, 2015	March 31, 2016	March 31, 2017
Equity Share Capital (face value ₹10/- each)	1.00	1.00	1.00
Reserves & Surplus (excluding revaluation reserve)	0.00	0.00	0.00
Total Income	0.00	0.00	0.00
Profit/ (Loss) after Tax	0.00	0.00	0.00
Earnings Per Share and Diluted Earnings per share (in ₹)	0.00	0.00	0.00
Net Asset Value Per Share (in ₹)	10.00	10.00	10.00

## 27. Sumit Michigan LLP

### Brief Corporate Information

Sumit Michigan LLP was incorporated as a private limited company incorporated under the Companies Act, 1956 on February 10, 2014. The company was converted into an LLP on February 09, 2017 under the Liability Partnership Act, 2008 on February 2017. The registered office is presently situated at 1101, Express Zone, B Wing, Western Express Highway, Malad East, Mumbai – 400 097

### Current Nature of Activities

Sumit Michigan LLP is in the business of real estate development and construction and similar other business activities.

### Partners

As on date of this Red Herring Prospectus, the following are the Partners of Sumit Michigan LLP are

Sl.No	Name	Designation
1	Mitaram Jangid	Designated Partner
2	Bhushan Nemlekar	Designated Partner
3	Gurudatta Prabhu	Designated Partner
4	Ajay Padval	Designated Partner

### Share in the LLP

Sl.No	Name	Share
1	Mitaram Jangid	25.00%
2	Bhushan Nemlekar	25.00%
3	Gurudatta Prabhu	25.00%
4	Ajay Padval	25.00%
	<b>Total</b>	<b>100.00%</b>

### Financial Performance

The summary of audited standalone financials for the previous three years is as follows:

(₹ in Lakhs)

Particulars	March 31, 2015	March 31, 2016	March 31, 2017
Members Contribution	1.00	1.00	1.00
Reserves and Surplus	0.00	0.00	0.00
Partners' Current Account	0.00	0.00	0.00
Total Revenue	0.00	0.00	0.00
Profit after Taxes	0.00	0.00	0.00

## 28. Mitasu Realty LLP

### Brief Corporate Information

Mitasu Realty LLP was incorporated as a private limited company incorporated under the Companies Act, 1956 on December 05, 2009. The company was converted into an LLP on October 14, 2016. The registered office is situated at 1101, Express Zone, B Wing, Western Express Highway, Malad East, Mumbai – 400097



## Current Nature of Activities

Mitasu Realty LLP is in the business of development and construction of real estate.

## Board of Directors

As on date of this Red Herring Prospectus, the following are the Directors of Mitasu Realty LLP

Sl.No	Name	Designation
1	Mitaram Jangid	Designated Partner
2	Subodh Nemlekar	Designated Partner
3	Bhushan Nemlekar	Designated Partner

## Shareholding Pattern

As on date of this DraftRed Herring Prospectus, the following are the Shareholders of Second Home Resorts Ltd

Sl.No	Name of the Shareholder	Number of Shares held	Percentage
1	Mitaram Jangid	5000	50.00
2	Subodh Nemlekar	2500	25.00
3	Bhushan Nemlekar	2500	25.00
	<b>Total</b>	<b>10000</b>	<b>100.00</b>

## Financial Performance

The summary of audited standalone financials for the previous three years is as follows:

(₹ in Lakhs)

Particulars	March 31, 2015	March 31, 2016	March 31, 2017
Members / Shareholders' Contribution	1.00	1.00	1.00
Reserves and Surplus	0.16	6.05	0.00
Partners' Current Account	-	-	15.66
Total Revenue	1.38	10.59	12.06
Profit after Taxes	0.01	5.89	(2.47)

## Common Pursuit

All of our group companies mentioned above have some of the objects similar to that of our Company's Business.

## Dissociation of Promoters in the last three year:

Our individual Promoters Mr. Mitaram Jangid, Mr Subhodh Nemlekar and Mr Bhushan Nemlekar have not disassociated themselves from any Companies in the last three years.

## Related Business transactions within the group company and its significance on the financial performance of Our Company Sales or Purchases between our group Company and associated company with our Company is given below:

There are no sales or purchase between our Group Company and associated company exceeding ten percent of our total sales or purchases. For details, please see the section "Related Party Transactions" on page 176 of this Red Herring Prospectus.

### **Defunct /Struck-off Company**

- None of Promoters, Promoter Group and our Group Companies has remained defunct and no application has been made to Registrar of Companies for Striking off their name from the Register of Companies, during the five years preceding the date of filing this Red Herring Prospectus.
- None of the securities of our Group Entity are listed on any stock exchange and our Group Entity has not made any public or rights issue of securities in the preceding three years.
- Our Group Entity has not been debarred from accessing the capital market for any reasons by the SEBI or any other authorities.
- Our Group Entity has not been identified as a Willful Defaulter.

### **Business Interests amongst our Company and Group Companies /Associate Companies**

Except as mentioned under section titled “Financial Information, Related Party Transactions” beginning on page 176 of this Red Herring Prospectus, there is no business interest among Group Company.

### **Changes in Accounting Policies in the last three years**

Except as mentioned under the paragraph Changes in Significant Accounting Policies, Annexure IVI under Chapter titled “Auditors’ Report and Financial Information of our Company” beginning on page 158 of the Red Herring Prospectus, there have been no changes in the accounting policies in the last three years.

## **RELATED PARTY TRANSACTIONS**

For details of the related party transaction of our Company, see Annexure R and Annexure IV to Accounts to the financial statements respectively, in “Auditors Report and Financial Information of our Company” beginning from page 158 of this Red Herring Prospectus.

## **DIVIDEND POLICY**

Under the Companies Act, 2013 our Company can pay dividends upon a recommendation by our Board of Directors and approval by a majority of the shareholders at the Annual General Meeting. The shareholders of the Company have the right to decrease but not to increase the amount of dividend recommended by the Board of Directors. The dividends may be paid out of profits of our Company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous fiscal years or out of both. The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends. Our Company does not have any formal dividend policy for the Equity Shares. The declaration and payment of dividend will be recommended by our Board of Directors and approved by the shareholders of our Company at their discretion and will depend on a number of factors, including the results of operations, earnings, capital requirements and surplus, general financial conditions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

## SECTION-VI: FINANCIAL INFORMATION

### AUDITORS REPORT AND FINANCIAL INFORMATION OF OUR COMPANY

#### INDEPENDENT AUDITOR'S REPORT ON RESTATED CONSOLIDATED FINANCIALS STATEMENTS

To,  
The Board of Directors,  
**Sumit Woods Limited**  
B-1101, Express Zone,  
Western Express Highway,  
Malad (East), Mumbai-400 097.

1. We have examined the Consolidated restated statement of assets and liabilities of Sumit Woods Limited, (hereinafter referred to as "the Company") as on March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014, Consolidated restated statement of profit and loss and Consolidated restated statement of cash flows for the financial year ended on March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 (collectively referred to as the "restated summary statements" or "restated financial statements") annexed to this report and initialed by us for identification purposes. These restated financial statements have been prepared by the management of the Company and approved by the Board of Directors at their meeting in connection with the proposed Initial Public Offering (IPO) on SME Platform of National Stock Exchange of India Limited ("NSE") of the company.

2. These Consolidated restated statements have been prepared in accordance with the requirements of:

- (i) sub-clauses (i) and (iii) of clause (b) of sub-section (1) of section 26 of the Companies Act, 2013 ("the Act") read with Companies (Prospectus and Allotment of Securities) Rules 2014;
- (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009 ("ICDR Regulations") and related amendments / clarifications from time to time issued by the Securities and Exchange Board of India ("SEBI")

3. We have examined such consolidated restated financial statements taking into consideration:

- (i) The terms of reference to our engagement letter dated 18<sup>th</sup> April 2018 requesting us to carry out the assignment, in connection with the proposed Initial Public Offering of equity shares on SME Platform of NSE ("IPO" or "SME IPO"); and
- (ii) The Guidance Note on Reports in Company Prospectus (Revised) issued by the Institute of Chartered Accountants of India ("Guidance Note").

4. The consolidated restated financial statements of the Company have been extracted by the management from the audited financials for the year ended on March 31, 2018, 2017, 2016, 2015 and 2014.

5. In accordance with the requirements of the Act including the rules made there under, ICDR Regulations, Guidance Note and engagement letter, we report that:

(i) The "Consolidated Restated Statement of Asset and Liabilities" of the Company as on March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 examined by us, as set out in **Annexure I** to this report read with significant accounting policies in **Annexure IV** has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to the restated summary statements to this report.

(iii) The "Consolidated Restated Statement of Profit and Loss" of the Company for the year ended on March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 examined by us, as set out in **Annexure II** to this report read with significant accounting policies in **Annexure IV** has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to the restated summary statements to this report.

(iii) The “Consolidated Restated Statement of Cash Flows” of the Company for the year ended on March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 examined by us, as set out in **Annexure III** to this report read with significant accounting policies in **Annexure IV** has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to restated summary statements to this report.

6. Based on our examination, we are of the opinion that the consolidated restated financial statements have been prepared:

- a) Considering consistent accounting policies for all the reporting years.
- b) Adjustments for prior period and other material amounts in the respective financial years to which they relate.
- c) There are no extra-ordinary items that need to be disclosed separately in the accounts and requiring adjustments.
- d) There are no audit qualifications in the audit reports issued by the statutory auditors for the year ended on March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 which would require adjustments in the restated financial statements of the Company.

7. The audit for the year ended on March 31, 2018, was conducted by us. The audit for the financial year ended on 31st March, 2017, was conducted by M/s Parmar & Company, Chartered Accountants, and the same has been re-audited by us as per the relevant guidelines. Audit for the financial year ended 31st March, 2014, 31st March, 2015, 31st March 2016 was conducted by M/s Parmar & Company, Chartered Accountants and accordingly reliance has been placed on the financial information examined by them for the said years. The financial report included for these years are based solely on the report submitted by them.

8. We have also examined the following other financial information relating to the Company prepared by the management and as approved by the board of directors of the Company and annexed to this report relating to the Company for the year ended on March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 proposed to be included in the Red Herring Prospectus / Prospectus (“Offer Document”)

## B. Other Financial Information:

We have also examined the following Financial Information relating to the Company, which is based on the Consolidated 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:

1. Statement of Details of Reserves & Surplus as at March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 as set out in **Annexure 5** to this report.
2. Statement of Accounting Ratios for the year ended on March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 as set out in **Annexure 6** to this report.
3. Capitalization Statement as at March 31, 2018 as set out in **Annexure 7** to this report.
4. Statement of Tax Shelters for the year ended on March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 as set out in **Annexure 8** to this report.
5. Statement of Long Term Borrowings as at March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 as set out in **Annexure 9** to this report.
6. Statement of Other Long Term Liabilities as at March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 as set out in **Annexure 10** to this report.
7. Statement of Short Term Borrowings as at March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 as set out in **Annexure 11** to this report.
8. Statement of Details of Current Liabilities & Provisions of the Company as at March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 as set out in **Annexure 12** to this report.
9. Statement of Details of Tangible Assets of the Company as at March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 as set out in **Annexure 13** to this report.
10. Statement of Details of Intangible Assets of the Company as at March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 as set out in **Annexure 14** to this report.

11. Statement of Details of Long Term Loans & Advances of the Company as at March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 as set out in **Annexure 15** to this report.
12. Statement of Details of Non-current investments of the Company as at March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 as set out in **Annexure 16** to this report.
13. Statement of Details of Inventory of the Company as at March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 as set out in **Annexure 17** to this report.
14. Statement of Details of Trade Receivable of the Company as at March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 as set out in **Annexure 18** to this report.
15. Statement of Details of Short Term Loans & Advances of the as at March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 as set out in **Annexure 19** to this report.
16. Statement of Details of Other Current Assets of the Company as at March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 as set out in **Annexure 20** to this report.
17. Statement of Details of Revenue from Operations of the Company for the year ended on March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 as set out in **Annexure 21** to this report.
18. Statement of Details of Other Income of the Company for the year ended on March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 set out in **Annexure 22** to this report.
19. Statement of Details of Employee Cost of the Company for the year ended on March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 set out in **Annexure 23** to this report.
20. Statement of Details of Administrative, Selling and Other Expenses of the Company for year ended on March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 set out in **Annexure 24** to this report.
21. Statement of Details of contingent liabilities of the Company for the year ended on March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 as set out in **Annexure 25** to this report.
22. Statement of Details of Related Party Transactions of the Company for the year ended on March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 as set out in **Annexure 26** to this report.

In our opinion, the "Consolidated Restated Financial Statements" and "Other Financial Information" mentioned above contained in Annexure 1 to 26 of this report have been prepared in accordance with Part II of Schedule II to the Act, the SEBI Guidelines and the Guidance Note on the reports in Company Prospectuses (Revised) issued by the Institute of Chartered Accountants of India (ICAI).

Consequently the financial information has been prepared after making such regroupings and adjustments as were, in our opinion, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.

This report should not in any way be construed as a reissuance or rebating of the previous audit report, nor should this be construed as a new opinion on any of the financial statements referred to herein.

We have no responsibility to update our report for events and circumstances occurring after the date of the report.

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

#### **For SSRV & ASSOCIATES**

*Chartered Accountants*

Firm Registration No.-135901W

#### **Vishnukant Kabra**

*Partner*

Membership No. 403437

Dated: - August 16, 2018

# Statement of Consolidated Assets and Liabilities, As Restated

(₹ in Lakhs)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
<b>Equity &amp; Liabilities</b>					
Shareholders' Funds					
Share Capital	1,084.05	778.46	776.25	776.25	776.25
Reserve & Surplus	3,866.18	3,247.20	2,823.57	2,735.27	2,649.50
<b>Total (A)</b>	<b>4,950.24</b>	<b>4,025.66</b>	<b>3,599.82</b>	<b>3,511.52</b>	<b>3,425.75</b>
Non-Current Liabilities					
Share Application Money					
Long Term Borrowings	4,041.90	4,804.85	3,872.70	4,736.43	4,626.80
Deferred Tax Liabilities (Net)					
Other Long Term Liabilities	23.60	24.73	17.69	9.93	9.47
<b>Total (B)</b>	<b>4,065.50</b>	<b>4,829.58</b>	<b>3,890.39</b>	<b>4,746.37</b>	<b>4,636.27</b>
Current Liabilities					
Short Term Borrowings	678.84	738.80	2,649.76	1,099.87	1,377.27
Trade Payables	555.34	669.44	705.53	560.50	567.78
Other Current Liabilities	1,280.34	1,971.33	2,663.12	2,696.36	2,455.92
Short Term Provisions	220.62	8.30	3.74	-	-
<b>Total (C)</b>	<b>2,735.14</b>	<b>3,387.88</b>	<b>6,022.14</b>	<b>4,356.73</b>	<b>4,400.97</b>
<b>Total (D=A+B+C)</b>	<b>11,750.88</b>	<b>12,243.12</b>	<b>13,512.35</b>	<b>12,614.62</b>	<b>12,462.99</b>
<b>Assets</b>					
Fixed Assets:					
Tangible Assets	760.91	823.70	922.05	1,002.02	1,254.97
Intangible Assets	3.00	5.01	5.86	3.69	4.39
Capital Work in Progress					
Non Current Investments	2,174.84	1,726.63	1,994.95	1,298.36	1,120.97
Deferred Tax Assets (Net)	12.80	2.16	2.21	10.16	13.99
Long Term Loans & Advances	199.48	90.07	94.98	92.75	64.47
Other Non Current Assets	-	-			
<b>Total (E)</b>	<b>3,151.03</b>	<b>2,647.57</b>	<b>3,020.05</b>	<b>2,406.98</b>	<b>2,458.79</b>
<b>Current Assets</b>					
Current Investments					
Inventories	6,732.26	6,802.48	8,608.44	8,690.35	8,426.05
Trade Receivables	876.36	1,612.64	816.40	742.34	543.79
Cash & Bank Balances	295.77	161.28	450.98	176.78	75.04
Short Term Loans & Advances	223.79	571.43	367.09	457.36	548.11
Other Current Assets	471.66	447.72	249.39	140.81	411.21
<b>Total (F)</b>	<b>8,599.85</b>	<b>9,595.54</b>	<b>10,492.30</b>	<b>10,207.64</b>	<b>10,004.20</b>
<b>Total (G=E+F)</b>	<b>11,750.88</b>	<b>12,243.12</b>	<b>13,512.35</b>	<b>12,614.62</b>	<b>12,462.99</b>



**Statement of Consolidated Profit and Loss, As Restated**

(₹ in Lakhs)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
<b>Income</b>					
Revenue from Operations	3,289.31	4,451.98	2,906.61	2,906.11	1,900.28
Other Income	143.82	245.33	54.53	45.31	73.32
<b>Total</b>	<b>3,433.13</b>	<b>4,697.31</b>	<b>2,961.14</b>	<b>2,951.42</b>	<b>1,973.60</b>
<b>Expenditure</b>					
Cost of Materials Consumed	434.65	501.76	670.50	741.80	1,085.64
Decrease/(Increase) in Stock	70.22	1,805.95	81.91	-264.30	-2,047.99
Employees Costs	169.38	239.24	279.98	287.00	285.54
Provision for Gratuity	2.31	2.16	7.04	7.76	0.46
Operating, Administrative, Selling and Other Expenses	1,072.05	1,003.32	1,050.73	1,073.22	1,382.03
Depreciation & Amortization	65.69	95.96	89.06	111.40	124.67
Preliminary Expenses Written Off	-	-	-	-	-
Interest & Finance Charges	605.99	654.46	689.46	890.22	749.39
Exceptional Items	-	-	-	-	-
<b>Total</b>	<b>2,420.29</b>	<b>4,302.86</b>	<b>2,868.70</b>	<b>2,847.10</b>	<b>1,579.75</b>
<b>Net Profit before Tax</b>	<b>1,012.84</b>	<b>394.44</b>	<b>92.44</b>	<b>104.32</b>	<b>393.86</b>
Less: Provision for Taxes:					
Current Tax	248.95	80.78	12.43	14.78	123.85
Deferred tax	-10.64	0.41	6.94	4.19	-1.52
Earlier Year Taxes	-	-	-	-	-
MAT Credit Entitlement	-	-	-1.91	-	-
<b>Net Profit After Tax &amp; Before Extraordinary Items</b>	<b>774.53</b>	<b>313.26</b>	<b>74.98</b>	<b>85.35</b>	<b>271.52</b>
Extra Ordinary Items					
<b>Net Profit</b>	<b>774.53</b>	<b>313.26</b>	<b>74.98</b>	<b>85.35</b>	<b>271.52</b>

# Statement of Consolidated Cash Flow, As Restated

(₹ in Lakhs)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>					
<b>Net profit before taxes</b>	<b>1,012.84</b>	<b>402.90</b>	<b>88.91</b>	<b>94.38</b>	<b>556.05</b>
Adjustment for:					
Depreciation & Amortisations	62.69	92.96	86.06	108.40	121.67
Discount received	-	-0.04	-0.03	-2.04	-
Conversion of Assets into stock in trade	-	-	-	176.81	-
Provision for Gratuity	2.31				
Add: Interest & Finance Charges	608.99	657.46	692.46	893.22	752.39
Less: Interest/Dividend Income	-125.37	-147.66	-46.30	-37.90	-32.81
Add / (Less): Loss / (Profit) on Sale of Assets	-2.30	-71.69	-	6.86	-
<b>Operating Profit before Working capital changes</b>	<b>1,559.16</b>	<b>933.94</b>	<b>821.10</b>	<b>1,239.73</b>	<b>1,397.30</b>
Adjustments for:					
(Decrease)/Increase in Trade Payables	-114.10	-36.08	145.03	-7.28	-596.47
(Increase)/Decrease in Trade receivables	736.28	-796.25	-74.05	-198.56	-14.36
(Increase)/Decrease in Short-term Loans & Advances	347.63	-204.33	90.26	112.75	-29.80
(Increase)/Decrease in Inventories	70.22	1,805.95	81.91	-264.30	-2,047.99
(Decrease)/Increase in Short Term Borrowings	-59.96	-1,910.96	1,549.89	-277.41	466.70
(Decrease)/Increase in Other Current Liabilities & Provisions	-476.50	-680.18	-20.49	240.48	625.54
(Increase) in other current Assets	-50.79	-198.33	-108.58	248.41	-159.75
Net Changes in Working Capital					
<b>Cash Generated from Operations</b>	<b>2,011.94</b>	<b>-1,086.24</b>	<b>2,485.07</b>	<b>1,093.83</b>	<b>-358.83</b>
Taxes	-248.95	-81.19	-11.86	-12.68	-123.01
<b>Net Cash Flow from Operating Activities (A)</b>	<b>1,762.98</b>	<b>-1,167.43</b>	<b>2,473.21</b>	<b>1,081.15</b>	<b>-481.84</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>					
Payments for acquisition of assets	-0.66	-1.66	-9.26	-42.56	-227.38
Sale Proceeds from Asset	2.77	79.70	1.26	4.58	-
Interest received	125.37	147.66	46.30	37.90	32.81
Decrease/ (Increase) in Investment	-448.22	268.29	-696.57	-177.39	-414.93
Loans and advances given / repaid (Net)	-109.41	4.91	-2.22	-28.28	-39.13
<b>Net Cash Flow from Investing Activities (B)</b>	<b>-430.14</b>	<b>498.91</b>	<b>-660.50</b>	<b>-205.76</b>	<b>-648.63</b>
<b>CASH FLOW FROM</b>					

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
<b>FINANCING ACTIVITIES</b>					
Proceeds from/Repayments of LT borrowings [Net]	-762.96	932.15	-863.73	109.64	1,908.14
Finance Cost	-608.99	-657.46	-692.46	-893.22	-752.39
Issue of Preference shares	4.17	2.21	-	-	-
Receipt of Securities Premium	145.83	77.19	-	-	-
Decrease (Increase) in Long Term Loans & Advances	23.60	24.73	17.69	9.93	9.47
<b>Net Cash Flow from Financing Activities (C)</b>	<b>-1,198.34</b>	<b>378.81</b>	<b>-1,538.50</b>	<b>-773.66</b>	<b>1,165.22</b>
<b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents</b>	<b>134.50</b>	<b>-289.71</b>	<b>274.21</b>	<b>101.73</b>	<b>34.75</b>
Cash and cash equivalents at the beginning of the year / Period	161.28	450.98	176.78	75.04	40.29
<b>Cash and cash equivalents at the end of the year/ Period</b>	<b>295.77</b>	<b>161.28</b>	<b>450.98</b>	<b>176.78</b>	<b>75.04</b>

#### Annexure-04

### **SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNT FOR PREPARATION OF RESTATED FINANCIAL STATEMENT**

#### **A.SIGNIFICANT ACCOUNTING POLICIES:**

##### **1. Basis of Preparation of Financial Statements**

- The Consolidated Restated Financial Information for the year ended March 31, 2014, 2015, 2016, 2017 and 2018 has been extracted by the management of the Company from the audited financial statements of the company for the year ended March 31, 2014, 2015, 2016, 2017 and 2018.
- The Consolidated Restated Financial Information are after making adjustments/ restatements and regrouping as necessary in accordance with paragraph B(1) of Part II of Schedule II of The Companies Act and SEBI Regulations.
- The Financial Statements have been prepared under Historical Cost conventions and in accordance with the Generally Accepted Accounting Principles ('GAAP') applicable in India, Companies (Accounting Standard) Rules, 2006 notified by Ministry of Company Affairs and Accounting Standards issued by the Institute of Chartered Accountants of India as applicable and relevant provisions of the Companies Act, 1956 & 2013.
- The company generally follows the mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis.

##### **2. Use of Estimates**

The preparation of Financial Statements in conformity with GAAP requires that the management of the Company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. Examples of such estimates include the useful lives of fixed assets and intangible assets, provision for doubtful debts / advances, future obligations in respect of retirement benefit plans, etc. Actual results could differ from these estimates. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized. Management believes that the estimates used in preparation of financial statements are prudent and reasonable.

### 3. Fixed Assets and Depreciation

- i. Fixed Assets are shown at historical cost net of recoverable taxes inclusive of incidental expenses less accumulated depreciation.
- ii. Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated depreciation.
- ii. Depreciation on fixed assets is provided on written down value basis using the rates arrived at based on the rates prescribed in the Schedule II to the Companies Act, 2013.
- iii. Depreciation on fixed assets sold during the year, is provided on pro-rata basis with reference to the date of addition/deletion.

### 4. Revenue Recognition

#### i. Revenue from construction contracts:

The company follow the percentage completion method, on the basis of physical measurement of the work actually completed at the balance sheet date, taking into account the contractual price and revision there to by estimating total revenue total cost till completion of the contract and the profit so determined has been accounted for proportionate to the percentage of the actual work done. Unbilled work-in-progress is valued at contract rates. Foreseeable losses are accounted for as and when they are determined except to the extent they are expected to be recovered through claims presented.

However during the current year the company has followed Guidance Note, 2012 on AS 7 in Projects as and when agreement is registered.

As per Management Sales is booked as per the satisfaction of following conditions:

- Revenue is recognized on progressive percentage method on the basis of completion of work certified by the architect and on the satisfaction of following criteria as mentioned in ICAI guidance note on Revenue recognition by real estate entity;
- When a reasonable level of development is achieved i.e. more than 25% of the construction & development cost has been incurred and,
- When at least 25% of the saleable area is secured by contracts or agreements with buyers and
- At least 10 % of the total revenue as per the agreements of sale or any other legally enforceable documents are realized at the reporting date in respect of each of the contracts and it is reasonable to expect that the parties to such contracts will comply with the payment terms as defined in the contracts.

#### ii. Revenue from joint venture contracts:

- Contracts executed in Joint Venture under work sharing arrangement (consortium) are accounted in accordance with the accounting policy followed by the Company for an independent contract to the extent work is executed.
- In respect of contract executed in Integrated Joint Ventures under profit sharing arrangement (assessed as Association of Persons under Income tax laws), the services rendered to the Joint Ventures are accounted as income on accrual basis. The profit / loss is accounted for, as and when it is determined by the Joint Venture and the net investment in the Joint Venture is reflected as investments, loans and advances or current liabilities.

### 5. Investments

Current investments are carried at lower of cost and quoted/fair value, computed category wise. Long Term Investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary.

### 6. Impairment of Assets

As on Balance Sheet date, the Company reviews the carrying amount of Fixed Assets to determine whether there are any indications that those assets have suffered “Impairment Loss”. Impairment loss, if any, is provided to the extent, the carrying amount of assets exceeds their recoverable amount. Recoverable amount is higher of an asset’s net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from continuing use of an asset and from its disposal at the end of its useful life.

## **7. Borrowing Costs**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that takes necessarily substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

## **8. Taxation**

Tax expenses for the year comprise of current tax and deferred tax. Current tax is measured after taking into consideration the deductions and exemptions admissible under the provision of Income Tax Act, 1961 and in accordance with Accounting Standard 22 on “Accounting for Taxes on Income”, issued by ICAI.

Deferred Tax assets or liabilities are recognized for further tax consequence attributable to timing difference between taxable income and accounting income that are measured at relevant enacted tax rates. At each Balance Sheet date the company reassesses unrecognized deferred tax assets, to the extent they become reasonably certain or virtually certain of realization, as the case may be.

## **9. Leases**

### **Finance Lease**

Leases, which effectively transfer to the company all the risks and benefits incidental to ownership of the leased item, are classified as Finance Lease. Lease rentals are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged directly against income life of the assets at the following rates

### **Operating Lease**

Lease where the lesser effectively retains substantially all risks and benefits of the asset are classified as Operating lease. Operating lease payments are recognized as an expense in the Profit & Loss account on a Straight Line Basis over the Lease term.

## **10. Preliminary Expenses**

Preliminary expenses are amortized as per AS-26 issued by ICAI.

## **11. Earnings per Share**

In determining the Earnings Per share, the company considers the net profit after tax includes 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.

The number of shares used in computing Diluted earnings per share comprises the weighted average number of shares considered for computing Basic Earnings per share and also the weighted number of equity shares that would have been issued on conversion of all potentially dilutive shares.

In the event of issue of bonus shares, or share split the number of equity shares outstanding is increased without an increase in the resources. The number of Equity shares outstanding before the event is adjusted

for the proportionate change in the number of equity shares outstanding as if the event had occurred at the beginning of the earliest period reported.

## 12. Contingent Liabilities & 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.
- d. Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements EXCEPT the following
  - The demand made U/s 143(3) for Income Tax Assessment for the A.Y. 2011-12 of Rs 273.25/- (lakhs) for which order of CIT(A) received with a relief of Rs273.25/- (lakhs). However department has an option to file an appeal in ITAT.
  - The demand made U/s 143(3) for the Income Tax Assessment for the A.Y. 2010-11 of Rs 614.51 (lakhs) for which company has filed Appeal to the Commissioner of Income-tax (Appeals)

## 13. Foreign Exchange Transactions

- i. Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.
- ii. Monetary items denominated in foreign currencies at the year-end are restated at year-end rates. In case of items, which are covered by forward exchange contracts, the difference between the year-end rate and rate on the date of the contract is recognized as exchange difference and the premium paid on forward contracts is recognized over the life of the contract.
- iii. Non-monetary foreign currency items are carried at cost.
- iv. In respect of branches, which are integral foreign operations, all transactions are translated at rates prevailing on the date of transaction or that approximates the actual rate at the date of transaction. Branch monetary assets and liabilities are restated at the year-end rates.
- v. Any income or expense on account of exchange difference either on settlement or on translation is recognized in the Profit and loss account except in case of long-term liabilities, where they relate to acquisition of assets, in which case they are adjusted to the carrying cost of such assets.

## B. CHANGES IN ACCOUNTING POLICIES IN THE YEARS COVERED IN THE RESTATED FINANCIALS.

There is no change in significant accounting policies during the reporting period. Further Accounting Policies has been changed as and when Accounting Standards issued by the Institute of Chartered Accountants of India / Companies (Accounting Standard) Rules, 2006 were made applicable on the relevant dates.

## C.NOTES ON CONSOLIDATED RESTATED FINANCIAL STATEMENTS

### NOTES ON RESTATEMENTS MADE IN THE CONSOLIDATED RESTATED FINANCIALS

(Rs. in

Lakh)

Financial Year ended	March, 31				
	2018	2017	2016	2015	2014
Profit after tax as per Audited Statement of Account(A)	774.53	315.42	82.03	93.11	271.98
Adjustments*:					
Provision for Gratuity	-	2.16	7.04	7.76	0.46
Provision for Earlier Year Tax	-	-	-	-	-
Profit after tax as per Restated Profit& Loss(A)	774.53	313.26	74.98	85.35	271.52

\* There are no major items requiring adjustments.

### (III) OTHER NOTES

#### General

1. Company was originally incorporated as “Sumit Woods Limited” at Goa on March 09, 1997 under the provisions of the Companies Act, 1956 vide Certificate of Incorporation issued by the Registrar of Companies, Goa. Daman and Diu at Panaji, Goa. The Registered Office of the Company was thereafter shifted to Mumbai with effect from March 24, 2005. Subsequently, the name of our company was changed to “Sumit Woods Limited on February 06, 2018 and a fresh Certificate of Incorporation consequent upon change of name was issued by the Registrar of Companies, Maharashtra, Mumbai.

#### 2. Contingent liabilities

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. 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. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made

#### 3. Dues to Micro enterprises and Small enterprises:

Under the Micro, Small and Medium Enterprise Development Act, 2006 certain disclosure is required to be made related to micro, small and medium enterprise. The company has disclosed the same.

#### 4. Segment Reporting

The company operates only in one reportable business segment viz. infrastructural services. Hence, there are no reportable segments under Accounting Standard -17. The conditions prevailing in India being uniform no separate geographical disclosures are considered necessary.

5. In the opinion of the Board, subject to the debts considered doubtful, Current Assets and Loans and Advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.

#### 6. Earnings per Share

The details of Earnings Per Share as per AS-20 are provided in Annexure 06.

## 7. Related Party Transactions:

The details of Related Party Transactions as per AS-18 are provided in Annexure 26.

8. The figures in the Consolidated Restated Financials are stated in Lakh and rounded off to two decimals and minor rounding off difference is ignored.

## Annexure- 05

### STATEMENT OF DETAILS OF RESERVES & SURPLUS, AS RESTATED

(Rs. In Lakh)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
Profit / (Loss) Brought Forward	1,721.26	1,374.81	1,285.68	1,200.75	757.56
Add: Profit / (Loss) for the Year	774.53	313.26	74.98	85.35	271.52
Add : adj for Provision for Gratuity	-	-	-	-	-
Fixed Assets Adjustments	-	0.00	-	0.42	-
Add: Profit from LLP/Venture	-	33.19	14.15	-	171.67
Profit / (Loss) Carried Forward (A)	2,495.79	1,721.26	1,374.81	1,286.52	1,200.75
Securities Premium Brought Forward	1,525.94	1,448.75	1,448.75	1,448.75	1,448.75
Add: Premium on Shares Issued during the year	205.38	77.19	-	-	-
Less: Utilized for Bonus issue	-283.79	-	-	-	-
Less: Preference share converted into Equity shares	-77.19	-	-	-	-
Securities Premium Carried Forward (B)	1,370.34	1,525.94	1,448.75	1,448.75	1,448.75
Reserves & Surplus (A+B)	3,866.18	3,247.20	2,823.57	2,735.27	2,649.50

## Annexure- 06

### STATEMENT OF ACCOUNTING RATIOS

(Rs. In Lakh, except per share data)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
Net Worth ( A )	4,950.24	4,025.66	3,599.82	3,511.52	3,425.75
Net Profit after Tax ( B )	774.53	313.26	74.98	85.35	271.52
No. of Shares outstanding at the end [F.V Rs.10] ( C )	108.41	106.22	106.00	106.00	106.00
Weighted average number of shares [F.V Rs.10]( D )	108.41	106.22	106.00	106.00	106.00
Earnings per Share (EPS) (B / D) (Rs.)	7.14	2.95	0.71	0.81	2.56
Return on Net Worth (B / A)	15.65%	7.78%	2.08%	2.43%	7.93%
Net Assets Value per Share (A / D)	45.66	37.90	33.96	33.13	32.32

## Definitions of key ratios:

**I.Earnings per share (Rs.):** Net Profit attributable to equity shareholders / weighted average number of equity shares. Earnings per share calculations are done in accordance with Accounting Standard 20 "Earnings Per



Share” as issued by The Institute of Chartered Accountants of India. As per AS-20, the number of equity shares outstanding before the event is adjusted for the proportionate change in the number of equity shares outstanding as if the event had occurred at the beginning of the earliest period reported. In case of a bonus issue, the bonus shares has been added to corresponding year to the extent of reserves available in the corresponding year. Weighted average number of equity shares outstanding during all the previous years have been considered accordingly.

**II. Return on Net Worth (%):** Net Profit after tax / Net worth as at the end of the year.

**III. Net Asset Value (Rs.):** Net Worth at the end of the year / Weighted Average Number of equity shares.

**IV. Net Profit,** as appearing in the Statement of restated profits and losses, and Net Worth as appearing in the restated statement of Assets & Liabilities has been considered for the purpose of computing the above ratios

#### Annexure -07

#### CAPITALIZATION STATEMENT

(Rs. In Lakh)		
Particulars	31.03.18	Post Issue *
Borrowing		
Short - Term Debt	678.84	
Long - Term Debt	4,041.90	
Total Debt	4,720.74	
Shareholders' Funds		
Share Capital		
-Equity	1,084.05	
-Preference	0	
Reserves & Surplus	3,866.18	
Less: Preliminary Expenses / Pre Operative Expenses	-	
Less: Deferred Tax Assets	-12.80	
Total Shareholders Funds	4,937.44	
Long - Term Debt / Shareholders Fund	0.82	
Short - Term Debt / Shareholders Fund	0.14	

\* The Post Issue Capitalization will be determined only after the completion of the allotment of equity shares.

