



## MANGALAM SEEDS LIMITED

Our Company was originally formed as a partnership firm under the Indian Partnership Act, 1932 in the name of “Mangalam Seeds Corporation”, pursuant to a deed of partnership dated April 01, 2007. The name of the partnership firm was changed to “Mangalam Seeds” pursuant to supplementary agreement modifying the partnership deed dated July 06, 2011. “Mangalam Seeds” was thereafter converted to a public limited company under Part IX of the Companies Act, 1956 under the name of “Mangalam Seeds Limited” and received a fresh certificate of incorporation from the Registrar of Companies, Gujarat, Dadra and Nagar Havelli on September 14, 2011 bearing registration no. 067128 and Corporate Identification Number U01112GJ2011PLC067128. The certificate of commencement of business was granted by the Registrar of Companies, Gujarat, Dadra and Nagar Havelli on September 26, 2011. The partners of M/s Mangalam Seeds were initial subscribers to Memorandum of Association of our Company. For details of incorporation, change of name and Registered Office of our Company, please refer to chapter titled “General Information” and “Our History and Certain Other Corporate Matters” beginning on page 63 and 184 respectively of this Prospectus.

**Registered Office:** 202, Sampada Complex, B/H Tulsi Complex, Mithakhali Six Roads, Navrangpura, Ahmedabad – 380009, Gujarat, India  
**Tel. No.:** +91-79 26447302; **Fax No.:** +91-79 26447598 **Contact Person:** Rujavi Chalishajar, Company Secretary and Compliance Officer  
**Email:** ipo@mangalamseeds.com; **Website:** www.mangalamseeds.com

**PROMOTERS OF OUR COMPANY: PRAVINKUMAR PATEL, MAFATLAL PATEL AND DHANAJIBHAI PATEL**

THE ISSUE	
<p><b>PUBLIC ISSUE OF 11,40,000 EQUITY SHARES OF FACE VALUE OF RS. 10 EACH (“EQUITY SHARES”) OF MANGALAM SEEDS LIMITED (THE “COMPANY” OR THE “ISSUER”) FOR CASH AT A PRICE OF RS. 50.00 PER EQUITY SHARE, INCLUDING A SHARE PREMIUM OF RS. 40.00 PER EQUITY SHARE (THE “ISSUE PRICE”), AGGREGATING RS. 570.00 LAKHS (“THE ISSUE”), OF WHICH 60,000 EQUITY SHARES OF FACE VALUE OF RS. 10.00 EACH FOR CASH AT A PRICE OF RS. 50.00 PER EQUITY SHARE, AGGREGATING RS. 30.00 LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 10,80,000 EQUITY SHARES OF FACE VALUE OF RS. 10 EACH FOR CASH AT A PRICE OF RS. 50.00 PER EQUITY SHARE, AGGREGATING RS. 540.00 LAKHS IS HERINAFTER REFERRED TO AS THE “NET ISSUE”. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 26.50% AND 25.10% RESPECTIVELY OF THE FULLY DILUTED POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.</b></p>	
<b>THE FACE VALUE OF THE EQUITY SHARES IS RS. 10 EACH AND THE ISSUE PRICE OF RS.50.00 IS 5 TIMES OF THE FACE VALUE OF THE EQUITY SHARES</b>	
<p>All potential investors may participate in the Issue through an Application Supported by Blocked Amount (“ASBA”) process providing details about the bank account which will be blocked by the Self Certified Syndicate Banks (“SCSBs”) for the same. For details in this regard, specific attention is invited to the chapter titled “Issue Procedure” beginning on page 331 of this Prospectus. In case of delay, if any in refund, our Company shall pay interest on the application money at the rate of 15% per annum for the period of delay. Qualified Institutional Buyers and Non-Institutional Investors shall compulsorily participate in the Issue through ASBA process. A copy has been delivered for registration to the Registrar of Companies as required under section 26 of the Companies Act, 2013.</p>	
<b>THE ISSUE IS BEING MADE IN ACCORDANCE WITH CHAPTER XB OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED FROM TIME TO TIME (“SEBI (ICDR) REGULATIONS”).</b> For further details please refer the section titled “Issue structure” beginning on page 328 of this Prospectus.	
<b>RISKS IN RELATION TO FIRST ISSUE</b>	
<p>This being the first public issue of the Issuer, there has been no formal market for our Equity Shares. The face value of the Equity Shares of our Company is Rs.10 and the Issue Price of Rs. 50.00 per Equity Share is 5 times of the face value. The Issue Price (as determined by our Company in consultation with the Lead Manager as stated in the chapter titled “Basis for Issue Price” beginning on page 110 of this Prospectus) should not be taken to be indicative of the market price of the Equity Shares after such Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.</p>	
<b>GENERAL RISKS</b>	
<p>Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this issue. For taking an investment decision, investors must rely on their own examination of the Company and this Issue, including the risks involved. The Equity Shares offered in the issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the contents of this Prospectus. <b>Specific attention of the investors is invited to the section titled “Risk Factors” beginning on page 16 of this Prospectus.</b></p>	
<b>ISSUER’S ABSOLUTE RESPONSIBILITY</b>	
<p>The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to the Issuer and this Issue, which is material in the context of this Issue, that the information contained in this Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading, in any material respect.</p>	
<b>LISTING</b>	
<p>The Equity Shares of our Company offered through this Prospectus are proposed to be listed on the SME platform of BSE Limited (‘BSE’). In terms of the Chapter XB of the SEBI (ICDR) Regulations, as amended from time to time, we are not required to obtain an in-principal listing approval for the shares being offered in this Issue. However, our Company has received an approval letter dated June 26, 2015 from BSE for using its name in this offer document for listing of our shares on the SME Platform of BSE. For the purpose of this Issue, SME Platform of BSE shall be the Designated Stock Exchange.</p>	
<b>LEAD MANAGER TO THE ISSUE</b>	<b>REGISTRAR TO THE ISSUE</b>
<div style="display: flex; align-items: center;"> <div> <p><b>PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED</b> 108, Madhava Premises Co-operative Housing Society Limited Bandra Kurla Complex Bandra (East), Mumbai - 400051 <b>Tel:</b> +91-22 2659 8687 <b>Fax:</b> +91-22 2659 8690 <b>Website:</b> www.pantomathgroup.com <b>Email:</b> ipo@pantomathgroup.com <b>Investor Grievance Id:</b> ipo@pantomathgroup.com <b>Contact Person:</b> Mr. Mahavir Lunawat <b>SEBI Registration No:</b> INM000012110</p> </div> </div>	<div style="display: flex; align-items: center;"> <div> <p><b>KARVY COMPUTERSHARE PVT. LTD.</b> Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032, India <b>Toll free No.:</b> 1800 3454 001 <b>Tel:</b> 040 6716 2222 <b>Fax:</b> 040 23431551 <b>Email:</b> mangalamseeds.ipo@karvy.com <b>Website:</b> www.karisma.karvy.com <b>Contact Person:</b> Mr.M Murali Krishna <b>SEBI Registration Number:</b> INR000000221</p> </div> </div>
<b>ISSUE PROGRAMME</b>	
<b>ISSUE OPENS ON: WEDNESDAY, JULY 29, 2015</b>	<b>ISSUE CLOSES ON: FRIDAY, JULY 31, 2015</b>

## Table of Contents

SECTION I – GENERAL.....	3
DEFINITION AND ABBREVIATION .....	3
PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA.....	12
FORWARD LOOKING STATEMENT.....	14
SECTION II – RISK FACTORS.....	16
SECTION III – INTRODUCTION .....	41
SUMMARY OF INDUSTRY .....	41
SUMMARY OF BUSINESS.....	51
SUMMARY OF FINANCIAL STATEMENTS.....	55
THE ISSUE .....	62
GENERAL INFORMATION .....	63
CAPITAL STRUCTURE .....	72
OBJECTS OF THE ISSUE.....	104
BASIS FOR ISSUE PRICE .....	110
STATEMENT OF POSSIBLE TAX BENEFITS.....	113
SECTION IV – ABOUT THE COMPANY.....	122
OUR INDUSTRY.....	122
OUR BUSINESS .....	135
KEY INDUSTRY REGULATIONS AND POLICIES.....	170
OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS.....	183
OUR MANAGEMENT .....	190
OUR PROMOTER AND PROMOTER GROUP .....	206
OUR GROUP ENTITIES .....	214
RELATED PARTY TRANSACTION .....	218
DIVIDEND POLICY.....	219
SECTION V – FINANCIAL STATEMENTS .....	220
FINANCIAL STATEMENT AS RESTATED.....	220
MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION .....	275
FINANCIAL INDEBTEDNESS .....	288
SECTION VI – LEGAL AND OTHER INFORMATION .....	291
OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS .....	291
GOVERNMENT AND OTHER STATUTORY APPROVALS.....	298
OTHER REGULATORY AND STATUTORY DISCLOSURES .....	310
SECTION VII – ISSUE INFORMATION .....	322
TERMS OF THE ISSUE .....	322
ISSUE STRUCTURE .....	328
ISSUE PROCEDURE .....	331
RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES .....	382
SECTION VIII – MAIN PROVISIONS OF ARTICLES OF ASSOCIATION .....	384
SECTION IX – OTHER INFORMATION .....	438
MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION .....	438
DECLARATION .....	440



The Equity Shares have not been and will not be registered under the U.S Securities Act of 1933, as amended (“U.S. 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), except pursuant to exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transaction in reliance on Regulation S under the U.S Securities Act and the applicable laws of the jurisdiction where those offers and sale 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 application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

## SECTION I – GENERAL

### DEFINITION AND ABBREVIATION

In this Prospectus, unless the context otherwise requires, the terms and abbreviations stated hereunder shall have the meanings as assigned therewith.

Company Related Terms	
Term	Description
Articles or Articles of Association or AOA	The Articles of Association of our Company, as amended from time to time
Auditor or Statutory Auditor	The auditor of our Company, being M/s. Piyush J. Shah & Co., Chartered Accountants
Banker to our Company	HDFC Bank Limited
“Board” or “Board of Directors” or “our Board”	The Board of Directors of our Company, as duly constituted from time to time, or committee(s) thereof
Company Secretary and Compliance Officer	Rujavi Chalishajar
Director(s)	The Director(s) of our Company, unless otherwise specified
Equity Shares	Equity Shares of our Company of face value of Rs. 10 each fully paid up
Equity Shareholders	Persons holding Equity Shares of our Company
Group Companies	Such entities as are included in the chapter titled ‘ <i>Our Group Entities</i> ’ beginning on page 214 of this Prospectus
Memorandum of Association or Memorandum or MOA	The Memorandum of Association of our Company, as amended from time to time
Peer Reviewed Auditor	The Peer Reviewed Auditor of our Company, being M/s Ramanand & Associates, Chartered Accountants
“Promoters” or “our Promoters”	Promoters of our company being Pravinkumar Patel, Mafatlal Patel and Dhanajibhai Patel.
Promoter Group	Includes such persons and entities constituting our promoter group in terms of Regulation 2(zb) of the SEBI (ICDR) Regulations and a list of which is provided in the chapter titled “ <i>Our Promoter and Promoter Group</i> ” beginning on page 206 of this Prospectus
Registered Office	The Registered office of our Company situated at 202, Sampada Complex, B/H Tulsi Complex, Mithakhali Six Roads, Navrangpura, Ahmedabad-380009
RoC / Registrar of Companies, Gujarat	The Registrar of Companies, Gujarat, Dadra and Nagar Haveli located at ROC Bhavan , Opp Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013
Shareholders	Shareholders of our Company
“Mangalam Seeds Limited”, or “the Company” ,or “our Company” or “we”, “us”, “our”, or “Issuer” or the “Issuer Company”	Mangalam Seeds Limited, a public limited company incorporated under the provisions of the Companies Act, 1956