#### Annexure- 08

#### STATEMENT OF TAX SHELTERS

(Rs. In Lakh)					
Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
Profit before tax as per Restated P/L	843.42	394.44	92.44	104.32	393.86
Applicable Corporate Tax Rate	0.33	0.31	0.31	0.31	0.31
Tax at Notional Rate	-	-	-	-	-
Adjustments	-	-	-	-	-
Difference between Tax Depreciation and Book Depreciation	31.41	0.02	22.44	13.56	-4.93
Exempted Income	-	-	-	-	-
Disallowance	-0.58	-6.73	-3.13	-15.36	-5.99
Items Chargeable at special rates	-	-	-	-	5.19
Other Items	250.05	159.02	36.86	72.85	
Net Adjustments	280.89	152.31	56.16	71.04	-5.73
Tax Saving thereon	92.86	47.07	17.35	21.95	-1.77
Tax Saving to the the extent of Tax					

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
at Notional Rate					
<b>Tax Payable [A]</b>	<b>185.99</b>	<b>80.77</b>	<b>13.29</b>	<b>12.68</b>	<b>123.01</b>
Tax Payable on items chargeable at special rates [B]	-	-	-		-
Total Tax Payable [C=A+B]	185.99	80.77	13.29	12.68	123.01
Tax Rebates / Credits [D]					
Tax Payable [E=C-D]	185.99	80.77	13.29	12.68	123.01
<b>Tax Payable u/s 115 JB of Income Tax Act [F]</b>	<b>128.75</b>	<b>78.86</b>	<b>6.89</b>	<b>24.89</b>	<b>16.28</b>
<b>Final Tax Payable (Higher of [E] &amp; [F])</b>	<b>185.99</b>	<b>80.77</b>	<b>13.29</b>	<b>12.68</b>	<b>123.01</b>

#### Annexure – 09

#### STATEMENT OF DETAILS OF LONG TERM BORROWINGS

(Rs. In Lakh)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
Secured:-					
Loan from Bank	3,316.58	3,294.11	1,680.45	1,972.56	1,163.17
Loan from Financial Institutions	6.30	-	20.51	29.21	631.68
Unsecured:-					
Loan from Bank	-	-	-	-	-
Loan from Financial Institutions	-	-	-	-	-
From Related Parties					
Loan from Others	719.02	1,510.74	2,171.74	2,734.65	2,831.95
<b>Total</b>	<b>4,041.90</b>	<b>4,804.85</b>	<b>3,872.70</b>	<b>4,736.43</b>	<b>4,626.80</b>

#### Annexure – 10

#### STATEMENT OF DETAILS OF OTHER LONG TERM LIABILITIES

(Rs. In Lakh)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
Provision for Gratuity	23.60	24.73	17.69	9.93	9.47
<b>Total</b>	<b>23.60</b>	<b>24.73</b>	<b>17.69</b>	<b>9.93</b>	<b>9.47</b>

#### Annexure – 11

#### STATEMENT OF DETAILS OF SHORT TERM BORROWINGS

(Rs. In Lakh)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
<b>Secured:-</b>					
Working Capital from Bank	-	47.14	2,649.76	1,099.87	1,377.27
Loan from Bank	678.84	691.66			
<b>Unsecured:-</b>					
Loan from Shareholders / Directors	-	-	-	-	-
Other Loans : Inter Corporate Loans	-	-	-	-	-
<b>Total</b>	<b>678.84</b>	<b>738.80</b>	<b>2,649.76</b>	<b>1,099.87</b>	<b>1,377.27</b>

#### Annexure – 12

#### STATEMENT OF DETAILS OF CURRENT LIABILITIES AND PROVISIONS

(Rs. In Lakh)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
<b>Current Liabilities</b>					
Trade Payables					

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
Sundry Creditors for Expenses	555.34	669.44	705.53	560.50	567.78
<b>Sub Total (A)</b>	<b>555.34</b>	<b>669.44</b>	<b>705.53</b>	<b>560.50</b>	<b>567.78</b>
Other Current Liabilities					
Statutory Dues	34.42	38.28	52.63	64.52	131.77
Employee Expenses Payable	26.82	26.80	26.28	19.14	53.31
Outstanding Expenses	91.89	115.39	10.39	5.50	20.91
Advance Received	993.85	1,712.58	2,362.76	2,498.35	2,156.25
Security Deposit – received	58.31	51.05	51.84	51.95	51.00
Provision for Gratuity	5.56	2.16	7.04	7.76	0.46
Maintenance & Society Charges	69.49	25.06	85.94	49.15	12.50
Share Application money received from customers- Sumit Samarth	-	-	-	-	3.93
Society formation charges received from customers- sumit Samarth	-	-	-	-	13.93
Society charges/Other charges	-	-	-	-	11.87
Other current Liabilities	-	-	66.24	-	-
Provisions for expenses	11.71	4.40	3.35	-	-
Provisions Income-tax	208.91	3.91	0.39	-	-
<b>Sub Total (B)</b>	<b>1,500.96</b>	<b>1,979.63</b>	<b>2,666.85</b>	<b>2,696.36</b>	<b>2,455.92</b>

#### Annexure – 13

##### STATEMENT OF DETAILS OF TANGIBLE ASSETS

(Rs. In Lakh)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
Construction Equipment	1.33	2.04	2.36	3.15	4.19
Immovable Properties	690.34	724.80	768.65	912.01	1,166.76
Office Equipment	0.82	1.23	1.17	13.04	10.98
Vehicles	11.00	19.51	41.12	48.94	39.63
Plant & Machinery	12.71	15.29	24.11	24.72	33.42
Furniture & Fixture	42.08	56.68	77.92		-
Mobile Instruments	0.67	0.78	4.26		-
Computer, Laptop & Server	1.96	3.37	2.46	0.16	-
<b>Total</b>	<b>760.91</b>	<b>823.70</b>	<b>922.05</b>	<b>1,002.02</b>	<b>1,254.98</b>

#### Annexure – 14

##### STATEMENT OF DETAILS OF INTANGIBLE ASSETS

(Rs. In Lakh)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
Computer Software	3.00	5.01	5.86	3.69	4.39
<b>Total</b>	<b>3.00</b>	<b>5.01</b>	<b>5.86</b>	<b>3.69</b>	<b>4.39</b>

#### Annexure – 15

##### STATEMENT OF DETAILS OF LONG TERM LOANS AND ADVANCES

(Rs. In Lakh)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
Security Deposit	11.04	26.04	27.23	18.46	26.81
Income Tax Refund Receivable	186.52	64.02	65.84	74.30	37.66
MAT Credit Entitlement	1.91	-	1.91		
<b>Total</b>	<b>199.48</b>	<b>90.07</b>	<b>94.98</b>	<b>92.75</b>	<b>64.47</b>

**Annexure – 16**  
**STATEMENT OF DETAILS OF NON CURRENT INVESTMENT**

(Rs. In Lakh)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
Investment in Joint Venture	88.51	92.58	-	-	-
Investment in Limited Liability Partnership	1,787.99	1,537.80	1,932	1,251	1,114.19
Investment in Equity Instrument	292.84	91.51	58	44	5.66
Investment in Gratuity Fund	5.50	4.74	5	3	1.12
<b>Total</b>	<b>2,174.84</b>	<b>1,726.63</b>	<b>1,994.95</b>	<b>1,298.36</b>	<b>1,120.97</b>

**Annexure – 17**  
**STATEMENT OF DETAILS OF INVENTORY**

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
Work in Progress	6,732.26	6,802.48	8,608.44	8,690.35	8,426.05
<b>Total</b>	<b>6,732.26</b>	<b>6,802.48</b>	<b>8,608.44</b>	<b>8,690.35</b>	<b>8,426.05</b>

**Annexure – 18**  
**STATEMENT OF DETAILS OF TRADE RECEIVABLES**

(Rs. In Lakh)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
<b>(A) Unsecured, Considered good outstanding for a period less than six months</b>					
Amount due from Promoter/Group Companies and Directors Others		-	-	-	-
Others	617.74	1,329.67	635.30	440.70	396.11
<b>(B) Unsecured, Considered good outstanding for a period more than six months</b>					
Amount due from Promoter/Group Companies and Directors			-	-	-
Others	258.62	282.98	181.10	301.64	147.68
<b>Total</b>	<b>876.36</b>	<b>1,612.64</b>	<b>816.40</b>	<b>742.34</b>	<b>543.79</b>

**Annexure – 19**  
**STATEMENT OF DETAILS OF SHORT TERM LOANS AND ADVANCES**

(Rs. In Lakh)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
Advances to Suppliers	26.00	22.50	13.17	85.78	19.57
Advance to staff	1.15	0.59	2.91	-	-
Advances to Others	160.26	252.69	329.30	311.94	493.00
Prepaid Expenses	2.17	10.28	21.71	26.38	31.22
Advances to Related Party	34.22	285.36	-	-	-
Balance with Revenue Authorities		-	-	33.26	4.33
<b>Total</b>	<b>223.79</b>	<b>571.43</b>	<b>367.09</b>	<b>457.36</b>	<b>548.11</b>

**Annexure – 20**  
**STATEMENT OF DETAILS OF OTHER CURRENT ASSETS**

(Rs. In Lakh)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
Advance Tax	15.60	-	-	-	-
Daimler Financial Services - TDS Receivable	-	0.14	-	-	-
Others- TDS Receivable	1.07	2.34	9.00	15.57	-
Balance with Revenue authorities	33.92	25.77	-	-	-

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
Input tax credit	31.09	8.54	10.29	-	-
Amount Receivable from Customers for (Service tax and VAT)	39.40	54.49	-	-	-
Amount Receivable form Others	55.21	46.58	37.72	-	-
Service tax Cen vat Unutilized	-	-	13.47	-	-
Service Tax carried forward	-	-	1.96	-	-
Deposit	0.34	0.34	-	4.58	-
Contribution Receivable	295.04	309.53	176.95	120.66	411.21
<b>Total</b>	<b>471.66</b>	<b>447.72</b>	<b>249.39</b>	<b>140.81</b>	<b>411.21</b>

#### Annexure – 21

#### STATEMENT OF DETAILS OF REVENUE OF OPERATIONS

(Rs. In Lakh)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
Sale of Units in Projects	2,709.54	3,508.48	2,734.69	2,657.17	1,883.09
Income from Investments	49.23	87.58			
Office Maintenance Charges	121.00	118.00	124.00	174.73	-
Sale of Scrap	0.72	2.76	-	1.36	-
Legal and other charges recovered from unite holder	39.05	25.11			13.53
Share of Profit/(Loss) from joint ventures and limited liability partnership	201.33	-	36.86	72.85	3.66
Income from sale of Development rights	-	710	-	-	-
Charges Recovered from customer	11.35	-	11.06	-	-
Car Parking	3.00	-	-	-	-
FSI Premium	150.00	-	-	-	-
Misc Income	4.08	-	-	-	-
<b>Total</b>	<b>3,289.31</b>	<b>4,451.98</b>	<b>2,906.61</b>	<b>2,906.11</b>	<b>1,900.28</b>

#### Annexure – 22

#### STATEMENT OF DETAILS OF OTHER INCOME

(Rs. In Lakh)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
Interest on capital	43.92	-	52.40	38.58	32.79
Interest on Unsecured loans	81.45	148.39			-
Misc Income	8.60	25.25	1.73	2.90	1.58
Profit on Sale of Fixed Assets	2.30	71.69			-
Rent (Leave &License)	-	-		0.94	0.80
Sundry Balances Written back (net)	7.54	-	0.40	2.89	29.14
Truck Hire Rent Recd.	-	-			1.5
Extra work on site	-	-			4.69
Other Income	-	-			2.82
<b>Total</b>	<b>143.81</b>	<b>245.33</b>	<b>54.53</b>	<b>45.31</b>	<b>73.32</b>

#### Annexure – 23

#### STATEMENT OF DETAILS OF EMPLOYEES COSTS

(Rs. In Lakh)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
Salary, Bonus & Wages	128.03	214.59	138.97	135.99	135.25
Remuneration to Directors	21.25	-	112.00	126.97	124.00
Employers Contribution to Provident	8.98	5.52	6.79	5.73	4.41

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
Fund					
Gratuity			0.68	0.26	-
Staff Insurance			4.95	0.75	-
Labour Welfare Fund/MLWF			0.04	0.03	-
Staff Welfare Expenses	11.12	19.13	15.93	14.24	21.20
Employer Contribution to ESIC			0.62	3.04	0.68
<b>Total</b>	<b>169.38</b>	<b>239.24</b>	<b>279.98</b>	<b>287.00</b>	<b>285.54</b>

#### Annexure – 24

#### STATEMENT OF DETAILS OF ADMINISTRATIVE, SELLING AND OTHER EXPENSES

(Rs. In Lakh)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
Auditors Remuneration	4.00	5.75	3.50	3.64	3.62
IPO Expenses	1.57				
Business Development expenses	7.14	1.35	22.66	20.17	32.85
Conveyance	0.73	2.50	6.05	4.04	3.52
Telephone & Mobile Expenses	9.58	9.48	8.12	10.28	6.89
Diwali Expenses	-	2.63	0.93	4.75	0.49
Donation	1.29	2.88	2.71	3.74	2.20
Electricity Expenses & Material	11.45	0.30	12.23	13.50	6.19
ROC Charges	0.85				
Maintenance charges	19.74	31.33	8.98	12.59	10.79
Xerox , Printing & Stationery	5.38	3.77	4.81	5.73	6.96
Professional Fees	25.02		3.35	12.60	20.34
Legal Fees & Charges	0.56	30.68	9.91	7.62	3.59
Business Promotion Expenses	-	-	13.69	14.55	17.53
Consulting Fees	1.75		8.38	9.23	
Constructions & Development Expenses	945.55	900.04	874.53	891.95	1,209.55
Brokerage & Commission	-		18.15	6.73	18.18
Computer Maintenance Expenses	0.49		2.00	1.34	0.50
Housekeeping charges	-		4.66	3.05	
Internal Audit Fees	-	2.79	1.50	0.60	
Insurance	-		0.40	2.23	5.20
MCGM Assessment Tax	-		1.89	1.63	
Office Repairs & Maintenance	1.06		9.59	1.52	6.58
Travelling Expenses	3.56		0.96	0.87	4.35
Vehicle Expenses	7.54		12.12	19.33	13.28
Other Misc expenses (each expenses below 1 lakh)	24.80	9.82	19.64	21.53	9.42
<b>Total</b>	<b>1,072.05</b>	<b>1,003.32</b>	<b>1,050.73</b>	<b>1,073.22</b>	<b>1,382.03</b>

#### Annexure-25

#### Details of Contingent Liabilities

(Rs. In Lakh)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
Tax demand of AY 2010-11	614.51	614.51	-		-
Tax demand of AY 2011-12	273.25	273.25	273.25	273.25	273.25
<b>Total</b>	<b>887.76</b>	<b>887.76</b>	<b>273.25</b>	<b>273.25</b>	<b>273.25</b>

**Annexure-26**
**STATEMENT OF DETAILS OF RELATED PARTY TRANSACTIONS**
**(Rs. In Lakh)**

Particulars	Relationship	Name	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
<b>Revenue Items :</b>							
Purchase of Goods	Related Enterprises	Mitasu Woods Private Limited	1.05	21.65	8.15	4.97	21.78
Sales	Related Enterprises	Mitasu Realty Pvt Ltd.				87.35	
Sales	Relatives of Key Management Personnel	Mitaram Jangid				7.44	
Sales	Relatives of Key Management Personnel	Subodh Nemlekar				13.20	
Receiving of Services	Relatives of Key Management Personnel	Deepak Jangid	-	0.66	1.19	9.09	9.55
Receiving of Services	Related Enterprises	Access Facility Management Private Limited	-	5.96	9.98	9.44	5.52
Receiving of Services	Related Enterprises	Access Facility Management LLPV	10.59	3.11			
Rendering Services	Related Enterprises	Milestone Construction & Developers LLP	3.54	6.90	6.86	6.00	
Rendering Services	Related Enterprises	Sumit Abode Private Limited	1.77	2.30	2.29	6.00	
Rendering Services	Related Enterprises	Sumit Bhoomi Venture	10.62	13.80	13.71	12.00	
Rendering Services	Joint Venture	Sumit Chetna Venture	21.24	6.90	6.86	6.00	
Rendering Services	Related Enterprises	Sumit Developers	1.77	2.30	2.29	6.00	
Rendering Services	Related Enterprises	Sumit Garden Grove Construction LLP	10.62	13.80	13.71	12.00	
Rendering Services	Joint Venture	Sumit Kundil Joint Venture	10.62	6.90	6.86	6.00	
Rendering Services	Related Enterprises	Sumit Pragati Developers	6.20		6.86	6.00	

Particulars	Relationship	Name	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
		LLP					
Rendering Services	Related Enterprises	Sumit Pragati Shelters LLP	139.24	27.60	27.24	24.00	
Rendering Services	Related Enterprises	Sumit Pragati Ventures LLP	6.20	20.70	20.57		
Rendering Services	Associate Company	Sumit Realty Private Limited	10.62	13.80	13.71	12.00	
Rendering Services	Joint Venture	Sumit Snehashish Joint Venture	5.31	6.90	6.86	4.00	
Office Maintenance	Joint Venture	Sumit Snehashish Venture	5.31	6.90	6.86	6.00	
Sale of Development Rights	Joint Venture	Sumit Snehashish Venture	-	410.00			
Salary	Key Management Personnel	Mitaram Jangid	6.38	26.37	36.00	36.00	36.00
Salary	Key Management Personnel	Subodh Nemlekar	7.92	10.62	17.50	21.33	17.50
Salary	Key Management Personnel	Bhushan Nemlekar	5.38	22.37	32.00	32.00	32.00
Salary	Key Management Personnel	Shardha Jangid	5.00	2.29	8.00	8.00	8.00
Salary	Key Management Personnel	Kavita Nemlekar	5.00	2.62	12.00	12.00	12.00
Salary	Key Management Personnel	Dhanshree Nemlekar	5.00	2.17	6.50	7.31	6.50
Salary	Key Management Personnel	Chanda Jangid				0.50	6.77
Salary	Key Management Personnel	Gautam Jangid				10.90	6.00
Salary	Key Management Personnel	Varsha Jadhav				4.47	
Salary	Key Management Personnel	Sunil Jangid					
Brokerage & Commssion	Key Management Personnel	Sunil Jangid					1.00
Interest on unsecured loan taken	Related Enterprises	Sumit Developers		24.88	119.77	158.29	



Particulars	Relationship	Name	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
Interest on unsecured loan taken	Related Enterprises	Sumit Constructions	0.46	12.98	20.84	50.27	
NON REVENUE ITEMS :							
Unsecured Loan Taken	Key Management Personnel	Mitaram Jangid	192.31	157.40			
Unsecured Loan Taken	Key Management Personnel	Subodh Nemlekar	219.88	323.69			
Unsecured Loan Taken	Key Management Personnel	Bhushan Nemlekar	42.00	6.40			
Unsecured Loan Given	Associate Company	Sumit Realty Private Limited	344.00	344.00			
<b>Total</b>			<b>1078.03</b>	<b>1505.97</b>	<b>406.61</b>	<b>578.56</b>	<b>162.62</b>

## INDEPENDENT AUDITOR'S REPORT ON RESTATED STANDALONE FINANCIALS STATEMENTS

To,  
The Board of Directors,  
Sumit Woods Limited  
(Formally known as Sumit Woods Private Limited)  
B-1101, Express Zone,  
Western Express Highway,  
Malad(East), Mumbai-400097

1. We have examined the restated standalone statement of assets and liabilities of Sumit Woods Limited, (hereinafter referred to as "the Company") as on March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 restated standalone statement of profit and loss and restated standalone statement of cash flows for the year ended as on March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 (collectively referred to as the "restated statements" or "restated financial statements") annexed to this report and initialed by us for identification purposes. These restated financial statements have been prepared by the management of the Company and approved by the Board of Directors at their meeting in connection with the proposed Initial Public Offering (IPO) on SME Platform of National Stock Exchange of India Limited ("NSE") of the company.

2. These restated standalone statements have been prepared in accordance with the requirements of:

sub-clauses (i) and (iii) of clause (b) of sub-section (1) of section 26 of the Companies Act, 2013 ("the Act") read with Companies (Prospectus and Allotment of Securities) Rules 2014;

The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009 ("ICDR Regulations") and related amendments / clarifications from time to time issued by the Securities and Exchange Board of India ("SEBI")

3. We have examined such restated financial statements taking into consideration:

The terms of reference to our engagement letter dated 18 April 2018 requesting us to carry out the assignment, in connection with the proposed Initial Public Offering of equity shares on SME Platform of NSE ("IPO" or "SME IPO"); and

The Guidance Note on Reports in Company Prospectus (Revised) issued by the Institute of Chartered Accountants of India ("Guidance Note").

4. The restated financial statements of the Company have been extracted by the management from the audited financials for the year ended on March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014

5. In accordance with the requirements of the Act including the rules made there under, ICDR Regulations, Guidance Note and engagement letter, we report that:

(i) The "Restated Statement of Asset and Liabilities" of the Company as on March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 examined by us, as set out in Annexure I to this report read with significant accounting policies in Annexure IV has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to the restated summary statements to this report.

(ii) The "Restated Statement of Profit and Loss" of the Company for the year ended on as on March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 examined by us, as set out in Annexure II to this report read with significant accounting policies in Annexure IV has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to the restated summary statements to this report.

- (iv) The “Restated Statement of Cash Flows” of the Company for the year ended as on March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 examined by us, as set out in Annexure III to this report read with significant accounting policies in Annexure IV has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to restated summary statements to this report.

6. Based on our examination, we are of the opinion that the restated financial statements have been prepared: Considering consistent accounting policies for all the reporting years.

Adjustments for prior period and other material amounts in the respective financial years to which they relate. There are no extra-ordinary items that need to be disclosed separately in the accounts and requiring adjustments.

There are no audit qualifications in the audit reports issued by the statutory auditors for the financial year ended on March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 which would require adjustments in the restated financial statements of the Company.

7. The audit for the year ended on March 31, 2018, was conducted by us. The audit for the financial year ended on 31<sup>st</sup> March, 2017, was conducted by M/s Parmar & Company, Chartered Accountants, and the same has been re-audited by us as per the relevant guidelines. Audit for the financial year ended 31<sup>st</sup> March, 2014, 31<sup>st</sup> March, 2015, 31<sup>st</sup> March 2016 was conducted by M/s Parmar & Company, Chartered Accountants and accordingly reliance has been placed on the financial information examined by them for the said years. The financial report included for these years are based solely on the report submitted by them.

8. We have also examined the following other financial information relating to the Company prepared by the management and as approved by the board of directors of the Company and annexed to this report relating to the Company for the year ended as on March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 and proposed to be included in the Red Herring Prospectus / Prospectus (“Offer Document”)

## **B. Other Financial Information:**

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:

Statement of Details of Reserves & Surplus as at March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 as set out in Annexure 5 to this report.

Statement of Accounting Ratios for the year ended on March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 as set out in Annexure 6 to this report.

Capitalization Statement as at March 31, 2018 as set out in Annexure 7 to this report.

Statement of Tax Shelters for the year ended on March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 as set out in Annexure 8 to this report.

Statement of Long Term Borrowings as at March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 as set out in Annexure 9 to this report.

Statement of Other Long Term Liabilities as at March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 as set out in Annexure 10 to this report.

Statement of Short Term Borrowings as at March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 as set out in Annexure 11 to this report.

Statement of Details of Current Liabilities & Provisions of the Company as at March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 as set out in Annexure 12 to this report.

Statement of Details of Tangible Assets of the Company as at March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 as set out in Annexure 13 to this report.

Statement of Details of Intangible Assets of the Company as March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 as set out in Annexure 14 to this report.

Statement of Details of Long Term Loans & Advances of the Company as March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 as set out in Annexure 15 to this report.

Statement of Details of Non-current investments of the Company as at March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 as set out in Annexure 16 to this report.

Statement of Details of Inventory of the Company as at March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 as set out in Annexure 17 to this report.

Statement of Details of Trade Receivable of the Company as at March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 as set out in Annexure 18 to this report.

Statement of Details of Short Term Loans & Advances of the Company as at March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 as set out in Annexure 19 to this report.

Statement of Details of Other Current Assets of the Company as at March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 as set out in Annexure 20 to this report.

Statement of Details of Revenue from Operations of the Company for the year ended on March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 as set out in Annexure 21 to this report.

Statement of Details of Other Income of the Company for the year ended on March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 set out in Annexure 22 to this report.

Statement of Details of Employee Cost of the Company for the year ended on March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 set out in Annexure 23 to this report.

Statement of Details of Administrative, Selling and Other Expenses of the Company for year ended on March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 set out in Annexure 24 to this report.

Statement of Details of contingent liabilities of the Company for the year ended on March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 as set out in Annexure 25 to this report.

Statement of Details of Related Party Transactions of the Company for the year ended on March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 as set out in Annexure 26 to this report.

In our opinion, the "Restated Standalone Financial Statements" and "Other Financial Information" mentioned above contained in Annexure 1 to 26 of this report have been prepared in accordance with Part II of Schedule II to the Act, the SEBI Guidelines and the Guidance Note on the reports in Company Prospectuses (Revised) issued by the Institute of Chartered Accountants of India (ICAI).

Consequently the financial information has been prepared after making such regroupings and adjustments as were, in our opinion, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.

This report should not in any way be construed as a reissuance or rebating of the previous audit report, nor should this be construed as a new opinion on any of the financial statements referred to herein.

We have no responsibility to update our report for events and circumstances occurring after the date of the report.

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

For SSRV& Associates.  
Chartered Accountants  
Firm Registration No.-135901W

VishnuKant Kabra  
Partner  
Membership No. 403437  
Place: Mumbai  
Date: August 16, 2018

# ANNEXURE-01

## STATEMENT OF ASSETS AND LIABILITIES ON STANDALONE BASIS, AS RESTATED

(Rs. In Lakh)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
<b>Equity &amp; Liabilities</b>					
<b>Shareholders' Funds</b>					
Share Capital	1,084.05	778.46	776.25	776.25	776.25
Reserve & Surplus	3,546.41	3,128.79	2,791.22	2,737.17	2,640.27
<b>Total (A)</b>	<b>4,630.46</b>	<b>3,907.25</b>	<b>3,567.47</b>	<b>3,513.42</b>	<b>3,416.52</b>
<b>Non Current Liabilities</b>					
Share Application Money	-	-	-	-	-
Long Term Borrowings	2,960.69	3,944.71	2,916.31	3,976.49	4,277.43
Deferred Tax Liabilities (Net)	-	-	-	-	-
Other Long Term Liabilities	23.60	24.73	17.69	9.93	9.47
<b>Total (B)</b>	<b>2,984.29</b>	<b>3,969.44</b>	<b>2,934.00</b>	<b>3,986.43</b>	<b>4,286.90</b>
<b>Current Liabilities</b>					
Short Term Borrowings	685.14	736.35	2,649.76	1,099.87	1,323.99
Trade Payables	371.29	449.02	520.09	468.85	413.22
Other Current Liabilities	832.55	1,043.54	1,641.16	1,801.87	1,674.67
Short Term Provisions	-	-	-	-	-
<b>Total (C)</b>	<b>1,888.98</b>	<b>2,228.91</b>	<b>4,811.00</b>	<b>3,370.59</b>	<b>3,411.88</b>
<b>Total (D=A+B+C)</b>	<b>9,503.74</b>	<b>10,105.59</b>	<b>11,312.47</b>	<b>10,870.44</b>	<b>11,115.30</b>
<b>Assets</b>					
<b>Fixed Assets:</b>					
Tangible Assets	760.43	823.34	921.64	1,001.66	1,254.85
Intangible Assets	3.00	5.01	5.86	3.69	4.39
Capital Work in Progress	-	-	-	-	-
Non Current Investments	2,987.67	2,296.96	2,851.04	2,152.22	2,583.67
Deferred Tax Assets (Net)	12.81	2.16	2.21	9.15	13.37
Long Term Loans & Advances	199.48	90.07	93.71	41.05	34.50
Other Non Current Assets	-	-	-	-	-
<b>Total (E)</b>	<b>3,963.38</b>	<b>3,217.55</b>	<b>3,874.46</b>	<b>3,207.77</b>	<b>3,890.77</b>
<b>Current Assets</b>					
Current Investments	-	-	-	-	-
Inventories	4,461.47	4,634.00	6,300.42	6,555.58	6,153.91
Trade Receivables	741.16	1,607.22	745.58	637.84	503.64
Cash & Bank Balances	148.53	87.48	81.24	40.19	55.93
Short Term Loans & Advances	134.76	514.00	281.62	372.29	511.05
Other Current Assets	54.44	45.34	29.14	56.77	-
<b>Total (F)</b>	<b>5,540.36</b>	<b>6,888.04</b>	<b>7,438.01</b>	<b>7,662.67</b>	<b>7,224.53</b>
<b>Total (G=E+F)</b>	<b>9,503.74</b>	<b>10,105.59</b>	<b>11,312.47</b>	<b>10,870.44</b>	<b>11,115.30</b>

## ANNEXURE-02

### STATEMENT OF PROFIT AND LOSS ON STANDALONE BASIS, AS RESTATED

(Rs. In Lakh)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
<b>Income</b>					
Revenue from Operations	1,987.36	3,660.65	2,242.41	1,915.16	1,303.64
Other Income	126.68	238.90	42.72	87.64	84.53
<b>Total</b>	<b>2,114.04</b>	<b>3,899.55</b>	<b>2,285.13</b>	<b>2,002.80</b>	<b>1,388.17</b>
<b>Expenditure</b>					
Cost of Materials Consumed	194.95	557.29	527.62	476.81	331.71
Decrease/(Increase) in Stock	172.53	1,666.42	255.16	(401.67)	(1,233.27)
Employees Costs	169.38	208.94	254.90	268.52	279.88
Provision for Gratuity	2.31	2.16	7.04	7.76	0.46
Operating, Administrative, Selling and Other Expenses	325.28	470.40	487.90	587.67	1,077.55
Depreciation & Amortization	65.69	95.79	88.85	111.30	124.65
Preliminary Expenses Written Off	-	-	-	-	-
Interest & Finance Charges	481.81	584.30	597.69	829.56	722.23
Exceptional Items	-	-	-	-	-
<b>Total</b>	<b>1,411.96</b>	<b>3,585.31</b>	<b>2,219.16</b>	<b>1,879.94</b>	<b>1,303.22</b>
<b>Net Profit before Tax</b>	<b>702.07</b>	<b>314.24</b>	<b>65.97</b>	<b>122.86</b>	<b>84.95</b>
<b>Less: Provision for Taxes:</b>					
Current Tax	139.52	53.82	6.89	21.31	29.39
Deferred tax	(10.64)	0.05	6.94	4.22	(1.52)
Earlier Year Taxes	-	-	-	-	-
MAT Credit Entitlement	-	-	(1.91)	-	-
<b>Net Profit After Tax &amp; Before Extraordinary Items</b>	<b>573.19</b>	<b>260.38</b>	<b>54.05</b>	<b>97.32</b>	<b>57.08</b>
Extra Ordinary Items	-	-	-	-	-
<b>Net Profit</b>	<b>573.19</b>	<b>260.38</b>	<b>54.05</b>	<b>97.32</b>	<b>57.08</b>

**ANNEXURE-03**
**STATEMENT OF CASH FLOW ON STANDALONE BASIS, AS RESTATED**
**(Rs. In Lakh)**

Particulars	31.01.18	31.03.17	31.03.16	31.03.15	31.03.14
<b>Cash flow from operating activities</b>					
Net profit before taxes	702.05	316.40	73.01	130.61	85.42
Adjustment for:					
Add: Depreciation & Amortisations	62.69	92.79	85.85	108.30	121.65
Add: Interest & Finance Charges	484.81	587.30	600.69	829.56	722.23
Provision for Gratuity	2.31				
Less: Interest/Dividend Income	(116.93)	(145.67)	(42.31)	(37.41)	(32.81)
Add: Preliminary Expenses Written Off.					
Add / (Less): Loss / (Profit) on Sale of Assets	(2.30)	(71.69)	-	6.86	-
Operating Profit before Working capital changes	<b>1,132.64</b>	<b>779.14</b>	<b>717.24</b>	<b>1,037.92</b>	<b>896.49</b>
Adjustments for:					
Decrease (Increase) in Inventories	172.53	1,666.42	255.16	(401.67)	(1,233.27)
Decrease (Increase) in Trade & Other Receivables	866.07	(861.65)	(107.74)	(134.20)	19.49
Decrease (Increase) in Short Term Loans & Advances (Excel Taxes)	379.23	(232.37)	97.58	138.76	(36.72)
Decrease (Increase) in Other Current Assets	(9.10)	16.20	7.71	(56.77)	-
Increase (Decrease) in Trade Payables	(77.73)	(71.06)	51.24	55.62	(638.18)
Increase (Decrease) in Short Term Borrowings	(51.21)	-	-	(224.12)	416.41
Increase (Decrease) in Other Current Liabilities	(214.38)	2,506.15	1,391.99	118.65	166.19
<b>Net Changes in Working Capital</b>					
Cash Generated from Operations	2,198.06	(1,241.88)	2,413.18	534.19	(409.61)
Taxes	(139.52)	(53.82)	(7.08)	(33.60)	(35.68)
<b>Net Cash Flow from Operating Activities (A)</b>	<b>2,058.54</b>	<b>(1,295.69)</b>	<b>2,406.10</b>	<b>500.58</b>	<b>(445.28)</b>
<b>Cash Flow From Investing Activities</b>					
Sale /(Purchase) of Fixed Assets and CWIP	4.54	78.04	(8.00)	138.32	(227.38)
Decrease (Increase) in Investments	(690.71)	554.08	(698.83)	-	-
Loans and advances given / repaid (Net)	(109.41)	3.64	(39.66)	438.45	(365.82)
Interest received	116.93	145.67	42.31	37.41	32.81
<b>Net Cash Flow from Investing Activities (B)</b>	<b>(678.65)</b>	<b>781.44</b>	<b>(704.18)</b>	<b>614.17</b>	<b>(560.38)</b>
<b>Cash Flow from Financing Activities</b>					
Receipt of Securities Premium	145.83	77.18	-	-	-
Interest & Finance Charges	(484.81)	(587.30)	(600.69)	(829.56)	(722.23)
Increase / (Repayment) of Long Term Borrowings	(984.02)	1,028.40	(1,060.19)	(300.93)	1,759.64
Issue of Preference shares	4.17	2.21	-	-	-
Decrease (Increase) in Long Term Loans & Advances					
<b>Net Cash Flow from Financing Activities (C)</b>	<b>(1,318.83)</b>	<b>520.49</b>	<b>(1,660.88)</b>	<b>(1,130.50)</b>	<b>1,037.41</b>
<b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents</b>	<b>61.05</b>	<b>6.23</b>	<b>41.04</b>	<b>(15.74)</b>	<b>31.74</b>
<b>Cash and cash equivalents at the beginning</b>	<b>87.48</b>	<b>81.24</b>	<b>40.19</b>	<b>55.93</b>	<b>24.19</b>



Particulars	31.01.18	31.03.17	31.03.16	31.03.15	31.03.14
of the year / Period					
Cash and cash equivalents at the end of the year/ Period	148.53	87.48	81.23	40.19	55.93

#### Annexure-04

### **SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNT FOR PREPARATION OF RESTATED STANDALONE FINANCIAL STATEMENT**

#### **A. SIGNIFICANT ACCOUNTING POLICIES:**

##### **1. Basis of Preparation of Financial Statements**

- a. The Restated Standalone Financial Information for the year ended March 31, 2014, 2015, 2016, 2017 and 2018 has been extracted by the management of the Company from the audited financial statements of the company for the year ended March 31, 2014, 2015, 2016, 2017 and 2018.
- b. The Restated Standalone Financial Information are after making adjustments/ restatements and regrouping as necessary in accordance with paragraph B(1) of Part II of Schedule II of The Companies Act and SEBI Regulations.
- c. The Financial Statements have been prepared under Historical Cost conventions and in accordance with the Generally Accepted Accounting Principles ('GAAP') applicable in India, Companies (Accounting Standard) Rules, 2006 notified by Ministry of Company Affairs and Accounting Standards issued by the Institute of Chartered Accountants of India as applicable and relevant provisions of the Companies Act, 1956 & 2013.
- d. The company generally follows the mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis.

##### **2. Use of Estimates**

The preparation of Financial Statements in conformity with GAAP requires that the management of the Company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. Examples of such estimates include the useful lives of fixed assets and intangible assets, provision for doubtful debts / advances, future obligations in respect of retirement benefit plans, etc. Actual results could differ from these estimates. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized. Management believes that the estimates used in preparation of financial statements are prudent and reasonable.

##### **3. Fixed Assets and Depreciation**

- i. Fixed Assets are shown at historical cost net of recoverable taxes inclusive of incidental expenses less accumulated depreciation.
- ii. Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated depreciation.
- ii. Depreciation on fixed assets is provided on written down value basis using the rates arrived at based on the rates prescribed in the Schedule II to the Companies Act, 2013.
- iii. Depreciation on fixed assets sold during the year, is provided on pro-rata basis with reference to the date of addition/deletion.

##### **4. Revenue Recognition**

##### **i. Revenue from construction contracts:**

The company follow the percentage completion method, on the basis of physical measurement of the work actually completed at the balance sheet date, taking into account the contractual price and revision there to by estimating total revenue total cost till completion of the contract and the profit so determined has been accounted for proportionate to the percentage of the actual work done. Unbilled work-in-progress is valued at contract rates. Foreseeable losses are accounted for as and when they are determined except to the extent they are expected to be recovered through claims presented.

However during the current year the company has followed Guidance Note, 2012 on AS 7 in Projects as and when agreement is registered.

As per Management Sales is booked as per the satisfaction of following conditions:

- Revenue is recognized on progressive percentage method on the basis of completion of work certified by the architect and on the satisfaction of following criteria as mentioned in ICAI guidance note on Revenue recognition by real estate entity;
- When a reasonable level of development is achieved i.e. more than 25% of the construction & development cost has been incurred and,
- When at least 25% of the saleable area is secured by contracts or agreements with buyers and
- At least 10 % of the total revenue as per the agreements of sale or any other legally enforceable documents are realized at the reporting date in respect of each of the contracts and it is reasonable to expect that the parties to such contracts will comply with the payment terms as defined in the contracts.

ii. Revenue from joint venture contracts:

- Contracts executed in Joint Venture under work sharing arrangement (consortium) are accounted in accordance with the accounting policy followed by the Company for an independent contract to the extent work is executed.
- In respect of contract executed in Integrated Joint Ventures under profit sharing arrangement (assessed as Association of Persons under Income tax laws), the services rendered to the Joint Ventures are accounted as income on accrual basis. The profit / loss is accounted for, as and when it is determined by the Joint Venture and the net investment in the Joint Venture is reflected as investments, loans and advances or current liabilities.

## 5. Investments

Current investments are carried at lower of cost and quoted/fair value, computed category wise. Long Term Investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary.

## 6. Impairment of Assets

As on Balance Sheet date, the Company reviews the carrying amount of Fixed Assets to determine whether there are any indications that those assets have suffered “Impairment Loss”. Impairment loss, if any, is provided to the extent, the carrying amount of assets exceeds their recoverable amount. Recoverable amount is higher of an asset’s net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from continuing use of an asset and from its disposal at the end of its useful life.

## 7. Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that takes necessarily substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

## 8. Taxation

Tax expenses for the year comprise of current tax and deferred tax. Current tax is measured after taking into consideration the deductions and exemptions admissible under the provision of Income Tax Act, 1961 and in accordance with Accounting Standard 22 on “Accounting for Taxes on Income”, issued by ICAI.

Deferred Tax assets or liabilities are recognized for further tax consequence attributable to timing difference between taxable income and accounting income that are measured at relevant enacted tax rates. At each Balance Sheet date the company reassesses unrecognized deferred tax assets, to the extent they become reasonably certain or virtually certain of realization, as the case may be.

## 9. Leases

### Finance Lease

Leases, which effectively transfer to the company all the risks and benefits incidental to ownership of the leased item, are classified as Finance Lease. Lease rentals are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged directly against income life of the assets at the following rates

### Operating Lease

Lease where the lesser effectively retains substantially all risks and benefits of the asset are classified as Operating lease. Operating lease payments are recognized as an expense in the Profit & Loss account on a Straight Line Basis over the Lease term.

## 10. Preliminary Expenses

Preliminary expenses are amortized as per AS-26 issued by ICAI.

## 11. Earnings per Share

In determining the Earnings Per share, the company considers the net profit after tax includes 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.

The number of shares used in computing Diluted earnings per share comprises the weighted average number of shares considered for computing Basic Earnings per share and also the weighted number of equity shares that would have been issued on conversion of all potentially dilutive shares.

In the event of issue of bonus shares, or share split the number of equity shares outstanding is increased without an increase in the resources. The number of Equity shares outstanding before the event is adjusted for the proportionate change in the number of equity shares outstanding as if the event had occurred at the beginning of the earliest period reported.

## 12. Contingent Liabilities & 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:

- Possible obligation which will be confirmed only by future events not wholly within the control of the company, or
- 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.
- Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements except the following

- The demand made U/s 143(3) for Income Tax Assessment for the A.Y. 2011-12 of Rs 273.25/- (lakhs) for which order of CIT(A) received with a relief of Rs273.25/- (lakhs). However department has an option to file an appeal in ITAT.
- The demand made U/s 143(3) for the Income Tax Assessment for the A.Y. 2010-11 of Rs 614.51 (lakhs) for which company has filed Appeal to the Commissioner of Income-tax (Appeals)

### 13. Foreign Exchange Transactions

- Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.
- Monetary items denominated in foreign currencies at the year-end are restated at year-end rates. In case of items, which are covered by forward exchange contracts, the difference between the year-end rate and rate on the date of the contract is recognized as exchange difference and the premium paid on forward contracts is recognized over the life of the contract.
- Non-monetary foreign currency items are carried at cost.
- In respect of branches, which are integral foreign operations, all transactions are translated at rates prevailing on the date of transaction or that approximates the actual rate at the date of transaction. Branch monetary assets and liabilities are restated at the year-end rates.
- Any income or expense on account of exchange difference either on settlement or on translation is recognized in the Profit and loss account except in case of long-term liabilities, where they relate to acquisition offered assets, in which case they are adjusted to the carrying cost of such assets.

### B. CHANGES IN ACCOUNTING POLICIES IN THE YEARS COVERED IN THE RESTATED STANDALONE FINANCIALS.

There is no change in significant accounting policies during the reporting period. Further Accounting Policies has been changed as and when Accounting Standards issued by the Institute of Chartered Accountants of India / Companies (Accounting Standard) Rules, 2006 were made applicable on the relevant dates.

### C. NOTES ON RESTATED STANDALONE FINANCIAL STATEMENTS NOTES ON RESTATEMENTS MADE IN THE RESTATED FINANCIALS

(Rs. in Lakh)

Financial Year ended	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
Profit after tax as per Audited Statement of Account(A)	573.19	262.54	61.09	105.08	57.54
Adjustments*:					
Provision for Gratuity	-	2.16	7.04	7.76	0.46
Provision for Earlier Year Tax	-				
Profit after tax as per Restated Profit& Loss(A)	573.19	260.38	54.05	97.32	57.08

\* There are no major items requiring adjustments.

### (III) OTHER NOTES

#### General

1. Company was originally incorporated as “Sumit Woods Private Limited” at Goa on March 09, 1997 under the provisions of the Companies Act, 1956 vide Certificate of Incorporation issued by the Registrar of Companies, Goa. Daman and Diu at Panaji, Goa. The Registered Office of the Company was thereafter shifted to Mumbai with effect from March 24, 2005. Subsequently, the name of our company was changed to “Sumit Woods Limited on February 06, 2018 and a fresh Certificate of Incorporation consequent upon change of name was issued by the Registrar of Companies, Maharashtra, Mumbai.

#### 2. Contingent liabilities

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. 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. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made

#### 3. Dues to Micro enterprises and Small enterprises:

Under the Micro, Small and Medium Enterprise Development Act, 2006 certain disclosure is required to be made related to micro, small and medium enterprise. The company has disclosed the same.

#### 4. Segment Reporting

The company operates only in one reportable business segment viz. infrastructural services. Hence, there are no reportable segments under Accounting Standard -17. The conditions prevailing in India being uniform no separate geographical disclosures are considered necessary.

5. In the opinion of the Board, subject to the debts considered doubtful, Current Assets and Loans and Advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.

#### 6. Earnings per Share

The details of Earnings Per Share as per AS-20 are provided in Annexure 06.

#### 7. Related Party Transactions:

The details of Related Party Transactions as per AS-18 are provided in Annexure 23.

8. The figures in the Restated Financials are stated in Lakh and rounded off to two decimals and minor rounding off difference is ignored.

#### Annexure- 05

#### STATEMENT OF DETAILS OF RESERVES & SURPLUS, AS RESTATED

(Rs. In Lakh)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
Profit / (Loss) Brought Forward	1,602.86	1,342.48	1,288.42	1,191.52	754.51
Add: Profit / (Loss) for the Year	573.19	260.38	54.05	97.32	57.08
(Less):Tax Adjustments	-	-	-	-	-
(Add):Fixed Assets Adjustments	0.02	-	-	(0.42)	-
Add: Profit from LLP/Venture	-	-	-	-	379.93
<b>Profit / (Loss) Carried Forward (A)</b>	<b>2,176.08</b>	<b>1,602.86</b>	<b>1,342.48</b>	<b>1,288.42</b>	<b>1,191.52</b>
Securities Premium Brought Forward	1,525.94	1,448.75	1,448.75	<b>1,448.75</b>	<b>1,448.75</b>
Add: Premium on Shares Issued during	205.38	77.19	-	-	-

the year					
Less: Utilized for Bonus issue	(283.79)	-	-	-	-
Less: Preference share converted into Equity shares	(77.19)	-	-	-	-
<b>Securities Premium Carried Forward (B)</b>	<b>1,370.34</b>	<b>1,525.94</b>	<b>1,448.75</b>	<b>1,448.75</b>	<b>1,448.75</b>
<b>Reserves &amp; Surplus (A+B)</b>	<b>3,546.41</b>	<b>3,128.79</b>	<b>2,791.23</b>	<b>2,737.17</b>	<b>2,640.27</b>

#### Annexure- 06

#### STATEMENT OF ACCOUNTING RATIOS

(Rs. In Lakh, except per share data)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
Net Worth ( A )	4,630.46	3,907.25	3,567.47	3,513.42	3,416.52
Net Profit after Tax ( B )	573.19	260.38	54.05	97.32	57.08
No. of Shares outstanding at the end [F.V Rs.10] ( C )	108.41	106.22	106.00	106.00	106.00
Weighted average number of shares [F.V Rs.10]( D )	108.41	106.22	106.00	106.00	106.00
Earnings per Share (EPS) (B / D) (Rs.)	5.29	2.45	0.51	0.92	0.54
Return on Net Worth (B / A)	0.12	0.07	0.02	0.03	0.02
Net Assets Value per Share (A / D)	42.71	36.78	33.66	33.15	32.23

#### Definitions of key ratios:

**I. Earnings per share (Rs.):** Net Profit attributable to equity shareholders / weighted average number of equity shares. Earnings per share calculations are done in accordance with Accounting Standard 20 “Earnings Per Share” as issued by The Institute of Chartered Accountants of India. As per AS-20, the number of equity shares outstanding before the event is adjusted for the proportionate change in the number of equity shares outstanding as if the event had occurred at the beginning of the earliest period reported. In case of a bonus issue, the bonus shares has been added to corresponding year to the extent of reserves available in the corresponding year. Weighted average number of equity shares outstanding during all the previous years have been considered accordingly.

**II. Return on Net Worth (%):** Net Profit after tax / Net worth as at the end of the year.

**III. Net Asset Value (Rs.):** Net Worth at the end of the year / Weighted Average Number of equity shares.

**IV. Net Profit,** as appearing in the Statement of restated profits and losses, and Net Worth as appearing in the restated statement of Assets & Liabilities has been considered for the purpose of computing the above ratios.

#### Annexure -07

#### CAPITALIZATION STATEMENT

(Rs. In Lakh)

Particulars	Pre-issue as at 31.03.2018	Post Issue *
Borrowing		
Short - Term Debt	685.14	
Long - Term Debt	2,960.69	
<b>Total Debt</b>	<b>3,645.83</b>	
Shareholders' Funds		
Share Capital		
- Equity	1,084.05	
- Preference	-	
Reserves & Surplus	3,546.41	
Less: Preliminary Expenses / Pre Operative Expenses	-	

Particulars	Pre-issue as at 31.03.2018	Post Issue *
Less: Deferred Tax Assets	(12.81)	
<b>Total Shareholders Funds</b>	<b>4,617.66</b>	
Long - Term Debt / Shareholders Fund	0.64	
Short - Term Debt / Shareholders Fund	0.15	

\* The Post Issue Capitalization will be determined only after the completion of the allotment of equity shares.

#### Annexure- 08

#### STATEMENT OF TAX SHELTERS

(Rs. In Lakh)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
Profit before tax as per Restated P/L	702.07	314.24	65.97	122.86	84.95
Applicable Corporate Tax Rate	0.31	0.31	0.31	0.31	0.31
Tax at Notional Rate					
<b>Adjustments</b>					
Difference between Tax Depreciation and Book Depreciation	(18.97)	(0.15)	22.46	13.66	(4.91)
Exempted Income	-	-	-	-	-
Disallowance	-	153.78	34.13	54.76	(4.03)
Items Chargeable at special rates		-	-		-
Other Items					-
<b>Net Adjustments</b>	<b>(18.97)</b>	<b>153.63</b>	<b>56.59</b>	<b>68.42</b>	<b>(8.94)</b>
Tax Saving thereon	(5.86)	47.47	17.49	21.14	(2.76)
Tax Saving to the the extent of Tax at Notional Rate					
Tax Payable [A]	137.79	55.60	16.37	39.36	31.51
Tax Payable on items chargeable at special rates [B]	-	-	-		-
Total Tax Payable [C=A+B]	137.79	55.60	16.37	39.36	31.51
Tax Rebates / Credits [D]			-	-	
<b>Tax Payable [E=C-D]</b>	<b>137.79</b>	<b>55.60</b>	<b>16.37</b>	<b>39.36</b>	<b>31.51</b>
<b>Tax Payable u/s 115 JB of Income Tax Act [F]</b>	<b>92.46</b>	<b>46.86</b>	<b>6.89</b>	<b>24.89</b>	<b>16.28</b>
<b>Final Tax Payable (Higher of [E] &amp; [F])</b>	<b>137.79</b>	<b>55.60</b>	<b>16.37</b>	<b>39.36</b>	<b>31.51</b>

#### Annexure – 09

#### STATEMENT OF DETAILS OF LONG TERM BORROWINGS

(Rs. In Lakh)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
<b><u>Secured:-</u></b>					
Loan from Bank	2,457.64	3,171.03		400.00	1,163.17
Loan from Financial Institutions	3.40	9.69	1,550.96	1,601.78	631.68
<b><u>Unsecured:-</u></b>					
Loan from Bank	-	-	-	-	-
Loan from Financial Institutions	-	-	-	-	-
Loan from Others	499.65	763.99	1,365.35	1,974.71	2,482.58
<b>Total</b>	<b>2,960.69</b>	<b>3,944.71</b>	<b>2,916.31</b>	<b>3,976.49</b>	<b>4,277.43</b>

#### Annexure – 10

##### STATEMENT OF DETAILS OF OTHER LONG TERM LIABILITIES

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
Provision for Gratuity	23.60	24.73	17.69	9.93	9.47
<b>Total</b>	<b>23.60</b>	<b>24.73</b>	<b>17.69</b>	<b>9.93</b>	<b>9.47</b>

#### Annexure – 11

##### STATEMENT OF DETAILS OF SHORT TERM BORROWINGS

(Rs. In Lakh)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
<b>Secured:-</b>					
Working Capital from Bank	-	47.15	447.72	1,068.96	1,323.99
Loan from Bank	685.14	689.20	2,202.04	30.91	-
<b>Unsecured:-</b>					
Loan from Shareholders / Directors	-	-	-	-	-
Other Loans : Inter Corporate Loans	-	-	-	-	-
<b>TOTAL</b>	<b>685.14</b>	<b>736.35</b>	<b>2,649.76</b>	<b>1,099.87</b>	<b>1,323.99</b>

#### Annexure – 12

##### STATEMENT OF DETAILS OF CURRENT LIABILITIES AND PROVISIONS

(Rs. In Lakh)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
<b>Current Liabilities</b>					
<b>Trade Payables</b>					
Sundry Creditors for Expenses	371.29	449.02	520.09	468.85	413.22
<b>Sub Total (A)</b>	<b>371.29</b>	<b>449.02</b>	<b>520.09</b>	<b>468.85</b>	<b>413.22</b>
<b>Other Current Liabilities</b>					
Statutory Dues	158.60	32.53	38.52	52.90	121.50
Employee Expenses Payable	26.82	26.80	26.10	18.47	51.82
Outstanding Expenses	71.34	27.50	52.85	4.45	18.97
Advance Received	511.93	903.50	1,465.64	1,637.70	1,401.19
Security Deposit – received	58.31	51.05	51.00	51.95	51.00
Provision for Gratuity (Short term)	5.56	2.16	7.04	7.76	0.46
Maintenance & Society Charges	-	-	-	26.84	17.86
Share Application money received from cutomers- Sumit Samarth	-	-	-	0.27	-
Society formation charges received from cutomers- sumit Samarth	-	-	-	1.54	-
Society charges/Other charges	-	-	-	-	11.87
<b>Sub Total (B)</b>	<b>832.55</b>	<b>1,043.54</b>	<b>1,641.15</b>	<b>1,801.87</b>	<b>1,674.67</b>

#### Annexure – 13

##### STATEMENT OF DETAILS OF TANGIBLE ASSETS

(Rs. In Lakh)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
Construction Equipment	1.33	1.79	2.38	2.94	4.13
Immovable Properties	690.34	724.80	768.64	912.32	1,166.75
Office Equipments	0.82	1.23	4.31	13.30	10.93
Vehicles	11.00	19.51	41.13	48.95	39.62
Plant & Machinery	12.41	15.27	19.58	24.15	33.42
Furniture & Fixture	42.07	56.68	77.95	-	-
Mobile Instruments	0.51	0.78	4.27	-	-



Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
Computer, Laptop & Server	1.94	3.27	3.38	-	-
<b>Total</b>	<b>760.43</b>	<b>823.34</b>	<b>921.64</b>	<b>1,001.66</b>	<b>1,254.85</b>

#### Annexure – 14

#### STATEMENT OF DETAILS OF INTANGIBLE ASSETS

(Rs. In Lakh)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
Computer Software	3.00	5.01	5.86	3.69	4.39
<b>Total</b>	<b>3.00</b>	<b>5.01</b>	<b>5.86</b>	<b>3.69</b>	<b>4.39</b>

#### Annexure – 15

#### STATEMENT OF DETAILS OF LONG TERM LOANS AND ADVANCES

(Rs. In Lakh)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
Security Deposit	11.04	26.04	27.04	18.39	25.39
Income Tax Refund Receivable	186.52	64.02	64.76	22.66	9.11
MAT Credit Entitlement	1.91	-	1.91	-	-
<b>Total</b>	<b>199.48</b>	<b>90.07</b>	<b>93.71</b>	<b>41.05</b>	<b>34.50</b>

#### Annexure – 16

#### STATEMENT OF DETAILS OF NON CURRENT INVESTMENT

(Rs. In Lakh)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
Investment in Joint Venture	1,192.18	752.42	912.41	896.02	1,466.36
Investment in Limited Liability Partnership	1,787.99	1,537.80	1,931.88	1,251.12	1,114.19
Investment in Equity Instrument	2.00	2.00	2.00	2.00	2.00
Investment in Gratuity Fund	5.50	4.74	4.74	3.08	1.12
<b>Total</b>	<b>2,987.67</b>	<b>2,296.96</b>	<b>2,851.04</b>	<b>2,152.22</b>	<b>2,583.67</b>

#### Annexure – 17

#### STATEMENT OF DETAILS OF INVENTORY

(Rs. In Lakh)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
Work in Progress	4,461.48	4,634.00	6,300.42	6,555.58	6,153.91
<b>Total</b>	<b>4,461.48</b>	<b>4,634.00</b>	<b>6,300.42</b>	<b>6,555.58</b>	<b>6,153.91</b>

#### Annexure – 18

#### STATEMENT OF DETAILS OF TRADE RECEIVABLES

(Rs. In Lakh)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
<b>(A) Unsecured, Considered good outstanding for a period less than six months</b>					
Amount due from Promoter/Group Companies and Directors	-	-	-	-	-
Others	741.16	1324.25	592.09	336.20	355.96
<b>(B) Unsecured, Considered good outstanding for a period more than six months</b>					
Amount due from Promoter/Group Companies and Directors	-	-	-	-	-

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
Others		282.97	153.49	301.64	147.68
<b>Total</b>	<b>741.16</b>	<b>1,607.22</b>	<b>745.58</b>	<b>637.84</b>	<b>503.64</b>

#### Annexure – 19

#### STATEMENT OF DETAILS OF SHORT TERM LOANS AND ADVANCES

(Rs. In Lakh)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
Advances to Suppliers	8.78	3.62	5.19	75.91	15.75
Advance to staff	1.15	0.59	2.79		-
Prepaid Expenses	0.22	8.03	10.25	5.74	2.76
Advances to Others	90.39	216.39	263.39	290.63	492.53
Advances to Related Party	34.22	285.36			
<b>Total</b>	<b>134.76</b>	<b>514.00</b>	<b>281.62</b>	<b>372.28</b>	<b>511.04</b>

#### Annexure – 20

#### STATEMENT OF DETAILS OF OTHER CURRENT ASSETS

(Rs. In Lakh)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
Bajaj Finance Ltd-TDS Receivable	-	-	6.77	15.35	-
Advance Tax	15.60	-	-	-	-
Daimler Financial Services - TDS Receivable	-	0.14	0.05	0.11	-
Others- TDS Receivable	25.27	-	-	-	-
Sarsawat Bank - TDS receivable	-	-	0.11	0.11	-
Balance with Revenue authorities	-	21.55	8.81	-	-
Input tax credit	-	-	-	-	-
Service tax Cenvat Unutilized	-	-	6.74	6.05	-
Amount Receivable from Customers for (Service tax and VAT)	12.96	23.63	6.33	-	-
Amount Receivable form Others	0.61	0.02	0.33	4.58	-
Input Service Tax carried forward	-	-	-	8.57	-
Tax On Regular Assessment 2011-2012	-	-	-	13.00	-
Express Zone Insurance Policy ICICI Bank	-	-	-	9.00	-
<b>Total</b>	<b>54.44</b>	<b>45.34</b>	<b>29.14</b>	<b>56.77</b>	<b>-</b>

#### Annexure – 21

#### STATEMENT OF DETAILS OF REVENUE OF OPERATIONS

(Rs. In Lakh)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
Sale of Units in Projects	1,422.94	2,719.86	2,070.49	1,718.61	1,303.64
Sale of Scrap	0.08	0.38	-	1.36	-
Income from sale of Development rights	-	710.00	-	-	-
Car parking	3.00				
Charges Recovered from customer	4.25	1.00	11.06	-	-
Legal and other charges recovered from unite holder	37.51	24.09	-	-	-
Office Maintenance Charges	121.00	118.00	124.00	130.00	-
FSI Premium	150.00	-	-	-	-
Share of Profit/(Loss) from joint ventures and limited liability partnership	248.57	87.32	36.86	65.19	-
<b>Total</b>	<b>1,987.36</b>	<b>3,660.65</b>	<b>2,242.41</b>	<b>1,915.16</b>	<b>1,303.64</b>

## Annexure – 22

### STATEMENT OF DETAILS OF OTHER INCOME

(Rs. In Lakh)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
Dividend	0.00	-	-	-	0.03
Interest on capital	43.92	49.88	42.30	37.41	32.79
Interest on Fixed Deposit	1.04	1.03	-	0.01	-
Interest on Unsecured loans	71.96	94.77	-	-	-
Misc Income	5.26	10.45	0.42	0.04	1.10
Profit on Sale of Fixed Assets	2.30	71.69	-	-	-
Rent (Leave & License)	1.40	0.29	-	0.94	0.80
Sundry Balances Written back (net)	0.79	10.79	-	1.53	27.30
Truck Hire Rent Recd.	-	-	-	-	1.50
Discount received	-	-	-	2.06	0.16
Extra work on site	-	-	-	-	4.69
Other Income	-	-	-	45.65	16.16
<b>Total</b>	<b>126.68</b>	<b>238.90</b>	<b>42.72</b>	<b>87.64</b>	<b>84.53</b>

## Annexure – 23

### STATEMENT OF DETAILS OF EMPLOYEES COST

(Rs. In Lakh)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
Salary, Bonus & Wages	128.03	185.24	114.95	118.86	129.70
Remuneration to Directors	21.25	-	112.00	126.97	124.00
Employers Contribution to Provident Fund	5.95	5.06	6.79	5.73	4.41
Gratuity	-	-	0.68	0.26	-
Staff Insurance	7.21	6.53	4.93	0.75	-
Labour Welfare Fund/MLWF	-	0.10	0.04	0.03	-
Staff Welfare Expenses	6.22	11.67	14.88	12.88	21.09
Employer Contribution to ESIC	0.71	0.34	0.62	3.04	0.68
<b>Total</b>	<b>169.38</b>	<b>208.94</b>	<b>254.90</b>	<b>268.52</b>	<b>279.88</b>

## Annexure – 24

### STATEMENT OF DETAILS OF ADMINISTRATIVE, SELLING AND OTHER EXPENSES

(Rs. In Lakh)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
Auditors Remuneration	3.50	5.10	2.60	2.60	2.60
Constructions & Development Expenses	206.96	373.73	364.58	445.32	920.60
IPO Expenses	1.57	-	-	-	-
Business Development expenses	-	-	21.55	-	-
Business Promotion Expenses	6.48	1.34	11.09	3.24	5.46
Computer Maintenance Expenses	0.49	0.29	1.98	1.34	0.50
Consulting Fees	1.75	-	8.37	9.17	-
Conveyance	0.49	1.44	4.84	3.75	3.50
Courier, Postage, Telegram Charges	1.45	1.08	1.21	0.69	0.73
Diwali Expenses	0.04	2.63	0.92	4.75	-
Donation	1.29	2.85	2.30	2.19	1.77
Electricity Expenses & Material	11.45	-	11.25	12.07	6.19
Housekeeping charges	-	-	4.66	3.05	-
Internal Audit Fees	-	-	1.50	0.60	0.60
Legal Fees & Charges	0.56	-	9.10	7.62	1.88
Maintenance charges	17.07	17.87	1.95	1.77	-

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
MCGM Assessment Tax	-	-	1.89	1.63	-
Office Repairs & Maintenance	1.04	1.78	4.78	1.29	6.32
Professional Fees	23.68	29.39	1.38	2.15	19.67
Rates and Taxes (includes Vat and Service tax)	1.69	1.30	-	-	-
Telephone & Mobile Expenses	9.58	8.38	7.98	10.16	6.87
Travelling Expenses	3.56	1.02	0.95	0.84	4.29
Vehicle Expenses	7.54	11.36	11.62	18.30	13.28
Xerox , Printing & Stationery	2.69	3.73	4.35	1.93	1.57
Other Misc expenses (each expenses below 1 lakh)	22.42	7.11	7.05	53.21	81.74
<b>Total</b>	<b>325.28</b>	<b>470.40</b>	<b>487.90</b>	<b>587.67</b>	<b>1,077.57</b>

#### Annexure-25

##### Details of Contingent Liabilities

(Rs. In Lakh)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
Tax demand of AY 2010-11	614.51	614.51	-	-	-
Tax demand of AY 2011-12	273.25	273.25	273.25	273.25	273.25
<b>Total</b>	<b>887.76</b>	<b>887.76</b>	<b>273.25</b>	<b>273.25</b>	<b>273.25</b>

#### Annexure-26

##### STATEMENT OF DETAILS OF RELATED PARTY TRANSACTIONS

(Rs. In Lakh)

Particulars	Relationship	Name	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
<b>Revenue items :</b>							
Purchase of Goods	Related Enterprises	Mitasu Woods Private Limited	3.44	21.65	8.15	4.97	21.78
Sales	Related Enterprises	Mitasu Realty Pvt. Ltd.				87.35	
Sales	Relatives of Key Management Personnel	Mitaram Jangid				7.44	
Sales	Relatives of Key Management Personnel	Subodh Nemlekar				13.20	
Receiving of Services	Relatives of Key Management Personnel	Deepak Jangid	-	0.66	1.19	9.09	9.55
Receiving of Services	Related Enterprises	Access Facility Management Private Limited	-	5.96	9.98	9.44	5.52
Receiving of Services	Related Enterprises	Access Facility Management	13.95	3.11			

Particulars	Relationship	Name	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
		LLPV					
Rendering Services	Related Enterprises	Milestone Construction & Developers LLP	3.54	6.90	6.86	6.00	
Rendering Services	Related Enterprises	Sumit Abode Private Limited	2.36	2.30	2.29	6.00	
Rendering Services	Related Enterprises	Sumit Bhoomi Venture	14.16	13.80	13.71	12.00	
Rendering Services	Joint Venture	Sumit Chetna Venture	171.24	6.90	6.86	6.00	
Rendering Services	Related Enterprises	Sumit Developers	2.36	2.30	2.29	6.00	
Rendering Services	Related Enterprises	Sumit Garden Grove Construction LLP	14.16	13.80	13.71	12.00	
Rendering Services	Joint Venture	Sumit Kundil Joint Venture	14.16	6.90	6.86	6.00	
Rendering Services	Related Enterprises	Sumit Pragati Developers LLP	-		6.86	6.00	
Rendering Services	Related Enterprises	Sumit Pragati Shelters LLP	146.32	27.60	27.24	24.00	
Rendering Services	Related Enterprises	Sumit Pragati Ventures LLP	7.08	20.70	20.57		
Rendering Services	Associate Company	Sumit Realty Private Limited	86.16	13.80	13.71	12.00	
Rendering Services	Joint Venture	Sumit Snehashish Joint Venture	7.08	6.90	6.86	4.00	
Office Maintenance	Joint Venture	Sumit Snehashish Venture	7.08	6.90	6.86	6.00	
Sale of Development Rights	Joint Venture	Sumit Snehashish Venture	-	410.00			
Salary	Key Management Personnel	Mitaram Jangid	6.38	26.37	36.00	36.00	36.00
Salary	Key Management Personnel	Subodh Nemlekar	9.50	10.62	17.50	21.33	17.50
Salary	Key Management Personnel	Bhushan Nemlekar	5.38	22.37	32.00	32.00	32.00
Salary	Key Management Personnel	Shardha Jangid	6.00	2.29	8.00	8.00	8.00
Salary	Key	Kavita	6.00	2.62	12.00	12.00	12.00

Particulars	Relationship	Name	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
	Management Personnel	Nemlekar					
Salary	Key Management Personnel	Dhanshree Nemlekar	6.00	2.17	6.50	7.31	6.50
Salary	Key Management Personnel	Chanda Jangid				0.50	6.77
Salary	Key Management Personnel	Gautam Jangid				10.90	6.00
Salary	Key Management Personnel	Varsha Jadhav				4.47	
Salary	Key Management Personnel	Sunil Jangid					
Brokerage & Commssion	Key Management Personnel	Sunil Jangid					1.00
Interest on unsecured loan taken	Related Enterprises	Sumit Developers	5.65	24.88	119.77	158.29	
Interest on unsecured loan taken	Related Enterprises	Sumit Constructions	0.46	12.98	20.84	50.27	
NON REVENUE ITEMS :							
Unsecured Loan Taken	Key Management Personnel	Mitaram Jangid	104.91	157.40			
Unsecured Loan Taken	Key Management Personnel	Subodh Nemlekar	56.96	323.69			
Unsecured Loan Taken	Key Management Personnel	Bhushan Nemlekar	31.55	6.40			
Unsecured Loan Given	Associate Company	Sumit Realty Private Limited	6.94	344.00			
<b>Total</b>			<b>738.82</b>	<b>1505.97</b>	<b>406.61</b>	<b>578.56</b>	<b>162.62</b>

## FINANCIAL INDEBTNESS

Set forth below, is a brief summary of our Company's borrowings as on July 31, 2018 together with a brief description of certain significant terms / material covenants of the relevant financing arrangements.

Nature of Borrowing	Amount Outstanding as at July 31, 2018 (Rs. in Lakhs)
Secured Borrowings	2,933.49
Unsecured Borrowings*	70.45
<b>Total</b>	<b>3003.94</b>

\*The entire unsecured borrowings are from Promoters/ Promoter Group and their relatives and inter-corporate Loans.

### Details of Secured Loans

(Rs. in Lakhs)

Name of Lenders	Type of Loan	Date of Sanction	Amount Sanctioned	Amount Outstanding as at July 31, 2018	Interest/Commission (in % p.a.)	Security	Tenor/Repayment Schedule
State Bank of India	ABL CRE-OD	March 14, 2016	4,500	2925.83	11.30%	See Note 1	Facility is for a period of 81 Months and repayable with EMI of Rs 56.96 Lakhs starting from April 2016
Daimler Financial Services India Private Limited	Vehicle Loan	September 30, 2014	27.52	7.66	9.88%	See Note 2	Facility is for a period of 60 Months and repayable with EMI of Rs 58,324

### Note 1 for facilities taken from State Bank of India:

#### a) Primary Security

Sr. No.	Nature of Limit	Nature of Security
1.	ABL CRE-OD	Hypothecation of the entire unsold units of Company's project Sumit Samarth Arcade, personal property of directors, property of Sister concerns (Sumit Constructions and Sumit Pragati Developers LLP)- for more details please see sanction letter attached.

#### b) Guarantees

Personal Guarantees of Mr. Bhushan Nemlekar, Mr. Subodh Nemlekar, Mr. Mitaram Jangid, Mrs. Dhanshree Nemlekar, Mrs. Varsha Jadhav, Mrs. Sharda Jangid, Mrs. Kavita Nemlekar

Corporate Guarantees of Sumit Pragati Developers LLP, Sumit Constructions.

## RESTRICTIVE / MANDATORY COVENANTS

The above sanction letters include various covenants in relation to certain actions to be undertaken by our Company and for which prior written approval of the Bank(s) is required. The major restrictive covenants (which require prior approval) are mentioned below: (some of these may be common across all banks, while some may be specific to a particular bank).

1. Promoter's share in the borrowing entity should not be pledged to any Bank /NBFC? Institution outside the consortium/multiple banking arrangement.
2. The borrower will utilize the funds for the purpose they have been lent.
3. Any changes in the borrowers capital structure
4. The Capital invested in the business by the directors should not be withdrawn during the currency of advance.
5. Repayment of unsecured loans availed from friends and relatives, partners etc.

This is an indicative list and there may be additional terms that may amount to an event of default under the various borrowing arrangements entered into by us.

### Note 2 for facilities taken from Daimler Financials Services India Private Limited:

#### a) Primary Security

Hypothecation of Vehicle.

#### Details of Unsecured Loans

Name of Lender	Amount outstanding as on July 31, 2018 (Rs. in Lakhs)
Loan from Promoters/ Promoter Group and their relatives/ Inter-corporate Loans	70.45



## **MANAGEMENT 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 restated financial statements included in the Red Herring Prospectus. You should also read the section entitled “Risk Factors” beginning on page no 12, which discusses a number of factors, risks and contingencies that could affect our financial condition and results of operations. The following discussion relates to our Company and, is based on our restated financial statements, which have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI Regulations. Portions of the following discussion are also based on internally prepared statistical information and on other sources. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal year (“Fiscal Year”) are to the twelve-month period ended March 31 of that year.

### **Business Overview**

Our Company was incorporated as ‘Sumit Woods Private Limited’ a private limited company under the Companies Act, 1956 pursuant to Certificate of Incorporation dated January 09, 1997 bearing registration number 152192 issued by the Registrar of Companies, Goa, Daman and Diu at Panaji, Goa. The Registered Office of our Company was shifted from Goa to Mumbai with effect from March 24, 2005. Subsequently, our Company was converted into a public limited company under the Companies Act and the name of our Company was changed to ‘Sumit Woods Limited’ pursuant to fresh certificate of incorporation dated February 06, 2018 issued by the Registrar of Companies, Mumbai.

We started our business under a partnership firm namely, “M/s Sumit Constructions” to carry on the business of civil contractors and executed projects for Modern Bread, Railway Officers and Government Holiday Homes. Due to expansion and growth of construction activities in the market, in 1997, Mr Mitaram Jangid and Mr Subodh Nemlekar incorporated our company (Original Promoters) with the object of acquiring land, carrying out construction work, developing and organizing of immovable properties etc. The first project was Kandivali Mitnayan Co-Op Housing Society with a built up area of 26000 Sqft. which was completed in the year 2004. Our Company has thereafter completed 19 projects till date. For the details of the first project and other completed projects, please refer the “Completed projects” herein after starting on Page 92 of this Red Herring Prospectus. During the period 2012-17, our main business activities were redevelopment of Old Buildings, (CESS Building Redevelopment / MHADA Redevelopment), and residential projects in Mumbai and in the State of Goa.

We are also a patron member of MCHI CREDAI, Mumbai. We are engaged in the construction and development activity for the last 31 years and along with our group companies have constructed many residential and commercial projects in Mumbai, Thane and Goa. We have handed over along with other project specific SPVs collectively more than 4,500 units across 2.86 million square feet totaling to 50 projects.

### **Significant developments subsequent to the last financial year**

After the date of last financial year i.e. March 31, 2018, the Directors of our Company confirm that, there have not been any significant material developments, except allotment of 4,00,000 Equity Shares on May 12, 2018.

### **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 years ended March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014

### **Key factors affecting the results of operation:**

Our Company’s future results of operations could be affected potentially by the following factors:

- Political Stability of the Country.