## Issue Related Terms

Term	Description
Allocation/ Allocation of Equity Shares	The Allocation of Equity Shares of our Company pursuant to Issue of Equity Shares to the successful Applicants
Allotment/ Allot/ Allotted	Issue and allotment of Equity Shares of our Company pursuant to Issue of the Equity Shares to the successful Applicants
Allottee(s)	Successful Applicant(s) to whom Equity Shares of our Company have been allotted
Applicant	Any prospective investor who makes an application for Equity Shares of our Company in terms of this Prospectus
Application Amount	The amount at which the Applicant makes an application for Equity Shares of our Company in terms of this Prospectus
Application Form	The Form in terms of which the prospective investors shall apply for our Equity Shares in the Issue
ASBA/ Application Supported by Blocked Amount.	Applications Supported by Blocked Amount (ASBA) means an application for Subscribing to the Issue containing an authorization to block the application money in a bank account maintained with SCSB
ASBA Account	Account maintained with SCSBs which will be blocked by such SCSBs to the extent of the Application Amount
ASBA Application Location(s)/ Specified Cities	Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata, Ahmedabad, Bangalore, Hyderabad and Pune.
ASBA Investor/ASBA applicant	Any prospective investor(s)/applicants(s) in this Issue who apply(ies) through the ASBA process
Banker(s) to the Issue/ Escrow Collection Bank(s).	The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Escrow Account will be opened and in this case being ICICI Bank Limited .
Basis of Allotment	The basis on which Equity Shares will be Allotted to the successful Applicants under the Issue and which is described under chapter titled “Issue Procedure” beginning on page 331 of this Prospectus
Controlling 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
Demographic Details	The demographic details of the Applicants such as their address, PAN, occupation and bank account details
Depositories	Depositories registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time, being NSDL and CDSL
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Forms from the ASBA Applicants 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
Designated Date	The date on which funds are transferred from the Escrow Account or the amount blocked by the SCSBs is transferred from the ASBA Account, as the

Term	Description
	case may be, to the Public Issue Account or the Refund Account, as appropriate, after the Issue is closed, following which the Equity Shares shall be allotted/transfer to the successful Applicants
Designated Stock Exchange	SME Platform of BSE Limited
Draft Prospectus	The Draft Prospectus dated June 15, 2015 issued in accordance with section 26 of the Companies Act, 2013 and filed with the BSE under SEBI (ICDR) Regulations
Eligible NRIs	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom this Draft Prospectus constitutes an invitation to subscribe to the Equity Shares offered herein
Escrow Account(s)	Account(s) opened with the Escrow Collection Bank(s) for the Issue and in whose favour the Applicants (excluding ASBA Applicants) will issue cheques or drafts in respect of the Application Amount when submitting any Application(s) pursuant to this Issue
Escrow Agreement	Agreement dated June 10, 2015 to be entered into by our Company, the Registrar to the Issue, the Lead Manager, and the Escrow Collection Bank(s) for collection of the Application Amounts and where applicable, refunds of the amounts collected to the Applicants (excluding ASBA Applicants) on the terms and conditions thereof
General Information Document	The General Information Document for investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI.
First/ Sole Applicant	The Applicant whose name appears first in the Application Form or Revision Form
Issue/ Issue Size/ Initial Public Offer/ Initial Public Offering/ IPO	Public Issue of 11,40,000 Equity Shares of face value of Rs. 10/- each fully paid of Mangalam Seeds Limited for cash at a price of Rs. 50/- per Equity Share (including a premium of Rs. 40 per Equity Share) aggregating Rs. 570.00 lakhs.
Issue Agreement	The agreement dated June 10, 2015 between our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Closing date	The date on which Issue closes for subscription
Issue Opening Date	The date on which Issue opens for subscription
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both the days during which prospective Investors may submit their application
Issue Price	The price at which the Equity Shares are being issued by our Company under this Prospectus being Rs. 50/- per Equity Share of face value of Rs. 10 each fully paid
Issue Proceeds	Proceeds from the Issue that will be available to our Company, being Rs. 570.00 Lakhs
Lead Manager/ LM	Lead Manager to the Issue in this case being Pantomath Capital Advisors Private Limited, SEBI registered Category I Merchant Banker
Listing Agreement	The Equity Listing Agreement to be signed between our Company and the SME Platform of BSE Limited

Term	Description
Market Making Agreement	Market Making Agreement dated June 10, 2015 between our Company, Lead Manager and Market Maker.
Market Maker	Market Maker appointed by our Company from time to time, in this case being BCB Brokerage Private Limited, who has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for any other period as may be notified by SEBI from time to time
Market Maker Reservation Portion	The Reserved Portion of 60,000 Equity Shares of face value of Rs. 10 each fully paid for cash at a price of Rs. 50/- per Equity Share aggregating Rs. 30.00 lakhs for the Market Maker in this Issue
Mutual Fund(s)	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time
NIF	National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of Government of India published in the Gazette of India
Net Issue	The Issue excluding the Market Maker Reservation Portion of 10,80,000 Equity Shares of face value of Rs. 10 each fully paid for cash at a price of Rs. 50/- per Equity Share aggregating 540.00 lakhs by our Company
Net Proceeds	The Issue Proceeds, less the Issue related expenses, received by the Company.
Non Institutional Investors	All Applicants that are not Qualified Institutional Buyers or Retail Individual Investors and who have applied for Equity Shares for an amount more than Rs. 2,00,000
OCB/ Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Issue
Payment through electronic transfer of funds	Payment through NECS, NEFT or Direct Credit, as applicable
Person/ Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires
Prospectus	The Prospectus filed with RoC containing, <i>inter-alia</i> , the issue size, the issue opening and closing dates and other information
Public Issue Account	Account opened with the Banker to the Issue i.e. ICICI Bank under Section 40 of the Companies Act, 2013 to receive monies from the Escrow Account and the SCSBs from the bank accounts of the ASBA Applicants on the Designated Date
Qualified Institutional Buyers or QIBs	QIBs, as defined under the SEBI ICDR Regulations, including public financial institutions as specified in Section 4A of the Companies Act, scheduled commercial banks, mutual fund registered with SEBI, FPI other than Category III FPI registered with SEBI, multilateral and bilateral

Term	Description
	development financial institution, venture capital fund registered with SEBI, foreign venture capital investor registered with SEBI, state industrial development corporation, insurance company registered with Insurance Regulatory and Development Authority, provident fund with minimum corpus of Rs. 2,500 lakhs, pension fund with minimum corpus of Rs. 2,500 lakhs, NIF, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India
Refund Account (s)	Account(s) to which Application monies to be refunded to the Applicants (excluding the ASBA Applicants) shall be transferred from the Public Issue Account
Refund Bank(s) / Refund Banker(s)	Bank(s) which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Accounts will be opened, in this case being ICICI Bank
Refund through electronic transfer of funds	Refund through NECS, Direct Credit, RTGS, NEFT or the ASBA process, as applicable
Registrar /Registrar to the Issue	Registrar to the Issue, in this case being Karvy Computershare Private Limited having office at Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad- 500032, India
Retail Individual Investor	Individual Applicants, or minors applying through their natural guardians, including HUFs (applying through their <i>Karta</i> ), who apply for an amount less than or equal to Rs 2,00,000
Revision Form	The form used by the Applicants to modify the quantity of Equity Shares in any of their Application Forms or any previous Revision Form(s)
SCSB/ Self Certified Syndicate Banker	Shall mean a Banker to an Issue registered under SEBI (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which offer the service of making Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on <a href="http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries">http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries</a> or at such other website as may be prescribed by SEBI from time to time
SME Platform of BSE	The SME Platform of BSE 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
Underwriter	Pantomath Capital Advisors Private Limited
Underwriting Agreement	The agreement dated June 10, 2015 entered into between the Underwriter and our Company
Working Day	(i) Till Application / Issue closing date: All days other than a Saturday, Sunday or a public holiday; (ii) Post Application / Issue closing date and till the Listing of Equity Shares: All days other than a Sunday or a public holiday, and on which commercial banks in Gujarat and / or Mumbai are open for business in accordance with the SEBI circular no. CIR/CFD/DIL/3/2010 dated April 22, 2010



### Technical and Industry Terms

Term	Description
DAC	Department of Agriculture and Cooperation
DM	Downy mildew
DPQS	Development and Strengthening of Infrastructure Facilities for Production and Distribution of Quality Seeds
GOT	grow-out test centres
GVA	Gross Value Added
ICAR	Indian Council of Agricultural Research
ICRISAT	International Crop Research Institute for the semi-Arid Tropics
IMF	International Monetary Fund
KVKs	Krishi Vigyan Kendras
NSC	National Seeds Corporation
SAU	State Agricultural Universities
SFCI	State Farms Corporation of India
SSCs	State Seeds Corporation

### Conventional and General Terms/ Abbreviations

Term	Description
A/C	Account
AGM	Annual General Meeting
AIF	Alternative Investments Fund
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India
A.Y.	Assessment Year
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CMD	Chairman and Managing Director
CIN	Corporate Identification Number
Companies Act	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the Notified Sections) and the Companies Act, 2013.
Companies Act, 2013	The Companies Act, 2013, to the extent in force pursuant to the notification of the notified sections
Depositories	NSDL and CDSL; Depositories registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time
Depositories Act	The Depositories Act, 1996, as amended from time to time.
DIN	Director Identification Number
DP	Depository Participant
DP ID	Depository Participant's Identity

Term	Description
EBIDTA	Earnings before interest, depreciation, tax, amortization and extraordinary items
ECS	Electronic Clearing Services
EGM	Extraordinary General Meeting
ESIC	Employee State Insurance Corporation
ESOP	Employee Stock Ownership Plan
ESPS	Employee Stock Purchase Scheme
EPS	Earnings Per Share
FDI	Foreign Direct Investment
FCNR Account	Foreign Currency Non Resident Account
FEMA	Foreign Exchange Management Act 1999, as amended from time to time and the regulations framed there under
FII(s)	Foreign Institutional Investors
FIs	Financial Institutions
FIPB	The Foreign Investment Promotion Board, Ministry of Finance, Government of India
FPI(s)	Foreign Portfolio Investor
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000
F.Y./FY	Financial Year
GAAP	Generally Accepted Accounting Principles
GDP	Gross Domestic Product
GIR Number	General Index Registry number
Gol/ Government	Government of India
HNI	High Networth Individual
HUF	Hindu Undivided Family
ICDR Regulations/ SEBI Regulations/ SEBI (ICDR) Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time
Indian GAAP	Generally Accepted Accounting Principles in India
ICAI	Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
IPO	Initial Public Offering
IT Rules	The Income Tax Rules, 1962, as amended from time to time
INR	Indian National Rupee
Key Managerial Personnel / KMP	The officers declared as a Key Managerial Personnel and as mentioned in the chapter titled "Our Management" beginning on page 191 of this Prospectus
LPH	litre per hour
Ltd.	Limited
MD	Managing Director
Mtr	Meter
N/A or N.A.	Not Applicable
NAV	Net Asset Value

Term	Description
NECS	National Electronic Clearing Services
NEFT	National Electronic Fund Transfer
Net Worth	The aggregate of the paid up share capital, share premium account, and reserves and surplus (excluding revaluation reserve) as reduced by the aggregate of miscellaneous expenditure (to the extent not adjusted or written off) and the debit balance of the profit and loss account
NOC	No Objection Certificate
NR	Non Resident
NRE Account	Non Resident External Account
NRI	Non Resident Indian, is a person resident outside India, who is a citizen of India or a person of Indian origin and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited
p.a.	per annum
PAN	Permanent Account Number
PAT	Profit After Tax
Pvt.	Private
PBT	Profit Before Tax
P/E Ratio	Price Earnings Ratio
QIB	Qualified Institutional Buyer
RBI	Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934, as amended from time to time
RoNW	Return on Net Worth
Rs. / INR	Indian Rupees
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SCSB	Self Certified Syndicate Bank
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time
SEBI Insider Trading Regulations	The SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended from time to time, including instructions and clarifications issued by SEBI from time to time
SEBI Takeover Regulations /Takeover Regulations / Takeover Code	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time
SME	Small Medium Enterprise
SSI Undertaking	Small Scale Industrial Undertaking
Stock Exchange (s)	SME Platform of BSE Limited
Sq.	Square

Term	Description
Sq. mtr	Square Meter
TAN	Tax Deduction Account Number
TRS	Transaction Registration Slip
TIN	Taxpayers Identification Number
TNW	Total Net Worth
u/s	Under Section
UIN	Unique Identification Number
US/ U.S. / USA/United States	United States of America
USD or US\$	United States Dollar
U.S. GAAP	Generally accepted accounting principles in the United States of America
UOI	Union of India
WDV	Written Down Value
WTD	Whole-time Director
w.e.f.	With effect from
YoY	Year over year

Notwithstanding the following: -

- i. In the section titled “*Main Provisions of the Articles of Association*” beginning on page 384 of this Prospectus, defined terms shall have the meaning given to such terms in that section;
- ii. In the section titled “*Financial Statements*” beginning on page 220 of this Prospectus, defined terms shall have the meaning given to such terms in that section;
- iii. In the section titled “*Risk Factor*” beginning on page 16 of this Prospectus, defined terms shall have the meaning given to such terms in that section;
- iv. In the chapter titled “*Statement of Possible Tax Benefits*” beginning on page 113 of this Prospectus, defined terms shall have the meaning given to such terms in that chapter; and
- v. In the chapter titled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page 275 of this Prospectus, defined terms shall have the meaning given to such terms in that section.



## PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

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

### FINANCIAL DATA

Unless stated otherwise, the financial data included in this Prospectus are extracted from the restated financial statements of our Company, prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Statutory Auditors, set out in the section titled ‘Financial Statements’ beginning on page 220 this Prospectus. Our restated financial statements are derived from our audited financial statements prepared in accordance with Indian GAAP and the Companies Act, and have been restated in accordance with the SEBI (ICDR) Regulations.

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

There are significant differences between Indian GAAP, IFRS and US GAAP. The Company has not attempted to quantify their impact on the financial data included herein and urges you to consult your own advisors regarding such differences and their impact on the Company’s financial data. Accordingly to what extent, the financial statements included in this Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practices / Indian GAAP. Any reliance by persons not familiar with Indian Accounting Practices on the financial disclosures presented in this Prospectus should accordingly be limited.

Any percentage amounts, as set forth in “Risk Factors”, “Our Business”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and elsewhere in this Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s restated financial statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditor, set out in the section titled ‘Financial Statements’ beginning on page 220 of this Prospectus.

### CURRENCY OF PRESENTATION

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

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

### INDUSTRY & MARKET DATA

Unless otherwise stated, Industry & Market data used throughout this Prospectus have been obtained from internal Company reports and Industry publications inter alia Planning Commission of India, Economic Survey, Industry Chambers and Associations etc. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although

we believe that industry data used in this Prospectus is reliable, it has not been independently verified. Similarly, internal Company reports, while believed by us to be reliable, have not been verified by any independent sources.

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

## FORWARD LOOKING STATEMENT

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

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

- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Changes in laws and regulations relating to the sectors/areas in which we operate;
- Increased competition in seed Industry;
- Factors affecting seed Industry;
- Our ability to meet our capital expenditure requirements;
- Fluctuations in operating costs;
- Our ability to attract and retain qualified personnel;
- Dependence on the success of our research and development activities
- Changes in political and social conditions in India, the monetary and interest rate policies of India and other countries;
- Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- The performance of the financial markets in India and globally;
- Any adverse outcome in the legal proceedings in which we are involved;
- Our failure to keep pace with rapid changes in technology;
- The occurrence of natural disasters or calamities;
- Other factors beyond our control;
- Our ability to manage risks that arise from these factors;
- Conflict of Interest with affiliated companies, the promoter group and other related parties; and
- Changes in government policies and regulatory actions that apply to or affect our business.

For a further discussion of factors that could cause our actual results to differ, refer to section titled “Risk Factors” and chapter titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 16 and 275 respectively of this Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.

Forward looking statements speak only as of the date of this Prospectus. Neither we, our Directors, Lead Manager, Underwriters nor any of their respective affiliates have any obligation to update or otherwise

revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, the LM and our Company will ensure that investors in India are informed of material developments until the grant of listing and trading permission by the Stock Exchange.



## SECTION II – RISK FACTORS

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

*Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. To obtain a complete understanding, you should read this section in conjunction with the chapters titled “Our Business” beginning on page 135, “Our Industry” beginning on page 122 and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 275 respectively, of this Prospectus as well as other financial information contained herein.*

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

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

*The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risk factors where the impact may not be quantifiable and hence the same has not been disclosed in such risk factors. Unless otherwise stated, the financial information of the Company used in this section is derived from our financial statements under Indian GAAP, as restated in this Prospectus. Unless otherwise stated, we are not in a position to specify or quantify the financial or other risks mentioned herein. For capitalized terms used but not defined in this chapter, refer to the chapter titled “Definitions and Abbreviations” beginning on page 3 of this Prospectus. The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another.*

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



## INTERNAL RISK FACTORS

### A. Business Risks

- 1. Our business requires high inventory levels. Our production cycle is also long. Our failure to accurately forecast and manage inventory could result in an unexpected shortfall and/or surplus of products, which could adversely affect our business.***

We are engaged in the business of hybrid seeds which requires considerable amount of time. Many a times, the desired breed of hybrid/research seed is obtained even at 8<sup>th</sup> to 10<sup>th</sup> generation where each generation represents a complete crop cycle. An accurate forecast of demand for any product is required beforehand because an inaccurate forecast may result in an over-supply of products, which may increase costs, negatively impact our cash flow, erode margins substantially and ultimately necessitate write-offs of inventory. Any of the aforesaid circumstances could have a material adverse effect on our business, results of operations and financial condition. We monitor our inventory levels based on our own projections of future demand. Also, considering the time required to produce commercial quantities of our products, we need to take production decisions well in advance of sales.

- 2. We are heavily dependent on the success of our Research and Development (R & D) and the failure to develop new and improved products could adversely affect our business.***

Our success depends heavily on our ability to continue developing new products. Seed R&D covers a broad technological platform and technological advances are frequent, rapid and complex. We are heavily dependent on R & D procedures for making hybrid seeds and research seeds, depending on the demand. Thus all our activities are dependent on R & D activities carried out by scientists, and, any flaw in the R & D process can hamper our production and lead to wastage of time and resources. In Fiscal 2013, 2014 and 2015, our Company incurred Rs. 8.87 lakhs, Rs. 10.24 lakhs and Rs. 29.70 lakhs respectively on R & D expenses, which accounted for 0.75%, 0.69% and 1.74% of our total revenue in Fiscal 2013, 2014 and 2015 respectively.

Time taken in R & D activities is very long especially for Germplasm in open pollination. R & D process involves the application of high level of technology and machinery. This involves setting up and maintenance expense of machinery and other technological equipment. Further we cannot assure that we shall make enhanced R&D investments or continue the current level of R&D

investments in our business, or that our investment will yield satisfactory results in terms of new and improved products, or will yield any results at all because of the fact that, R & D involve huge level of innovation which is to be constantly monitored at and adopted in the process to achieve the desired market output and major innovations further add to cost of production because non adoption of the innovations will leave the Company at a back front.

**3. We have not registered the seed varieties produced by us through research and development under the PPV&FR Act, 2001**

We have developed a number of hybrid seed varieties through R & D at a substantial cost. However none of these varieties have, so far, been registered under the PPV&FR Act, 2001. We are in the process of registering the same however; we cannot assure that the products will be registered by the authorities concerned and whether we will be entitled to statutory protection under the PPV&FR Act. Also in the interim period, if anyone infringes on these varieties or produces them by back-crossing or other means our business could get severally affected.

**4. The Indian income tax authorities have challenged and may continue to challenge use of certain income tax exemptions. If these exemptions become unavailable to us, our tax liability could increase significantly and, in turn, our results of operations, financial condition and cash flows could be materially and adversely affected.**

Income derived from agricultural operations is exempt under Section 10(1) of the Indian Income Tax Act, 1961 (the "I.T. Act"). In accordance with Section 2(1A) of the I.T. Act, any income derived from land situated in India, through the performance of any process to render agricultural produce fit to be taken to the market, constitutes agricultural income. There are varying judicial views in India relating to the taxability of income derived from the production, marketing and sale of seeds. These views are yet to be settled by the Supreme Court of India. Our Company is of the view that it is entitled to the exemption available in relation to agricultural income under the provisions of the I.T. Act and that this exemption would be available to income generated from the production, marketing and sale of seed products.

We have provided for income tax liability for the assessment year 2014- 2015 on the basis of the assumption that we would be entitled to the tax exemption for agricultural income. Accordingly, should this tax exemption not be available going forward, our current provisions for these and future assessment years may be inadequate as our future tax liability could increase significantly and, in turn, materially and adversely affect our financial condition and results of operations.

**5. The seeds business is highly seasonal and such seasonality may affect our operating results.**

Our business is seasonal in nature. Both raw material supplies and sales are seasonal, as our business is influenced by the traditional crop seasons in India. In India, majority of the farmers depend on monsoon for cultivation. Rainfall usually occurs during Kharif season and hence, the timing and seasonality of rainfall has an impact on the business of our Company. Thus, we are subject to seasonal factors, which make our operational results very unpredictable.

We recognize revenues only upon the sale of our products. Empirically, the revenues recorded during planting and harvesting seasons are lower compared to revenues recorded during the periods following such seasons. During periods of lower sales activities, we continue to incur substantial operating expenses, but our revenues remain usually lower. Due to the inherent seasonality of our business, results of one reporting period may not be necessarily comparable with preceding or succeeding reporting periods.

Sometimes, even if there is a slight change in timing of rain fall, the sales will get deferred from one reporting period to another reporting period. The sales that were supposed to take place during one financial year may get added to sales of the next financial year and therefore results of even full financial year may not necessarily be comparable to the other financial year.

**6. *We have a limited number of raw material suppliers. Any kind of refusal from them can hinder our production resulting into loss of our clients.***

There are a very few suppliers from which raw materials like hybrid seeds and they may allocate their resources to service other clients ahead of us. While we believe that we could find additional suppliers to supply these raw materials, any failure of our suppliers to deliver these raw materials in the necessary quantities or to adhere to delivery schedules or specified quality standards and technical specifications would adversely affect our production processes and our ability to deliver orders on time and at the desired level of quality. As a result, we may lose customers which could have a material adverse effect on our business, financial condition and results of operations.

**7. *Our Company and some of our Directors and Promoters are involved in certain legal proceedings, which, if determined adversely, may adversely affect our business and financial condition.***

Our Company is currently, and may in the future be, implicated in lawsuits in the ordinary course of our business, including lawsuits and arbitrations involving compensation for loss due to various reasons including tax matters, civil disputes, labour and service matters, statutory notices, regulatory petitions, consumer cases and other matters. Any Litigation or arbitration could result in substantial costs and a diversion of effort by us and/or subject us to significant liabilities to third parties. There is at present one outstanding criminal case number 594/14 against our Company pending before the Honourable Judicial Magistrate (First Class), Jamkandorna, Rajkot for alleged non-compliance with section 7(b) of the Seeds Act, 1966 ('Seeds Act') by the Agriculture Officer, Jamkandorna, Rajkot on 12 August 2014. The Agriculture Officer alleges that the Cumin MSC-5 seeds having batch number MAR-BLK 131 did not meet the minimum limits of the germination and purity with respect to such seeds notified under section 6 (a) of the Seeds Act. This constitutes a violation of section 7(b) of the Seeds Act which states that no person shall carry on the business of selling, keeping for sale, offering to sell, bartering or otherwise supplying any seed of any notified kind or variety, unless such seeds conform to the minimum limits of germination and purity specified under section 6 (a). If there is an adverse finding against the Company, it will be liable for a fine under section 19 of the Seeds Act, which may extend to five hundred rupees since this will be the Company's first offence. At present, the Company has filed its written statement before the Honourable Judicial Magistrate (First Class), Jamkandorna, Rajkot.

The Company has been served with a notice for audit assessment under Section 34 (2) of the Gujarat Value Added Tax, Act, 2003 for the assessment year 2011-2012 dated 11 March 2014 to be present before the Commercial Tax Officer with all necessary evidence to support the self-assessment made by the Company. The Company has also been served with a notice under Rule 9(4) of the Central Sales Tax (Gujarat) Rules, 1970 for the assessment year 2011-2012 dated 11 March 2014 to be present before the Commercial Tax Officer with all necessary evidence to support the return made by the Company and to show cause as to why the Company should not be reassessed to tax and penalty under Section 9 of the Central Sales Tax Act, 1956.

At present, it is not possible for us to ascertain the exact amount of penalty, if any, apart from what is already disclosed above, that may be levied against our Company, the Directors, Promoters or the Firms for the defaults under the taxation laws. A summary of ongoing case is below:

Name of Entity	Income Tax Notice		Criminal Cases	
	No. of Notices	Amount Involved	No. of Cases	Amount Involved
Against the Company	2	NA	1	NA
Against the Director/Promoter	0	NA	0	NA
Against Group Companies	0	NA	0	NA

In addition, our Company is subject to risks of litigation including public interest litigation, contract, employment related, personal injury and property damage. Our Company cannot provide any assurance that these legal proceedings will be decided in our favour. Any adverse decision may have a significant effect on our business including the financial condition of our Company, delay in implementation of our current or future project and results of operations. There can be no assurance that the results of such legal proceedings will not materially harm our business, reputation or standing in the marketplace or that our Company will be able to recover any losses incurred from third parties, regardless of whether our Company is at fault or not. There can be no assurance that losses relating to litigation or arbitration will be covered by insurance, that any such losses would not have a material adverse effect on the results of our operations or financial condition, or that provisions made for litigation and arbitration related losses would be sufficient to cover our ultimate loss or expenditure. Details of outstanding proceedings that have been initiated against our Company, our Promoters, our Group Companies and our Directors are set forth in the section titled “*Outstanding Litigation and Material Developments*” starting from page number 291 of this Prospectus.