- World Economy.
- Government policies for the capital markets.
- Investment Flow in the country from the other countries.
- Competition from existing players
- Company's ability to successfully implement our growth strategy
- Loss due to delay in execution of projects in time
- Government policy.
- Disruption in supply of Raw Materials at our projects sites;
- Failure to obtain any approvals, licenses, registrations and permits in a timely manner;
- Concentration of ownership amongst our Promoter.
- Our ability to expand our geographical area of operation;
- Recession in the market;
- Our ability to attract, retain and manage qualified personnel;
- Failure to adapt to the changing technology in our industry of operation;
- The performance of the financial markets in India and globally

## **OUR SIGNIFICANT ACCOUNTING POLICIES**

For Significant accounting policies please refer Significant Accounting Policies beginning under Chapter titled "Auditors Report And Financial Information Of Our Company" beginning on page no 158 of Red Herring Prospectus.

## **DISCUSSION OF RESULT OF OPERATION**

The following discussion on result of operations should be read in conjunction with the restated financial statements of our Company for the years ended March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014

## **OVERVIEW OF REVENUE & EXPENDITURE**

### **Revenues:**

#### **Income from operations:**

Our principal component of revenue from operations is from income from sale of units in projects being developed by us.

#### **Other Income:**

Our other income mainly includes interest on unsecured loans, income from investments, and legal and other charges recovered from unit holders.

#### Expenditure:

Our total expenditure primarily consists of cost of materials consumed, employee benefit expenses, Operating, Administrative, Selling and Other Expenses, finance cost, depreciation and other expenses.

#### Employee benefits expense

Our employee benefits expense primarily comprise of salaries and wages expenses and staff welfare expenses.

#### Depreciation & Amortization

Depreciation includes depreciation on tangible assets like building, furniture & fixtures, computers and office equipment. Amortization includes amortization of intangible assets.

### Other Expenses

Other expenses include the following:

- Construction and development expenses.
- General expenses like maintenance charges, marketing and sales promotion expenses, printing, stationery, insurance, audit and professional fees etc.
- Administrative and other expenses such as insurance, traveling, Legal expenses, etc.
- 

### Statement of profits and loss

The following table sets forth, for the fiscal years indicated, certain items derived from our Company's audited consolidated restated financial statements, in each case stated in absolute terms and as a percentage of total sales and/or total revenue:

(₹ in Lakhs)

Particulars	31.03.18	%	31.03.17	%	31.03.16	%	31.03.15	%	31.03.14	%
<b>Income</b>										
Revenue from Operations	3,289.31	95.81%	4,451.98	94.78%	2,906.61	98.16%	2,906.11	98.46%	1,900.28	96.28%
Other Income	143.82	4.19%	245.33	5.22%	54.53	1.84%	45.31	1.54%	73.32	3.72%
<b>Total</b>	<b>3,433.13</b>	<b>100.00%</b>	<b>4,697.31</b>	<b>100.00%</b>	<b>2,961.14</b>	<b>100.00%</b>	<b>2,951.42</b>	<b>100.00%</b>	<b>1,973.60</b>	<b>100.00%</b>
<b>Expenditure</b>										
Cost of Materials Consumed	434.65	12.66%	501.76	10.68%	670.5	22.64%	741.8	25.13%	1,085.64	55.01%
Decrease/(Increase) in Stock	70.22	2.05%	1,805.95	38.45%	81.91	2.77%	-264.3	-8.96%	-	-
Employees Costs	169.38	4.93%	239.24	5.09%	279.98	9.46%	287	9.72%	285.54	14.47%
Provision for Gratuity	2.31	0.07%	2.16	0.05%	7.04	0.24%	7.76	0.26%	0.46	0.02%
Operating, Administrative, Selling and Other Expenses	1,072.05	31.23%	1,003.32	21.36%	1,050.73	35.48%	1,073.22	36.36%	1,382.03	70.03%
Depreciation & Amortization	65.69	1.91%	95.96	2.04%	89.06	3.01%	111.4	3.77%	124.67	6.32%
Preliminary Expenses Written Off	-		-							
Interest & Finance Charges	605.99	17.65%	654.46	13.93%	689.46	23.28%	890.22	30.16%	749.39	37.97%
Exceptional Items			-		-		-		-	
<b>Total</b>	<b>2,420.29</b>	<b>70.50%</b>	<b>4,302.86</b>	<b>91.60%</b>	<b>2,868.70</b>	<b>96.88%</b>	<b>2,847.10</b>	<b>96.47%</b>	<b>1,579.75</b>	<b>80.04%</b>
<b>Net Profit before Tax</b>	<b>1,012.84</b>	<b>29.50%</b>	<b>394.44</b>	<b>8.40%</b>	<b>92.44</b>	<b>3.12%</b>	<b>104.32</b>	<b>3.53%</b>	<b>393.86</b>	<b>19.96%</b>
Less: Provision for Taxes:										
Current Tax	248.95	7.25%	80.78	1.72%	12.43	0.42%	14.78	0.50%	123.85	6.28%
Deferred tax	-10.64	-0.31%	0.41	0.01%	6.94	0.23%	4.19	0.14%	-1.52	-0.08%
Earlier Year Taxes	-		-		-		-		-	
MAT Credit Entitlement	-		-		-1.91	-0.06%				
<b>Net Profit After Tax &amp; Before Extraordinary Items</b>	<b>774.53</b>	<b>22.56%</b>	<b>313.26</b>	<b>6.67%</b>	<b>74.98</b>	<b>2.53%</b>	<b>85.35</b>	<b>2.89%</b>	<b>271.52</b>	<b>13.76%</b>
Extra Ordinary Items										
<b>Net Profit</b>	<b>774.53</b>	<b>22.56%</b>	<b>313.26</b>	<b>6.67%</b>	<b>74.98</b>	<b>2.53%</b>	<b>85.35</b>	<b>2.89%</b>	<b>271.52</b>	<b>13.76%</b>

## **COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2018 WITH FINANCIAL YEAR ENDED MARCH 31, 2017:**

### **Income from Operations**

<b>Particulars</b>	<b>2017 – 18</b>	<b>2016 – 2017</b>	<b>Variance In %</b>
Revenue from Operations	3,289.31	4,451.98	26.11%

The operating income of the Company for the year ending March 31, 2018 is Rs. 3,289.31 Lakhs as compared to Rs. 4,451.98 Lakhs for the year ending March 31, 2017, showing decrease of 26.11% is due to more of projects in sumit woods where completed in FY 2016-17 and revenue of the same was booked in that year as compared to FY 2017-18 also revenue from sale of development rights occurred in FY 2016-17

### **Other Income**

Our other income decreased to Rs.143.82 Lakhs from Rs. 245.33 Lakhs. This was primarily due to decrease in interest income and in FY 2016-17 profit from sale of fixed assets was higher as compared to FY 2017-18

### **Cost of Materials Consumed**

<b>Particulars</b>	<b>2017 – 18</b>	<b>2016 – 2017</b>	<b>Variance In %</b>
Cost of Materials Consumed	434.65	501.76	13.37%

There was a decrease in cost of materials consumed from Rs. 501.76 Lakhs to Rs.434.65 Lakhs, which was primarily due to completion of projects hence procurements where lesser than last year

### **Operating, Administrative, Selling and Other Expenses**

<b>Particulars</b>	<b>2017 – 18</b>	<b>2016 2017</b>	<b>Variance In %</b>
Operating, Administrative, Selling and Other Expenses	1072.05	1003.32	6.85%

There is 6.85% increase in Operating, Administrative, Selling and Other Expenses from Rs. 1003.33 Lakhs in financial year 2016-17 to Rs. 1072.05 Lakhs in financial year 2017-18 which is due to increase in operation of the company and marketing and branding of group.

### **Depreciation**

Depreciation expenses for the Financial Year 2017-2018 have decrease to Rs.65.69 Lakhs from Rs. 95.96 Lakhs for the Financial Year 2016-2017. The decrease in depreciation was majorly due to since we follow written down value method depreciation is charged base don WDV of last year and this year no major fixed assets were acquired.

### **Finance Charges**

Our finance cost which consists of interest, processing fees and charges decreased by 7.40% in FY 2017-18 as compared to FY 2016-17 due to payment of secured loans taken from bank and financial institution

### **Profit Before Tax**

<b>Particulars</b>	<b>2017 – 18</b>	<b>2016-2017</b>	<b>Variance In %</b>
Profit Before Tax	<b>1012.84</b>	<b>394.44</b>	156.77%

Profit before tax increased by 156.77% from 394.44 Lakhs in financial year 2016-17 to Rs.1012.84 Lakhs in financial year 2017-18 due to expenses for FY 2017-18 has decreased sharply as compared to the increase in the revenue and hence is more profit at the disposable of shareholders.

### Provision for taxes and Profit After Tax

			Rs. In Lakhs
Particulars	2017 – 18	2016 - 2017	Variance In %
Taxation Expenses	238.31	81.19	193.52%
Profit After-tax	774.53	313.26	147.25%

Our Taxation Expenses increased by 193.52% from Rs. 81.19 Lakhs in financial year 2016-17 to Rs. 238.31 Lakhs in financial year 2017-18. This increase was in line with increase in income from operations and Profit before Taxes.

### COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2017 WITH FINANCIAL YEAR ENDED MARCH 31, 2016

#### Income from Operations

Particulars	2016 - 2017	2015 - 2016	Variance In %
Revenue from Operations	4451.98	2906.61	53.17%

The operating income of the Company for the year ending March 31, 2017 is increased to Rs. 4451.98 Lakhs as compared to Rs. 2906.61 Lakhs for the year ending March 31, 2016, showing increase of 53.17% is due to increase in volume of operations.

#### Other Income

Our other income increase to Rs.245.33 Lakhs from Rs. 54.53 Lakhs. This was primarily due to Interest earned on unsecured loans and profit on sale of fixed assets

#### Cost of Materials Consumed

Particulars	2016 - 2017	2015 - 2016	Variance In %
Cost of Materials Consumed	501.76	670.50	25.16%

There was a decrease in cost of materials consumed from Rs. 670.50 Lakhs to Rs.501.76 Lakhs, which was primarily due to a slowdown in construction and reduction in cost of materials.

#### Operating, Administrative, Selling and Other Expenses

Particulars	2016 - 2017	2015 - 2016	Variance In %
Operating, Administrative, Selling and Other Expenses	1003.32	1050.73	4.51%

There is 4.51% decrease in Operating, Administrative, Selling and Other Expenses from Rs. 1050.73 Lakhs in financial year 2015-16 to Rs. 1003.32 Lakhs in financial year 2016-17 which is due to decrease in operating expenses, general expenses and administrative expenses which is in line with decrease in cost of material consumed.

#### Depreciation

Depreciation expenses for the Financial Year 2016 - 2017 have increase to Rs.95.96 Lakhs from Rs. 89.06 Lakhs for the Financial Year 2015-2016. The Increase in depreciation was majorly due to change or revision in life of fixed assets as per rules of Companies Act 2013

#### Finance Charges

Our finance cost which consists of interest, processing fees and charges decrease by 5.07% in FY 2016-17 as compared to FY 2015-16 due to decrease in interest expenses and bank charges.

### Profit Before Tax

Rs. In Lakhs			
Particulars	2016 - 2017	2015 - 2016	Variance In %
Profit Before Tax	394.44	92.44	326.70%

Profit before tax increased by 326.70% from Rs. 92.44 Lakhs in financial year 2015-16 to Rs.394.44 Lakhs in financial year 2016-17 due to increase in revenue from operations and decrease in overall costs.

### Provision for taxes and Profit After Tax

Rs. In Lakhs			
Particulars	2016 - 2017	2015 - 2016	Variance In %
Taxation Expenses	81.19	19.37	319.15%
Profit After-tax	313.26	74.98	317.80%

Our Taxation Expenses increased by 319.15% from Rs. 19.37 Lakhs in financial year 2015-16 to Rs. 81.19 Lakhs in financial year 2016-17. This increase was in line with increase in income from operations and Profit before Taxes.

### COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2015 WITH FINANCIAL YEAR ENDED MARCH 31, 2014:

#### Income from Operations

Particulars	2015 – 16	2014 - 15	Variance In %
Revenue from Operations	2906.61	2906.11	0.01%

The operating income of the Company for the year ending March 31, 2016 is Rs. 2906.61 Lakhs as compared to Rs. 2906.11 Lakhs for the year ending March 31, 2015, showing increase of 0.01% due to the maintenance in the same level of operation

#### Other Income

Our other income increased to Rs.54.53 Lakhs from Rs. 45.31 Lakhs. This was primarily due to Interest earned on unsecured loans.

#### Cost of Materials Consumed

Particulars	2015 – 16	2014 - 15	Variance In %
Cost of Materials Consumed	670.50	741.80	9.61%

There was a decrease in cost of materials consumed from Rs. 741.80 Lakhs to Rs.670.50 Lakhs, which was primarily due to a slowdown in construction and reduction in cost of materials

#### Operating, Administrative, Selling and Other Expenses

Particulars	2015 – 16	2014 - 15	Variance In %
Operating, Administrative, Selling and Other Expenses	1050.73	1073.22	2.10%

There is 2.10% decrease in Operating, Administrative, Selling and Other Expenses from Rs. 1073.22 Lakhs in financial year 2014-15 to Rs. 1050.73 Lakhs in financial year 2015-16 which is due to decrease in operating expenses, general expenses and administrative expenses which is in line with decrease in cost of material consumed.

#### Depreciation

Depreciation expenses for the Financial Year 2015 – 2016 have decrease to Rs.89.06 Lakhs from Rs. 111.40 Lakhs for the Financial Year 2014-2015. The Decrease in depreciation was majorly due to no significant addition to any fixed assets during this year.

## Finance Charges

Our finance cost which consists of interest, processing fees and charges decrease by 22.55% in FY 2015-16 as compared to FY 2014-15 due to decreased in interest expenses and bank charges

## Profit Before Tax

Rs. In Lakhs			
Particulars	2015 – 16	2014 – 15	Variance In %
Profit Before Tax	92.44	104.32	11.39%

Profit before tax decreased by 11.39% From Rs. 104.32 Lakhs in financial year 2014-15 to Rs.92.44 Lakhs in financial year 2015-16 due to decrease in revenue from operation and maintenance of overall costs.

## Provision for taxes and Profit After Tax

Rs. In Lakhs			
Particulars	2015 – 16	2014 - 15	Variance In %
Taxation Expenses	19.37	18.97	2.10%
Profit After-tax	74.98	85.35	12.14%

Our Taxation Expenses increased by 2.10% from Rs. 18.97 Lakhs in financial year 2014-15 to Rs. 19.37 Lakhs in financial year 2015-16. This increase was in line with increase in income from operations and Profit before Taxes.

## FACTORS THAT MAY AFFECT THE RESULTS OF THE OPERATIONS:

### 1. Unusual or infrequent events or transactions.

There have been no unusual or infrequent events or transactions that have taken place during the last three years to the best of our knowledge

### 2. Significant economic changes that materially affected or are likely to affect income from continuing operations.

Our business has been subject, and we expect it to continue to be subject, to significant economic changes arising from the trends identified above in “Factors Affecting our Results of Operations” and the uncertainties described in the section entitled “Risk Factors” beginning on page no. 12 of this Red Herring Prospectus. There are no known factors which we expect to bring about significant economic changes to the best of our knowledge

### 3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.

Apart from the risks as disclosed under Section titled “Risk Factors” beginning on page no 12 in this Red Herring Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

### 4. Future changes in relationship between costs and revenues, in case of events such as future increase in labour or material costs or prices that will cause a material change are known.

To the best of 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 services 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.

### 5. Extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or increased sales prices.



Increases in revenues are by and large linked to increases in volume of business.

6. Total turnover of each major industry segment in which the issuer company operated.

The Company is operating single business segment i.e. Construction and Real Estate. Relevant industry data, as available, has been included in the chapter titled "Industry Overview" beginning on page 83 of this Red Herring Prospectus.

7. Status of any publicly announced new products or business segment.

Our Company has not announced any new projects or business segments, other than disclosed in this Red Herring Prospectus.

8. The extent to which business is seasonal.

Our Company's Business is not seasonal in nature.

9. Any significant dependence on a single or few suppliers or customers.

We are not under threat of dependence from any single supplier or customer.

10. Competitive conditions:

The Real Estate market is highly competitive and fragmented, and we face competition from various domestic Contractors. Some of our competitors have greater financial, marketing, sales and other resources than we do. Moreover, as we seek to diversify into new geographical areas, we face competition from competitors that have a pan-India presence and also from competitors that have a strong presence in regional markets. Competition in certain markets may have a material adverse effect on our operations in that market. We believe that we compete favorably with our principal competitors in each of these areas. We also believe that our impeccable track record provides us with a competitive advantage that enables us to compete effectively.

## FACTORS THAT MAY AFFECT THE RESULTS OF THE OPERATIONS:

### 1. Unusual or infrequent events or transactions.

There have been no unusual or infrequent events or transactions that have taken place during the last three years to the best of our knowledge.

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Our business has been subject, and we expect it to continue to be subject, to significant economic changes arising from the trends identified above in “Factors Affecting our Results of Operations” and the uncertainties described in the section entitled “Risk Factors” beginning on page 12 of this Red Herring Prospectus. There are no known factors which we expect to bring about significant economic changes to the best of our knowledge.

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The Company is operating single business segment i.e. Construction and Real Estate. Relevant industry data, as available, has been included in the chapter titled “*Industry Overview*” beginning on page 83 of this Red Herring Prospectus.

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Our Company has not announced any new projects or business segments, other than disclosed in this Red Herring Prospectus.

### 8. The extent to which business is seasonal.

Our Company’s Business is not seasonal in nature.

### 9. Any significant dependence on a single or few suppliers or customers.

We are not under threat of dependence from any single supplier or customer.

### 10. Competitive conditions:

The Real Estate market is highly competitive and fragmented, and we face competition from various domestic Contractors. Some of our competitors have greater financial, marketing, sales and other resources than we do. Moreover, as we seek to diversify into new geographical areas, we face competition from competitors that have a pan-India presence and also from competitors that have a strong presence in regional markets. Competition in certain markets may have a material adverse effect on our operations in that market. We believe that we compete favorably with our principal competitors in each of these areas. We also believe that our impeccable track record provides us with a competitive advantage that enables us to compete effectively.

## SECTION-VII: LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

*Except as described below, there are no outstanding litigations, suits, civil or criminal prosecutions, proceedings before any judicial, quasi-judicial, arbitral or administrative tribunals, including pending proceedings for violation of statutory regulations or, alleging criminal or economic offences or tax liabilities or any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (i) of Part 1 of Schedule XIII of the Companies Act) against our Company, our Directors, our Promoter and our Group Entities that would have a material adverse effect on our business. There are no defaults, non-payments or overdue of statutory dues, institutional/bank dues and dues payable to holders of debentures or fixed deposits and arrears of cumulative preference shares that would have a material adverse effect on our business.*

*The Company has a policy for identification of Material Outstanding Dues to Creditors in terms of the SEBI(ICDR) Regulations,2009 as amended for creditors where outstanding due to any one of them exceeds ₹5,00,000/-.*

*Further, Our Company has a policy for identification of Material Litigation in terms of the SEBI (ICDR) Regulations,2009 as amended for disclosure of all pending litigation involving the Issuer, its directors, promoters and group companies, other than criminal proceedings, statutory or regulatory actions, where the monetary amount of claim by or against the entity or person in any such pending matter(s) is in excess of ₹1,00,000/- and where the amount is not quantifiable, such pending cases are material from the perspective of the Issuer's business, operations, prospects or reputation.*

#### **PART 1: CONTINGENT LIABILITIES OF OUR COMPANY**

Particulars	Amount as on 31.03.2018 (in ₹)
The demand made U/s 143(3) for Income Tax Assessment for the A.Y. 2011-12 for which order of CIT(A) received with a relief. However department had an appeal in ITAT.	₹2,73,25,140
The demand made U/s 143(3) for the Income Tax Assessment for the A.Y. 2010-11 for which company has filed Appeal to the Commissioner of Income-tax (Appeals)	Rs 6,14,51,370

#### **PART 2: LITIGATIONS RELATING TO OUR COMPANY**

##### **I. LITIGATIONS AGAINST OUR COMPANY**

###### **A. 1. Litigation involving Criminal Laws:**

NIL

###### **2. Litigation involving Civil Laws:**

a) Gajanan Pundalik Hindlekar vs Arun Pundalik Hindlekar & Ors:- One Gajanan Hindlekar filed Appeal No. 480 of 2015 in RAD Suit No. 660 of 2010 in the Court of Small Causes, Mumbai restraining the Company from allocating the Unit reserved for Defendant Arun Hindlekar from whom suit premises were obtained for development of the premise. This is with respect to Suit Premises Flat No. 1102 on 11<sup>th</sup> Floor of Sumit Abode II building. Pursuant to Court Order dated 30.11.2015 in Exhibit 63 in RAD Suit No. 660 of 2010 Arun Hindlekar has been given temporary transit possession of the Suit Premises pending the Suit/Appeal. The Company has no further role in the said litigation. The said litigation is not affecting the project in any manner whatsoever.

b) Prakash Pundalik Hindlekar filed Appeal No. 286 of 2016 in Suit No428 of 2010 in the Court of Small Causes at Mumbai against Gajanan Pundalik Hindlekar & the Company for claiming possession of the Suit Premises Flat No.1203 on 12<sup>th</sup> Floor of Sumit Abode II building. Order passed on 15.11.2017 permitting the Company to handover the Suit Premises temporarily on Leave & License basis to the Appellant till pendency of Appeal and thereafter to the person

entitled for possession as per the conclusion of the Appeal. The Company has no further role in the said litigation. The said litigation is not affecting the project in any manner whatsoever.

c) Digambar Zillo Behere vs Eknath Zillo Behere & the Company- Digambar Behere filed SC Suit No. 2779 of 2014 in Bombay City Civil Court at Bombay claiming right, title and 1/6<sup>th</sup> share in suit Premise at Room No.13, Amarnath Bhuvan, T.H. Kataria Marg, Mahim, Mumbai-400 016. The suit has been filed after the Company executing and registering the Agreement dated 28<sup>th</sup> March, 2011 for newly constructed premises with Eknath Behere. The company has no further role in the said litigation. The said litigation does not affect the project in any manner whatsoever.

d) Pradeep Mugatlal Dave & Ors filed Suit No. 1338 of 2016 against Committee members of Shree Gurukrishna CHS Ltd and the Company claiming that the Development Agreement for redevelopment of the Society Building is illegal and bad in law. Till date no adverse Order has been passed against the Society and/or the Company with regards development agreement and the same is valid and subsisting.

#### **B. Litigation involving Actions by Statutory /Regulatory Authorities:**

NIL

#### **C. Litigations involving Tax Liabilities**

##### **Direct Tax:**

The Company has following tax demands under Income Tax Act, 1961('the Act') as on 13.02.2018:

1. For AY 2006-07 for ₹1,73,489/- under section 220(2) of the Act
2. For AY 2009-10 two notices for ₹70,750/- and ₹6786/- respectively under section 220(2) of the Act
3. For AY 2010-11 for ₹6,41,51,370/- under section 143(3) r.w.s 147 of the Act
4. For AY 2011-12 for ₹2,73,25,140/- under section 143 (3) of the Act
5. For AY 2016-17 for ₹2,35,120/- under section 143 (1a) of the Act

DCIT had filed an Appeal on 05.05.2016 against the Order of 31.03.2014 pertaining to AY 2011-12 for additional income to be added of ₹7,85,98,270/- against which tax amount determined is of ₹2,73,25,140/-

##### **TDS demands made:**

On the TRACES (TDS Reconciliation Analysis and Correction Enabling System) website of Income Tax for TDS, there are defaults in payment of TDS by the Company for:

Prior years- 1,58,774/-  
2016-17 – 1,440/-  
2017-18 – 17,050/-

##### **Indirect Tax:**

##### **VAT Demand:**

Notice received under Section 23(5) of MVAT, 2002 Vat tax demand made for ₹1,18,375/- towards alleged wrong availment of input pertaining to FY 2015-16.

#### **D. Other Pending Litigations:**

1. Order passed against the Company by Deputy Commissioner (Settlement), Mumbai pertaining to reinstatement of Mr. Bharat B Lagade under the Industrial Disputes Act, 1947. The matter has been referred to Labour Court, Bandra and directions are awaited from Court with respect to the hearing date.

2. Appeal No.690/2017 has been filed by Shri. Chintamani Parashwantah Shwetamber Jain Derasar against Shri, Mangilal Kothari & others, wherein Tatya Tope CHSL is a party. The Company had entered into a Joint Venture with Urja Holdings Pvt Ltd for development of the property and holds stake in the saleable area of the constructed building. Thereby, though no case has been registered against the company but stake of the Company is also involved.
3. LC Suit No.879 of 2009 filed by Arvind Mehta against MCGM and Others, wherein Company is joined as party being Developers. This matter pertains to tenancy. The said development Agreement is valid and subsisting.

## **II. LITIGATIONS FILED BY OUR COMPANY**

### **A. 1) Litigation involving Criminal Laws:**

**NIL**

### **2) Litigation involving Civil Laws:**

The Company filed a Civil Suit No. 2189 of 2012 against Smt Vrushali Ratnakar Welling & Ors pertaining to a Flat situated in Palms II CHS Ltd at Goregaon, Mumbai wherein the matter pertains to Flat sold to the Company by the Respondents which was bought after the Respondents failed to settle the loan amount advanced by the Company. However, a faulty title has been passed on to the Company since there were prior encumbrances on the Flat not known to the Company and the Society also in connivance with the Respondents withheld the fact from the Company. Parties have agreed to filed consent terms and thereby conclude the matter.

### **B. Litigation involving Actions by Statutory/Regulatory Authorities:**

**NIL**

### **C. Litigations involving Tax liabilities:**

#### **Direct Tax:**

Company filed Appeal to the CIT (A) on 20.1.2017 against the Assessment Order under section 143(3) of the income tax Act dated 31.12.2016 pertaining to AY 2010-11 pertaining to demand of ₹6,14,51,370/-

### **D. Other Pending Litigations:**

Appeal has been filed before Superintendent of Land Records, Mumbai, Suburban District, Bandra by Tatya Tope CHS Ltd against Popatlal Mangilalji Shah & Ors. Urja Holdings Pvt Ltd has been granted development rights by Tatya Tope CHS Ltd. The Company had entered into a Joint Venture with Urja Holdings Pvt Ltd for development of the property and the holds stake in the saleable area of the constructed building. Thereby, though no case has been registered against the company but stake of the Company is involved

## **PART 3: LITIGATIONS RELATING TO OUR GROUP ENTITIES**

### **A. CASES FILED AGAINST OUR GROUP COMPANIES:**

#### **1. SUMIT ABODE PVT LTD**

#### **A. 1. Litigation involving Criminal Laws:**

**NIL**

#### **2. Litigation involving Civil Laws:**

a) Versatile construction Co has filed Suit No. 755 of 2013 in High Court of Bombay against Robert Philip Surendra Sandhu wherein the Company Sumit Abode Pvt Ltd & Sumit Developers have claimed interest in the suit property on basis of MOU dated 20<sup>th</sup> September, 2012 and Deed of Assignment dated 19<sup>th</sup> October, 2013 made between Sumit & Defendants herein. . The Notice of Motion filed by Sumit Abode Pvt.Ltd is yet to be heard.

b) RAD Suit No. 1393 of 2010 filed by Shama Prakash Shekatkar against Robert Philip Surendra Sandhu & Ors which includes Sumit Abode Pvt Ltd pertaining to Suit premises in dispute amongst

the family members of the Plaintiff wherein the Sumit Abode Pvt Ltd is joined as Defendants being the landlords therein. This is an internal family matter wherein the Sumit Abode Pvt Ltd is a formal party and has no role to play in the said Suit. No reliefs are sought against the Sumit Abode Pvt Ltd .

**B. Litigation involving Actions by Statutory/Regulatory Authorities:**

**NIL**

**C. Litigations involving Tax liabilities:**

**NIL**

**D. Other Pending Litigations:**

**NIL**

1. Litigations filed by Sumit Abode Private Limited

Suit No.214 of 2017 filed by Sumit Abode Pvt. Ltd against Robert Phillips Surendra Singh Sandhu that the alleged termination of Deed of Assignment dated 19.310.2013 is illegal and bad in law. The same is kept for filling of Rejoinder

2. **SUMIT PRAMUKH VENTURES**

**A. 1. Litigation involving Criminal Law:**

**NIL**

3. **Litigation involving civil Law:**

1. Suit No. 383 of 2015 filed in high court of Bombay by Damjibhai Chagganbhai Yadav vs Sumit Pramukh Ventures & Ors pertaining to Suit Premises which have been purportedly offered as an alternative & temporary possession to the Plaintiffs by the Defendants.

2. Case No. 186/ 2016 was filed by Sumit Pramukh Enclave CHS against Sumit Pramukh Ventures P Ltd and Sumit Woods Pvt Ltd before District Consumer Redressal Forum, Bandra, Mumbai alleging deficiency in services. The last date of the matter was on 09.07.2018 and next date is on 11.09.2018 for filing reply of the Complainant

**B. Litigation involving Actions by Statutory/Regulatory Authorities:**

**NIL**

**C. Litigations involving Tax liabilities:**

**Direct Tax:**

On the TRACES (TDS Reconciliation Analysis and Correction Enabling System) website of Income Tax for TDS, there are defaults in payment of TDS by the Company of ₹92,062/- for prior years raised on the Company.

**Indirect Tax:**

**NIL**

**E. Other Pending Litigations:**

**NIL**

## 1. SUMIT DEVELOPERS

### A.1 Litigation involving Criminal Laws:

NIL

### 2. Litigation involving Civil Laws:

- a. RAD Suit No. 577/ 1004 of 2002 filed before Court of Small Causes at Bombay by Shri Sadanand and Subhash Narvekar against Robert Philips Surendra & Ors wherein Sumit Developers have been included as a Defendant vide amendment being the Landlords of the property wherein suit premises is located. The last date was on 10.08.2018. This is an internal family matter wherein the company is a formal party and has no role to play in the said Suit. No reliefs are sought against the Company.

### B. Litigation involving Actions by Statutory/Regulatory Authorities:

NIL

### C. Litigations involving Tax liabilities:

#### Direct Tax:

On the TRACES (TDS Reconciliation Analysis and Correction Enabling System) website of Income Tax for TDS, there are defaults in payment of TDS by the Company of ₹62,476/-, ₹5070/- and ₹56,604/- for FY 2016-17, 2015-16 and prior years respectively.

### D. Other Pending Litigations:

NIL

## 2. SUMIT CHETNA VENTURES

### A. 1. Litigation involving Criminal Law:

NIL

### 2. Litigation involving civil Law:

NIL

### B. Litigation involving Actions by Statutory/Regulatory Authorities:

NIL

### C. Litigations involving Tax liabilities:

#### Direct Tax:

On the TRACES (TDS Reconciliation Analysis and Correction Enabling System) website of Income Tax for TDS, there are defaults in payment of TDS by the Company of ₹3722/- and ₹76,582/- for FY 2016-17 and for prior years respectively.

### D. Other Pending Litigations:

NIL

## 5. SUMIT REALTY PRIVATE LTD

### A. 1. Litigation involving Criminal Law:

NIL

### 2. Litigation involving civil Law:

NIL

### F. Litigation involving Actions by Statutory/Regulatory Authorities:

NIL

### G. Litigations involving Tax liabilities:



## **Direct Tax**

Notice under Section 143(3) for AY 2015-16 raising demand of ₹18,78,100/- . The Company has filed rectification under Section 154 of the Act.

On the TRACES (TDS Reconciliation Analysis and Correction Enabling System) website of Income Tax for TDS, there are defaults in payment of TDS by the Company of ₹7,940/- for FY 2017-18 against the Company

### **Indirect Tax:**

**NIL**

### **D. Other Pending Litigations:**

**NIL**

## **6. SUMIT BHOOMI VENTURES**

### **A. 1. Litigation involving Criminal Law:**

**NIL**

### **2. Litigation involving civil Law:**

**NIL**

### **B. Litigation involving Actions by Statutory/Regulatory Authorities:**

**NIL**

### **C. Litigations involving Tax liabilities:**

## **Direct Tax**

Notice under Section 245D (2B) of Income Tax Act, 1961 dated 09/02/2017 which is pending before Settlement Commission for ₹1,59,41,508/-. In this case action of search was carried out at the residential premises of Shri Ajay Mheta and Akshay Doshi & their family members and also at the office premises of the Bhoomi Ventures while Sumit Bhoomi Ventures was served with Notice under Section 153 C of the Income Tax Act, 1961

### **TDS:**

On the TRACES (TDS Reconciliation Analysis and Correction Enabling System) website of Income Tax for TDS, there are defaults in payment of TDS by the Company of prior years of ₹60,783/-

### **Indirect Tax:**

### **Service Tax:**

Notice under Section 73(1) of Finance Act, 1994 for FY 2012-13 to 2014-15 for ₹42,00,480/- pertaining to wrong credit of CENVAT credit and 2012-13 to 2014-15 for ₹26,45,038/- pertaining to service tax on construction of rehab building as Works Contractor. Appeals have been filed against the Orders.

## **7. SUMIT PRAGATI DEVELOPERS LLP**

### **A. 1. Litigation involving Criminal Law:**

**NIL**

### **2. Litigation involving civil Law:**

**NIL**

### **B Litigation involving Actions by Statutory/Regulatory Authorities:**

**NIL**

### **C Litigations involving Tax liabilities:**

**Direct Tax:**

Demand Notice for order passed under section 143(3) of the Act for ₹28,79,100/- dated 15.12.2016 for AY 2011-12 is pending for hearing before CIT (Appeals) On the TRACES (TDS Reconciliation Analysis and Correction Enabling System) website of Income Tax for TDS, there are defaults in payment of TDS by the Company of ₹7932/- and ₹18,268/- for FY 2016-17 and prior years respectively against the Company.

**D. Other Pending Litigations:**

NIL

**8. SUMIT PRAGATI VENTURES LLP**

**A. 1. Litigation involving Criminal Law:**

NIL

**2. Litigation involving civil Law:**

NIL

**B. Litigation involving Actions by Statutory/Regulatory Authorities:**

NIL

**C. Litigations involving Tax liabilities:**

**Direct Tax:**

Demand Notice for order passed under section 143(3) of the Act for ₹10,66,100/- dated 28.12.2017 for AY 2015-16 wherein Company has preferred CIT Appeal.

On the TRACES (TDS Reconciliation Analysis and Correction Enabling System) website of Income Tax for TDS, there are defaults in payment of TDS by the Company of ₹450/- and ₹69,608/- for FY 2017-18 and prior years respectively.

**Indirect Tax**

**VAT**

Short payment of tax for FY 2015-16 for ₹1,01,319/-

**D. Other Pending Litigations:**

NIL

**9. SUMIT PRAGATI SHELTERS LLP**

**A. 1. Litigation involving Criminal Law:**

NIL

**2. Litigation involving civil Law:**

NIL

**B. Litigation involving Actions by Statutory/Regulatory Authorities:**

NIL

**C. Litigations involving Tax liabilities:**

**Direct Tax**

Demand Notice for ₹14,860/- dated 16.12.2016 wherein the company has filed for rectification under Section 154 of the Income Tax Act, 1961

Notice under section 142(1) of the Act is been received for AY 2016-17 on 09/04/2018

On the TRACES (TDS Reconciliation Analysis and Correction Enabling System) website of Income Tax for TDS, there are defaults in payment of TDS by the Company of ₹7411/-, ₹7/-, ₹18/- and ₹31,112/- for FY 2017-18, 2016-17, 2014-15 and for prior years respectively.

**Indirect Tax:**

Assessment notice received from VAT department for FY 2013-14 and 2014-15

**D. Other Pending Litigations:**

NIL

**10. SUMIT SNEHASHISH JOINT VENTURE**

**A. 1. Litigation involving Criminal Law:**

**NIL**

**2. Litigation involving civil Law:**

**NIL**

**B. Litigation involving Actions by Statutory/Regulatory Authorities:**

**NIL**

**C. Litigations involving Tax liabilities**

**Direct Tax:**

On the TRACES (TDS Reconciliation Analysis and Correction Enabling System) website of Income Tax for TDS, there are defaults in payment of TDS by the Company of ₹1008/- for FY 2017-18 made against the Company.

**Indirect Tax: NIL**

**D. Other Pending Litigations:**

**NIL**

**11. SUMIT SNEHASHISH VENTURE**

**A. 1. Litigation involving Criminal Law:**

**NIL**

**2. Litigation involving civil Law:**

**NIL**

**B. Litigation involving Actions by Statutory/Regulatory Authorities:**

**NIL**

**C. Litigations involving Tax liabilities**

**Direct Tax:**

On the TRACES (TDS Reconciliation Analysis and Correction Enabling System) website of Income Tax for TDS, there are defaults in payment of TDS by the Company of ₹671/- for FY 2017-18.

**Indirect Tax:**

**NIL**

**D. Other Pending Litigations:**

**NIL**

**12. Sumo Real Estate LLP**

**A. 1. Litigation involving Criminal Law:**

**NIL**

**2. Litigation involving civil Law:**

**NIL**

**B. Litigation involving Actions by Statutory/Regulatory Authorities:**

**NIL**

**C. Litigations involving Tax liabilities**

**Direct Tax:**

On the TRACES (TDS Reconciliation Analysis and Correction Enabling System) website of Income Tax for TDS, there are defaults in payment of TDS by the Company for ₹1000/- for FY 2016-17

**Indirect Tax:**

**NIL**

**D. Other Pending Litigations:**

**NIL**

**13. MILESTONE CONSTRUCTIONS & DEVELOPERS LLP**

**A. 1. Litigation involving Criminal Law:**

NIL

**2. Litigation involving civil Law:**

NIL

**B. Litigation involving Actions by Statutory/Regulatory Authorities:**

NIL

**C. Litigations involving Tax liabilities**

**Direct Tax:**

On the TRACES (TDS Reconciliation Analysis and Correction Enabling System) website of Income Tax for TDS, there are defaults in payment of TDS by the Company for ₹1200/- for prior years made against the Company.

**D. Other Pending Litigations:**

NIL

**14. SUMIT GARDEN GROVE CONSTRUCTION PVT LTD**

**A. 1. Litigation involving Criminal Law:**

NIL

**2. Litigation involving civil Law:**

NIL

**B. Litigation involving Actions by Statutory/Regulatory Authorities:**

NIL

**C. Litigations involving Tax liabilities**

**Direct Tax:**

On the TRACES (TDS Reconciliation Analysis and Correction Enabling System) website of Income Tax for TDS, there are defaults in payment of TDS by the Company for ₹1319/- for FY 2017-18 against the Company.

**D. Other Pending Litigations:**

NIL

**15. SUMIT STAR LAND DEVELOPERS**

**A. 1. Litigation involving Criminal Law:**

NIL

**2. Litigation involving civil Law:**

NIL

**B. Litigation involving Actions by Statutory/Regulatory Authorities:**

NIL

**C. Litigations involving Tax liabilities**

**Direct Tax:**

On the TRACES (TDS Reconciliation Analysis and Correction Enabling System) website of Income Tax for TDS, there are defaults in payment of TDS by the Company for ₹462/- and ₹22,356/- for FY 2016-17 and Prior years respectively.

**D. Other Pending Litigations:**

NIL

**16. SUMIT REAL INFRA LLP**

**A. 1. Litigation involving Criminal Law:**

NIL

**2. Litigation involving civil Law:**

NIL

**B. Litigation involving Actions by Statutory/Regulatory Authorities:**  
NIL

**C. Litigations involving Tax liabilities**

**Direct Tax:**

On the TRACES (TDS Reconciliation Analysis and Correction Enabling System) website of Income Tax for TDS, there are defaults in payment of TDS by the Company for ₹1000/- for FY 2016-17.

**Indirect Tax**

NIL

**D. Other Pending Litigations:**

NIL

**17. SUMIT CONSTRUCTIONS**

**A. 1. Litigation involving Criminal Law:**

NIL

**2. Litigation involving civil Law:**

NIL

**B. Litigation involving Actions by Statutory/Regulatory Authorities:**

NIL

**C. Litigations involving Tax liabilities**

**Direct Tax:**

On the TRACES (TDS Reconciliation Analysis and Correction Enabling System) website of Income Tax for TDS, there are defaults in payment of TDS by the Company for ₹1368/-, ₹20,879/-, ₹721/- Rs, 1,05,750/- for FY 2017-18, 2016-17, 2015-16 and prior years respectively.

**Indirect Tax:**

NIL

**D. Other Pending Litigations:**

NIL

**18. SUMIT KUNDIL JOINT VENTURE**

**A. 1. Litigation involving Criminal Law:**

NIL

**2. Litigation involving civil Law:**

NIL

**B. Litigation involving Actions by Statutory/Regulatory Authorities:**

NIL

**C. Litigations involving Tax liabilities**

**Direct Tax:**

On the TRACES (TDS Reconciliation Analysis and Correction Enabling System) website of Income Tax for TDS, there are defaults in payment of TDS by the Company for ₹1490/-, ₹6450/-, ₹350/- and ₹66,880/- for FY 2015-16, 2016-17, 2017-18 and prior years respectively.

**Indirect Tax:**

NIL

**D. Other Pending Litigations:**

NIL

**CASES FILED BY OUR GROUP COMPANIES**

**1. SUMIT DEVELOPERS**

**A.1 Litigation involving Criminal Laws :**

NIL

**2. Litigation involving Civil Laws:**

Sumit Developers has filed Suit No. SL/486/2018 before Bombay High Court (original side) against Robert Philips Surendra Singh Sandhu for illegal termination of a duly registered Deed of Assignment. The matter is yet to be heard. However the possession of the property is with Sumit Developers and the tenants are paying rent to Sumit Developers as their landlords.

**B. Litigation involving Actions by Statutory/Regulatory Authorities:**

NIL

**C. Litigations involving Tax liabilities:**

NIL

**D. Other Pending Litigations:**

NIL

**2. SUMIT CHETNA VENTURES**

**A. 1. Litigation involving Criminal Law:**

NIL

**2. Litigation involving civil Law:**

NIL

**B. Litigation involving Actions by Statutory/Regulatory Authorities:**

NIL

**C. Litigations involving Tax liabilities**

**Direct Tax**

CIT Appeal has been filed against the Order received under Section 143(3) of Income Tax Act, 1961 for AY 2015-16 raising demand of ₹18,97,560/- issued on 13.12.2017.

**Indirect Tax:**

NIL

**D. Other Pending Litigations:**

NIL

**PART 4: A. Litigations by our Directors**

**1. Litigation involving Criminal Laws :**

NIL

**2. Litigation involving Actions by Statutory/Regulatory Authorities:**

NIL

**3. Litigations involving Tax liabilities:**

NIL

**4. Other Pending Litigations:**

NIL

**B Litigations against our Directors**

**1. Litigation involving Criminal Laws:**

NIL

**2. Litigation involving Actions by Statutory/Regulatory Authorities:**

NIL

**3. Litigations involving Tax liabilities:**

NIL

**4. Other Pending Litigations:**

NIL

**PART 5: A. Litigations by our Promoters**

**1. Litigation involving Criminal Laws:**

NIL

**2. Litigation involving Actions by Statutory/Regulatory Authorities:**

NIL

**3. Litigations involving Tax liabilities:**

Appeal filed by Promoter of the Company Mr Subodh Nemlekar against the Order passed dated 10.08.2016 under Section 250 of Income tax Act, 1961 pertaining to AY 2010-11.

**4. Other Pending Litigations:**

NIL

**B. Litigations against our Promoters:**

**1. Litigation involving Criminal Laws:**

NIL

**2. Litigation involving Actions by Statutory/Regulatory Authorities:**

NIL

**3. Litigations involving Tax liabilities:**

NIL

**4. Other Pending Litigations:**

NIL

**PART 6: PENALTIES LEVIED UPON OUR COMPANY / PROMOTERS / GROUP ENTITIES IN THE PAST FIVE YEARS.**

NIL

**PART 7: LITIGATIONS OR LEGAL ACTIONS, PENDING OR TAKEN, BY ANY MINISTRY OR DEPARTMENT OF THE GOVERNMENT OR A STATUTORY AUTHORITY AGAINST OUR PROMOTERS DURING THE LAST 5 (FIVE) YEARS.**

Petition was filed by the Directors of the Company i.e. erstwhile Sumit Woods Goa Pvt Ltd for restoration of its name with Registrar of Companies, Mumbai as the name was struck off due to non filing of Annual Returns and Financials for six FY's. Petition was allowed subject to payment of penalty of ₹2,50,000/- (Rupees Two Lakhs Fifty Thousand Only) which has been duly paid by the Company and the required documents and statutory compliances duly completed with Registrar of Companies. As on date the status of the company in MCA records and on MCA website is Active.

**PART 8: PENDING PROCEEDINGS INITIATED AGAINST OUR COMPANY FOR ECONOMIC OFFENCES.**

There are no pending proceedings initiated against our Company for economic offences.

**PART 9: INQUIRIES, INVESTIGATIONS ETC. INSTITUTED UNDER THE COMPANIES ACT, 2013 OR ANY PREVIOUS COMPANIES ENACTMENT IN THE LAST 5 (FIVE) YEARS AGAINST OUR COMPANY**

There are no inquiries, investigations etc. instituted under the Companies Act or any previous companies enactment in the last 5 (five) years against our Company.

**PART 10: MATERIAL FRAUD AGAINST OUR COMPANY IN THE LAST 5 (FIVE) YEARS**

There has been no material fraud committed against our Company in the last 5 (five) years.

**PART 11: FINES IMPOSED OR COMPOUNDING OF OFFENCES FOR DEFAULT**

There are no fines imposed or compounding of offences done in the last 5 (five) years immediately preceding the filing of the Red Herring Prospectus for the Company for default or outstanding defaults apart from the one mentioned in Part 7 hereinabove.

## **PART 12: NON-PAYMENT OF STATUTORY DUES**

Other than as disclosed in this section and section title “*Financial Information of the Company*” on page 158, there have been no defaults or outstanding defaults in the payment of statutory dues payable by the Company.

## **PART 13: AMOUNTS OWED TO SMALL SCALE UNDERTAKINGS AND OTHER CREDITORS**

The Board of Directors of our Company considers outstanding due to any one of them exceeds ₹5,00,000/- as per Company’s last audited financial statements, as material dues for our Company. There are no disputes with such entities in relation to payments to be made to them.

Below are the details of the Creditors where outstanding amount as on March 31, 2018 exceeds ₹5,00,000/- :-

<b>Name</b>	<b>Balance as on March 31, 2018 (in ₹)</b>
Harsh Electrical	5,59,031.00
Mitasu Woods Pvt. Ltd.	17,55,242.00
Orient Fire Curtains India Pvt Ltd.	6,29,076.00
Sandeep Industries	11,65,572.00
Shree Sai Shardha Electricals	31,99,953.00

## **PART 14: MATERIAL DEVELOPMENTS OCCURING AFTER LAST BALANCE SHEET DATE**

Except as disclosed in Chapter titled “Management’s Discussion & Analysis of Financial Conditions & Results of Operations” beginning on page 202 there have been no material developments that have occurred after the Last Balance Sheet Date.



## 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 Issue or continue our business activities. In view of the approvals listed below, we can undertake the Issue and our current/ proposed business activities and no further major approvals from any governmental/regulatory authority or any other entity are required to be undertaken, in respect of the Issue or to continue our business activities. It must, however, be distinctly understood that in granting the above approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of the Company or for the correctness of any of the statements or any commitments made or opinions expressed in this behalf.*

The main objects clause of the Memorandum of Association of the Company and the objects incidental, enable our Company to carry out its activities. The following are the details of licenses, permissions and approvals obtained by the Company under various Central and State Laws for carrying out its business:

### 1) Approvals for the Proposed Issue:

1. The Board of Directors has, pursuant to a resolution passed at its meeting held on April 27, 2018, authorized the Issue, subject to the approval of the shareholders of the Company under Section 62(1)(c) of the Companies Act, 2013 and approvals by such other authorities, as may be necessary.
2. The shareholders of the Company have, pursuant to a resolution passed in EGM held on May 04, 2018, authorized the Issue under Section 62(1)(c) of the Companies Act, 2013.
3. The Company has obtained in-principle listing approval dated July 09, 2018 from NSE for using its name in this offer document for listing of our shares on the SME Platform of NSE Limited.
4. The Company has entered into an agreement dated March 20, 2018 with the Central Depository Services (India) Limited (CDSL) and Bigshare Services Private Limited, the Registrar and Transfer Agent for the dematerialization of its shares.
5. Similarly, the Company has also entered into an agreement dated April 02, 2018 with the National Securities Depository Limited (NSDL) and Bigshare Services Pvt Ltd, the Registrar and Transfer Agent for the dematerialization of its shares.
6. The Company's International Securities Identification Number (ISIN) is INE748Z01013.

### 2) Registration under the Companies Act, 1956 and 2013:

Sr. No.	Authority Granting Approval	Approval/ Registration No.	Applicable Laws	Nature of Approvals	Validity
1.	Registrar of Companies, Goa, Daman & Diu	CIN No: U36101MH1997PTC152192 Regn Number: BL 68301	Companies Act, 1956	Certificate of Incorporation in name of Sumit Woods Private Limited	Valid, till Cancelled
2.	Registrar of Companies, Maharashtra at Mumbai	CIN: U36101MH1997PLC152192	Companies Act, 2013	Fresh Certificate of Incorporation Consequent up on Change of Name to Sumit Woods Limited.	Valid, till Cancelled

**3) Registration under various Acts/Rules relating to Income Tax, Sales Tax, Value Added Tax, Central Excise and Service Tax:**

Sl. No	Authority Granting Approval	Registration Number	Applicable Law	Nature Of Approval	Validity
1	Income Tax Department	AAICS385B*	Income Tax Act, 1951	Permanent Account Number	Valid till cancelled
2	Income Tax Department(TAN)	MUMS93846E	Income Tax Act, 1951	Tax Deduction Account Number	Valid till cancelled
3	Office of the Deputy Commissioner of Service Tax	AAICS1385BST001 <sup>^</sup>	Finance Act, 1994 read with Service Tax Rules	Service Tax registration Number <sup>^</sup>	Valid till cancelled
4	Assistant Commissioner of Commercial Tax Department.	27290610549C <sup>^</sup>	Central Sales Tax (Registration and Turnover) Rules, 1957	Central Sales Tax Number <sup>^</sup>	Valid, till cancelled
5	Assistant Commissioner of Commercial Tax Department.	27290610549V <sup>^</sup>	Maharashtra Value Added Tax	VAT Registration Number <sup>^</sup>	Valid, till cancelled
6	The Central Goods And Services Tax Act, 2017	GSTIN: Goa : 30AAICS13851ZT* Mumbai: 27AAICS1385B1ZG	The Central Goods And Services Tax Act, 2017	Certification of Registration under the Central Goods And Services Tax Act, 2017 – Government of Goa	Valid, till cancelled
7	Registration under Shops and Establishment Act	760384256	Mumbai Shop & Establishment Rules, 1947 Inspector, Shops & Establishment	Inspector of Shops & Establishment	Valid till 31.12.2020
8	Registration under Employees State Insurance Corporation- Mumbai, Maharashtra GOA	3500033542000099 32350335420010999*	Employees State Insurance Corporation	Sub Regional Office issued on 21.02.2013 Goa, Ponda on 22.08.2013	
9	Registration under Employees Provident Fund Act	KDMAL0211342000	Employees Provident Fund Organization	Issued on 17.03.2015	
10	Registration under Professional Tax	PTRC 27290610549P*	Profession Tax Officer, Registration department, Mumbai Branch	Issued on 20.11.2013	

<sup>^</sup> It has been replaced by Goods and Services Tax.

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### Authority for the Issue

The Issue has been authorized by a Board of Directors vide their resolution passed at their meeting held on April 27, 2018 subject to the approval of shareholders of our Company through a special resolution pursuant to Section 62(1)(c) of the Companies Act, 2013. The shareholders of our Company have authorized the Issue by a passing special resolution at their EGM held on May 04, 2018 pursuant to section 62(1)(c) of the Companies Act, 2013. We have received in principle approval from National Stock Exchange of India Limited vide their letter dated July 09, 2018 to use the name of NSE in the Red Herring Prospectus for listing of our Equity Shares on NSE EMERGE, the SME Platform of NSE. NSE is the Designated Stock Exchange for the purpose of this issue.

### Prohibition by SEBI

Our Company, Promoters, Promoter Group, Directors and Group Companies/Entities and natural person having control over the promoter have not been prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authorities. None of our Promoters, Directors was or is a promoter, director or person in control of any other company which is debarred from accessing the capital market under any order or directions made by the SEBI. None of the Directors in any manner associated with any entities which are engaged in securities market related business and are registered with the SEBI. There has been no action taken by SEBI against any of our Directors or any entity with which our Directors are associated as promoters or directors.

### Prohibition by RBI or Governmental authority

Neither our Company nor our Promoters nor Group Companies/Entities, have been identified as willful defaulters by the RBI or any other government authorities. There are no violations of securities laws committed by any of them.

### Eligibility for the Issue

We are an issuer whose post issue paid-up capital is more than ₹10 Crore but below ₹25 Crore and therefore, our company is eligible for the Issue in accordance with Regulation 106(M)(2) and other provisions of Chapter XB of the SEBI (ICDR) Regulations. Our Company also complies with the eligibility conditions laid by the NSE for NSE EMERGE for listing of our Equity Shares.

### We confirm that:

- 1) In accordance with regulation 106(P) of the SEBI ICDR Regulations, this Issue will be 100% underwritten and that the LM will underwrite at least 15% of the total issue size. For further details pertaining to underwriting by BRLM and underwriter, please refer to chapter titled “*General Information*” beginning on page 39 of this Red Herring Prospectus.
- 2) In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight days from the date our company becomes liable to repay it, then our company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed u/s 40 of the Companies Act, 2013.
- 3) In accordance with Regulation 106(O) the SEBI (ICDR) Regulations, we have neither filed any Offer Document with SEBI nor has SEBI issued any observations on our Offer Document. We shall also ensure that our Book Running Lead Manager submits the copy of Red Herring Prospectus along with a Due Diligence Certificate including additional confirmations to Stock Exchange and Red Herring Prospectus along with a Due Diligence Certificate including additional confirmations with the Stock Exchange, Securities and Exchange Board of India and the Registrar of Companies.

- 4) In accordance with Regulation 106(V) of the SEBI ICDR Regulations, the Book Running Lead Manager will ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares offered in the Issue.

For further details of the market making arrangement, see chapter titled —General Information beginning on page 39 of this Red Herring Prospectus.

We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter XB of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange. As per Regulation 106(M)(3) of Chapter XB of SEBI (ICDR) Regulations, 2009, the provisions of sub regulations (1), (2) and (3) of regulation 6, regulation 8, regulation 9, regulation 10, regulation 25, regulation 26, regulation 27 and sub regulation (1) of regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to us for this Issue. Our Company is also eligible for the Issue in accordance with eligibility norms for Listing on SME Exchange / Platform, which states as follows:

**On Consolidated Basis:**

- 1) The Post-Issue Paid-up Capital of the Company is more than ₹3 crore.
- 2) Net worth (excluding revaluation reserves) of at least ₹3 crore as per the latest audited financial results.

Our Company has Net worth of more than ₹3 crore as per the latest financial results. Our Net worth as at March 31, 2018 is as under:

Particulars	As on March 31, 2018
Paid-up Capital	1,084.05
Add: Free Reserve	3,866.18
<u>Less: Miscellaneous Expenses to the extent not written off</u>	
<b>Net Worth</b>	<b>4950.24</b>

- 3) Net Tangible Assets of at least ₹3.00 Crore as per the latest audited financial results.

Our Company has Net Tangible Assets of more than ₹3 crore as per the latest financial results. Our Net Tangible Assets as on March 31, 2018 is disclosed as under:

(₹ in Lakhs)

Particulars	As on March 31, 2018
Net Tangible Assets	760.91

- 4) Track record of distributable profits in terms of Section 123 of Companies Act, 2013 for at least two years out of immediately preceding three financial years and each financial year has to be a period of at least 12 months. Extraordinary income will not be considered for the purpose of calculating distributable profits. Otherwise, the net worth shall be at least ₹5 crores.

Our Company satisfies the above criteria of distributable profits in terms of Section 123 of Companies Act, 2013.

(₹ in Lakhs)

Particulars	March 31, 2018	March 31, 2017	March 31, 2016
Net Profit as per restated P&L Account	924.53	313.26	74.98

- 5) The company shall mandatorily facilitate trading in demat securities and enter into an agreement with both the depositories.

To enable all shareholders of the Company to have their shareholding in electronic form, the Company is in the process of entering in to an agreement with both the depositories. The Company's Equity Shares bear an ISIN: **INE748Z01013**.

- 6) Companies shall mandatorily have a website.

Our Company has a live and operational website.

7) 7. There has been no changed in the promoters of the company in preceding one year from date of filing the application to NSE for listing under SME segment.

#### 8) 8. Disclosures

A certificate from the applicant company stating the following;

- The Company has not been referred to Board for Industrial and Financial Reconstruction.
- No petition for winding up is admitted by a court of competent jurisdiction or a liquidator has been appointed against the Company.

We confirm that we will submit the Certificate stating the above facts.

#### On Standalone Basis:

- 1) The Post-Issue Paid-up Capital of the Company is more than ₹3.00 Crores.
- 2) Net worth (excluding revaluation reserves) of at least ₹3.00 Crores as per the latest audited financial results.

Our Company has Net worth of more than ₹3 Crores as per the latest financial results. Our Net worth as at March 31, 2018 is as under:

Particulars	As at March 31, 2018
Paid-up Capital	1084.05
Add: Free Reserve	3,546.41
Less: Miscellaneous Expenses to the extent not written off	
<b>Net Worth</b>	<b>4,630.46</b>

- 3) Net Tangible Assets of at least Rs 3.00 Crores as per the latest audited financial results.

Our Company has Net Tangible Assets of more than Rs 3 Crores as per the latest financial results. Our Net Tangible Assets as at March 31, 2018 is disclosed as under:

(₹ in Lakhs)

Particulars	As at March 31, 2018
Net Tangible Assets	760.43

- 4) Track record of distributable profits in terms of Section 123 of Companies Act, 2013 for at least two years out of immediately preceding three financial years and each financial year has to be a period of at least 12 months. Extraordinary income will not be considered for the purpose of calculating distributable profits. Otherwise, the net worth shall be at least ₹5.00 Crores.

Our Company satisfies the above criteria of distributable profits in terms of Section 123 of Companies Act, 2013. Details of the same are as under

Details of distributable profit as per RHP filed

(₹ in Lakhs)

Particulars	March 31, 2018	March 31, 2017	March 31, 2016
Net Profit as per restated P&L Account	573.19	260.38	54.05

## **SEBI DISCLAIMER CLAUSE**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MERCHANT BANKER, MARK CORPORATE ADVISORS PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE OFFER DOCUMENT, THE LEAD MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER MARK CORPORATE ADVISORS PRIVATE LIMITED HAS FURNISHED TO STOCK EXCHANGE/SEBI A DUE DILIGENCE CERTIFICATE DATED AUGUST 16, 2018 WHICH READS AS FOLLOWS:**

**1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENTS DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE RED HERRING PROSPECTUS PERTAINING TO THE SAID ISSUE;**

**2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:**

**(A) THE RED HERRING PROSPECTUS FILED WITH THE BOARD/ EXCHANGE IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;**

**(B) ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**

**(C) THE DISCLOSURES MADE IN THE RED HERRING PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 2013 AND APPLICABLE PROVISIONS OF THE COMPANIES ACT, 1956, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.**

**3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE RED HERRING 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 PROMOTER HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS" CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS" CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE RED HERRING PROSPECTUS.**

**6. WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE RED HERRING PROSPECTUS.**

**7. WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE VIS-À-VIS AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS" CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS" CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS" CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. – NOT APPLICABLE**

**8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE „MAIN OBJECTS" LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.**

**9. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE OFFER DOCUMENT. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE COMPANY SPECIFICALLY CONTAINS THIS CONDITION. – NOTED FOR COMPLIANCE**

**10. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE RED HERRING PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE- NOT APPLICABLE; SECTION 29 OF THE COMPANIES ACT, 2013, INTER ALIA, PROVIDES THAT EVERY COMPANY MAKING PUBLIC OFFERS SHALL ISSUE SECURITIES ONLY IN DEMATERIALISED FORM BY COMPLYING WITH THE PROVISIONS OF THE DEPOSITORY ACT, 1996 AND THE REGULATIONS MADE THEREUNDER.**

**11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.**

**12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE RED HERRING PROSPECTUS:**

**(A) AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER AND**

**(B) AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.**

**13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE.**

**14. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS EXPERIENCE ,ETC.**

**15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE RED HERRING PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY”**

**16. WE ENCLOSE STATEMENT ON “PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKERS (WHO ARE RESPONSIBLE FOR PRICING THIS ISSUE)”, AS PER FORMAT SPECIFIED BY THE BOARD (SEBI) THROUGH CIRCULAR AS PER ANNEXURE “A”**

**17. WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS.**

**ADDITIONAL CONFIRMATIONS/ CERTIFICATION TO BE GIVEN BY LEAD MANAGER 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 OFFER DOCUMENT HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.**

**2. WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN OFFER DOCUMENT AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES OFFERED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN.**

**3. WE CONFIRM THAT THE ABRIDGED PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009. - NOTED FOR COMPLIANCE**

**4. WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE ISSUER. NOTED FOR COMPLIANCES**



**5. WE CERTIFY THAT AS PER THE REQUIREMENTS OF FIRST PROVISOR TO SUB REGULATION (4) OF REGULATION 32 OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009; THE CASH FLOW STATEMENT HAS BEEN PREPARED AND DISCLOSED IN THE RED HERRING PROSPECTUS. – NOT APPLICABLE**

**6. WE CONFIRM THAT UNDERWRITING AND MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION [106P] AND [106V] OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, HAVE BEEN MADE.**

**THE FILING OF THE OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER SECTION 34, 35 36 AND 38 (1) OF THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE LEAD MANAGER, ANY IRREGULARITIES OR LAPSES IN THE OFFER DOCUMENT. ALL LEGAL REQUIREMENTS PERTAINING TO THIS ISSUE WILL BE COMPLIED WITH AT THE TIME OF FILING OF THE PROSPECTUS WITH THE REGISTRAR OF COMPANIES, MAHARASHTRA AT MUMBAI, IN TERMS OF SECTION 26, 30, 32 AND SECTION 33 OF THE COMPANIES ACT, 2013.**

#### **Caution**

#### **Disclaimer from Our Company and the Book Running Lead Manager**

The Company, the Directors, and the Book Running Lead Manager accept no responsibility for statements made otherwise than in this Red Herring Prospectus or in the advertisements or any other material issued by or at instance of the above mentioned entities and anyone depending on any other source of information, including our website: [www.sumitwoods.com](http://www.sumitwoods.com) would be doing so at his or her own risk.

The Book Running Lead Manager accepts no responsibility, save to the limited extent as provided in the Memorandum of Understanding entered into between the Book Running Lead Manager, Mark Corporate Advisors Private Limited and our Company dated May 28, 2018 and the Underwriting Agreement dated August 14, 2018 entered into between the Underwriters Mark Corporate Advisors Private Limited and our Company and the Market Making Agreement dated August 14, 2018 entered into among the Market Maker, Book Running Lead Manager and our Company and Syndicate Agreement dated August 14, 2018 entered into among the Syndicate Members, Book Running Lead Manager and our Company. All information shall be made available by us and BRLM to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at collection centers etc. The Book Running Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company and our Promoter Group, 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 and our Promoter Group, affiliates or associates for which they have received, and may in future receive, compensation.

**Note:** Investors that apply in this Issue will be required to confirm and will be deemed to have represented to our Company, the Underwriters and Book Running Lead Manager and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our company and will not offer, sell, pledge or transfer the Equity Shares of our company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our company. Our Company, the Underwriters and the BRLM and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our company.

## PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE LEAD MANAGER

Sr. No.	Issuer Name	Issue size (In Cr.)	Issue price (₹)	Listing Date	Opening Price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]-30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]-90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]-180th calendar days from listing
1.)	Madhya Pradesh Media Today Limited (NSE EMERGE)	14.17.	66.00	September 29, 2017	70.00	36.89%	100.45 %	90.90%
						5.46%	7.58%	7.43%
2.)	Tasty Dairy Specialities Limited (BSE SME)	24.44	45.00	February 21, 2018	50.75	(2.25%)	(3.30%)	N.A
						7.75%	2.27%	N.A
3.)	Godha Cabcon & Insulation Limited (NSE EMERGE)	9.90	33.00	May 11, 2018	30.25	0.15%	-10.15%	
						0.18%	6.146%	

### Disclaimer in respect of Jurisdiction

This issue is being made in India to persons resident in India including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised 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 the applicable trust law and who are authorized under their constitution to hold and invest in shares, and any FII sub –account registered with SEBI which is a foreign corporate or go reign individual, permitted insurance companies and pension funds and to FIIs and Eligible NRIs. This Red Herring Prospectus does not, however, constitute an invitation to subscribe to Equity Shares offered hereby in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession the Red Herring Prospectus comes is required to inform him or herself about and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Mumbai only. No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose. Accordingly, our Company's Equity Shares, represented thereby may not be offered or sold, directly or indirectly, and Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of Red Herring Prospectus nor any sale here under shall, under any circumstances, create any implication that there has been any change in our Company's affairs from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

### Disclaimer Clause of the NSE

As required, a copy of this Issue Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter July 09,2018 permission to the Issuer to use the Exchange's name in this Issue Document as one of the stock exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

**Disclaimer Clause under Rule 144A of the U.S. Securities Act, 1993** The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the —Securities Act) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, -U.S. persons (as defined in Regulation S of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the

Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to - qualified institutional buyers, as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur. **Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.** The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. Further, each applicant, wherever requires, agrees that such applicant will not sell or transfer any Equity Share 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 of Prospectus with the Board and the Registrar of Companies**

A copy of Draft Red Herring Prospectus neither be filed with SEBI nor SEBI will issue any observation on the offer document in term of Regulation 106(O)(1). However, a copy of the Red Herring Prospectus and Prospectus shall be filed with SEBI at its Head Office at SEBI Bhavan, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051. A copy of the Red Herring Prospectus and Prospectus, along with the documents required to be filed under Section 26 of the Companies Act, 2013, will be delivered to the RoC situated at Everest, 5<sup>th</sup> Floor, 100, Marine Drive, Mumbai – 400 002.

### **Listing**

Our company has obtained In-Principle approval from NSE vide letter dated July 09, 2018 to use name of NSE in this offer document for listing of equity shares on SME Platform of NSE.

Application is being made to the NSE for obtaining permission to deal in and for an official quotation of our Equity Shares on NSE EMERGE. NSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the issue. If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the NSE, the Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of the Red Herring Prospectus. If such money is not repaid within Eight days after our Company becomes liable to repay it then our Company and every officer in default shall, on and from such expiry of Eight days, be liable to repay such application money, with interest at the rate of 15% per annum on application money, as prescribed under as prescribed under Section 40 of the Companies Act, 2013. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of NSE mentioned above are taken within Six Working Days from the Issue Closing Date.

### **Impersonation**

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

**“Any person who –**

- (a). makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities, or**
- (b). makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or**
- (c). otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under section 447.”**

The liability prescribed under Section 447 of the Companies Act, 2013, includes imprisonment for a term of not less than six months extending up to ten years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

### **Consents**

The written consents of Directors, the Company Secretary & Compliance Officer, Banker to Our Company, Statutory Auditor, Peer Review Auditor, Legal Advisor to the Issue, the Book Running Lead Manager to the Issue, Registrar to the Issue, Underwriters, Syndicate Members and Market Makers to act in their respective capacities have been obtained.

Above consents will be filed along with a copy of the Red Herring Prospectus with the ROC, as required under Sections 26 and 32 of the Companies Act, 2013 and such consents have not been withdrawn up to the time of delivery of the Prospectus for registration with the ROC. – NOTED FOR COMPLIANCE

In accordance with the Companies Act and the SEBI (ICDR) Regulations, M/s. SSRV & Associates Chartered Accountants, have provided their written consent to the inclusion of their report dated August 16, 2018 regarding restated financial statements and M/s. SSRV & Associates, Chartered Accountants have provided their written consent for the inclusion of Statement of Tax Benefits as applicable, which may be available to the Company and its shareholders, included in this Red Herring Prospectus in the form and context in which they appear therein.

Further, such consents and reports have not been withdrawn up to the time of delivery of Red Herring Prospectus/ Prospectus. – NOTED FOR COMPLIANCE

### Expert Opinion

Except for (a) Peer Review Auditors' Report on the restated financial statements issued by M/s. SSRV & Associates, Chartered Accountants, (b) Statement of Tax Benefits issued by the statutory auditors, M/s. SSRV & Associates, Chartered Accountants (Copies of the said report and statement of tax benefits has been included in the Red Herring Prospectus), we have not obtained any other expert opinions.

### Public Issue Expenses

The Management estimates an expense of ₹[●] Lakhs towards issue expense. The Issue related expenses include, among others, lead management, market making, underwriting, SCSB's commission/fees, selling commissions, printing, distribution and stationery expenses, advertising and marketing expenses, and other expenses including registrar, depository, listing and legal fees. All expenses with respect to the Issue will be borne by the Company. The estimated Issue expenses are as follows:

Sr. No.	Particulars	Amount
1.	Payment to Merchant Banker including fees and reimbursements of Market Making Fees, selling commissions, brokerages, payment to other intermediaries such as Legal Advisors, Registrars, Bankers etc and other out of pocket expenses.	
2.	Printing & Stationery and Postage Expenses	
3.	Marketing and Advertisement Expenses	
4.	Regulatory fees and other expenses	
5.	Other Miscellaneous expenses	
<b>Total</b>		

### Fees Payable to Book Running Lead Manager to the Issue

The total fees payable to the Book Running Lead Manager (underwriting Commission and Selling Commission and reimbursement of their out of pocket expenses) will be as per the Engagement Letter, a copy of which is available for inspection at the Registered Office of our Company.

### Fees Payable to the Registrar to the Issue

The fees payable to the Registrar to the Issue, for processing of application, data entry, printing of refund order, preparation of refund data on magnetic tape, printing of bulk mailing register will be as per the Agreement between the Company and the Registrar to the Issue dated May 26, 2018. The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty and communication expenses. Adequate funds will be provided to the Registrar to the Issue to enable it to send refund orders or Allotment advice by registered post/speed post.

**Fees Payable to Others**

The total fees payable to the Legal Advisor, Statutory Auditor and Peer Review Auditor, Market Maker, Printers and Advertiser, etc. will be as per the terms of their respective engagement letters.

**Underwriting commission, brokerage and selling commission**

We have not made any previous public issues. Therefore, no sum has been paid or is payable as commission or brokerage for subscribing to or procuring for, or agreeing to procure subscription for any of the Equity Shares of the Company since its inception.

**Commission payable to SCSBs**

The brokerage and selling commission payable to SCSBs for the ASBA Application Forms procured by them would be at par as payable to brokers for the Application forms procured by them. However in case, where ASBA Application Form are being procured by Syndicate Members / sub syndicate, then selling commission would be payable to Syndicate Members / sub syndicate and for processing of such ASBA Application Form, SCSBs would be given a prescribe fee of ₹10/- per ASBA Application Form processed by them.

**Previous Public or Rights Issue**

There have been no public or rights issue by our Company during the last five years.

**Previous issues of Equity Shares otherwise than for cash**

We have not made issue of equity shares for consideration otherwise than for cash except issue of Bonus Shares.

**Capital issue during the last three years**

Our Company and its Group Company have not made any capital issue during the last three years.

**Listed Ventures of Promoters**

There are no listed ventures of our Company as on date of filing of this Red Herring Prospectus.

**Promise vis-a-vis Performance**

Since neither our Company nor our Promoter Group Companies/Entities have made any previous rights or public issues during last 10 years, Promise vis-a-vis Performance is not applicable.

**Outstanding debentures or bonds and redeemable preference shares and other instruments**

There are no outstanding debentures or bonds or redeemable preference shares and other instruments issued by the Company as on the date of this Red Herring Prospectus.

**Stock Market Data for our Equity Shares**

This being an Initial Public Offering of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange.

**Mechanism for Redressal of Investor Grievances**

The agreement between the Registrar to the Issue and our Company provides for the retention of records with the Registrar to the Issue for a period of at least three years from the last date of dispatch of the letters of Allotment, demat credit and refund orders to enable the investors to approach the Registrar to the Issue for redressal of their grievances. All grievances relating to the Offer may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, application number,

number of Equity Shares applied for, amount paid on application and the bank branch or collection centre where the application was submitted. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to the relevant SCSB or the member of the Syndicate (in Specified Cities), as the case may be, where the Bid cum Application Form was submitted by the ASBA Bidder, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount blocked on application and designated branch or the collection centre of the SCSBs or the member of the Syndicate (in Specified Cities), as the case may be, where the Bid cum Application Form was submitted by the ASBA Bidder.

#### **Disposal of Investor Grievances by our Company**

Our Company estimates that the average time required by our Company or the Registrar to the Issue or the SCSB (in case of ASBA Bidders), for redressal of routine investor grievances shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible. Our Company has constituted Stakeholders Relationship Committee comprising of Mr Gurunath Malvankar, Mr Mitaram Jangid and Ms Pooja Chogle as its members. Our Company has appointed Ms Rekha Ramnath Dekhle as the Company Secretary and Compliance Officer of our company, and may be contacted in case of any pre-issue or post-issue related problems at the following address:

#### **Sumit Woods Limited**

B-1101, Express Zone, Western Express Highway,  
Malad (East), Mumbai-400 097  
Tel No.: +91-22-28749966 / 77  
Email: [contact@sumitwoods.com](mailto:contact@sumitwoods.com); Web site: [www.sumitwoods.com](http://www.sumitwoods.com)

#### **Changes in auditors**

M/s SSRV & Co., our Statutory Auditors were appointed in the AGM held on September 30, 2017 in place of M/s Parmar & Co.