**8. Our Company has not complied with certain statutory provisions under Companies Act 1956 or Companies Act, 2013 as the case may be. Such non-compliances/lapses may attract penalties.**

Our Company has not complied with certain provisions of Private Placement like opening of separate Bank Account, allotment of shares within 60 days of receipt of share application money etc and has delayed in complying with reporting requirements such as registration of resolutions, filing of form for change in designation of directors, etc, as required to be filed under the Companies Act to the Registrar of Companies.

We have in the past, not complied with the provisions of Section 314(1) of the Companies Act, 1956 with respect to appointment of relatives of directors to an “office or place of profit.” The said appointments require approval of the shareholders by passing special resolutions, need to be filed with RoC within prescribed time. If any office or place of profit is held in contravention of the provisions of Section 314 (1), the relatives of the directors shall be inter alia, deemed to have vacated his office as such, on and from the date next following the date of the general meeting of the Company and shall be liable to refund any remuneration received from the Company

Such delay/non-compliance may in the future render us liable to statutory penalties and disallowing the resolutions, which may have consequence of violation of certain statutory provisions under Companies Act 1956.

We have appointed a whole time Company Secretary with effect from May 20, 2015 who shall look after the legal compliances of the Company and shall ensure the timely compliances in future.

**9. *There are discrepancies in filings made by our Company with the Registrar of Companies***

There are discrepancies in the data which is filed with the Registrar of Company with respect to the allotment of shares wherein shares which were allotted for consideration other than cash have been shown as being issued for cash. Such discrepancies may in the future render us liable to statutory penalties which may have consequence of violation of certain statutory provisions under Companies Act 1956.

**10. *There are discrepancies in financial statements prepared by our Company for earlier financial years.***

There are discrepancies in financial statements prepared by our Company for earlier financial years wherein certain amounts in the nature of current liabilities and security deposits were wrongly shown as Loans. Such discrepancies may in the future render us liable to statutory penalties which may have consequence of violation of certain statutory provisions under Companies Act 1956 and Accounting Standards.

These discrepancies have now been rectified in the Restated Financial Statements.

**11. *Any penalty or action taken by any regulatory authorities in future for non-compliance with provisions of corporate and other laws could impact the financial position of the Company to that extent***

Our Company may have not complied with certain accounting standards and Section 4A of The Payment of Gratuity Act, 1972, in the past. Although no show cause notice in respect of the same has been received by the Company till date, any penalty imposed for such non-compliance could affect our financial conditions to that extent. In relation to gratuity we have not received any notice/communication from the relevant authority, for the previous defaults till date. Further, our Company has not obtained any insurance for its liability towards the payment of gratuity as prescribed under Section 4A of The Payment of Gratuity Act, 1972 from Life Insurance Corporation of India or any other prescribed insurer till date. However, now our Company has complied with the accounting standards and has given effect in the Restated Financial Statements.

**12. *Our success depends largely on our ability to attract key personnel.***

Our business is highly specialized in nature and involves large amount of research before the actual execution takes place. Production is mainly dependant on research activities performed by breeders who are skilled personnel, thus attraction and retention of skilled key personnel is very crucial for our business. The availability of skilled technical and marketing talent is limited. Further, each producer has its own set of customized products and processes, and it takes substantial time and resources to adequately train human resource talent to understand and adapt to the producer's business. The future success of our business will also depend on our ability to identify, attract, hire, train, retain and motivate skilled technical and managerial personnel, who may be highly sought by our competitors as well. If we fail to hire and retain sufficient numbers of key personnel, primarily skilled R&D, technical, sales and marketing personnel, our business, operating results and financial condition could be adversely affected.

**13. Lack of awareness and knowledge among farmers**

All the major developments and the inventions are not able to reach the people at the grassroots level like farmers, who are the main human resource for agriculture, thus lack of knowledge and awareness among them is the basic reason for them not opting for hybrid seeds and choosing naturally grown seeds over them. We undertake awareness initiative like display of seeds at our R&D farms, product promotional activities, product demonstrations at farmer's field for evaluation of product performance and acceptance of product, "Field Day" programs for farmers etc. to spread awareness about our products.

**14. Our Company faces competition from certified seed players. Our failure to effectively compete may reduce our profitability and results of operations**

Increased competition may result in decreased demand or lower prices for our products. Our failure to compete effectively could reduce our profitability and in turn our results of operations. We face substantial competition due to technological advances by our competitors in various facets of the agri-inputs business especially certified seed players. Multinational corporations invest huge amounts of money and considerable resources on Research and Development and technology and are thus able to come out with very effective and highly improved versions of hybrids. For example, Bt.Cotton, a very effective hybrid developed by Monsanto has given very tough competition to all other seed companies. Other seed companies are sharing that technology by paying royalty to Monsanto. Hence, these types of technological advances force us to face substantial competition. Our competitors include companies like Monsanto India Limited, Nuziveedu Seeds Limited, Syngenta India Limited, Bayer CropScience, Kaveri Seeds India Limited etc. Further, the introduction of biotechnology has resulted in the entry of various agro-input companies into the seed industry, thus fostering intense competition in the industry.

The period for developing and commercializing a hybrid can run into several years. If a competitor introduces a product more suited to farmer needs, it could take a long period for us to develop a suitably competing product, which could have a material adverse effect on our business, results of operations and financial condition. Some of our competitors may have, or are subsidiaries of large international corporations that have, significantly greater resources than those available to us. If we are unable to compete effectively, including in terms of pricing or providing quality products, our market share may decline, which could have a material adverse effect on our financial condition and results of operations.

**15. Our inability to predict accurately the demand for our products and to manage our production and inventory levels could materially and adversely affect our business, financial condition, results of operations and prospects.**

We sell our seed products primarily to distributors, who in turn sell the products primarily to farmers, who are our end consumers. We monitor our inventory levels at different stages of our supply chain based on our own estimates of future demand for our products. Because of the length of time necessary to produce commercial quantities of seeds, we are typically required to make production decisions well in advance of sales. Our end consumers generally make purchasing decisions for our products based on market prices, economic and weather or climatic conditions and certain other factors that we or our distributors may not be able to anticipate accurately in advance. Demand for our products may also be affected by factors such as irrigation facilities, availability of credit, overall agricultural production and the like. Any negative change in preferences of our end consumers for our products could result in reduced demand for our products and adversely affect our business and results of operations.

**16. The prices of hybrid seeds produced by us is costlier than the natural seed.**

The hybrid seeds produced by us are costlier than the natural seeds and there is steep increase in the prices of hybrid seeds as compared with that of natural seeds. The increased prices are a result of huge R&D involved, expert costs and processing costs. The development process for new varieties of seeds is lengthy and costly. On an average, it takes three to five years, depending on the crop, for a proprietary hybrid to reach commercial viability. Despite investments in this area, our R&D efforts may not result in the discovery or successful development of new products.

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

Our Promoters and Directors Pravinkumar Patel, Mafatlal Patel and Dhanajibhai Patel are Kartas of Pravinbhai Mafatlal Patel HUF, Mafatlal Jethalal Patel HUF and Dhanajibhai Shivrambhai Patel HUF respectively which are involved in activities similar to those conducted by our Company. As these entities do not have any non-compete agreements in place amongst themselves, there is a conflict of interest between our Company and the said Group Entities. Such a conflict of interest may have an adverse effect on our business and growth.

For further details of, please refer to the chapter titled "Our Group Entities" on page 214 of this Prospectus.

**18. We do not own the lands on which our research activities are being carried on.**

The land on which R & D activities are carried on is not owned by the Company but has been taken on lease. Our R&D units situated at village Maktupur, Ta. Unjha, District Mehsana, Gujarat and Village Valad, Ta. Gandhinagar District Gandhinagar, Gujarat are taken on lease from our directors and shareholders. The lease deeds are valid for a period of five years up to April 2, 2019 and March 29, 2020 respectively. There can be no assurance that renewal of lease agreement with the owners of the land will be entered into. In the event of non-renewal of lease, we may be required to shift our facility to a new location and there can be no assurance that the arrangement we enter into in respect of new premises would be on such terms and conditions as the present one. For further details of properties please refer to the section titled "Our Business" beginning on page 135 of this Prospectus.

**19. We do not own our Registered Office from which we operate.**

The premises at which our Registered Office is situated in not owned by us but taken on lease from Our Promoter and Director Pravinkumar Patel. The lease deed is valid for a period of eight years up to January 9, 2020 There can be no assurance that renewal of lease agreement with the owners of the premises will be entered into. In the event of non-renewal of lease, we may be required to shift our registered office to a new location and there can be no assurance that the arrangement we enter into in respect of new premises would be on such terms and conditions as the present one. For further details of properties please refer to the section titled "Our Business" beginning on page 135 of this Prospectus.



**20. Our Company does not have long-term agreements with any of land vendors for farm lands on which we undertake seed multiplication and is subject to uncertainties in availability which could hamper production, decrease sales and negatively affect its operating results.**

We do not have any long term agreements with any of land vendors for farm lands on which we undertake seed multiplication. In certain cases we do not have any agreements at all for use of land. As a result, our vendors can terminate their relationships with us due to a change in preference or any other reason upon relatively short notice, which could materially and adversely impact our business. Consequently, our revenue may be subject to variability in case production process gets hampered due to non availability of farm land.

**21. Some of the agreements entered into by us with respect to our R & D Facilities, and other leasehold/leave and license premises are not adequately stamped and registered, resulting in making them inadmissible as evidence in legal proceedings. Any potential dispute vis-à-vis the said premises and our non-compliance of local laws relating to stamp duty and registration may adversely impact the continuance of our activity from such premises.**

Some of the agreements entered into by us with respect to our R & D Facilities and other leasehold/leave and license premises are not adequately stamped and registered. The effect of inadequate stamping is that the document is not admissible as evidence in legal proceedings and parties to that agreement may not be able to legally enforce the same, except after paying a penalty for inadequate stamping. The effect of non-registration, in certain cases, is to make the document inadmissible in legal proceedings. Any potential dispute vis-à-vis the said premises and our non-compliance of local laws relating to stamp duty and registration may adversely impact the continuance of our activity from such premises.

**22. We significantly rely on our intellectual property, and failure to protect the property may adversely affect our ability to compete.**

Our success depends in part on the proprietary technology contained in our seed products. Generally protection of intellectual property in germplasm is done through a combination of various legal remedies and physical security procedures. We cannot be certain that the steps we have taken or will take to protect our intellectual property will adequately protect, or protect at all, our proprietary rights or that others will not independently develop or otherwise acquire equivalent or superior technology. Substantial part of our seed production comprises hybrids, which display traits which may be copied, through the acquisition of very small quantities of germplasm by our competitor(s) through misuse of our proprietary information or back crossing. Furthermore, licensors of intellectual property that we use may not be able to adequately protect and maintain the value of their intellectual property rights licensed to us, which may adversely affect our rights to use the licensed intellectual property. Attempting to protect our intellectual property, through litigation or otherwise, can be time consuming and expensive, have uncertain results and may be ineffective. If we are not ultimately successful in protecting and enforcing our intellectual property for any reason, we may experience a material adverse effect on our business, ultimately affecting our results of operations and financial condition.

**23. Failure to obtain intellectual property rights from third parties could have a material adverse effect on our business.**

Due to the multi-dimensional nature of seed research being conducted, and also to utilize external professional expertise to expedite the process, partnerships with external collaborators, such as

academic institutions and other research bodies, have become the norm in the industry. Our ability to further develop seed varieties may depend on whether we have the right to use applicable proprietary technologies, such as the licensing of germplasm or basic seed from third parties. We cannot assure that we would obtain the rights or licenses to use any of these technologies at all, or obtain them on terms and conditions which can be deemed favourable to us, since the same depends on various factors mainly outside our control. Some of these third-party technologies may be pivotal to, or necessary for our products and our business. Failure to obtain the rights to use technologies that are important to our business could have a material adverse effect on our business, results of operations and financial condition.