### Capitalization of reserves or profits during last 5 (Five) years

Except allotment of Bonus Equity Shares on 22.11.2017 stated below, we have not issued Equity Shares otherwise than for cash:

Sr. No.	Name of Allottee	No. of Shares Allotted
1.	Subodh Ramakanth Nemlekar	734,542
2.	Mitaram Ramlal Jangid	956,663
3.	Sharda M Jangid	214,545
4.	Bhushan S Nemlekar	214,545
5.	Varsha S Nemlekar	116,364
6.	Mitaram R Jangid (HUF)	109,091
7.	Mitasu Woods Pvt. Ltd	3
8.	Kavita B Nemlekar	178,485
9.	Dhanashree S Nemlekar	36,364
10.	Sumit Infotech Private limited	277,273
11.	Sumit Construction	3
<b>Total</b>		<b>28,37,878</b>

### Revaluation of assets during the last five (5) years

Our Company has not revalued its assets during last five years.



## SECTION-VIII: ISSUE RELATED INFORMATION TERMS OF THE ISSUE

### TERMS OF THE ISSUE

isions of the Companies Act, 2013, SEBI (ICDR) Regulations, 2009, our Memorandum and Articles of Association, the terms of this Red Herring Prospectus, the Prospectus, the Application Form, the Revision Form, the Confirmation of Allocation Note and other terms and conditions as may be incorporated in the allotment advices and other documents/certificates that may be executed in respect of this Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchange, the RBI, ROC and/or other authorities, as in force on the date of the Issue and to the extent applicable. Please note that in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015; all the applicants have to compulsorily apply through the ASBA Process. Further vide the said circular, Registrar to the Issue and Depository Participants have been also authorized to collect the Application forms. Investor may visit the official website of the concerned for any information on operationalization of this facility of form collection by the Registrar to the Issue and Depository Participants as and when the same is made available.

#### Ranking of Equity Shares

The Equity Shares being issued shall be subject to the provisions of the Companies Act 2013, our Memorandum and Articles of Association and shall rank pari-passu in all respects with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please see the section titled —Main Provisions of the Articles of Association of our Companyl beginning on page 295 of this Red Herring Prospectus.

#### Mode of Payment of Dividend

The declaration and payment of dividend will be as per the provisions of Companies Act, 2013 and recommended by the Board of Directors and approved by the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividend, if declared, to our Shareholders as per the provisions of the Companies Act and our Articles of Association. Further Interim Dividend (if any declared) will be approved by the Board of Directors.

#### Face Value and Issue Price

The face value of the Equity Shares is ₹10/- each and the Issue Price at the Lower end of Price Band is ₹43 per Equity Share and at the Upper end of the Price Band is ₹ 45 per Equity Share The Price Band for the Issue will be decided by our Company in consultation with the BRLM and advertised in all edition of the English national newspaper Business Standard, all edition of the Hindi national newspaper Business Standard and the Mumbai edition of the Regional newspaper Mumbai Lakshadeep, each with wide circulation, at least five Working Days prior to the Bid/Issue Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading the same on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be prefilled in the Bid cum Application Forms available on the websites of the Stock Exchanges.

At any given point of time there shall be only one denomination of Equity Shares.

#### Compliance with SEBI (ICDR) Regulations

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations, 2009. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

#### Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the Equity shareholders shall have the following rights:

- Right to receive dividend, if declared;



- Right to receive Annual Reports and notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offer for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation subject to any statutory and preferential claim being satisfied;
- Right of free transferability subject to applicable law, including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public limited company under the Companies Act, 2013, the terms of the SEBI Listing Regulations, and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association relating to voting rights, dividend, forfeiture and lien and/or consolidation/splitting, please refer to the section titled —Main Provisions of Articles of Association beginning on page 295 of this Red Herring 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 dematerialized form. As per the existing SEBI (ICDR) Regulations, the trading of the Equity Shares shall only be in dematerialized form for all investors. The trading of the Equity Shares will happen in the minimum contract size of 3,000 Equity Shares and the same may be modified by NSE from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Offer will be done in multiples of 3,000 Equity Share subject to a minimum allotment of 3,000 Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. Allocation and allotment of Equity Shares through this Offer will be done in multiples of 3,000 Equity Share subject to a minimum allotment of 3,000 Equity Shares to the successful applicants.

### **Minimum Number of Allottees**

The minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and all the monies blocked by the SCSBs shall be unblocked within 6 Working days of closure of issue.

### **Jurisdiction**

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities in Mumbai.

**The Equity Shares have not been, and will not be, registered under the U.S. Securities Act 1933, as amended (the “Securities Act”) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold outside the United States in compliance with Regulation S of the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

### **Joint Holders**

Where two or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

### **Nomination Facility to Investor**

In accordance with Section 72 (1) & 72 (2) of the Companies Act, 2013, the sole or first applicant, along with other joint applicants, may nominate up to three persons, vide Multiple Nominations facility is available vide CDSL Communiqué No.: CDSL/OPS/DP/SYSTM/6250 dated November 17, 2016 and NSDL Circular No.: NSDL/POLICY/2016/0103 dated December 22, 2016, to 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 in respect of Percentage assigned to each nominee at the time of nomination. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 (3) of the Companies Act, 2013, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in accordance to Section 72 (4) of the Companies Act, 2013, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination interest shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Articles of Association of the Company, any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013, shall upon the production of such evidence as may be required by the Board, elect either:

- (a) to register himself or herself as the holder of the Equity Shares; or
- (b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with. Since the allotment of Equity Shares is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

#### Period of Operation of Subscription List of Public Issue

Bid / Issue Opens on	Wednesday, August 29, 2018
Bid / Issue Closes on	Friday, August 31, 2018
Finalization of Basis of Allotment with NSE	Wednesday, September 05, 2018
Initiation of refunds /unblocking of funds from ASBA Account	Thursday, September 06, 2018
Credit of Equity Shares to demat accounts of Allottees	Thursday, September 06, 2018
Commencement of trading of the Equity Shares on NSE	Monday, September 10, 2018

**The above time table, is indicative and does not constitute any obligation on our Company. While 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 NSE EMERGE is taken within six Working Days from the Offer Closing Date, the timetable may be extended due to various factors, such as extension of the Offer Period by our Company.**

#### Minimum Subscription

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. 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 refund the entire subscription amount received. If there is a delay beyond eight days, after our Company becomes liable to pay the amount, our Company shall pay interest as prescribed under Section 39(3) and 40 of 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 monies blocked by the SCSBs shall be unblocked within 6 working days of closure of issue. 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.

### **Arrangements for Disposal of Odd Lots**

The trading of the equity shares will happen in the minimum contract size of 3,000 shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the market maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME Platform of NSE.

### **Application by Eligible NRIs, FIIs registered with SEBI, VCFs registered with SEBI and QFIs**

It is to be understood that there is no reservation for Eligible NRIs or FIIs registered with SEBI or VCFs or QFIs. Such Eligible NRIs, QFIs, FIIs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

### **As per the extant policy of the Government of India, OCBs cannot participate in this Issue.**

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2017, provides a general permission for the NRIs, FIIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2017, 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.

### **Restrictions, if any on Transfer and Transmission of Equity Shares**

Except for lock-in of the pre-Issue Equity Shares and Promoters' minimum contribution in the Issue as detailed in the chapter "Capital Structure" beginning on page 47 of the Red Herring Prospectus and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation / splitting except as provided in the Articles of Association. For details please refer to the section titled "Main Provisions of the Articles of Association" beginning on page 295 of this Red Herring Prospectus.

### **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. Applicants will not have the option of getting Allotment of the Equity Shares in physical form. The Equity Shares on Allotment shall be traded only in the dematerialized segment of the Stock Exchanges. 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.

### **Migration to Main Board**

Our Company may migrate to the main board of NSE from the SME Platform on a later date subject to the following: If the Paid up Capital of the company is likely to increase above ₹25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc, we shall have to apply to NSE for listing our shares on its Main Board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the Main Board provided that no further issue of capital by the Company shall be made unless the shareholders of the Company have approved the migration by passing a special resolution through postal ballot wherein 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 promoter shareholders against the proposal and the Company has obtained in- principle approval from the Main Board for listing of its entire specified securities on it; or If the Paid up Capital of the company is more than ₹10 crores but below ₹25 crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders

other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

### **Market Making**

The shares offered through this issue are proposed to be listed on the SME Platform of NSE, wherein the Book Running Lead Manager to this Issue shall ensure compulsory Market Making for a minimum period of three years from the date of listing of shares offered through this Red Herring Prospectus through the registered Market Makers of the NSE. For further details of the agreement entered into between the Company, the Book Running Lead Manager and the Market Maker, please see "General Information" – Details of the Market Making Arrangements for this Issue beginning on page 43 of this Red Herring Prospectus.

### **New Financial Instruments**

The Issuer Company is not issuing any new financial instruments through this Issue.

## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 106(M)(2) of Chapter XB of SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, an issuer whose post issue paid up capital is more than ₹10 crores but less than ₹25 Crore, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the SME Platform of NSE”). For further details regarding the salient features and terms of such an issue, please refer chapter titled “Terms of the Issue” and “Issue Procedure” on page 241 and 250 respectively of this Red Herring Prospectus.

### FOLLOWING IS THE ISSUE STRUCTURE

Public issue of 40,53,000 equity shares of face value of ₹10/- each for cash at a price of ₹[●] - per equity share including a share premium of ₹. [●] /- per equity share (the “issue price”) aggregating to ₹[●] Lakh (“the issue”) by our company. The Issue comprises a net issue to the public of 38,34,000 Equity Shares (the Net Issue). The Issue and Net Issue will constitute 26.50% and 25.07% of the post-Issue paid-up Equity Share capital of our Company.

The issue comprises a reservation of 2,19,000 Equity Shares of ₹10 each for subscription by the designated Market Maker (the Market Maker Reservation Portion).

Particulars	Qualified Institutional Bidders	Market Maker Reservation Portion	Non Institutional Bidders	Retail Individual Bidders
Number of Equity Shares	[●] Equity Shares	2,19,000 Equity Shares	[●] Equity Shares	Equity Shares
Percentage of Issue Size available for allocation	Atleast 25 % subject to Maximum of 50% of the Net Issue size shall be available for allocation to QIBs. However, up to 5% of net QIB Portion (excluding the Anchor Investor Portion) will be available for allocation proportionately to Mutual Fund only.  Upto 60% of the QIB Portion may be available for allocation to Anchor Investors and onethird of the Anchor Investors Portion shall be available for allocation to domestic mutual funds only	5.40 % of Issue	Not less than 15% of the issue	Not less than 35 % of Issue
Basis of Allotment/Allocation if respective category is oversubscribed	Proportionate as follows (excluding the Anchor Investor Portion:- a) upto [●] Equity Shares, shall be available for allocation on a proportionate basis to Mutual Funds only; and; b) [●] Equity shares shall be allotted on a proportionate basis to all QIBs including Mutual Funds receiving allocation as per (a) above [●] Equity Shares may be allocated on a discretionary basis to Anchor Investors For further details please refer to the section titled Issue Procedure beginning on page 250 of the Red Herring Prospectus	Firm Allotment	Proportionate subject to minimum allotment of 3,000 equity shares and further allotment in multiples of 3,000 equity shares each. For further details please refer to the section titled Issue Procedure beginning on	Proportionate subject to minimum allotment of 3,000 equity shares . For further details please refer to the section titled Issue Procedure beginning on page 250 of the Draft Red Herring Prospectus

			page 250 of the Red Herring Prospectus.	
Mode of Bid Cum Application	Through the ASBA Process only (except Anchor Investors)	Through ASBA Process only	Through ASBA Process only	Through ASBA Process only
Minimum Bid Size	Such number of Equity Shares in multiples of 3,000 Equity Shares that the Application size exceeds Rs 2,00,000	3,000 Equity Shares in multiple of 3,000 Equity shares	Such number of Equity Shares in multiples of 3,000 Equity Shares such that the Application size exceeds ₹ 2,00,000	3,000 Equity Shares in
Maximum Bid Size	Such number of Equity Shares in multiples of 3,000 Equity Shares not exceeding the size of the Issue, subject to limits as applicable to the Bidder	Upto 2,19,000 Equity Shares In multiple of 3,000 Equity shares	Such number of Equity Shares in multiples of 3,000 Equity Shares not exceeding the size of the Issue, subject to limits as applicable to the Bidder	Such number of Equity Shares in multiples of 3,000 Equity Shares so that the Bid Amount does not exceed ₹2,00,000
Mode of Allotment	Compulsorily in Dematerialised Mode			
Trading Lot	3,000 Equity Shares	3,000 Equity Shares, however the Market Maker may accept odd lots if any in the market as Required under the SEBI ICDR Regulations.	3,000 Equity Shares	3,000 Equity Shares
Terms of Payment	The entire Bid Amount shall be blocked at the time of submission of Bid cum Application Form to the members of the Syndicate, except for Anchor Investors. In case of ASBA Bidders, the SCSB shall be authorised to block the Bid Amount mentioned in the Bid cum Application Form (other than for Anchor Investors).**			

1) \*Our Company, in consultation with the BRLM may allocate upto 60% of the QIB Portion to Anchor Investors on a discretionary basis, in accordance with the SEBI (ICDR) Regulations, 2009, as amended. 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 Anchor Investor Price. For further details please refer to the section titled Issue Procedure beginning on page 250 of the Red Herring Prospectus;

2) Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Form;

3) Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in any category other than the QIB Category would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company, in consultation with the BRLM and the



Designated Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories;

4) The QIB Portion includes Anchor Investor Portion, as per the SEBI Regulations. Anchor Investor shall pay the entire Bid Amount at the time of submission of the Anchor Investor Bid. Provided that any difference between the Anchor Investor Allocation Price and Anchor Investor Allocation Price, shall be payable by Anchor Investor Pay-in Date;

5) The Issue is being made through the Book Building Process, wherein atleast 25% subject to maximum of 50% of the Net Issue shall be available for allocation on a proportionate basis to QIBs, provided that our Company, in consultation with the BRLM may allocate upto 60% of the QIB Portion to Anchor Investors on a discretionary basis. 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 Anchor Investor Allocation Price. In the event of undersubscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. Further atleast 15% of the Net Issue shall be available for allocation on a proportionate basis to Non Institutional Bidders and atleast 35% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price. In case of joint Bids, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders.

### Withdrawal of the Issue

In accordance with the SEBI ICDR Regulations, our Company, in consultation with Book Running Lead Manager, reserves the right not to proceed with this Issue at any time after the Issue Opening Date, but before our Board meeting for Allotment, without assigning reasons thereof. If our Company withdraws the Issue after the Issue 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-Issue advertisements were published. Further, the Stock Exchanges shall be informed promptly in this regard and the Book Running Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the Bank Accounts of the ASBA Applicants within one Working Day from the date of receipt of such notification. In case our Company withdraws the Issue after the Issue 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 Issue 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 Issue Closing Date.

### Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities at Mumbai.

### Issue Programme

Bid / Issue Opens on	Wednesday, August 29, 2018
Bid / Issue Closes on	Friday, August 31, 2018
Finalization of Basis of Allotment with NSE e	Wednesday, September 05, 2018
Initiation of refunds /unblocking of funds from ASBA Account e	Thursday, September 06, 2018

Credit of Equity Shares to demat accounts of Allottees	Thursday, September 06, 2018
Commencement of trading of the Equity Shares on NSE	Monday, September 10, 2018

\* Our Company may, in consultation with the BRLM, consider participation by Anchor Investors. The Anchor Investor shall Bid in the Anchor Investor Bid/Offer Period i.e. one Working Day prior to the Bid/Offer Opening Date

Except in relation to the Bids received from Anchor Investors, Bids and any revisions to the same will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form, or in the case of ASBA Applicants, at the Designated Bank Branches except that on the Issue Closing Date applications will be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time). Applications will be accepted only on Working Days, i.e., all trading days of stock exchanges excluding Sundays and bank holidays.).



## **ISSUE PROCEDURE**

### **PART A**

All Bidders should review the General Information Document for Investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI (General Information Document), and including SEBI circular bearing number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and SEBI circular bearing number SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 included below under —Part B – General Information Document, which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI ICDR Regulations. The General Information Document has been updated to reflect the enactments and regulations, to the extent applicable to a public issue. The General Information Document is also available on the websites of the Stock Exchanges and the BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

Our Company and the BRLMs do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Red Herring Prospectus

Please note that all the Bidders can participate in the Issue only through the ASBA process. All Bidders shall ensure that the ASBA Account has sufficient credit balance such that the full Bid Amount can be blocked by the SCSB at the time of submitting the Bid. Please note that all Bidders are required to make payment of the full Bid Amount along with the ASBA Form.

Bidders are required to submit Bids to the Selected Branches / Offices of the RTAs, DPs, Designated Bank Branches of SCSBs or to the Syndicate Members. The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <http://www.sebi.gov.in>. For details on designated branches of SCSB collecting the ASBA Form, please refer the above mentioned SEBI link. The list of Stock Brokers, Depository Participants (—DP), Registrar to an Issue and Share Transfer Agent (—RTA) that have been notified by National Stock Exchange of India Ltd. to act as intermediaries for submitting ASBA Forms are provided on <http://www.bseindia.com>. For details on their designated branches for submitting ASBA Forms, please see the above mentioned NSE website.

Pursuant to the SEBI (Issue of Capital and Disclosure Requirements) (Fifth Amendment) Regulations, 2015, the ASBA process become mandatory for all investors w.e.f. January 1, 2016 and it allows the registrar, share transfer agents, depository participants and stock brokers to accept ASBA Forms.

### **BOOK BUILDING PROCEDURE**

The Issue is being made through the Book Building Process wherein atleast 25% subject to maximum of 50% of the Net Issue shall be available for allocation to Qualified Institutional Buyers on a proportionate basis provided that Our Company in consultation with the BRLM may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with SEBI Regulation. 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 Anchor Investor Allocation Price. In the event of undersubscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. 5% of the QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids.

Further atleast 15% of the Net Issue shall be available for allocation on a proportionate basis to Non Institutional Bidders and atleast 35% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price.

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Portion and Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spillover from other categories or a combination of categories.

All Bidders applying through cheques or demand drafts are required to submit their Bids through the Syndicate. In accordance with the SEBI Regulations, QIBs and Non-Institutional Investors are not allowed to withdraw or lower the size of their Bids (both in terms of number of Equity Shares Bid for and Bid Amount) at any stage. Further, allocation to QIBs in the Net QIB Portion will be on a proportionate basis.

## BID CUM APPLICATION FORM

Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of the NSE ([www.nseindia.com](http://www.nseindia.com)), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Bid/Offer Opening Date. All Bidders shall mandatorily participate in the Offer only through the ASBA process. ASBA Bidders must provide bank account details and authorisation to block funds in the relevant space provided in the Bid cum Application Form and the Bid cum Application Forms that do not contain such details are liable to be rejected.

ASBA Bidders shall ensure that the Bids are made on Bid cum Application Forms bearing the stamp of the Designated Intermediary, submitted at the Collection Centres only (except in case of electronic Bid cum Application Forms) and the Bid cum Application Forms not bearing such specified stamp are liable to be rejected. The prescribed colour of the Bid cum Application Form for various categories is as follows:

Category	Colour of ASBA Form
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents including Eligible NRIs, FII's, FVCIs etc. applying on a repatriation basis	Blue

Anchor Investors \*\* - As prescribed by the Issuer

\*excluding electronic Bid cum Application Form

\*\* Bid Cum application forms for anchor investors shall be available at the offices of the BRLM

Designated Intermediaries (other than SCSBs) shall submit/deliver the Bid cum Application Forms to respective SCSBs where the Bidder has a bank account and shall not submit it to any non-SCSB Bank.

## WHO CAN BID?

In addition to the category of Bidders set forth under General Information Document for Investing in Public Issues – Category of Investors Eligible to participate in an Issue, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- FPIs and sub-accounts registered with SEBI other than Category III foreign portfolio investor;
- Category III foreign portfolio investors, which are foreign corporates or foreign individuals only under the Non Institutional Investors (NIIs) category;
- Scientific and / or industrial research organisations authorised in India to invest in the Equity Shares.

Maximum and Minimum Application Size

a) For Retail Individual Bidders:

The Bid must be for a minimum of 3,000 Equity Shares and in multiples of 3,000 Equity Shares thereafter, so as to ensure that the Bid Amount payable by the Bidder does not exceed Rs 2,00,000. In case of revision of Bid, the Retail Individual Bidders have to ensure that the Bid Amount does not exceed ₹2,00,000.

**b) For Other Bidders (Non-Institutional Bidders and QIBs):**

The Bid cum Application must be for a minimum of such number of Equity Shares such that the Bid Amount exceeds ₹2,00,000 and in multiples of 3,000 Equity Shares thereafter. A Bid cannot be submitted for more than the Issue Size. However, the maximum Bid by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. A QIB and a Non-Institutional Bidder cannot withdraw or lower the size of their Bid at any stage and are required to pay the entire Bid Amount upon submission of the Bid. The identity of QIBs applying in the Net Issue shall not be made public during the Issue Period. In case of revision in Bid, the Non-Institutional Bidders, who are individuals, have to ensure that the Bid Amount is greater than Rs 2,00,000 for being considered for allocation in the Non-Institutional Portion.

**INFORMATION FOR THE BIDDERS**

- Our Company shall file the Red Herring Prospectus with the RoC at least three working days before the Bid / Issue Opening Date.
- Our Company shall, after registering the Red Herring Prospectus with the RoC, make a pre-Issue advertisement, in the form prescribed under the ICDR Regulations, in English and Hindi national newspapers and one regional newspaper with wide circulation. In the pre-Issue advertisement, our Company and the Book Running Lead Manager shall advertise the Issue Opening Date, the Issue Closing Date. This advertisement, subject to the provisions of the Companies Act, shall be in the format prescribed in Part A of Schedule XIII of the ICDR Regulations. The Price Band as decided by our Company in consultation with the Book Running Lead Manager is as follows:-  
The Floor Price of Equity Shares is ₹43 per Equity Share and the Cap Price is ₹45 per Equity Share and the minimum bid lot is of 3,000 Equity Shares.
- The Issue Period shall be for a minimum of three Working Days. In case the Price Band is revised, the Issue Period shall be extended, by an additional three Working Days, subject to the total Issue Period not exceeding ten Working Days. The revised Price Band and Issue Period will be widely disseminated by notification to the SCSBs and Stock Exchanges, and by publishing in English and Hindi national newspapers and one regional newspaper with wide circulation and also by indicating the change on the websites of the Book Running Lead Manager and at the terminals of the members of the Syndicate.
- The Bidders should note that in case the PAN, the DP ID and Client ID mentioned in the ASBA Form and entered into the electronic bidding system of the Stock Exchanges by the Syndicate Member does not match with the PAN, DP ID and Client ID available in the database of Depositories, the ASBA Form is liable to be rejected.

**OPTION TO SUBSCRIBE IN THE ISSUE**

- As per Section 29(1) of the Companies Act, 2013 allotment of Equity Shares shall be in dematerialized form only.
- The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only. A single Bid cum application from any investor shall not exceed the investment limit / minimum number of specified securities that can be held by him/her/it under the relevant regulations / statutory guidelines and applicable law

**AVAILABILITY OF RED HERRING PROSPECTUS AND ASBA FORM**

Copies of the ASBA Form and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the ASBA Form will also be available for download on the websites of SCSBs (via Internet Banking) and NSE ([www.nseindia.com](http://www.nseindia.com)) at least one day prior to the Bid/Issue Opening Date.

## **APPLICATIONS BY ELIGIBLE NRIs /RFPIs ON REPATRIATION BASIS**

Copies of the ASBA Form and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the ASBA Form will also be available for download on the websites of SCSBs (via Internet Banking) and NSE ([www.nseindia.com](http://www.nseindia.com)) at least one day prior to the Bid/Issue Opening Date.

## **PARTICIPATION BY ASSOCIATED/ AFFILIATES OF BOOK RUNNING LEAD MANAGER AND SYNDICATE MEMBERS**

The BRLM and the Syndicate Members, if any, shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLM and the Syndicate Members, if any, may subscribe the Equity Shares in the Issue, either in the QIB Category or in the Non- Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

## **APPLICATIONS BY ELIGIBLE NRIs**

NRIs may obtain copies of ASBA Form from the offices of the BRLMs and the Designated Intermediaries. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to block their Non-Resident External (NRE) accounts, or Foreign Currency Non-Resident (FCNR) ASBA Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non-Resident Ordinary (NRO) accounts for the full Bid Amount, at the time of the submission of the ASBA Form.

Eligible NRIs bidding on non-repatriation basis are advised to use the ASBA Form for residents (white in colour).

Eligible NRIs bidding on a repatriation basis are advised to use the ASBA Form meant for Non-Residents (blue in colour)

## **BIDS BY FPI INCLUDING FIIs**

In terms of the SEBI FPI Regulations, any qualified foreign investor or FII who holds a valid certificate of registration from SEBI shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or a sub-account may participate in this Issue, in accordance with Schedule 2 of the FEMA Regulations, until the expiry of its registration with SEBI as an FII or a sub-account. An FII shall not be eligible to invest as an FPI after registering as an FPI under the SEBI FPI Regulations.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued by the designated depository participant under the FPI Regulations is required to be attached to the ASBA Form, failing which our Company reserves the right to reject any Bid without assigning any reason. An FII or subaccount may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Issue, until the expiry of its registration as a FII or sub-account, or until it obtains a certificate of registration as FPI, whichever is earlier. Further, in case of Bids made by SEBI-registered FIIs or sub-accounts, which are not registered as FPIs, a certified copy of the certificate of registration as an FII issued by SEBI is required to be attached to the ASBA Form, failing which our Company reserves the right to reject any Bid without assigning any reason.

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10.00% of our post-Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10.00% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectorial cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being

deemed FPIs) shall be included. The existing individual and aggregate investment limits an FII or sub account in our Company is 10.00% and 24% of the total paid-up Equity Share capital of our Company, respectively.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with know your client norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

FPIs who wish to participate in the Issue are advised to use the ASBA Form for Non-Residents (blue in colour).

#### **BIDS BY SEBI REGISTERED VCFs, AIFs and FVCIs**

The SEBI FVCI Regulations and the SEBI AIF Regulations inter-alia prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIFs. The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public issuing.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public issuing of a venture capital undertaking. Additionally, the VCFs which have not reregistered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations. All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

Our Company or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency. There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

#### **BIDS BY ANCHOR INVESTORS**

Our Company, in consultation with the BRLM, may consider participation by Anchor Investors in the Issue for upto 60% of the QIB Portion in accordance with the SEBI Regulations. Only QIBs as defined in Regulation 2(1)(zd) of the SEBI Regulations and not otherwise excluded pursuant to Schedule XI of the SEBI Regulations are eligible to invest. The QIB Portion will be reduced in proportion to allocation under the Anchor Investor Portion. In the event of under-subscription in the Anchor Investor Portion, the balance Equity Shares will be added to the QIB Portion. In accordance with the SEBI Regulations, the key terms for participation in the Anchor Investor Portion are provided below.

1. Anchor Investor Bid cum Application Forms will be made available for the Anchor Investors at the offices of the BRLM;



2. The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount is atleast ₹100 million. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹100 million;
3. One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds;
4. Bidding for Anchor Investors will open one Working Day before the Bid/ Issue Opening Date and be completed on the same day;
5. Our Company, in consultation with the BRLM, will finalise allocation to the Anchor Investors on a discretionary basis, provided that the minimum and maximum number of Allottees in the Anchor Investor Portion will be, as mentioned below:
  - a. where allocation in the Anchor Investor Portion is upto ₹1000.00 Lakhs, maximum of 2 (two) Anchor Investors;
  - b. where the allocation under the Anchor Investor Portion is more than ₹1000.00 Lakhs but upto ₹25,000 Lakhs, minimum of 2 (two) and maximum of 15 (fifteen) Anchor Investors, subject to a minimum Allotment of ₹500 Lakhs per Anchor Investor; and
  - c. where the allocation under the Anchor Investor portion is more than ₹25,000 Lakhs: (i) minimum of 5 (five) and maximum of 15 (fifteen) Anchor Investors for allocation upto ₹25,000 Lakhs; and (ii) an additional 10 Anchor Investors for every additional allocation of ₹25,000 Lakhs or part thereof in the Anchor Investor Portion; subject to a minimum Allotment of ₹500 Lakhs per Anchor Investor;
6. Allocation to Anchor Investors will be completed on the Anchor Investor Bid/ Issue Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLM before the Bid/ Issue Opening Date, through intimation to the Stock Exchange.
7. Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
8. If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors within 2 (two) Working Days from the Bid/Offer Closing Date. If the Offer Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor offer Price.
9. At the end of each day of the bidding period, the demand including allocation made to anchor investors, shall be shown graphically on the bidding terminals of syndicate members and website of stock exchange offering electronically linked transparent bidding facility, for information of public;
10. Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 30 days from the date of Allotment;
11. The BRLM, our Promoters, Promoter Group or any person related to them (except for Mutual Funds sponsored by entities related to the BRLM) will not participate in the Anchor Investor Portion. The parameters for selection of Anchor Investors will be clearly identified by the BRLM and made available as part of the records of the BRLM for inspection by SEBI;
12. Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids;
13. Anchor Investors are not permitted to Bid in the Offer through the ASBA process.

For further details, please refer Issue Procedure on Page 250 of Red Herring Prospectus.

## **BIDS BY MUTUAL FUNDS**

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the ASBA Form. Failing this, our Company reserves the right to accept or reject any Bid cum Application in whole or in part, in either case, without assigning any reason thereof. In case of a mutual fund, a separate Bid cum 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 Bids clearly indicate the scheme concerned for which the Bids

has been made. The Bids 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.

## **BIDS BY LIMITED LIABILITY PARTNERSHIPS**

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the ASBA Form. Failing this, our Company reserves the right to reject any bid without assigning any reason thereof. Limited liability partnerships can participate in the Issue only through the ASBA process.

## **BIDS BY INSURANCE COMPANIES**

In case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the ASBA Form. Failing this, our Company reserves the right to reject any Bid by Insurance Companies without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended, are broadly set forth below:

- 1) Equity Shares of a Company: the least of 10.00% of the investee company's subscribed capital (face value) or 10.00% of the respective fund in case of life insurer or 10.00% of investment assets in case of general insurer or reinsurer;
- 2) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- 3) the industry sector in which the investee company belong to: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be. Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

## **BIDS UNDER POWER OF ATTORNEY**

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with a minimum corpus of ₹2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹2500 Lakhs, 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 ASBA Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reasons thereof.

In addition to the above, certain additional documents are required to be submitted by the following entities:

- a) With respect to Bids by FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the ASBA Form.
- b) With respect to Bids by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged along with the ASBA Form.
- c) With respect to Bids made by provident funds with a minimum corpus of ₹2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹2500 Lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the ASBA Form.
- d) With respect to Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the ASBA Form
- e) Our Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the ASBA Form, subject to such terms and conditions that our Company and the BRLM may deem fit.

The above information is given for the benefit of the Bidders. Our Company, the Book Running Lead Manager and the Syndicate Members are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus. Bidders are advised to make their independent investigations and Bidders are advised to ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Red Herring Prospectus.

#### **BIDS BY PROVIDENT FUNDS/PENSION FUNDS**

In case of Bids made by provident funds with minimum corpus of ₹25 Crore (subject to applicable law) and pension funds with minimum corpus of ₹25 Crore, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the ASBA Form. Failing this, the Company reserves the right to accept or reject any bid in whole or in part, in either case, without assigning any reason thereof.

The above information is given for the benefit of the Bidders. Our Company, the Book Running Lead Manager and the Syndicate Members are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus. Bidders are advised to make their independent investigations and Bidders are advised to ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Red Herring Prospectus.

#### **BIDS BY BANKING COMPANY**

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the ASBA Form, failing which our Company reserve the right to reject any Bid by a banking company without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the —Banking Regulation Act), and the Master Circular dated July 1, 2015 – Para-banking Activities, is 10% of the paid-up share capital of the investee company or 10% of the banks' own paid-up share capital and reserves, whichever is less. Further, the investment in a non-financial services company by a banking company together with its subsidiaries, associates, joint ventures, entities directly or indirectly controlled by the bank and mutual funds managed by asset management companies controlled by the banking company cannot exceed 20% of the investee company's paid-up share capital. A banking company may hold up to 30% of the paidup share capital of the investee company with the prior approval of the RBI provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act.



## **BIDS BY SCSBs**

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making Bid cum 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 Bid cum application in public issues and clear demarcated funds should be available in such account for such Bid cum applications.

## **ISSUANCE OF A CONFIRMATION NOTE (“CAN”) AND ALLOTMENT IN THE ISSUE**

1) Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Issue shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Issue.

2) The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder

## **TERMS OF PAYMENT**

Entire Bid amount per share is payable on Bid cum application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar to the issue shall instruct the SCSBs to unblock the excess amount blocked.

SCSBs will transfer the amount as per the instruction received by the Registrar to the Public Issue Bank Account, post finalisation of basis of Allotment. The balance amount after transfer to the Public Issue Account shall be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, the Bankers to the Issue and the Registrar to the Issue to facilitate collections from the Bidders.

## **PAYMENT MECHANISM FOR BIDDERS**

The Bidders shall specify the bank account number in the ASBA Form and the SCSBs shall block an amount equivalent to the Bid cum Application Amount in the bank account specified in the ASBA Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/rejection of the bid cum application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non Retail Bidders shall neither withdraw nor lower the size of their bid cum applications at any stage. In the event of withdrawal or rejection of the ASBA Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalisation of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the bid cum application by the ASBA Applicant, as the case may be.

Please note that pursuant to the applicability of the directions issued by SEBI vide its circular bearing number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all Investors are applying in this Issue shall mandatorily make use of ASBA facility.

## **SIGNING OF UNDERWRITING AGREEMENT AND FILING OF PROSPECTUS WITH ROC**

- a) Our Company has entered into an Underwriting agreement dated August 14, 2018.
- b) A copy of the Red Herring Prospectus and Prospectus will be filed with the RoC in terms of Section 26 of the Companies Act.

## **PRE- ISSUE ADVERTISEMENT**

Subject to Section 30 of the Companies Act, 2013, our Company shall, after registering the Red Herring Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in: (i) English National Newspaper; (ii) Hindi National Newspaper; and (iii) Regional Newspaper, each with wide circulation. In the pre-Issue advertisement, we shall state the Bid Opening Date and the Bid Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule XIII of the SEBI Regulations.

## **ADVERTISEMENT REGARDING ISSUE PRICE AND PROSPECTUS**

Our Company will issue a statutory advertisement after the filing of the Prospectus with the RoC. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the final derived Issue Price. Any material updates between the date of the Red Herring Prospectus and the date of Prospectus will be included in such statutory advertisement.

## **GENERAL INSTRUCTIONS**

### **Do's:**

- 1) Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
- 2) Ensure that you have Bid within the Price Band;
- 3) Read all the instructions carefully and complete the ASBA Form in the prescribed form;
- 4) Ensure that the details about the PAN, DP ID and Client ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;
- 5) Ensure that your ASBA Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre;
- 6) If the first applicant is not the account holder, ensure that the ASBA Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the ASBA Form;
- 7) Ensure that the signature of the First Bidder in case of joint Bids, is included in the ASBA Forms;
- 8) Ensure that the name(s) given in the ASBA Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the ASBA Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
- 9) Ensure that you request for and receive a stamped acknowledgement of the ASBA Form for all your Bid options;
- 10) Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form under the ASBA process to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centres), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
- 11) Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
- 12) Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in —active status; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
- 13) Ensure that the Demographic Details are updated, true and correct in all respects;
- 14) Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
- 15) Ensure that the category and the investor status is indicated;

- 16) Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;
  - 17) Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
  - 18) Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their ASBA Form and entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. Where the ASBA Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the ASBA Form;
  - 19) Ensure that the ASBA Forms are delivered by the Bidders within the time prescribed as per the ASBA Form and the Red Herring Prospectus;
  - 20) Ensure that you have mentioned the correct ASBA Account number in the ASBA Form;
  - 21) Ensure that you have correctly signed the authorisation/undertaking box in the ASBA Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the ASBA Form at the time of submission of the Bid;
  - 22) Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your ASBA Form; and
- The ASBA Form is liable to be rejected if the above instructions, as applicable, are not complied with.