***24. We may be subject to claims of infringement of third-party intellectual property rights, which could adversely affect our business.***

While we take care to ensure that we comply with, and otherwise do not infringe, the intellectual property rights of third parties, we cannot always determine with certainty as to whether, in the course of our operations or research or otherwise, we are infringing upon any existing third-party intellectual property rights. Any claims of infringement, whether or not they are legally justifiable and irrespective of final resolution of the claim, could require us to incur significant costs in defending in original or appellate proceedings, resolving, settling, paying third party claims decreed against us, appealing against unfavourable decisions or simply responding to such third party claims. Such claims may also create a negative publicity or market perception and require significant amount to management time and attention which would divert their attention from our business. Further, we may be required, as a result of such claims, to alter our technologies or product inputs, conduct further research, discontinue certain operations or product lines or the same may otherwise prejudicially affect our operations. One or more of the aforesaid factors may have a material adverse effect on our business, results of operations and financial condition.

***25. Our Company is yet to receive or apply for certain statutory approvals, licenses and clearance, which, if not, received, may adversely affect our business and financial condition.***

Our Company is required to obtain various regulatory approvals and registrations for our operations to establish and operate our facilities, and registrations with the relevant tax and labor authorities in India. Failure to obtain and maintain any required approvals and registrations may have an adverse effect on our business, financial condition, results of operations and prospects. Further, our approvals and registrations are subject to numerous conditions (including periodic reporting or audit requirements), some of which may require us to undertake substantial compliance-related expenditure. Breach or non-compliance with specified conditions may result in the suspension, revocation or cancellation of our approvals and registrations or the imposition of penalties by the relevant authorities.

If our Company fails to receive any of the approvals and/or licenses, our business, prospects, financial condition and results of operations may be adversely affected. While our Company typically applies for the renewal of any existing regulatory approvals prior to their expiry dates, there can be no assurance that our Company will receive such renewal in time or at all.

Our Company has not yet obtained certain statutory and regulatory approvals, registrations and licenses such as the Professional Tax Registration Certificate and the registration certificate under the Gujarat Shops and Establishments Act, 1948 for the research and development facilities of the

Company. Such non-compliance may result in proceedings against our Company and the Directors and such actions may directly and immediately affect our operations.

In relation to the application made for trademark, please see the section titled “*Government and other Statutory Approvals*” on Page 298 of this Prospectus. In the event that our Company is unable to obtain such registration in a timely manner or at all, our business operations may be adversely affected.

***26. Weather conditions, crop diseases and pest attacks could adversely affect the production of our seed products, as well as the demand for our seed products, which may adversely affect our business, financial condition, results of operations and prospects.***

Our seed production activities and the Indian seeds industry are subject to substantially all the risks faced by the agriculture industry in India. Crop yields depend significantly on the absence of any crop disease or pest attacks and favourable weather conditions such as adequate rainfall and temperature, which vary from location to location. Adverse weather conditions such as windstorms, flood, drought or frost may cause crop failures and reduce harvests, which may adversely affect our operations. However, results of changes in weather and climatic conditions are difficult to predict and may affect crop planning and timing. In addition to factors such as soil quality and the use of fertilisers, weather conditions may also affect the presence of diseases and pests. Any of these factors may adversely affect our production of seeds. As we are obliged to pay our Seed Growing Farmers a mutually agreed compensation regardless of the seed yield, we bear the risks associated with bad weather and climatic conditions. Furthermore, if crop diseases and pests develop resistance to our products, this could adversely affect our Seed Growing Farmers’ crop yields. Additionally, we cannot assure you that adverse weather patterns in the future or potential crop diseases will not affect our ability to produce the desired quality or quantity of products to meet demand and in turn, their pricing. Any of these factors, or a combination thereof, can adversely affect the quality of our seeds, yield and inventory levels, could increase our cost of operations, strain our operating margins and reduce our operating revenue, which could materially and adversely affect our business, financial condition, results of operations and prospects.

***27. Product defects could adversely affect our business.***

Although seeds undergo extensive quality checks before they are processed, they may still contain defective or undesired characteristics that may be difficult to detect, with the available technology and tools at our dominion, prior to their sale and use. Since our seeds are used by farmers, any quality defects therein would directly affect the earnings of the farmer. Losses claimed by farmers may include the value of lost crops, which could greatly exceed the value of the seeds we sell. If defective or contaminated seeds are sold to a large number of farmers or over a geographically wide area, it may lead to a large-scale crop failure thus substantially increasing our potential liability for claims. The proper usage of seeds and adherence to recommended farm practices as well as the environment during crop period are all beyond our control once we sell the seed to our customer. Irrespective of the quality of the seeds, farmers may claim poor crop yields in one or more seasons as resulting from alleged seed defects, which may not exist or may be exaggerated, and seek to claim damages/compensation from us on that ground. Further, in order to attain the desired levels of crop yield, certain precautions like utilization of the soil application, proper application of fertilizers, timely application of pesticides, timely supply of water etc. have to be followed. Moreover, weather conditions must be favourable. In the event of any errors on the part of the farmers, or adverse weather conditions, they may claim defects in the quality of the seed. However, ascertained product defects can not be determined in percentage terms though we face claims for

product defects. Furthermore, we are subject to government regulations and periodic government inspections. We believe that our processing plants/facilities comply in all material respects with all applicable laws and regulations, we cannot assure that use of our products will not expose us to costly and time-consuming litigations/claims and lead to negative publicity about the quality of our products, further affecting our sales and performance. Any of the aforesaid factors would have a material adverse effect on business, financial condition and results of operations.

***28. The use of pesticides and other hazardous substance in our operations may lead to loss of nutrients in the seeds produced and also may lead to environmental damage and result in increased costs***

Hybrid seed production involves high usage of pesticides and other hazardous substance. We may also have to pay for the costs or damages associated with the improper application, accidental release or the use or misuse of these substances. In these cases, payment of costs or damages could have a material adverse effect on our business, results of operations and financial condition. Hybrid seed production involves high usage of pesticides and other hazardous substance, using pesticides in such an increased quantity could lead to loss of nutrients in the seeds which make them less attractive from that of organically produced seeds..

***29. Hybrid plants are sensitive and prone to diseases***

Hybrid seed production involves more usage of fertilisers and pesticides and other hazardous substance and thus making the seeds more sensitive and prone to disease with that compared to natural seeds.

***30. Our inability to maintain the stability of our distribution network and attract additional high-quality dealers may have an adverse affect on our results of operations and financial condition.***

The challenge in the agri-inputs business lies in reaching a geographically dispersed end-user at the right time, at the right place with the right product. We rely on our distribution network and dealerships to reach the end customer, that is the farmer, and distribute, market and sell our agri-input products in each of the regions in which we operate. Competition for seed and other agri-inputs dealers is intense. Hence, our business is dependent on maintaining good relationships with our distributors and dealers and ensuring that our distributors and dealers find our products to be commercially remunerative and have continuing demand from farmers. Furthermore, our growth as a business depends on our ability to attract additional high-quality dealerships to our distribution network. There can be no assurance that our current distributors and dealers will continue to do business with us, or that we can continue to attract additional distributors and dealers to our network. If we do not succeed in maintaining the stability of our distribution network and attracting additional high-quality dealers to our distribution network, our market share may decline and our products may not reach the end customers, materially adversely affecting our results of operations and financial condition.

***31. Our cash flow has been negative in some years. In the event that our future cash flows continue to be negative, it may hamper our ability to meet our financial obligations.***

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources.

(Rs. In Lakhs)

Particulars	For the year or period ended on			
	March 12	March13	March 14	March 15
Net Cash Flow from/(used in) Operating Activities	(121.26)	(102.09)	108.33	(26.70)
Net Cash flow from /(Used in) Investing Activities	(58.54)	(49.88)	(1.66)	(193.15)
Net Cash Flow from/(used in) Financing Activities	185.21	165.53	1.81	137.88

Any operating losses or negative cash flows could adversely affect our results of operations and financial conditions. Our Company is a new company and is in initial phases of its life cycle where the operating & investing cash flows are generally negative due to investments in fixed assets and working capital.

**32. Our logos/trademarks for some of our products are in the process of getting registered**

We have made an application for registration of our logos/trademarks of our ceratin products under the Trademarks Act, 1999 and are in the process of getting the same registered. If we are unable to obtain registration of trademarks, we may not be able to successfully enforce or protect our intellectual property rights and obtain statutory protections available under the Trademarks Act, 1999, as otherwise available for registered trademarks. This could have a material adverse effect on our business, which in turn could adversely affect our results of operations.

**33. Our ability to deliver our products in a timely manner is crucial to our business and results of operations**

Availability of the seed variety before crop season is crucial for our business. Crop yields depend significantly on the absence of any crop disease or pest attacks and favourable weather conditions such as adequate rainfall and temperature. Adverse weather conditions such as windstorms, flood, drought or frost may cause crop failures and reduce harvests, which may adversely affect our operations. However, results of changes in weather and climatic conditions are difficult to predict and may affect crop planning and timing. In addition to factors such as soil quality and the use of fertilisers, weather conditions may also affect the presence of diseases and pests. Any of these factors may adversely affect our production of seeds. We also rely on third party transporters for transportation and delivery of our products. Factors such as unavailability of transport services, damage or loss of goods in transit, strikes, natural disasters etc. can interrupt the delivery of our products and affect our business and results of operations.

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

Our business is working capital intensive. Major portion of our working capital is utilized towards inventory and Trade Receivable. Summary of our working capital position is given below:-

(Rs. In Lakhs)

Particulars	For the year ended March			
	2012	2013	2014	2015
<b>A. Current Assets</b>				
a. Inventories	141.43	571.73	475.72	301.89
b. Trade Receivables	185.18	114.74	131.22	180.54

Particulars	For the year ended March			
	2012	2013	2014	2015
c. Cash and Cash Equivalents	5.41	18.97	127.45	45.48
d. Short Term Loans & Advances	-	-	-	0.93
e. Other Current Assets	-	7.81	2.75	81.56
<b>Total (A)</b>	<b>332.02</b>	<b>713.25</b>	<b>737.14</b>	<b>610.4</b>
<b>B. Current Liabilities</b>				
Short Term Borrowings	128.05	293.88	301.78	317.35
Trade Payables	130.22	154.71	230.95	22.75
Other Current Liabilities	43.3	210.51	77.03	38.18
Short Term Provisions	3.95	1.67	2.56	3.98
<b>Total (B)</b>	<b>305.52</b>	<b>660.77</b>	<b>612.32</b>	<b>382.26</b>
<b>Working Capital (A-B)</b>	<b>26.50</b>	<b>52.48</b>	<b>124.82</b>	<b>228.14</b>
<b>Inventories as % of total current assets</b>	<b>42.60%</b>	<b>80.16%</b>	<b>64.54%</b>	<b>49.46%</b>
<b>Trade receivables as % of total current assets</b>	<b>55.77%</b>	<b>16.09%</b>	<b>17.80%</b>	<b>29.58%</b>

We have been sanctioned fund based working capital limits of Rs. 400 lakhs from the existing bankers. The seeds business is working capital intensive and involves a lot of investment in inventory as well as Trade Receivables. We intend to continue growing by reaching out to more farmers in newer areas and also increasing the sales in the existing areas. All these factors may result in increase in the quantum of current assets. Our inability to maintain sufficient cash flow, credit facility and other sources of fund, in a timely manner, or at all, to meet the requirement of working capital or pay out debts, could adversely affect our financial condition and result of our operations. For further details regarding working capital requirement, please refer to the chapter titled “Objects of the Issue” beginning on page 104 of this Prospectus.

**35. Our Promoters, promoter group and certain shareholders have given personal guarantees in relation to certain debt facilities provided to us, which if revoked may require alternative guarantees, repayment of amounts due or termination of the facilities.**

Our Promoters and members of Promoter Group i.e. Pravinkumar Patel, Mafatlal Patel, Dhanajibhai Patel, Revabhai Patel, Narsinbhai Patel and Kalpeshbhai Patel have given personal guarantees in relation to debt facilities provided to us by HDFC Bank Limited. Further, Pravinkumar Patel and Mafatlal Patel have offered their property as collateral in relation to debt facilities provided to us by HDFC Bank Limited. The facilities sanctioned (Working Capital) amounts to Rs. 400 lakhs. In the event that any of these guarantees/collaterals are revoked, the lenders for such facilities may require alternate guarantees, repayment of amounts outstanding under such facilities, or even terminate such facilities. We may not be successful in procuring guarantees satisfactory to the lenders, and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could significantly affect our financial condition and cash flows.

**36. Within the parameters as mentioned in the chapter titled ‘Objects of this Issue’ beginning on page 104 of this Prospectus, our Company’s management will have flexibility in applying the proceeds of this Issue. The fund requirement and deployment mentioned in the Objects of this Issue have not been appraised by any bank or financial institution.**

We intend to use fresh Issue Proceeds towards working capital needs and to meet the issue expenses. We intend to deploy the Net Issue Proceeds in FY 2015-2016 and such deployment is

based on certain assumptions and strategy which our Company believes to implement in future. The funds raised from the fresh Issue may remain idle on account of change in assumptions, market conditions, strategy of our Company, etc., For further details on the use of the Issue Proceeds, please refer chapter titled "Objects of the Issue" beginning on page 104 of this Prospectus.

The deployment of funds for the purposes described above is at the discretion of our Company's Board of Directors. The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution. Accordingly, within the parameters as mentioned in the chapter titled 'Objects of this Issue' beginning on page 104 of this Prospectus, the Management will have significant flexibility in applying the proceeds received by our Company from the Issue. However, the company shall comply with Section 27 of the Companies Act, 2013 before varying the Objects of the Issue. Our Board of Directors will monitor the utilisation of the proceeds of this Issue

**37. Our Company has availed secured loans, majority of which are repayable on demand.**

We have availed cash credit facilities aggregating to approximately Rs. 400 lakhs as on March 31, 2015. For further details in relation to the loans and advances, please refer section titled "Financial Statements" beginning on page 220 of this Prospectus. These loans may be called at any time by the lenders. In the event that these loans are required to be re-paid on a short notice, our Company may have to arrange for additional funds which may impact our financials.

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

Post this Issue, our Promoters and Promoter Group will collectively own substantial portion of our equity share capital. As a result, our Promoters, together with the members of the Promoter Group, will continue to exercise a significant degree of influence over us and will be able to control the outcome of any proposal that can be approved by a majority shareholder vote, including, the election of members to our Board, in accordance with the Companies Act and our Articles of Association. Such a concentration of ownership may also have the effect of delaying, preventing or deterring a change in control of our Company.

In addition, our Promoters will continue to have the ability to cause us to take actions that are not in, or may conflict with, our interests or the interests of some or all of our creditors or other shareholders, and we cannot assure you that such actions will not have an adverse effect on our future financial performance or the price of our Equity Shares.

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

While we believe that we maintain insurance coverage in adequate amounts consistent with size of our business, our insurance policies do not cover all risks, specifically risks like product defect/liability risk and loss of profits and, are subject to exclusions and deductibles. There can be no assurance that our insurance policies will be adequate to cover the losses in respect of which the insurance has been availed. If we suffer a significant uninsured loss or if insurance claim in respect of the subject-matter of insurance is not accepted or any insured loss suffered by us significantly exceeds our insurance coverage, our business, financial condition and results of operations may be materially and adversely affected. For details on the insurance policies taken by our Company,

please refer to page , under the head 'Insurance' in the section titled 'Our Business' beginning on page 135 of this Prospectus.

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

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

**41. *Our entire production facility is located in the state of Gujarat. Further we generate our major sales from our operations in certain geographical regions especially Gujarat and Rajasthan. Any adverse developments affecting our operations in these regions could have an adverse impact on our revenue and results of operations.***

Our Company currently carries on its production activities only in the state of Gujarat. Further our major customer base is concentrated in certain regions in the state of Gujarat and Rajasthan. Such geographical concentration of our business in these regions heightens our exposure to adverse developments related to competition, as well as economic and demographic changes in these regions which may adversely affect our business prospects, financial conditions and results of operations. We may not be able to leverage our experience in regions of Gujarat and Rajasthan to expand our operations in other parts of India and overseas markets.

Factors such as competition, culture, regulatory regimes, business practices and customs, industry needs, transportation, in other markets where we may expand our operations may differ from those in Gujarat & Rajasthan, and our experience in these places may not be applicable to other markets. In addition, as we enter new markets and geographical areas, we are likely to compete not only with national and international players, but also local players who might have an established local presence, are more familiar with local regulations, business practices and industry needs, have stronger relationships with local contractors, farmers, relevant government authorities, and who are in a stronger financial position than us, all of which may give them a competitive advantage over us. Our inability to expand into areas outside our present market may adversely affect our business prospects, financial conditions and results of operations.

While our management believes that the Company has requisite expertise and vision to grow and mark its presence in other markets going forward, investors should consider our business and prospects in light of the risks, losses and challenges faced by us and should not rely on our results of operations for any prior periods as an indication of our future performance.

**42. *Consumer resistance to genetically modified seeds may negatively affect our public image.***

We have commenced marketing of Bt. Cotton, which is GM (Genetically Modified) seed. In many parts of the world, including certain states in Australia (i.e. Western Australia, Tasmania, New South Wales and Victoria), New Zealand, Peru and Mexico, the planting of GM crops is currently not allowed pending concrete scientific data on its long term impact on the environment and human safety. There is currently vocal opposition in many countries of the world including India as regards use of GM seeds and this opposition can be attributed to the lack of evidence on the impact of GM crops on the surrounding environment, on human health and any potential resultant loss of plant



material to farmers. This opposition may limit the scope of further technological progress in this area. Further, government authorities at central, state or local levels might restrict or prohibit or seek to restrict or prohibit the development, production, use and/or publicity of GM seeds, enact regulations regarding the use of genetically modified organisms that may delay and limit or even prohibit the development and sale of such products. In the case of such events our plans of coming out with genetically modified seeds and our results of operations may be materially and adversely affected.

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

There can be no assurance that we will be able to comply with these financial or other covenants or that we will be able to obtain the consents necessary to take the actions we believe are necessary to operate and grow our business. Our level of existing debt and any new debt that we incur in the future has important consequences. Any failure to comply with these requirements or other conditions or covenants under our financing agreements that is not waived by our lenders or is not otherwise cured by us, may require us to repay the borrowing in whole or part and may include other related costs. Our Company may be forced to sell some or all of its assets or limit our operations. This may adversely affect our ability to conduct our business and impair our future growth plans. For further information, see the chapter titled “*Financial Indebtedness*” on page 288 of this Prospectus.

Though these covenants are restrictive to some extent to us however it ensures financial discipline, which would help us in the long run to improve our financial performance.

***44. Our ability to pay dividends will depend upon future earnings, financial condition, cash flows, working capital requirements, capital expenditures and other factors.***

The amount of our future dividend payments, if any, will depend upon various factors such as our future earnings, financial condition, cash flows, working capital requirements, capital expenditures and other factors. There can be no assurance that we shall have distributable funds or that we will declare dividends in the future. Additionally, the terms of any financing we obtain in the future, may contain restrictive covenants which may also affect some of the rights of our shareholders, including the payment of the dividend.

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

As on date, we have not made any alternate arrangements for meeting our capital requirements for the objects of the issue. We meet our capital requirements through bank finance, owned funds and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our capital requirements, which in turn will negatively affect our financial condition and results of operations. Further we have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this issue or any shortfall in the issue proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details please refer to the chapter titled “*Objects of the Issue*” beginning on page 104 of this Prospectus.

**46. *We have issued Equity Shares in the last twelve months, the price of which is lower than the Issue Price.***

Our Company has made two bonus Issues of 3,50,000 Shares and 20,18,251 on March 16, 2015 and May 08, 2015 respectively in the last twelve months. For further details of Equity Shares issued, please refer to chapter titled, 'Capital Structure' beginning on page 72 of this Prospectus.

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

Our Company has entered into transactions with our certain related parties. While we believe that all such transactions have been conducted on an arm's length basis, there can be no assurance that we could not have achieved more favourable terms had such transactions not been entered into with related parties. Furthermore, it is likely that we will enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operation.

For details on the transactions entered by us, please refer to section "Related Party Transactions" in Section "Financial Statements" beginning on page 220 of this Prospectus.

**48. *Our Directors, Promoters and key management personnel may have interests in us other than reimbursement of expenses incurred or normal remuneration or benefits.***

Our Promoters and our Directors are interested in our Company to the extent of their shareholding and dividend entitlement in our Company. Our Directors are also interested in our Company to the extent of remuneration paid to them for services rendered as Directors of our Company and reimbursement of expenses payable to them. Our Directors and Promoters are also interested in transactions between our Company and certain Group Companies and members of our Promoter Group in which they are either directors or shareholders. Additionally, our Directors, Promoters and key management personnel may have a conflict of interest to the extent that they are involved with any ventures which are engaged in the same line of activity or business as that of the Company. For further details, see the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations—Related Party Transactions" and Annexure XXV to our restated financial statements in the section titled "Financial Statements" on pages 275 and 220, respectively.

## **B. Risk relating to the Issue**

**49. *Sale of Equity Shares by our Promoter or other significant shareholder(s) may adversely affect the trading price of the Equity Shares.***

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

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

Once listed, we would be subject to circuit breakers imposed by all stock exchanges in India, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers

generally imposed by SEBI on Indian stock exchanges. The percentage limit on circuit breakers is set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The stock exchanges do not inform us of the percentage limit of the circuit breaker in effect from time to time, and may change it without our knowledge. This circuit breaker limits the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance may be given regarding your ability to sell your Equity Shares or the price at which you may be able to sell your Equity Shares at any particular time.

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

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

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

Current valuations may not be sustainable in the future and may also not be reflective of future valuations for our industry and our Company. There has been no public market for the Equity Shares and the prices of the Equity Shares may fluctuate after this Issue. There can be no assurance that an active trading market for the Equity Shares will develop or be sustained after this Issue or that the price at which the Equity Shares are initially traded will correspond to the price at which the Equity Shares will trade in the market subsequent to this Issue.

**52. The Issue price of our Equity Shares may not be indicative of the market price of our Equity Shares after the Issue and the market price of our Equity Shares may decline below the issue price and you may not be able to sell your Equity Shares at or above the Issue Price.**

The Issue Price of our Equity Shares has been determined by fixed price method. This price is based on numerous factors (For further information, please refer chapter titled "Basis for Issue Price" beginning on page 110 of this Prospectus) and may not be indicative of the market price of our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price. Among the factors that could affect our share price include without limitation. The following:

- Half yearly variations in the rate of growth of our financial indicators, such as earnings per share, net income and revenues;
- Changes in revenue or earnings estimates or publication of research reports by analysts;
- Speculation in the press or investment community;
- General market conditions; and

- Domestic and international economic, legal and regulatory factors unrelated to our performance.

**53. You will not be able to sell immediately on Indian Stock Exchanges any of the Equity Shares you purchase in the Issue until the Issue receives appropriate trading permissions.**

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

**54. There is no guarantee that the Equity Shares issued pursuant to the Issue will be listed on the SME Platform of BSE in a timely manner, or at all.**

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

## EXTERNAL RISK FACTORS

**55. Political, economic or other factors that are beyond our control may have an adverse effect on our business and results of operations.**

The following external risks may have an adverse impact on our business and results of operations should any of them materialize:

- A change in the central or state government or a change in the economic and deregulation policies could adversely affect economic conditions prevalent in the areas in which we operate in general and our business in particular;
- High rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins; and
- A slowdown in economic growth or financial instability in India could adversely affect our business and results of operations.
- Civil unrest, acts of violence, terrorists attacks, regional conflicts or situations or war involving India or other countries could materially and adversely affect the financial markets which could impact our business. Such incidents could impact economic growth or create a perception that investment in Indian companies could involve higher degree in risk which could reduce the value of the equity shares.
- National disasters in India may disrupt or adversely affect the Indian economy which in turn may affect the health of our business

- Any downgrading of Indian Sovereignty rating by international credit rating agencies may negatively impact our business and access to capital

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

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

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

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

The “Financial Statements” beginning from page 220 included in this Prospectus are based on the audited financial statements that are prepared and presented in conformity with Indian GAAP and restated in accordance with the SEBI ICDR Regulations, and no attempt has been made to reconcile any of the information given in this Prospectus to any other principles or to base it on any other standards. Indian GAAP differs from accounting principles and auditing standards with which prospective investors may be familiar in other countries, such as U.S. GAAP and IFRS. Significant differences exist between Indian GAAP and U.S. GAAP and IFRS, which may be material to the financial information prepared and presented in accordance with Indian GAAP contained in this Prospectus. Accordingly, the degree to which the financial information included in this Prospectus will provide meaningful information is dependent on familiarity with Indian GAAP, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian GAAP on the financial disclosures presented in this Prospectus should accordingly be limited.

**58. *The nationalized goods and services tax ( GST) regimes proposed by the Government of India may have material impact on our operations***

The Government of India has propose a comprehensive national goods and service tax (GST) regime that will combine taxes and levies by the Central and State Governments into a unified rate structure. Given the limited liability of information in the public domain covering the GST we are unable to provide/ measure the impact this tax regime may have on our operations.