#### **Don'ts:**

- 1) Do not Bid for lower than the minimum Bid size;
  - 2) Do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;
  - 3) Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
  - 4) Do not send ASBA Forms by post; instead submit the same to the Designated Intermediary only;
  - 5) Do not submit the ASBA Forms to any non-SCSB bank or our Company;
  - 6) Do not Bid on a ASBA Form that does not have the stamp of the relevant Designated Intermediary;
  - 7) Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
  - 8) Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
  - 9) Do not Bid for a Bid Amount exceeding ₹200,000 (for Bids by Retail Individual Bidders);
  - 10) Do not fill up the ASBA Form such that the Equity Shares Bid for exceeds the Issue size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;
  - 11) Do not submit the General Index Register number instead of the PAN;
  - 12) Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are blocked in the relevant ASBA Account;
  - 13) Do not submit Bids on plain paper or on incomplete or illegible ASBA Forms or on ASBA Forms in a colour prescribed for another category of Bidder;
  - 14) Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
  - 15) Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
  - 16) Do not submit more than five ASBA Forms per ASBA Account;
- The ASBA Form is liable to be rejected if the above instructions, as applicable, are not complied with.

#### **BIDS AT DIFFERENT PRICE LEVELS AND REVISION OF BIDS**

- a) Our Company in consultation with the BRLM, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid/ Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the floor price disclosed. If the revised price band decided, falls within two different price bands than the minimum application lot size shall be decided based on the price band in which the higher price falls into.

- b) Our Company in consultation with the BRLM, will finalize the Issue Price within the Price Band, without the prior approval of, or intimation, to the Bidders
- c) The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. Retail Individual Bidders may Bid at the Cut-off Price. However, bidding at Cut-off Price is prohibited for QIB and Non-Institutional Bidders and such Bids from QIB and Non- Institutional Bidders shall be rejected.
- d) Retail Individual Bidders, who Bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders shall submit the ASBA Form along with a cheque/demand draft for the Bid Amount based on the Cap Price with the Syndicate. In case of ASBA Bidders (excluding Non-Institutional Bidders and QIB Bidders) bidding at Cut-off Price, the ASBA Bidders shall instruct the SCSBs to block an amount based on the Cap Price.

## COMMUNICATIONS

All future communications in connection with Bids made in this Issue should be addressed to the Registrar quoting the full name of the sole or First Bidder, ASBA Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of ASBA Form, name and address of the Application Collecting Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Bidders can contact the Compliance Officer or the Registrar in case of any pre Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

## 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**
- a) **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, shall be punishable with imprisonment for a term which shall not be less than six months but which may exceed 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.”*

## BASIS OF ALLOTMENT

Allotment will be made in consultation with NSE (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

1. The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category x number of Shares applied for).

2. The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
3. For applications where the proportionate allotment works out to less than 3,000 equity shares the allotment will be made as follows:
  - a) Each successful applicant shall be allotted 3,000 equity shares; and
  - b) The successful applicants out of the total applicants for that category shall be determined by the drawal of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
4. If the proportionate allotment to an applicant works out to a number that is not a multiple of 3,000 equity shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of 3,000 equity shares subject to a minimum allotment of 3,000 equity shares.
5. If the Shares allocated on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares..

#### **Basis of Allotment in the event of under subscription**

In the event of under subscription in the Issue, the obligations of the Underwriters shall get triggered in terms of the Underwriting Agreement. The Minimum subscription of 100% of the Issue size shall be achieved before our company proceeds to get the basis of allotment approved by the Designated Stock Exchange. The Executive Director/Managing Director of the NSE - the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2009.

**As per the RBI regulations, OCBs are not permitted to participate in the Issue. There is no reservation for Non Residents, NRIs, FPIs and foreign venture capital funds and all Non Residents, NRI, FPI and Foreign Venture Capital Funds applicants will be treated on the same basis with other categories for the purpose of allocation.**

#### **Undertaking by our Company**

Our Company undertakes the following:

1. that the complaints received in respect of this Issue shall be attended to by our Company 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 closure of the Issue;
3. that funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by us;
4. that the instruction for electronic credit of Equity Shares/ refund orders/intimation about the refund to non-resident Indians shall be completed within specified time; and
5. that no further issue of Equity Shares shall be made till the Equity Shares offered through the Red Herring Prospectus are listed or until the application monies are refunded on account of non-listing, under subscription etc.

6. that Company shall not have recourse to the Issue proceeds until the approval for trading of the Equity Shares from the Stock Exchange where listing is sought has been received.

#### **Utilization of Issue Proceeds**

Our Board certifies that:

- 1) All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act 2013;
- 2) Details of all monies utilized out of the Issue shall be disclosed and continue to be disclosed till any part of the issue 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 Issue, 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 Issue respectively;
- 5) Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.



## PART B

### General Information Document for Investing in Public Issues

This General Information Document highlights the key rules, processes and procedures applicable to public issues in accordance with the provisions of the Companies Act, 2013 (to the extent notified and in effect), the Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon the notification of the Companies Act, 2013), the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. Bidders should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Issue. For taking an investment decision, the Bidders should rely on their own examination of the Issue and the Issuer, and should carefully read the Red Herring Prospectus before investing in the Issue.

#### SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)

This document is applicable to the public issues undertaken inter-alia through the Book-Building Process as well as to the Fixed Price Issue. The purpose of the —General Information Document for Investing in Public Issues is to provide general guidance to potential Bidders in IPOs, on the processes and procedures governing IPOs and FPOs, undertaken in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“SEBI ICDR Regulations, 2009”).

Bidders should note that investment in equity and equity related securities involves risk and Bidder 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 Red Herring Prospectus (RHP)/Prospectus filed by the Issuer with the Registrar of Companies (RoC). Bidders should carefully read the entire RHP/Prospectus and the ASBA Form/Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Issue. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the RHP/Prospectus, the disclosures in the RHP/Prospectus shall prevail. The RHP/Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the BRLM(s) to the Issue and on the website of Securities and Exchange Board of India (SEBI) at [www.sebi.gov.in](http://www.sebi.gov.in).

For the definitions of capitalized terms and abbreviations used herein Bidders may refer to the section Glossary and Abbreviations.

#### SECTION 2: BRIEF INTRODUCTION TO IPOs ON SME EXCHANGE

##### 1.1. Initial public offer (IPO)

An IPO means an offer of specified securities by an unlisted Issuer to the public for subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.

For undertaking an IPO, an Issuer is inter-alia required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI ICDR Regulations, 2009. For details of compliance with the eligibility requirements by the Issuer, Bidders/Applicants may refer to the Red herring Prospectus/ Prospectus.

##### 1.2. Further public offer (FPO)

An FPO means an offer of specified securities by a listed Issuer to the public for subscription and may include Offer for Sale of specified securities to the public by any existing holder of

such securities in a listed Issuer. For undertaking an FPO, the Issuer is inter-alia required to comply with the eligibility requirements in terms of Regulation 26/ Regulation 27 of the SEBI ICDR Regulations, 2009. For details of compliance with the eligibility requirements by the Issuer, Bidders/Applicants may refer to the RHP/Prospectus.

### 1.3. OTHER ELIGIBILITY REQUIREMENTS

In addition to the eligibility requirements specified in paragraphs 2.1 and 2.2, an Issuer proposing to undertake an IPO or an FPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, 2009, the Companies Act, 2013, the Companies Act, 1956 (to the extent applicable), the Securities Contracts (Regulation) Rules, 1957 (the SCRR), industry-specific regulations, if any, and other applicable laws for the time being in force.

For details in relation to the above Bidders/Applicants may refer to the RHP/Prospectus.

### 1.4. TYPES OF PUBLIC ISSUES – FIXED PRICE ISSUES AND BOOK BUILT ISSUES

In accordance with the provisions of the SEBI ICDR Regulations, 2009, an Issuer can either determine the Issue Price through the Book Building Process (“Book Built issues”) or undertake a Fixed Price Issue (“Fixed Price Issues”). An issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in the Red Herring Prospectus (in case of a fixed Price Issue) and determine the price at a later date before registering the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-issue advertisement was given at least five Working Days before the Bid/ Issue Opening Date, in case of an IPO and at least one Working Day before the Bid/Issue Opening Date, in case of an FPO.

The Floor Price or the Issue price cannot be lesser than the face value of the securities. Bidders should refer to the RHP/ Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

### 1.5. ISSUE PERIOD

The Issue may be kept open for a minimum of three Working Days (for all category of Bidders/Applicants) and not more than ten Working Days. Bidders/Applicants are advised to refer to the Bid cum Application Form and Abridged Prospectus or RHP/Prospectus for details of the Bid/Offer Period. Details of Bid/Offer Period are also available on the website of the Stock Exchange(s).

In case of a Book Built Issue, the Issuer may close the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date if disclosures to that effect are made in the RHP. In case of revision of the Floor Price or Price Band in Book Built Issues the Bid/Issue Period may be extended by at least three Working Days, subject to the total Bid/Offer Period not exceeding 10 Working Days. For details of any revision of the Floor Price or Price Band, Bidders/Applicants may check the announcements made by the Issuer on the websites of the Stock Exchanges and the BRLM(s), and the advertisement in the newspaper(s) issued in this regard

### 1.6. MIGRATION TO MAIN BOARD

SME Issuer may migrate to the Main Board of SE from the SME Exchange at a later date subject to the following:

- a) If the Paid up Capital of the Company is likely to increase above ₹25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through



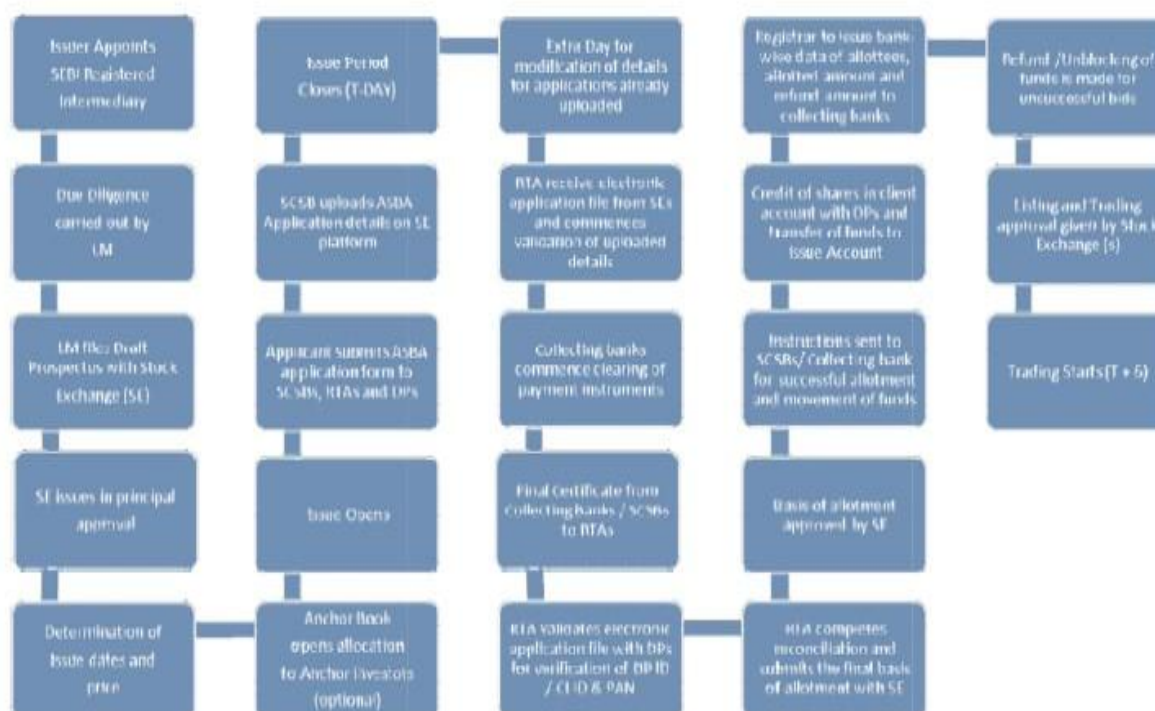
postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in- principal approval from the main board), the Company shall apply to SE for listing of its shares on its Main Board subject to the fulfillment of the eligibility criterion for listing of specified securities laid down by the Main Board.

OR

- b) If the Paid up Capital of the company is more than 10 crores but below ₹25 crores, the Company may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

### 1.7. FLOWCHART OF TIMELINES

A flow chart of process flow in Fixed Price and Book Built Issues is as



### SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN ISSUE

Each Bidder should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Bidders, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders are requested to refer to the RHP for more details.

Subject to the above, an illustrative list of Bidders 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 ASBA 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 Issue;
- 6) Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- 7) FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI
- 8) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- 9) State Industrial Development Corporations;
- 10) Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- 11) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- 12) Insurance Companies registered with IRDA;
- 13) Provident Funds and Pension Funds with minimum corpus of ₹2,500 Lakhs and who are authorized under their constitution to hold and invest in equity shares;
- 14) Multilateral and Bilateral Development Financial Institutions;
- 15) National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- 16) Insurance funds set up and managed by army, navy or air force of the Union of India or by Department of Posts, India;
- 17) Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws

As per the existing regulations, OCBs cannot participate in this Issue.

#### **SECTION 4: APPLYING IN THE ISSUE**

**Book Built Issue:** Bidders should only use the specified ASBA Form (or in case of Anchor Investors, the Anchor Investor Application Form) either bearing the stamp of a member of the Syndicate or any other Designated Intermediary, as available or downloaded from the websites of the Stock Exchanges. Bid cum Application Forms are available with the book running lead managers, the Designated Intermediaries at the Bidding Centres and at the registered office of the Issuer. Electronic Bid cum Application Forms will be available on the websites of the

Stock Exchanges at least one day prior to the Bid/Offer Opening Date. For further details, regarding availability of Bid cum Application Forms, Bidders may refer to the RHP/Prospectus.

**Fixed Price Issue:** Applicants should only use the specified cum Application Form bearing the stamp of an SCSB as available or downloaded from the websites of the Stock Exchanges. Application Forms are available with the Designated Branches of the SCSBs and at the Registered and Corporate Office of the Issuer. For further details, regarding availability of Application Forms, Applicants may refer to the Prospectus.

Bidders/Applicants should ensure that they apply in the appropriate category. The prescribed color of the Bid cum Application Form for various categories of Bidders/Applicants is as follows:

Category	Colour of the ASBA (Excluding downloaded forms from SE website)
Resident Indian, Eligible NRIs applying on a non repatriation basis	White
Non-Residents and Eligible NRIs, FIIs, FVCIs, etc. applying on a repatriation Basis	Blue
Anchor Investors (where applicable) & Bidders applying in the reserved Category	Not Applicable

Securities issued in an IPO can only be in dematerialized form in compliance with Section 29 of the Companies Act, 2013. Bidders will not have the option of getting the allotment of specified securities in physical form. However, they may get the specified securities rematerialized subsequent to allotment.

#### 4.1 INSTRUCTIONS FOR FILING THE ASBA FORM/APPLICATION FORM

Bidders may note that forms not filled completely or correctly as per instructions provided in this GID, the RHP and the ASBA Form/ Application Form are liable to be rejected.

Instructions to fill each field of the ASBA Form can be found on the reverse side of the ASBA Form. Specific instructions for filling various fields of the Resident ASBA Form and Non-Resident ASBA Form and samples are provided below.

The samples of the ASBA Form for resident Bidders and the ASBA Form for non- resident Bidders are reproduced below:

R ASBA Form

<b>COMMON BID CUM APPLICATION FORM</b>	<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - R</b> Address : _____ Contact Details : _____ CIN No : _____	<b>FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS</b>																		
LOGO TO, THE BOARD OF DIRECTORS XYZ LIMITED	<b>FIXED PRICE SME ISSUE</b> <b>INE000000000000</b>	Bid cum Application Form No. _____																		
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%;">SYNDICATE MEMBERS' STAMP &amp; CODE</td> <td style="width: 33%;">BROKER/SCSB/DP/RTA STAMP &amp; CODE</td> <td style="width: 34%;">1. NAME &amp; CONTACT DETAILS OF SOLE / FIRST BIDDER</td> </tr> <tr> <td> </td> <td> </td> <td>Mr. / Ms. _____</td> </tr> <tr> <td> </td> <td> </td> <td>Address _____</td> </tr> <tr> <td> </td> <td> </td> <td>Email _____</td> </tr> <tr> <td> </td> <td> </td> <td>Tel. No (with STD code) / Mobile _____</td> </tr> <tr> <td> </td> <td> </td> <td>2. PAN OF SOLE / FIRST BIDDER _____</td> </tr> </table>			SYNDICATE MEMBERS' STAMP & CODE	BROKER/SCSB/DP/RTA STAMP & CODE	1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER			Mr. / Ms. _____			Address _____			Email _____			Tel. No (with STD code) / Mobile _____			2. PAN OF SOLE / FIRST BIDDER _____
SYNDICATE MEMBERS' STAMP & CODE	BROKER/SCSB/DP/RTA STAMP & CODE	1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER																		
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For NSDL enter 8 digit DP ID followed by 8 digit Client ID For CDSL enter 16 digit Client ID																				
5. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")																				
Bid Option	No. of Equity Shares Bid (in figures) (Bid must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹) "Cut-off" (Price in multiples of ₹ 0.05) (in figures)																		
		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th>Bid Price</th> <th>Retail Discount</th> <th>Net Price</th> <th>"Cut-off" Please tick</th> </tr> <tr> <td>Option 1</td> <td> </td> <td> </td> <td><input type="checkbox"/></td> </tr> <tr> <td>OR Option 2</td> <td> </td> <td> </td> <td><input type="checkbox"/></td> </tr> <tr> <td>OR Option 3</td> <td> </td> <td> </td> <td><input type="checkbox"/></td> </tr> </table>	Bid Price	Retail Discount	Net Price	"Cut-off" Please tick	Option 1			<input type="checkbox"/>	OR Option 2			<input type="checkbox"/>	OR Option 3			<input type="checkbox"/>		
Bid Price	Retail Discount	Net Price	"Cut-off" Please tick																	
Option 1			<input type="checkbox"/>																	
OR Option 2			<input type="checkbox"/>																	
OR Option 3			<input type="checkbox"/>																	
6. CATEGORY <input type="checkbox"/> Retail Investor Bidder <input type="checkbox"/> Non-Institutional Bidder <input type="checkbox"/> QIB																				
7. PAYMENT DETAILS Amount paid (₹ in figures) _____ (₹ in words) _____																				
ASBA Bank A/c No. _____ Bank Name & Branch _____																				
PAYMENT OPTION - FULL PAYMENT <input type="checkbox"/> PART PAYMENT <input type="checkbox"/>																				
I/WE HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE STATUTORY PROVISIONS AND THE GENERAL INFORMATION DOCUMENT FOR INVITING IN PUBLIC ISSUE (GID/PII) AND HEREBY AGREE AND CONFIRM THE UNDERTAKING AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.																				
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<b>COMMON BID CUM APPLICATION FORM</b>		<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - NR</b>		For Eligible NRI, FI, FVC, applying on Restriction Basis																								
Address : _____		Contact Details : _____		CIN No : _____																								
<b>LOGO</b> TO, THE BOARD OF DIRECTORS XYZ LIMITED		<b>FIXED PRICE ONE ISSUE</b> INE000000000000		Bid cum Application Form No. _____																								
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<b>3. BIDDER'S DEPOSITORY ACCOUNT DETAILS</b> <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL For NSDL, enter 8 digit ID followed by 2 digit CDSL ID / For CDSL, enter 16 digit CDSL ID <b>4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")</b>				<b>5. CATEGORY</b> <input type="checkbox"/> Retail Investor Bidder <input type="checkbox"/> Non-Institutional Bidder <input type="checkbox"/> QIB <input type="checkbox"/> Others (Please Specify) _____																								
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DP/DP (CN/ID) : _____ Amount paid (₹ in figures) : _____ ASBA Bank A/c No. : _____ Received from Mr/Ms. : _____ Telephone / Mobile : _____ Email : _____		Stamp & Signature of SC/DP Branch : _____ Stamp & Signature of Broker / SC/DP / RTA : _____		Acknowledgment Slip for Bidder : _____ Bid cum Application Form No. : _____																								
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#### FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/ FIRST BIDDER

a. Bidders should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.

b. Mandatory Fields: Bidders should note that the name and address fields are compulsory and e-mailand/or telephone number/ mobile number fields are optional. Bidders should note that the contact details mentioned in the ASBA Form/ Application Form may be used to dispatch communications) in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the ASBA Form may be used by the Issuer, the members of the Syndicate, the Registered Broker and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.

c. Joint Bids: In the case of Joint Bids, the Bids should be made in the name of the Bidder whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidder would be required in the ASBA Form/ Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Bidder whose name appears in the ASBA Form/ Application Form or the Revision Form and all communications may be addressed to such Bidder and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

d. Impersonation: Attention of the Bidders is specifically drawn to the provisions of sub section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

Any person who:

- makes or abets making of an application in a fictitious name to a Company for acquiring, or subscribing for, its securities; or
- makes or abets making of multiple applications to a Company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- otherwise induces directly or indirectly a Company to allot, or register any transfer of securities to him, or to any other person in a fictitious name,

Shall be liable for action under section 447 of the said Act.

.Nomination Facility to Bidder: Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders should inform their respective DP.

#### 4.1.1. FIELD NUMBER 2: PAN NUMBER OF SOLE /FIRST BIDDER

a) PAN (of the sole/first Bidder) provided in the ASBA Form/Application Form should be exactly the same as the PAN of the person in whose sole or first name the relevant beneficiary account is held as per the Depositories' records.

b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Bids on behalf of the Central or State Government, Bids by officials appointed by the courts and Bids by Bidders residing in Sikkim (PAN Exempted Bidders). Consequently, all Bidders, other than the PAN Exempted Bidders, are required to disclose their PAN in the ASBA Form, irrespective of the Bid Amount. Bids by the Bidders whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.

c) The exemption for the PAN Exempted Bidders 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) ASBA Forms which provide the GIR Number instead of PAN may be rejected.

e) Bids by Bidders whose demat accounts have been suspended for credit are liable to be rejected pursuant

to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as Inactive demat accounts and Demographic Details are not provided by depositories.

#### 4.1.2. FIELD NUMBER 3: BIDDERS DEPOSITORY ACCOUNT DETAILS

a) Bidder should ensure that DP ID and the Client ID are correctly filled in the ASBA Form. The DP ID and Client ID provided in the ASBA Form should match with the DP ID and Client ID available in the Depository database, otherwise, the ASBA Form is liable to be rejected.

b) Bidder should ensure that the beneficiary account provided in the ASBA Form is active.

c) Bidder should note that on the basis of DP ID and Client ID as provided in the ASBA Form, the Bidder may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the as available on the records of the depositories. These Demographic Details may be used, among other things, for sending allocation advice and for other correspondence(s) related to the issue.

d) Bidder are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Bidders' sole risk.

#### 4.1.3. 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 RHP by the Issuer. The Issuer is required to announce the Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) by way of an advertisement in at least one English, one Hindi and one regional newspaper, with wide circulation, at least five Working Days before Bid/Issue Opening Date in case of an IPO, and at least one Working Day before Bid/Issue Opening Date in case of an FPO.

b. The Bidders may Bid at or above Floor Price or within the Price Band for IPOs undertaken through the Book Building Process. Cut-Off Price: Retail Individual Investors or Employees or Retail Individual Shareholders can Bid at the Cut off Price indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process. Bidding at the Cut-off Price is prohibited for QIBs and NIIs and such Bids from QIBs and NIIs may be rejected.

c. Cut-Off Price: Retail Individual Investors or Employees or Retail Individual Shareholders can Bid at the Cutoff Price indicating their agreement to Bid for and purchase the Equity Shares at the Offer Price as determined at the end of the Book Building Process. Bidding at the Cut-off Price is prohibited for QIBs and NIIs and such Bids from QIBs and NIIs may be rejected.

d. Minimum Bid 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 Bid value is within the range of above ₹1,00,000. The minimum Bid Lot is accordingly determined by an Issuer on basis of such minimum Bid value.

e. Allotment: The Allotment of specified securities to each RII shall not be less than the minimum Bid Lot, subject to availability of shares in the RII category, and the remaining available shares, if any, shall be Allotted on a proportionate basis. For details of the Bid Lot, Bidders may to the RHP or the advertisement regarding the Price Band published by the Issuer.

#### 4.1. Maximum and Minimum Bid Size

a) The Bidder may Bid for the desired number of Equity Shares at a specific price. Bids by Retail Individual Investors, Employees and Retail Individual Shareholders must be for such number of shares so as to ensure that the Bid Amount less Discount (as applicable), payable by the Bidder does not exceed ₹ 200,000.

b) In case the Bid Amount exceeds ₹200,000 due to revision of the Bid or any other reason, the Bid may be considered for allocation under the Non-Institutional Category (with it not being eligible for Discount), then such Bid may be rejected if it is at the Cut-off Price.

c) For NRIs, a Bid Amount of up to ₹200,000 may be considered under the Retail Category for the purposes of allocation and a Bid Amount exceeding ₹200,000 may be considered under the Non-Institutional Category for the purposes of allocation.

d) Bids by QIBs and NIIs must be for such minimum number of shares such that the Bid Amount exceeds ₹200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the Bid cum Application Form and the RHP/Prospectus, or as advertised by the Issuer, as the case may be. Non-Institutional Investors and QIBs are not allowed to Bid at Cut off Price.

e) RII may revise or withdraw their bids until Bid/Offer Closing Date. QIBs and NII's cannot withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after Bidding and are required to pay the Bid Amount upon submission of the Bid.

f) In case the Bid Amount reduces to ₹200,000 or less due to a revision of the Price Band, Bids by the Non-Institutional Investors who are eligible for allocation in the Retail Category would be considered for allocation under the Retail Category.

g) For Anchor Investors, if applicable, the Bid Amount shall be least Rs 10 crores. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors.

Bids by various schemes of a Mutual Fund shall be aggregated to determine the Bid Amount. A Bid cannot be submitted for more than 60% of the QIB Category under the Anchor Investor Portion. Anchor Investors cannot withdraw their Bids or lower the size of their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after the Anchor Investor Bid/Offer Period and are required to pay the Bid Amount at the time of submission of the Bid. In case the Anchor Investor 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 Offer 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.

#### 4.2 Multiple Bids

a) Bidder should submit only one ASBA Form. Bidder shall have the option to make a maximum of Bids at three different price levels in the ASBA Form and such options are not considered as multiple Bids. Submission of a second ASBA Form to either the same or to another member of the Syndicate, SCSB or Registered Broker and duplicate copies of ASBA 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 and FII sub-accounts, Bids bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected.
- ii) For Bids from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Bidders, the ASBA 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 Issue 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, and sub-accounts of FIIs (or FIIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.
  - iv) Bids by Anchor Investors under the Anchor Investor Portion and the QIB Portion.

#### 4.1.4. FIELD NUMBER 5: CATEGORY OF BIDDERS

- a) The categories of Bidders identified as per the SEBI ICDR Regulations, 2009 for the purpose of Bidding, allocation and allotment in the Issue are RIIs, NIIs and QIBs.
- b) An Issuer can make reservation for certain categories of Bidders as permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, Bidders may refer to the RHP.
- c) The SEBI ICDR Regulations, 2009, specify the allocation or allotment that may be made to various categories of Bidders in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation Bidder may refer to the RHP.

#### 4.1.5. FIELD NUMBER 6: INVESTOR STATUS

- a) Each Bidder 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 Bidder, such as NRIs, FPIs and FVCIs may not be allowed to Bid/apply in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Bidders are requested to refer to the Red Herring Prospectus for more details.
- c) Bidders 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 ASBA Form and Non-Resident ASBA Form.
- d) Bidders should ensure that their investor status is updated in the Depository records.

#### 4.1.6. FIELD 7: PAYMENT DETAILS

- a) The full Bid Amount (net of any Discount, as applicable) shall be blocked in the ASBA Account based on the authorisation provided in the ASBA Form. If discount is applicable in the Issue, the RIIs should indicate the full Bid Amount in the ASBA Form and the funds shall be blocked for the Bid Amount net of Discount. Only in cases where the RHP 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 ASBA Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less Discount issued, if any.
- b) Bid Amount cannot be paid in cash, through money order or through postal order or through stock invest.
- c) Bidders who Bid at Cut-off Price shall DEPOSIT the Bid Amount based on the Cap Price.

d) All Bidders can participate in the Issue only through the ASBA mechanism.

e) Please note that, providing bank account details in the space provided in the ASBA Form is mandatory and Applications that do not contain such details are liable to be rejected.

#### 4.1.7.1 Payment instructions for Bidders

a) Bidders may submit the ASBA Form either

- i) in electronic mode through the internet banking facility issued by an SCSB authorizing blocking of funds that are available in the ASBA account specified in the ASBA Form, or
- ii) in physical mode to any Designated Intermediary.

b) Bidders must specify the Bank Account number in the ASBA Form. The ASBA Form submitted by Bidder and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, will not be accepted.

c) Bidders should ensure that the ASBA Form is also signed by the ASBA Account holder(s) if the Bidder is not the ASBA Account holder.

d) Bidders shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.

e) From one ASBA Account, a maximum of five ASBA Forms can be submitted.

f) Bidders should submit the ASBA Form only at the Bidding Centre 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 RTA Locations or CDP at the Designated CDP Locations

g) Bidders bidding through a Designated Intermediary, other than a SCSB, should note that ASBA Forms submitted to such Designated Intermediary may not be accepted, if the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has not named at least one branch at that location for such Designated Intermediary, to deposit ASBA Forms.

h) Bidders bidding directly through the SCSBs should ensure that the ASBA Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.

i) Upon receipt of the ASBA 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 ASBA Form.

j) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Bid Amount mentioned in the ASBA Form and for application directly submitted to SCSB by investor, may enter each Bid option into the electronic bidding system as a separate Bid.

k) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not accept such Bids and such bids are liable to be rejected.

l) Upon submission of a completed ASBA Form each Bidder may be deemed to have agreed to block the entire Bid Amount and authorized the Designated Branch of the SCSB to block the Bid Amount specified in the ASBA Form in the ASBA Account maintained with the SCSBs

m) The Bid Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Bid, as the case may be.

n) SCSBs bidding in the Issue must apply through an Account maintained with any other SCSB; else their Bids are liable to be rejected.

## Unblocking of ASBA Account

- a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful Bids transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Bid, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Bid, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected Bids, if any, to enable the SCSBs to unblock the respective bank accounts.
- b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful Bidder to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.
- c) In the event of withdrawal or rejection of the ASBA Form and for unsuccessful Bids, the Registrar to the Issue may give instructions to the SCSB to unblock the Bid Amount in the relevant ASBA Account within six Working Days of the Bid/Issue Closing Date.
- d) In the event of withdrawal or rejection of the ASBA Form and for unsuccessful Bidders, the Registrar to the Issue may give instructions to the SCSB to unblock the Bid Amount in the relevant ASBA Account within 6 Working Days of the Bid/Issue Closing Date.

### 4.1.7.2 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 issued in the Issue, Bidders may refer to the RHP/Prospectus.
- c) The Bidders entitled to the applicable Discount in the Issue may make payment for an amount i.e. the Bid Amount less Discount (if applicable).

Bidder may note that in case the net payment (post Discount) is more than two lakh Rupees, the bidding system automatically considers such Bids for allocation under Non-Institutional Category. These Bids are neither eligible for Discount nor fall under RII category.

### 4.1.7.3 Additional Payment Instructions for NRIs

The Non-Resident Indians who intend to block funds through Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis). In the case of Bids by NRIs applying on a repatriation basis, payment shall not be accepted out of NRO Account.

## 4.1.8 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS

- a) Only the First Bidder is required to sign the ASBA Form. Bidders should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.
- b) If the ASBA Account is held by a person or persons other than the Bidder, then the Signature of the ASBA Account holder(s) is also required.

- c) In relation to the Bids, signature has to be correctly affixed in the authorization/undertaking box in the ASBA Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid/ amount mentioned in the ASBA Form.
- d) Bidders must note that ASBA Form without signature of Bidder 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 acknowledgment duly signed and stamped by Bid Collecting Intermediary or SCSB, as applicable, for submission of the ASBA Form.
- b) All communications in connection with Bid 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, the Bidders should contact the Registrar to the Issue.
  - ii) In case of ASBA Bids submitted to the Designated Branches of the SCSBs, the Bidders should contact the relevant Designated Branch of the SCSB.
  - iii) Bidders may contact the Company Secretary and Compliance Officer or BRLM(s) in case of any other complaints in relation to the Issue.
  - iv) In case of queries relating to uploading of Bids by a Syndicate Member, the Bidders should contact the relevant Syndicate Member.
  - v) In case of queries relating to uploading of Bids by a Registered Broker, the Bidders should contact the relevant Registered Broker
  - vi) In case of Bids submitted to the RTA, the Bidders should contact the relevant RTA.
  - vii) In case of Bids submitted to the DP, the Bidders should contact the relevant DP.
- c) The following details (as applicable) should be quoted while making any queries -
  - i) Full name of the sole or First Bidder, ASBA Form number, Bidders' DP ID, Client ID, PAN, number of Equity Shares applied for, amount paid on Bid.
  - ii) name and address of the Designated Intermediary, where the Bid was submitted; or For further details, Bidder may refer to the Red Herring Prospectus and the ASBA Form.

#### 4.2 INSTRUCTIONS FOR FILING THE REVISION FORM

- a) During the Bid/Issue Period, any Bidder (other than QIBs and NIIs, who can only revise their Bid amount upwards) who has registered his or her interest in the Equity Shares for a particular number of shares is free to revise number of shares applied using revision forms available separately.
  - b) RII may revise / withdraw their Bid till closure of the Bid/Issue period.
  - c) Revisions can be made only in the desired number of Equity Shares by using the Revision Form.
  - d) The Bidder can make this revision any number of times during the Bid/Issue Period. However, for any revision(s) in the Bid, the Bidders will have to use the services of the SCSB through which such Bidder had placed the original Bid.
- A sample Revision form is reproduced below:

#### REVISION FORM – R

**COMMON BID CUM APPLICATION FORM**

TO,  
THE BOARD OF DIRECTORS  
XYZ LIMITED

**XYZ LIMITED - INITIAL PUBLIC ISSUE - R**

Address: \_\_\_\_\_ Contact Details: \_\_\_\_\_ CIN No. \_\_\_\_\_

**FIXED PRICE ONE ISSUE**

**INE00000000000**

**FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS**

Bid cum Application Form No. \_\_\_\_\_

---

**SYNDICATE MEMBER'S STAMP & CODE**

**BROKER/SCSB/DP/RTA STAMP & CODE**

**BIDDER'S / SUB-AGENT'S STAMP & CODE**

**ESCROW BANK/SCSB BRANCH STAMP & CODE**

**BANK BRANCH SERIAL NO.**

**SCSB SERIAL NO.**

**1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER**

Mr. / Ms. \_\_\_\_\_

Address \_\_\_\_\_

Email \_\_\_\_\_

Tel. No (with STD code) / Mobile \_\_\_\_\_

**2. PAN OF SOLE / FIRST BIDDER**

\_\_\_\_\_

---

**3. BIDDER'S DEPOSITARY ACCOUNT DETAILS** ☐ NSDL ☐ CDSL

For NSDL, insert 8 digit DP ID followed by 8 digit Client ID. For CDSL, enter 16 digit Client ID

**4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")**

Bid Option	No. of Equity Shares Bid (in figures) (Bids must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹) "Cut-off" (Price in multiples of ₹ 0.05 only) (in figures)				"Cut-off" Placed/ (G/L)
		Bid Price	Retail Discount	Net Price		
Option 1						<input type="checkbox"/>
(OR) Option 2						<input type="checkbox"/>
(OR) Option 3						<input type="checkbox"/>

**5. CATEGORY**

☐ Retail Investor Bidder

☐ Non-Institutional Bidder

☐ QIB

\* QIB should apply only through Karta (Application by RCF would be treated as per with Individual)

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**7. PAYMENT DETAILS**

Amount paid (₹ in figures) \_\_\_\_\_ (₹ in words) \_\_\_\_\_

**ASBA**

Bank A/c No. \_\_\_\_\_

Bank Name & Branch \_\_\_\_\_

WE, THE UNDERSIGNED, HEREBY CONFIRM THAT WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THE BID CUM APPLICATION FORM AND THE SPECIFIC AMENDED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVITING IN PUBLIC SUBS (GID) AND HEREBY AGREE AND CONFIRM THE "BIDDERS UNDERTAKING" AS GIVEN OVERLEAF. WE, ON BEHALF OF JOINT APPLICANTS, IF ANY, HEREBY CONFIRM THAT WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.