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

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

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

While facts and other statistics in the Prospectus relating to India, the Indian economy and the Seed Industry has been based on various government publications and reports from government agencies that we believe are reliable, we cannot guarantee the quality or reliability of such materials. While we have taken reasonable care in the reproduction of such information, industry facts and other statistics have not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore we make no representation as to their accuracy or completeness. These facts and other statistics include the facts and statistics included in the chapter titled ‘*Our Industry*’ beginning on page 122 of the Prospectus. Due to possibly flawed or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

**61. *Conditions in the Indian securities market may affect the price or liquidity of our Equity Shares.***

The Indian securities markets are smaller than securities markets in more developed economies and the regulation and monitoring of Indian securities markets and the activities of investors, brokers and other participants differ, in some cases significantly, from those in the more developed economies. Indian stock exchanges have in the past experienced substantial fluctuations in the prices of listed securities. Further, the Indian stock exchanges have experienced volatility in the recent times. Such conditions in the Indian securities market may affect the price or liquidity of our Equity Shares.

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

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

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

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

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

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

**65. Financial instability in Indian financial markets could adversely affect our Company's results of operations and financial condition.**

In this globalized world, the Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, say in the United States of America, Europe, China or other emerging economies, may have a negative impact on the Indian economy. Although economic conditions differ in each country, investors' reactions to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. A loss in investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets. Indian financial markets have also experienced the contagion effect of the global financial turmoil. Any prolonged financial crisis may have an adverse impact on the Indian economy, thereby resulting in a material and adverse effect on our Company's business, operations, and financial condition

## PROMINENT NOTES

1. Public Issue of 11,40,000 Equity Shares of face value of Rs. 10 each of our Company for cash at a price of Rs. 50/- per Equity Share (including a share premium of Rs. 40/- per equity share) ("Issue Price") aggregating Rs. 570.00 Lakhs, of which 60,000 Equity Shares of face value of Rs. 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 10,80,000 Equity Shares of face value of Rs. 10 each is hereinafter referred to as the "Net Issue". The Issue and the Net Issue

will constitute 26.50% and 25.10%, respectively of the post Issue paid up equity share capital of the Company.

2. Investors may contact the Lead Manager or the Company Secretary & Compliance Officer for any complaint/clarification/information pertaining to the Issue. For contact details of the Lead Manager and the Company Secretary & Compliance Officer, please refer to chapter titled “*General Information*” beginning on page 63 of this Prospectus.
3. The pre-issue net worth of our Company was Rs. 463.20 Lakhs, Rs. 122.69 Lakhs, and Rs. 65.82 Lakhs as of March 31, 2015, March 31, 2014, and March 31, 2013 respectively. The book value of each Equity Share was Rs. 15.70, 4.89 and 2.67 as of March 31, 2015, 2014, and 2013 respectively as per the restated financial statements of our Company. For more information, please refer to section titled “*Financial Statements*” beginning on page 220 of this Prospectus.
4. The average cost of acquisition per Equity Share by our Promoters is set forth in the table below:

Name of the Promoters	No. of Shares held	Average cost of acquisition (in Rs.)
Pravinkumar Patel	4,24,073	13.64
Mafatlal Patel	3,10,806	12.42
Dhanajibhai Patel	3,72,432	13.52

For further details relating to the allotment of Equity Shares to our Promoters, please refer to the chapter titled “*Capital Structure*” beginning on page number 72 of this Prospectus.

5. Our Company has entered into related party transactions for the year ended March 31, 2015, March 31, 2014, March 31, 2013 and March 31, 2012. For details on related party transactions and loans and advances made to any company in which Directors are interested, please refer *Annexure “XXV” “Related Party Transaction”* under chapter titled “*Financial Statements as restated*” beginning on page 220 of this Prospectus.
6. Investors may note that in case of over-subscription in the Issue, allotment to Retail applicants and other applicants shall be on a proportionate basis. For more information, please refer to the chapter titled “*Issue Structure*” beginning on page 328 of this Prospectus.
7. Except as disclosed in the chapter titled “*Capital Structure*”, “*Our Promoter and Promoter Group*”, “*Our Management*” and “*Related Party Transaction*” beginning on pages 72, 206, 191 and 218 respectively, of this Prospectus, none of our Promoters, Directors or Key Management Personnel has any interest in our Company.
8. Except as disclosed in the chapter titled “*Capital Structure*” beginning on page 72 of this Prospectus, we have not issued any Equity Shares for consideration other than cash.
9. Trading in Equity Shares of our Company for all investors shall be in dematerialized form only.
10. Investors are advised to refer to the chapter titled “*Basis for Issue Price*” beginning on page 110 of the Prospectus.
11. There are no financing arrangements whereby the Promoter Group, the Directors of our Company and their relatives have financed the purchase by any other person of securities of our Company during the period of six months immediately preceding the date of filing of this Prospectus with the Stock exchange.
12. Our Company was originally formed and registered as a partnership firm under the Partnership Act in the name and style of “M/s Mangalam Seeds Corporation”, pursuant to a deed of partnership dated April 01, 2007. The name of the partnership firm was changed to “Mangalam Seeds”





pursuant to supplementary agreement modifying the partnership deed dated July 06, 2011. Our Company was incorporated as a public limited company under Part IX of the Companies Act, 1956 with the name of “Mangalam Seeds Limited” upon conversion of Mangalam Seeds into Our Company vide certificate of incorporation dated September 14, 2011, bearing registration no. 067128 issued by Registrar of Companies, Gujarat, Dadra and Nagar Havelli, Ahmedabad. The certificate of commencement of business was issued by the Registrar of Companies, Gujarat, Dadra and Nagar Havelli, Ahmedabad on September 26, 2011.

13. Except as stated in the chapter titled “*Our Group Entities*” beginning on page 214 and chapter titled “*Related Party Transactions*” beginning on page 218 of this Prospectus, our Group Entities have no business interest or other interest in our Company.

## SECTION III – INTRODUCTION

### SUMMARY OF INDUSTRY

*The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we nor any other person connected with the 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 that 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. You should read the entire Prospectus, including the information contained in the sections titled “Risk Factors” and “Financial Statements” and related notes beginning on page 16 and 220 respectively of this Prospectus before deciding to invest in our Equity Shares.*

#### INDIAN ECONOMIC REVIEW

One of the redeeming features, while comparing economic performance across different countries for the year 2014-15, has been the emergence of India among the few large economies with propitious economic outlook, amidst the mood of pessimism and uncertainties that engulf a number of advanced and emerging economies. Brighter prospects in India owe mainly to the fact that the economy stands largely relieved of the vulnerabilities associated with an economic slowdown, persistent inflation, elevated fiscal deficit, slackening domestic demand, external account imbalances, and oscillating value of the rupee in 2011-12 and 2012-13. From the macroeconomic perspective, the worst is clearly behind us. The latest indicators, emerging from the recently revised estimates of national income brought out by the Central Statistics Office, point to the fact that the revival of growth had started in 2013-14 and attained further vigour in 2014-15. Factors like the steep decline in oil prices, plentiful flow of funds from the rest of the world, and potential impact of the reform initiatives of the new government at the centre along with its commitment to calibrated fiscal management and consolidation bode well for the growth prospects and the overall macroeconomic situation. Encouraged by the greater macro-economic stability and the reformist intent and actions of the government, coupled with improved business sentiments in the country, institutions like the IMF and the World Bank have presented an optimistic growth outlook for India for the year 2015 and beyond. The possible headwinds to such promising prospects, however, emanate from factors like inadequate support from the global economy saddled with subdued demand conditions, particularly in Europe and Japan, recent slowdown in China, and, on the domestic front, from possible spill-overs of below normal agricultural growth and challenges relating to the massive requirements of skill creation and infrastructural upgradation. The encouraging results from the Advance Estimates for 2014-15 suggest that though the global sluggishness has partly fed into the lacklustre growth in foreign trade; yet this downward pressure has been compensated by strong domestic demand, keeping the growth momentum going.

*(Source – Economic Survey 2014-2015)*

#### **Outlook for 2015-16**

The macroeconomic situation in India has improved significantly during the current year. The release of the new series of national accounts revealed that the economy has been performing much better than what was being depicted earlier. The steady acceleration in services and manufacturing growth in the face of subdued global demand conditions point to the strengthening of domestic demand. Most of the

buoyancy in domestic demand can be traced to consumption. Investment activity, which is slowly picking up. The savings-investment dynamics will be crucial for the growth to strengthen further in the coming years, in addition to reversal of the subdued export performance being currently witnessed. The key will be the response of savings to improved price and financial market stability, and of investment, particularly in the crucial infrastructure sector, to reform efforts of the Government that are underway. On the supply side, there are concerns about tentative growth patterns in construction and mining activities that need to be addressed to. This is particularly important in view of the strong intersectoral linkages that these sectors have. The farm sector suffered from a relatively poor monsoon, but there are no indications of its spillover to be next year. The improving rate of value addition in the economy, represented by the ratio of value added to output, and the falling incremental capital output ratio indicate better resource use in production. On the global front, the United States radiates confidence and strength, while some other structurally important economies like China, Russia, Euro area and Japan face uncertain prospects, thereby affecting global growth and investment outlook. The sharp decline in oil prices has provided an incentive for overall global growth and stability. At the same time, it has diminished fortunes of oil exporting countries that can influence economic activity adversely. In the light of the Government's commitment to reforms, along with the improvements in price and external sector scenarios including the possibility of international oil prices remaining generally benign, the outlook for domestic macroeconomic parameters is generally optimistic, notwithstanding the uncertainties that could also arise from an increase in interest rates in the United States and situation prevailing in Greece within Euro-zone. Given the above, and assuming normal monsoons better prospects in the world economy that could provide impetus to higher exports for Indian products and services, a growth of around 8.5 per cent is in the realm of possibility in 2015-16.

*(Source: Economic Survey 2014-15)*

## AGRICULTURE SECTOR IN INDIA

### Introduction

Despite the focus on industrialisation, agriculture remains a dominant sector of the Indian economy both in terms of contribution to gross domestic product (GDP) as well as a source of employment to millions across the country.

Agriculture plays a vital role in the Indian economy. Over 70 per cent of the rural households depend on agriculture as their principal means of livelihood. Agriculture, along with fisheries and forestry, accounts for one-third of the nation's GDP and is its single largest contributor.

The total Share of Agriculture & Allied Sectors (Including agriculture, livestock, forestry and fishery sub sectors) in terms of percentage of GDP is 13.9 percent during 2013-14 at 2004-05 prices. [As per the estimates released by Central Statistics Office]

Agricultural exports constitute a fifth of the total exports of the country. In view of the predominant position of the Agricultural Sector, collection and maintenance of Agricultural Statistics assume great importance.

The country is also the largest producer, consumer and exporter of spices and spice products in the world and overall in farm and agriculture outputs, it is ranked second. From canned, dairy, processed, frozen food to fisheries, meat, poultry, and food grains, the Indian agro industry has plenty of areas to choose for business.

The Department of Agriculture and Cooperation under the Ministry of Agriculture is the nodal organisation responsible for the development of the agriculture sector in India. Under it, several other bodies such as the National Dairy Development Board (NDDB) work for the development of other allied agricultural sectors.

### Market Size

There are multiple factors that have predominantly worked in tandem leading to the growth of the Indian agriculture sector in recent years. These include growth in income and consumption, growth in food processing sector and increase in agricultural exports. Also, increasing private participation in Indian agriculture, growing organic farming and usage of information technology are the trends that are being witnessed by the agriculture industry.

As per the 4th Advance Estimates of Production of food grains for 2013-14, total food grain production is estimated to be 264.77 million tonnes (MT).

- With an annual output of 130 MT, India is the largest producer of the milk in the world. It also has the largest milk-producing animal population of over 118 million. However, milk yields per animal are among the lowest in the world.
- India is the biggest producer of pulses in the world at 19 MT and their biggest importer 3.5 MT.
- India is the second largest producer of sugar in the world and the government has aimed to increase the exports from 1.3 MT in 2013 to an average of 2 MT in 2014 and 2015.

Spice exports from India are expected to reach US\$ 3 billion by 2016-17, on the back of creative marketing strategies, innovative packaging, strength in quality and a strong distribution network. The Indian spices market is pegged at Rs 40,000 crore (US\$ 6.42 billion) annually, of which the branded segment accounts for 15 per cent.

In 2013-14 India achieved a record food grain production of 264 MT, beating the previous year's (2012-13) 257 MT, according to data provided by Department of Economics and Statistics (DES). Also, agricultural profitability has increased over the last decade with record increases in MSPs (minimum support prices) for agricultural produce for all covered crops.