**PAYMENT OPTION - FULL PAYMENT** ☐ **PART PAYMENT** ☐

---

**8A. SIGNATURE OF SOLE / FIRST BIDDER**

\_\_\_\_\_

Date: \_\_\_\_\_

**8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S)**  
(AS PER BANK RECORDS)

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

WE, I/We authorize the SCSB to do all acts as are necessary to make the Application at the time

**BROKER / SCSB / DP / RTA STAMP (Acknowledging receipt of Bid in Stock Exchange system)**

\_\_\_\_\_

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LOGO

**XYZ LIMITED**

**INITIAL PUBLIC ISSUE - R**

**Acknowledgement Slip for Broker/SCSB/DP/RTA**

PAN of Sole / First Bidder \_\_\_\_\_

Bid cum Application Form No. \_\_\_\_\_

---

DPID / CLID \_\_\_\_\_

Amount paid (₹ in figures) \_\_\_\_\_ Bank & Branch \_\_\_\_\_

ASBA Bank A/c No. \_\_\_\_\_

Received from Mr./Ms. \_\_\_\_\_

Telephone / Mobile \_\_\_\_\_ Email \_\_\_\_\_

**Stamp & Signature of SCSB Branch**

\_\_\_\_\_

---

**XYZ LIMITED - INITIAL PUBLIC ISSUE - R**

	Option 1	Option 2	Option 3
No. of Equity Shares			
Bid Price			
Amount Paid (₹)			
ASBA Bank A/c No.			
Bank & Branch			

**Stamp & Signature of Broker / SCSB / DP / RTA**

\_\_\_\_\_

**Name of Sole / First Bidder**

\_\_\_\_\_

**Acknowledgement Slip for Bidder**

Bid cum Application Form No. \_\_\_\_\_

#### 4.2.1 FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER, PAN OF SOLE/FIRST BIDDER & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER

Bidders should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

#### 4.2.2 FIELD 4 & 5: BID OPTIONS REVISION 'FROM' AND 'TO'

1. Apart from mentioning the revised number of shares in the Revision Form, the Bidder must also mention the details of shares applied/bid for given in his or her ASBA Form or earlier Revision Form. For example, if a Bidder has Bid for three options in the ASBA Form and such Bidder is changing only one of the options in the Revision Form, the Bidder must still fill the details of the other two options that are not being revised, in the Revision Form. The members of the Syndicate, the Registered Brokers and the Designated Branches of the SCSBs may not accept incomplete or inaccurate Revision Forms.
2. In case of revision, Bid options should be provided by Bidders in the same order as provided in the ASBA Form.
3. In case of revision of Bids by RIIs, Employees and Retail Individual Shareholders, such Bidders should ensure that the Bid Amount, subsequent to revision, does not exceed ₹200,000. In case the Bid Amount exceeds ₹200,000 due to revision of the Bid or for any other reason, the Bid may be considered, subject to eligibility, for allocation under the Non-Institutional Category, not being eligible for Discount (if applicable) and such Bid may be rejected if it is at the Cut-off Price. The Cut-off Price option is given only to the RIIs, Employees and Retail Individual Shareholders indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process.
4. In case the total amount (i.e., original Bid Amount plus additional payment) exceeds ₹200,000, the Bid will be considered for allocation under the Non-Institutional Category in terms of the RHP. 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.
5. In case of a downward revision in the Price Band, RIIs and Bids by Employees under the Reservation Portion, who have bid at the Cut-off Price could either revise their Bid or the excess amount paid at the time of Bidding may be unblocked in case of Bidders.

#### 4.2.3 FIELD 6: PAYMENT DETAILS

- 2 All Bidders are required to make payment of the full Bid Amount (less Discount, if applicable) along with the Bid Revision Form. In case of Bidders specifying more than one Bid Option in the ASBA Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less discount issued, if any.
- 3 Bidder may Issue instructions to block the revised amount based on cap of the revised Price Band (adjusted for the Discount (if applicable) in the ASBA Account, to the same Designated Intermediary through whom such Bidder had placed the original Bid to enable the relevant SCSB to block the additional Bid Amount, if any.



- 4 In case the total amount (i.e., original Bid Amount less discount (if applicable) plus additional payment) exceeds ₹200,000, the Bid may be considered for allocation under the Non-Institutional Category in terms of the RHP. If, however, the Bidder does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for may be adjusted downwards for the purpose of Allotment, such that additional amount is required blocked and the Bidder is deemed to have approved such revised Bid at the Cut-off Price.
- d) In case of a downward revision in the Price Band, RIIs, Employees and Retail Individual Shareholders, who have bid at the Cut-off Price, could either revise their Bid or the excess amount paid at the time of Bidding may be unblocked.

#### 4.2.4 FIELDS 7: SIGNATURES AND ACKNOWLEDGEMENTS

Bidders may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

#### 4.3 SUBMISSION OF REVISION FORM/ ASBA FORM /APPLICATION FORM

4.3.1 Bidders may submit completed ASBA form / Revision Form in the following manner:-

Mode of Bid	Submission of ASBA Form
All investors Bids	To the Bid cum Application Collecting Intermediaries as mentioned in the Red Herring Prospectus/ ASBA Form

Application by the Anchor Investor shall be submitted to BRLM at the location specified in the Anchor Investor Application form.

Bidders should submit the Revision Form to the same Designated Intermediary through which such Bidders had placed the original Bid.

This being book built issue procedure for fixed price issue is not applicable.

### SECTION 5- ISSUE PROCEDURE IN BOOK BUILT ISSUE

Book Building, in the context of the Issue, refers to the process of collection of Bids within the Price Band or above the Floor Price and determining the Issue Price based on the Bids received as detailed in Schedule XI of SEBI ICDR Regulations, 2009. The Issue Price is finalised after the Bid/Issue Closing Date. Valid Bids received at or above the Issue Price are considered for allocation in the Issue, subject to applicable regulations and other terms and conditions.

#### 6.1 SUBMISSION OF BIDS

- a) During the Bid/Issue Period, Bidders may approach any of the Designated Intermediaries to register their Bids. Anchor Investors who are interested in subscribing for the Equity Shares should approach the Book Running Lead Manager, to register their Bid.
- b) In case of Bidders (excluding NIIs and QIBs) Bidding at Cut-off Price, the Bidders may instruct the SCSBs to block Bid Amount based on the Cap Price less Discount (if applicable).
- c) For Details of the timing on acceptance and upload of Bids in the Stock Exchanges Platform Bidders are requested to refer to the RHP.

## 6.2 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 are considered for allocation/Allotment. The Designated Intermediaries are given till 1:00 pm on the day following the Bid/Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Issue Period after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing.

## 6.3 BUILD UP OF THE BOOK

- a) Bids received from various Bidders 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.

## 6.4 WITHDRAWAL OF BIDS

- a) RIs can withdraw their Bids until Bid/Issue Closing Date. In case a RI wishes to withdraw the Bid during the Bid/Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.
- b) The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

## 6.5 REJECTION & RESPONSIBILITY FOR UPLOAD OF BIDS

- a) The Designated Intermediaries are individually responsible for the acts, mistakes or errors or omission in relation to:
  - 1) the Bids accepted by the Designated Intermediaries,
  - 2) the Bids uploaded by the Designated Intermediaries, and
  - 3) the ASBA 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 ASBA Form is incomplete in any respect.
- c) The SCSBs shall have no right to reject Bids, except in case of unavailability of adequate funds in the ASBA account or on technical grounds.



- d) In case of QIB Bidders, only the (i) SCSBs (for Bids other than the Bids by Anchor Investors); and (ii) BRLMs and their affiliate Syndicate Members (only in the Specified Locations) have the right to reject bids. However, such rejection shall be made at the time of receiving the Bid and only after assigning a reason for such rejection in writing.
- e) All bids by QIBs, NIIs & RIIs Bids can be rejected on technical grounds listed herein.

## **GROUNDINGS OF REJECTIONS**

Bidders are advised to note that Bids are liable to be rejected inter alia on the following technical grounds:

- Amount blocked does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Bid by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the ASBA Form;
- Bids at a price less than the Floor Price and Bids at a price more than the Cap Price;
- GIR number furnished instead of PAN;
- Bid for lower number of Equity Shares than specified for that category of investors;
- Bids at Cut-off Price by NIIs and QIBs;
- Submission of more than five ASBA Forms/Application Form as through a single ASBA Account
- Bids for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the RHP;
- The amounts mentioned in the ASBA Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
- Bids for lower number of Equity Shares than the minimum specified for that category of investors;
- Category not ticked;
- Multiple Bids as defined in the RHP;
- In case of Bids under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Bid accompanied by Stock invest/ money order/ postal order/ cash/ cheque/ demand draft/ pay order;
- Signature of sole Bidder is missing;

- ASBA Forms not delivered by the Bidder within the time prescribed as per the ASBA Forms, Bid/Issue Opening Date advertisement and the RHP and as per the instructions in the RHP and the ASBA Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Bidders (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Bid by OCBs;
- Bids by US persons other than in reliance on Regulation S or —qualified institutional buyers as defined in Rule 144A under the Securities Act;
- Inadequate funds in the bank account to block the Bid Amount specified in the ASBA Form/Application Form at the time of blocking such Bid Amount in the bank account;
- Bids not uploaded on the terminals of the Stock Exchanges; and
- Where no confirmation is received from SCSB for blocking of funds
- Bids by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the ASBA Form/Application Form. Bids not duly signed by the sole/First Bidder;
- Bids by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Bids that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Bids by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- Details of ASBA Account not provided in the ASBA Form

For details of instructions in relation to the ASBA Form, Bidders may refer to the relevant section the **GID**.

**BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE ASBA FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE ASBA FORM IS LIABLE TO BE REJECTED.**

#### **BASIS OF ALLOCATION**

- a) The SEBI ICDR Regulations, 2009 specify the allocation or Allotment that may be made to various categories of Bidders 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 ASBA Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.
- b) Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLMs and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations, 2009. Unsubscribed portion in QIB Category is not available for subscription to other categories.
- c) In case of under subscription in the Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For

allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to the RHP.

#### d) Illustration of the Book Building and Price Discovery Process

Bidders should note that this example is solely for illustrative purposes and is not specific to the 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 Rs 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.

## SECTION 6: ISSUE PROCEDURE IN FIXED PRICE ISSUE

This being Book Built Issue, this section is not applicable for this Issue.

## SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The Allotment of Equity Shares to Bidders other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders may refer to RHP. No Retail Individual Investor will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue (excluding any Issue for Sale of specified securities). However, in case the Issue is in the nature of Issue for Sale only, then minimum subscription may not be applicable.

### 7.1 BASIS OF ALLOTMENT

Allotment will be made in consultation with the NSE (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth hereunder:

- The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the oversubscription ratio (number of Bidders in the category x number of Shares applied for).
- The number of Shares to be allocated to the successful Bidders will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
- For Bids where the proportionate allotment works out to less than 3,000 equity shares the allotment will be made as follows:

- a. Each successful Bidder shall be allotted 3,000 equity shares; and
- b. The successful Bidder out of the total bidders for that category shall be determined by the drawl of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (b) above.
- d) If the proportionate allotment to an Bidder works out to a number that is not a multiple of 3,000 equity shares, the Bidder would be allotted Shares by rounding off to the nearest multiple of 3,000 equity shares subject to a minimum allotment of 3,000 equity shares.
- e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Bidders in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Bidder in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising Bidder applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of 3,000 Equity Shares, results in the actual allotment being higher than the shares issued, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the issue specified under the Capital Structure mentioned in this RHP.
- f) The above proportionate allotment of Shares in an Issue that is oversubscribed shall be subject to the reservation for Retail individual Bidders as described below:
  - i) As the retail individual investor category is entitled to more than fifty per cent on proportionate basis, the retail individual investors shall be allocated that higher percentage.
  - ii) The balance net issue of shares to the public shall be made available for allotment to
    - individual bidders other than retails individual investors and
    - other investors, including corporate bodies/ institutions irrespective of number of shares applied for.
  - iii) The unsubscribed portion of the net issue to any one of the categories specified in a) or b) shall/may be made available for allocation to bidders in the other category, if so required.

'Retail Individual Investor' means an investor who applies for shares of value of not more than ₹2,00,000/-. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with NSE.

The Executive Director / Managing Director of NSE- the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

## 7.2. DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

- a) Designated Date: On the Designated Date, the SCSBs shall transfer the funds represented by allocation of Equity Shares into the Public Issue Account with the Bankers to the Issue.

- b) Issuance of Allotment Advice: Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. Bidders are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Bidders who have been Allotted Equity Shares in the Issue.

- 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) initiate corporate action for credit of shares to the successful Bidders Depository Account will be completed within 4 Working Days of the Issue Closing Date. The Issuer also ensures the credit of shares to the successful Bidder depository account is completed within one Working Day from the date of Allotment, after the funds are transferred from the Public Issue Account on the Designated Date.

## **SECTION 8: INTEREST AND REFUNDS**

### **8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING**

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 6 Working Days of the Bid/Issue Closing Date. The Registrar to the Issue may give instructions for credit to Equity Shares the beneficiary account with DPs, and dispatch the Allotment Advice within 6 Working Days of the 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 Red Herring Prospectus/Prospectus. The Designated Stock Exchange may be as disclosed in the Red Herring Prospectus/Prospectus with which the Basis of Allotment may be finalised.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith repay, without interest, all moneys received from the Bidders in pursuance of the RHP/Red Herring Prospectus/Prospectus.

If such money is not repaid within eight days after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of eight days, be liable to repay the money, with interest at such rate, as prescribed under Section 73 of the Companies Act, 2013 and as disclosed in the RHP.

#### **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 the Companies Act, 2013, if the —stated minimum amount<sup>1</sup> has not be subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If the Issuer does not receive the subscription of 100% of the Issue through this issue document including devolvement of Underwriters within sixty days from the date of closure of the Issue, the Issuer shall forthwith refund the entire subscription amount received.

If there is a delay beyond eight days after the Issuer becomes liable to pay the amount, the Issuer shall pay interest prescribed under section 73 of the Companies Act, 1956 (or the Company shall follow any other substitutional or additional provisions as has been or may be notified under the Companies Act, 2013).

### 8.2.3 MINIMUM NUMBER OF ALLOTTEES

The Issuer may ensure that the number of prospective Allottees to whom Equity Shares may be allotted may not be less than 50 failing which the entire application monies may be refunded forthwith.

## 8.3 MODE OF REFUND

Within 6 Working Days of the Bid/Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Bids and also for any excess amount blocked on Bids.

### 8.3.1 Mode of making refunds

The Registrar to the Issue may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA Bids or in the event of withdrawal or failure of the Issue.

## 8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer may pay interest at the rate of 15% per annum /or demat credits are not made to Bidders or instructions for unblocking of funds in the ASBA Account are not dispatched within the 4 Working days of the Bid/Issue Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 6 days from the Bid/Issue Closing Date, if Allotment is not made.

## SECTION 9: GLOSSARY AND ABBREVIATIONS

Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time.

Term	Description
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to a Bidder as proof of registration of the Bid.
Allotment/ Allot/ Allotted	Unless the context otherwise requires, issue / allotment of Equity Shares pursuant to the Issue to successful Applicants.
Allottee(s)	Successful Bidders(s) to whom Equity Shares have been allotted/ transferred.
Allotment Advice	Note or advice or intimation of Allotment sent to the successful Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
ASBA / Application Supported by Blocked Amount	An application, whether physical or electronic, used by Bidders, to make a Bid authorising an SCSB to block the Bid Amount in the ASBA Account
Application Supported by Blocked Amount Form/ASBA Form	An application from, whether physical or electronic, used by ASBA Bidders/Applicants, which will be considered as the application for Allotment in terms of the Red Herring Prospectus.

ASBA Account	An account maintained with an SCSB and specified in the ASBA Form submitted by Bidders for blocking the Bid Amount mentioned in the ASBA Form
ASBA form	An application form, whether physical or electronic, used by Bidders which will be considered as the application for Allotment in terms of this Draft Red Herring Prospectus.
ASBA Application Location(s) / Specified Cities	Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata, Surat and Ahmedabad
Banker(s) to the Issue	The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public issue Account will be opened and in this case being Indusind Bank Limited.
Basis of Allotment	The basis on which Equity Shares will be Allotted to the successful Bidders under the Issue and which is described under chapter titled Issue Procedure beginning on page 250 of this Red Herring Prospectus.
Bid	An indication to make an issue during the Bid/Issue Period by a Bidder pursuant to submission of the ASBA Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations in accordance with the Red Herring Prospectus and ASBA Form
Bid Amount	The highest value of optional Bids indicated in the ASBA Form and in the case of Retail Individual Bidders Bidding at Cut Off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder and mentioned in the ASBA Form and payable by the Retail Individual Bidder or blocked in the ASBA Account upon submission of the Bid in the Issue
Bid/ Issue Closing Date	The date after which the Syndicate, the Designated Branches and the Registered Brokers will not accept any Bids, which shall be notified in all edition of the English national newspaper Business Standard, all edition of the Hindi national newspaper Business Standard, and Mumbai edition of the Regional newspaper Mumbai Lakshdeep, each with wide circulation and in case of any revision, the extended Bid/Issue Closing Date shall also be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI ICDR Regulations
Bid/ Issue Opening Date	The date on which the Syndicate, the Designated Branches and the Registered Brokers shall start accepting Bids, which shall be notified in all edition of the English national newspaper Business Standard, all edition of the Hindi national newspaper Business Standard, and Mumbai edition of the Regional newspaper Mumbai Lakshdeep, each with wide circulation, and in case of any revision, the extended Bid/Issue Opening Date also to be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI ICDR Regulations.
Bid/ Issue Period	The period between the Bid/Issue Opening Date and the Bid/Issue Closing Date, inclusive of both days, during which Bidders can submit their Bids, including any revisions thereof.



ASBA Form	The form used by a Bidder, to make a Bid and which will be considered as the application for Allotment in terms of the Red Herring Prospectus
Bidder	Any prospective investor who makes a Bid/Application pursuant to the terms of the RHP/RHP/Prospectus and the ASBA Form. In case of issues undertaken through the fixed price process, all references to a Bidder/Applicants should be construed to mean an Applicant
Book Building Process	Book building process, as provided in Schedule XI of the SEBI ICDR Regulations, in terms of which the Issue is being made
Book Running Lead Managers or BRLMs	The book running lead managers to the Issue
Broker Centres	Broker centres notified by the Stock Exchanges, where the Bidders can submit the ASBA Forms to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers, are available on the website of NSE.
Business Day	Monday to Saturday (except 2nd & 4th Saturday of a month and public holidays)
CAN or Confirmation of Allocation Note	The note or advice or intimation sent to each successful Bidder indicating the Equity Shares which will be Allotted/transferred, 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 will not be finalised and above which no Bids will 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, which shall be any price within the Price Band finalised by our Company in consultation with the BRLMs. Only Retail Individual Bidders are entitled to Bid at the Cut-off Price. QIBs and Non Institutional Bidders are not entitled to Bid at the Cut-off Price.
Controlling Branch/Designated Branch	Such branch of the SCSBs which coordinate Applications under this Issue by the ASBA Applicants with the Registrar to the Issue and the Stock Exchanges and a list of which is available at <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time.
DP	Depository Participant
DP ID	Depository Participant's Identification Number
Depositories	Depositories registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time, being NSDL and CDSL
Demographic Details	The demographic details of the Bidders such as their address, PAN, occupation and bank account details
Designated Branches	Such branches of the SCSBs which may collect the ASBA Forms used by Bidders/Applicants (exc Anchor Investor) and a list of which is available on <a href="http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316">http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316</a>



	087201341.html
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the ASBA 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 ASBA Forms are available on the respective websites of the Stock Exchanges ( <a href="http://www.bseindia.com">www.bseindia.com</a> ) and updated from time to time
Designated Date	The date on which the Collection Banks transfer funds from the public issue Accounts, and the SCSBs issue instructions for transfer of funds from the ASBA Accounts, to the Public Issue Account or the Refund Account, as appropriate, in terms of the Red Herring Prospectus following which the Board of Directors may Allot Equity Shares to successful Bidders in the Issue.
Designated Intermediary(ies)	Syndicate, Sub-Syndicate Members/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are authorized to collect ASBA Forms from the Bidders, in relation to the Issue
Designated RTA Locations	Such centres of the RTAs where Bidder can submit the Bud cum Application Forms. The details of such Designated RTA Locations, along with the names and contact details of the RTAs are available on the respective websites of the Stock Exchange ( <a href="http://www.bseindia.com">www.bseindia.com</a> ) and updated from time to time.
Designated Stock Exchange	The designated stock exchange as disclosed in the Red Herring Prospectus/ Prospectus of the issuer
Designated CDP Locations	Such centres of the CDPs where Bidders can submit the ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the website of the Stock Exchange ( <a href="http://www.nseindia.com">www.nseindia.com</a> ) and updated from time to time
Discount	Discount to the Issue Price that may be provided to Bidders/Applicants in accordance with the SEBI ICDR Regulations, 2009
Red Herring Prospectus or RHP	This Red Herring Prospectus dated August 16, 2018 issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Issue
Employees	Employees of an Issuer as defined under SEBI ICDR Regulations, 2009 and including, in case of a new company, persons in the permanent and full time employment of the promoting companies excluding the promoters and immediate relatives of the promoters. For further details, Bidder/Applicant may refer to the RHP.
Equity Shares	Equity Shares of the Issuer
FCNR Account	Foreign Currency Non-Resident Account
First/sole Bidder	Bidder whose name shall be mentioned in the ASBA Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names
FII(s)	Foreign Institutional Investors as defined under the SEBI (Foreign Institutional Investors) Regulations, 1995 and registered with SEBI under applicable laws in India
Fixed Price Issue / Fixed Price Process / Fixed Price Method	The Fixed Price process as provided under SEBI ICDR Regulations, 2009, in terms of which the Issue is being made
Floor Price	The lower end of the Price Band, subject to any revision thereto, at or above which the Issue Price will be finalised and below which no Bids will be

	accepted
FPIs	Foreign Portfolio Investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
FPO	Further Public Offering
Issuer/Company	The Issuer proposing the initial public Offering /further public Offering as applicable
Maximum RII Allottees	The maximum number of RIIs who can be Allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot
MICR	Magnetic Ink Character Recognition - nine-digit code as appearing on a cheque leaf
Mutual Fund(s)	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time
Mutual Funds Portion	5% of the QIB Category (excluding the Anchor Investor Portion) available for allocation to Mutual Funds only, being such number of equity shares as disclosed in the RHP/RHP/Prospectus and ASBA 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 RHP/RHP/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 Bidders/Applicants, including sub accounts of FIIs registered with SEBI which are foreign corporates or foreign individuals and FPIs which are Category III foreign portfolio investors, that are not QIBs or RIBs and who have Bid for Equity Shares for an amount of more than ₹200,000 (but not including NRIs other than Eligible NRIs)
Category	allocation to NIIs on a proportionate basis and as disclosed in the RHP/RHP/Prospectus and the ASBA Form
Non-Resident	A person resident outside India, as defined under FEMA and includes FIIs and FPIs
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
Issue	Public issue of equity shares of the issuer
Other Investors	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 Book Running Lead Manager(s)
Issue Price	The final price at which Equity Shares will be Allotted in terms of the Red Herring Prospectus The Issue Price will be decided by our Company in consultation with the BRLMs on the Pricing Date in accordance with the Book- Building Process and the Red Herring Prospectus
PAN	Permanent Account Number allotted under the Income Tax Act, 1961
Price Band	Price band of a minimum price (Floor Price) of ₹43 and the maximum price (Cap Price) of ₹45 and includes revisions thereof. The minimum Bid lot is 3,000 Equity Shares.
Pricing date	The date on which our Company in consultation with the BRLMs, will finalise the Issue Price
Prospectus	The Prospectus to be filed with the RoC on or after the Pricing Date in accordance with Section 26 of the Companies Act, 2013, and the SEBI ICDR Regulations containing, inter alia, the Issue Price, the size of the Issue and

	certain other information
Public Issue Account	Account opened with the Banker to the Issue i.e. Indusind Bank under Section 40 of the Companies Act, 2013 to receive monies from the SCSBs from the bank accounts of the bidders on the Designated Date.
Qualified Institutional Buyers or QIBs	Qualified Institutional Buyers as defined under Regulation 2(1)(zd) of the SEBI (ICDR) Regulations, 2009.
RTGS	Real Time Gross Settlement
Red Herring Prospectus or RHP	The Red Herring Prospectus to be issued in accordance with Section 32 of the Companies Act, 2013, and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be issued and the size of the Issue, including any addenda or corrigenda thereto. The Red Herring Prospectus will be registered with the RoC at least three days before the Bid/Issue Opening Date and will become the Prospectus upon filing with the RoC on or after the Pricing Date
Refund Account(s)	The account opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount (excluding refund to Bidders) shall be made.
	whole or part of the Bid Amount (excluding refund to Bidders) shall be made.
Refund Bank(s) / Refund Banker(s)	Bank which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Account will be opened, in this case being Indusind Bank
Refund through electronic transfer of funds	Refunds through NECS, direct credit, RTGS or NEFT, as applicable
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 /Registrar to the Issue	Registrar to the Issue, in this case being Bigshare Services Private Limited.
Reserved Category / Categories	Categories of persons eligible for making Bids under reservation portion.
Revision Form	Form used by the Bidders, to modify the quantity of the Equity Shares or the Bid Amount in any of their ASBA Forms or any previous Revision Form(s)
Reservation Portion	The portion of the issue reserved for category of eligible Bidders as provided under the SEBI (ICDR) Regulations, 2009
RoC	Registrar of Companies, NCT of Delhi & Haryana
SEBI	The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992
SEBI ICDR Regulations, 2009	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
SCSB/ Self Certified Syndicate Banker	Shall mean a Banker to an Issue registered under SEBI (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which issue the service of making Bids/Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on <a href="http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/RecognisedIntermediaries">http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/RecognisedIntermediaries</a> or at such other website as may be prescribed by SEBI from time to time
Specified Locations	Bidding centres where the Syndicate shall accept ASBA Forms from Bidders, a list of which is available on the website of SEBI (www.sebi.gov.in) and updated from time to time
Stock Exchanges / SE	The stock exchanges as disclosed in the RHP/RHP/Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Issue are proposed to be listed
Syndicate or Members of the Syndicate	The BRLMs and the Syndicate Members
Syndicate Agreement	Agreement dated August 14, 2018 entered into amongst the BRLMs, the Syndicate Members, our Company in relation to the procurement of ASBA Forms by Syndicate

<b>Syndicate Members</b>	Intermediaries registered with SEBI who are permitted to carry out activities as an underwriter, namely, Mark Corporate Advisors Private Limited.
<b>Underwriter</b>	Mark Corporate Advisors Private Limited
<b>Underwriting Agreement</b>	The agreement dated August 14, 2018 entered into between the Underwriter and our Company
<b>Working Day</b>	<p>—Working DayI means all days, other than second and fourth Saturday of the month, Sunday or a public holiday, on which commercial banks in Mumbai are open for business; provided however, with reference to the time period between</p> <p>(a) announcement of Price Band; and (b) Bid/Issue Period,</p> <p>—Working DayII shall mean all days, excluding all Saturdays, Sundays or a public holiday, on which commercial banks in Mumbai are open for business; and with reference to the time period between the Bid/Issue Closing Date and the listing of the Equity Shares on the Stock Exchanges, —Working DayI shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays</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 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. Foreign investment is allowed up to 100% under automatic route in our Company.

India's current Foreign Direct Investment (—FDI) Policy issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GOI (—DIPP) by circular of 2015, with effect from May 12, 2015 (—Circular of 2015), consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP. The Government usually updates the consolidated circular on FDI Policy once every Year and therefore, Circular of 2015 will be valid until the DIPP issues an updated circular.

The transfer of shares by an Indian resident to a Non-Resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the Consolidated FDI Policy and transfer does not attract the provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI/RBI. Further, in terms of the Consolidated FDI Policy, prior approval of the RBI shall not be required for transfer of shares between an Indian resident and person not resident in India if conditions specified in the Consolidated FDI Policy have been met. The transfer of shares of an Indian company by a person resident outside India to an Indian resident, where pricing guidelines specified by RBI under the foreign exchange regulations in India are not met, will not require approval of the RBI, provided that (i) the original and resultant investment is in line with Consolidated FDI policy and applicable foreign exchange regulations pertaining to inter alia sectoral caps and reporting requirements; (ii) the pricing is in compliance with applicable regulations or guidelines issued by SEBI.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue.

**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, 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 LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them.**

## **SECTION-IX: MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION**

### **DESCRIPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES OF ASSOCIATION MAIN PROVISIONS OF ARTICLES OF ASSOCIATION**

#### **PRELIMINARY**

1. Subject as hereinafter provided the Regulations contained in Table 'F' in the Schedule I to the Companies Act, 2013 shall apply to the Company so far as they are applicable to Private Company except so far as they have implied or expressly modified by what is contained in the Articles mentioned as altered or amended from time to time.

#### **Interpretation**

I. (1) In these Regulations :-

(a) "Company" means ' SUMIT WOODS LIMITED '\*\*.

(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 whether names called.

(2) Unless the context otherwise requires, words or expressions contained in these Articles 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**

#### **II.**

The Authorised Share Capital of the Company is Rs 17,00,00,000/- (Rupees Seventeen Crore only) divided into 1,70,00,000 (One Crore Seventy Lakhs) equity shares of ₹10/- ( Rupees Ten Only) each, The minimum paid up capital shall be ₹5,00,000/- (Rupees Five Lakh only). Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.

2. (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided,—

(a) one certificate for all his shares without payment of any charges; or

(b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.

(ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.

(iii) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

3. (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new

certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such

indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.

(ii) The 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 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 authorising the call was passed and may be required to be paid by instalments.

15. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

16.(i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent per annum or at such lower rate, if any, as the Board may determine.

(ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.

17.(i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

(ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

18.The Board—

- (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.

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.

(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 nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

#### Alteration of capital

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 First Directors of the company shall be:

1. Mr. Subodh R. Nemlekar
2. Mr. Mitaram R. Jangid

59. 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.

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.

Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer

75. Subject to the provisions of the Act,—

(i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;

(ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

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 equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.

(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.

### **Share Warrants**

87. The Company may issue Share warrants subject to, and in accordance with, the provisions of the Act and the applicable rules/ regulations/ guidelines. The Board may in its discretion, with respect to any Share which is fully paid-up, on application in writing signed by the person registered as holder of the Share, and authenticated by such evidence (if any) as the Board may from time to time, require as to the identity of the person signing the application, and on receiving the certificate (if any) with respect to the Share, and the amount of the stamp duty on the warrant and such fee as the Board may from time to time require, issue a Share warrant.

88. (1) The bearer of a Share warrant may at any time deposit the warrant at the office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the Company, and of attending, and voting and exercising the other privileges of a Shareholder at any meeting held after the expiry of two

(2) clear days from the time of deposit, as if the depositor's name were inserted in the Register of Members as the holder of the Shares included in the deposited warrant. (2) Not more than one person shall be recognised as the depositor of the Share warrant.

(3) The Company shall, on two (2) days' written notice, return the deposited Share warrant to the depositor.

89. (1) Except as herein otherwise expressly provided, no person shall, as bearer of a Share warrant, sign a requisition for calling a meeting of the Shareholders of the Company, or attend, or vote or exercise any other privilege of a Shareholder at a meeting of the Shareholders, or be entitled to receive any notices from the Company.

(2) The bearer of a Share warrant shall be entitled in all other respects to the same privileges and advantages as if such person were named in the Register of Members as the holder of the Shares included in the warrant, and such person shall be a Shareholder.

90. The Board may, from time to time, make rules as to the terms on which (if it deems fit) a new Share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.

### **Power to Borrow**

91. The Board may, from time to time, and at its discretion, subject to the provisions of the Act and these Articles, accept deposits from Shareholders either in advance of calls or otherwise and generally raise or borrow moneys, either from the Directors, their friends and relatives or from others for the purposes of the Company and/or secure the payment of any such sum or sums of money, provided however, where the moneys to be borrowed together with the moneys already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in ordinary course of business) and remaining outstanding and undischarged at that time exceed the aggregate of the paid-up capital of the Company and its free reserves (not being reserves set apart for any specific purpose), the Board shall not borrow such money without the consent of the Company in a General Meeting by an ordinary resolution. The Board may raise and secure the payment of such sum or sums in such manner and upon such terms and conditions as it thinks fit, and in particular by receiving deposits, issue of bonds, debentures perpetual, redeemable, debenture stock, or any security of the Company or by mortgage or charge or other security upon all or any part of the property or undertaking of the Company (both present and future), including its uncalled capital for the time being; provided that the Board shall not give any option or right to any person for making calls on the Shareholders in respect of the amount unpaid for the time being on the Shares held by them, without the previous sanction of the Company in a General Meeting.

### **Accounts**

92.(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**

93. 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**

94. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

## **SECTION-X: OTHER INFORMATION**

### **MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION**

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of the Red Herring 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 Red Herring Prospectus and delivered to the Stock Exchange and will be attached to the copy of the Prospectus and delivered to the ROC for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at B-Wing, Office No-1101, Opp. Reliance Office, Express Zone, W.E.Highway, Malad-East Mumbai - 400097, from date of filing the Prospectus with ROC to Issue Closing Date on working days from 10.00 a.m. to 5.00 p.m.

#### **A. Material Contracts**

1. Memorandum of understanding dated May 26, 2018 between our Company and the Book Running Lead Manager.
2. Agreement dated May 26, 2018 between our Company and the Registrar to the Issue.
3. Underwriting Agreement dated August 14, 2018 between our Company, the Book Running Lead Manager, and Underwriter AND Syndicate Agreement dated August 14, 2018 between our Company, BRLM and Syndicate Member.
4. Market Making Agreement dated August 14, 2018 between our Company, Book Running Lead Manager and Market Maker.
5. Tripartite agreement among the NSDL, our Company and Registrar to the Issue dated April 02, 2018.
6. Tripartite agreement among the CDSL, our Company and Registrar to the Issue dated March 20, 2018.
7. Banker's to the Issue Agreement dated July 31, 2018 between our Company, the Book Running Lead Manager, Escrow Collection Bank and the Registrar to the Issue.

#### **B. Material Documents**

1. Certified true copy of the Memorandum and Articles of Association of our Company including certificates of incorporation.
2. Board Resolution dated April 27, 2018 and Special Resolution passed pursuant to Section 62(1)(C) of the Companies Act, 2013 at the EGM by the shareholders of our Company held on May 04, 2018.
3. Statement of Tax Benefits dated May 22, 2018 issued by our Statutory Auditors; by SSRV & Associates, Chartered Accountants.
4. Copy of Restated Audit Report from the peer review certified auditor, M/s. SSRV & Associates., Chartered Accountants, dated August 16, 2018 included in the Red Herring Prospectus.
5. Copy of Certificate from M/s. SSRV & Associates, Chartered Accountant - dated August 16, 2018 regarding the source and deployment of funds up to July 31, 2018..
6. Copies of Financial Statement of the Company for the year ended on March 31, 2018, 2017, 2016, 2015, and 2014.
7. Consents of Directors, Company Secretary & Compliance Officer, Statutory Auditors, Peer review Auditor, Banker to Our Company, Legal Advisor to the Issue, Book Running Lead Manager, Registrar to the Issue, Underwriter, Market Maker to include their names in the Red Herring Prospectus to act in their respective capacities.

8. Due Diligence Certificate dated August 16, 2018 from the Book Running Lead Manager.
9. Copy of 'Resolutions dated May 26, 2018 for appointment and fixing of remuneration of Managing Director, Joint Managing Director and Whole Time Directors.
10. Copy of Approval dated July 09, 2018 from NSE for listing on EMERGE platform.

Any of the contracts or documents mentioned in the Red Herring 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 statutes.

## DECLARATION

We, the Directors, hereby certify and declare that, all relevant provisions of the Companies Act, 2013, applicable provisions of Companies Act, 1956 and the guidelines issued by the Government of India or the Regulations/Guidelines 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 the Prospectus is contrary to the provisions of the Companies Act, 2013, applicable provisions of Companies Act, 1956, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations / guidelines issued, as the case may be. We further certify that all the disclosures and statements made in the Prospectus are true and correct.

### Signed by the Directors of our Company:

**Kavita Nemlekar**

*Chairperson and Director*

*DIN: 02067121*

**Sd/-**

**Mitaram Jangid**

*Managing Director*

*DIN: 00043757*

**Sd/-**

**Subodh Nemlekar**

*Joint Managing Director*

*DIN: 00043795*

**Sd/-**

**Bhushan Nemlekar**

*Whole Time Director (Director-Finance)*

*DIN: 00043824*

**Sd/-**

**Pooja N. Chogle**

*Independent Director*

*DIN: 08105139*

**Sd/-**

**Gurunath Narayan Malvankar** *Independent Director*

*DIN: 08105137*

**Sd/-**

### Signed by the Company Secretary and Compliance Officer of our Company:

**Rekha Rajaram Dekhale**

*Company Secretary & Compliance Officer*

**Sd/-**

**Place :** Mumbai

**Date :** August 17, 2018