Latest update: February, 2015

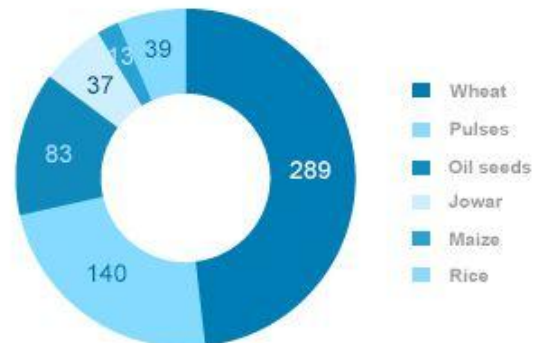
### Growth

Gross Capital Formation in agriculture and allied activities has been growing at a compound annual growth rate (CAGR) of 9.7 per cent.



### Area Sown

Area sown during Kharif season in FY12.



### Road Ahead

The Indian agriculture sector is expected to grow with better momentum in the next few years owing to increase in investment in agricultural infrastructure such as irrigation facilities, warehousing and cold storage. Factors such as reduced transaction costs, time, better port gate management and fiscal incentives will also contribute to this upward trend. Furthermore, the increased use of genetically modified crops is also expected to better the yield of the Indian farmers.

The 12th Five Year Plan's estimates of expanding the storage capacity to 35 MT and the target of achieving an overall growth of 4 per cent will also go a long way in modifying the overall face of the Indian agriculture sector in the next few years.

(Source: <http://www.ibef.org/industry/agriculture-india.aspx>)

## INDIAN SEED INDUSTRY

### Overview

Quality seeds and planting materials are the key agricultural inputs, which determine the productivity of the crops. The efficacy of other agricultural inputs such as fertilizers, pesticides and irrigation is largely determined by the quality of the seed used. It is estimated that quality of seed accounts for 20-25% of productivity. Hence timely availability of quality seeds at affordable prices to farmers is necessary for achieving higher agricultural productivity and production. The varied agro climatic conditions of the country are suitable for cultivation of large number of crops and varieties. This necessitates production of quality seeds and planting materials for a huge range of crops for achieving the targeted production.

The organized sector comprising of both the private and public sector accounts for about 15 to 20% of the total seed distributed in the country. The remaining portion is contributed by the unorganized sector comprising mainly of farm-saved seeds. Prudent mechanism for seed certification, testing, labelling and enforcement is necessary to maintain seed quality. Varietal development, plant variety protection, seed production, quality assurance, creation of infrastructure for seeds, transgenics, import of planting material, export of seeds and promotion of domestic seed industry are necessary for a vibrant seed industry. An enabling environment for speedy trial and evaluation of imported seeds for the betterment of agriculture production in the country is necessary.

The Seeds Bill, 2004 has been introduced in the Parliament to overcome the limitation of Seeds Act 1966, and provides for the regulation of seed quality and planting material of all agricultural, horticultural and plantation crops with the view to ensure availability of true to type seeds to Indian farmers; curb sale of spurious and poor quality seeds; protection of rights of farmers, increase private participation in seed production, distribution and seed testing; liberalize imports of seeds and planting material, and align with World Trade Organization (WTO) commitments and international standards, needs to be enacted with utmost urgency. The seed multiplication ratio from Breeder seed to Foundation seed and from Foundation seed to Certified seed needs to be addressed by all the seed producing agencies, both in public and private sectors. Comprehensive and authentic database on seed production and distribution in India by public and private sectors needs to be built for the benefit of all the stakeholders. There is need to ensure adequate and timely availability of seed through appropriate tie ups with NSC, SFCI, State Seed Corporations etc., popularize Good Agricultural Practices (GAP), enhance Seed Replacement Ratio to 20-25% in pulses and 20% in case of groundnut, popularize new farming techniques like ridge-furrow sowing, deep ploughing, zero seed drill and seed

(Source: State of Indian Agriculture 2012-2013)

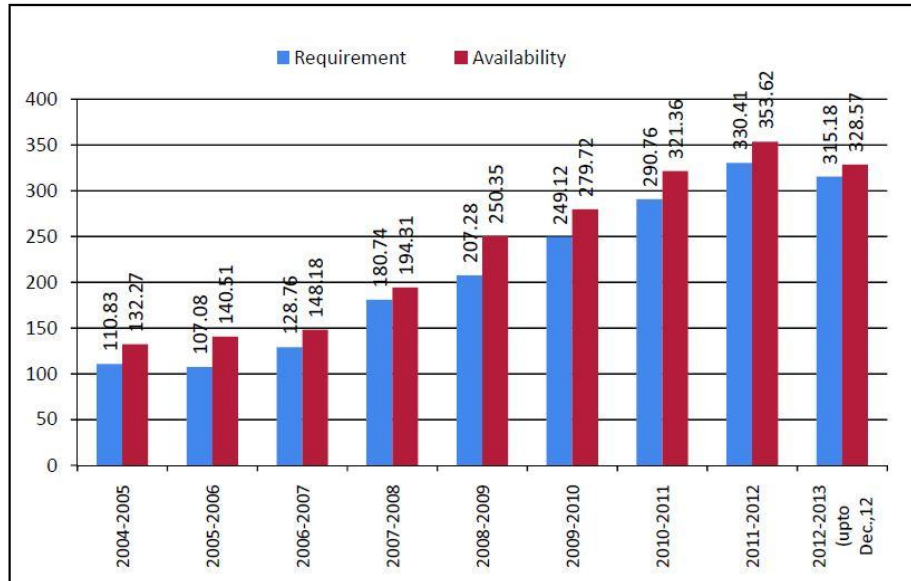
### Evolution of the Seed Industry

1960s – Mid 1980s	Mid 1980s – 1990s	Current Status
Strict regulatory regime: Seed Act, 1966; Seed Rules, 1968	Seed Industry boom due to several government initiatives	Private Sector accounts for ~80% turnover in seed Industry
Minimal Private Sector participation	Foreign direct investment allowed and encouraged	Almost 1/3 companies have a global technology/ financial partner
R & D in public domain	Trade regulations liberalized	14 Government organizations and 350 private players
Restrictions on germplasm exchange, foreign ownership etc	Imports of improved varieties and breeding lines liberalized	Thrust on R&D from private players
Most farmers depended on seed saved from their own crops cultivated in the previous year	Policy reforms such as the New Policy on Seed Development (1988) and the economy wide New Industrial Policy 1991	Hybridization gaining momentum

(Source: [www.apsaseed.org/images/lovelypics/Documents/Technical%20Session08/India\\_%20Country%20Report.pdf](http://www.apsaseed.org/images/lovelypics/Documents/Technical%20Session08/India_%20Country%20Report.pdf) ).

### Requirement & Availability of seeds in India

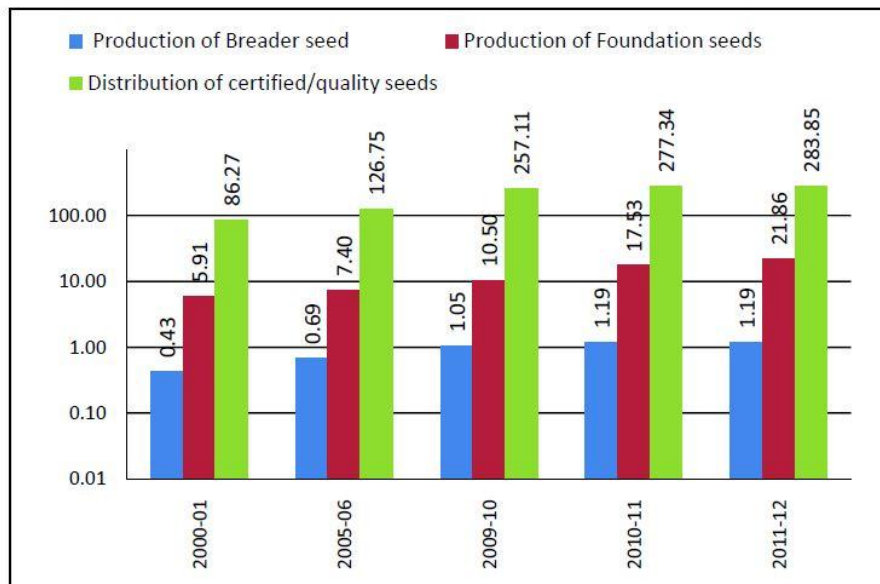
(Unit Lakh Qtl.)



Source: DAC, Seeds Division

### Production and consumption of seeds in India

(Unit lakh Qtls.)



Source: Directorate of Economics and Statistics, DAC

(Source: State of Indian Agriculture 2012-2013)

## INDUSTRY DRIVERS

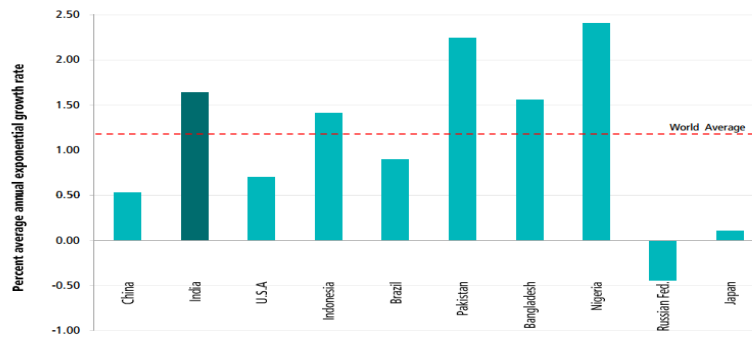
As key agricultural inputs, seed products have the following common industry drivers:

### 1. Population growth

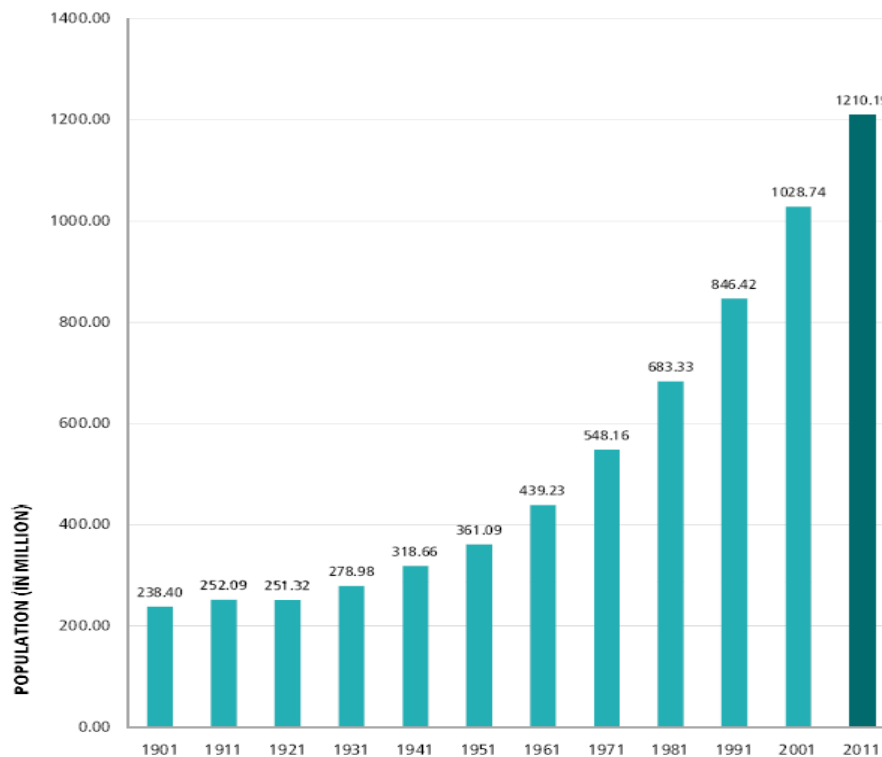
A fundamental driver for the increase in demand for crops is global population growth. The United Nations projects that world population will increase from 6.8 Billion in 2009 and will surpass 9 billion people by 2050.

India's population also has grown at a steady pace in past few years.

Population growth rate, India and selected Countries: 2000-2010



India Population (in millions): 1901-2011



(Source: [http://censusindia.gov.in/2011-prov-results/data\\_files/india/Final\\_PPT\\_2011\\_chapter3.pdf](http://censusindia.gov.in/2011-prov-results/data_files/india/Final_PPT_2011_chapter3.pdf))



The population of India is expected to increase from 1029 million to 1400 million during the period 2001-2026 - an increase of 36 percent in twenty- five years at the rate of 1.2 percent annually as per the report of the technical group on population projections constituted by the national commission on population May 2006 titled “Population Projections for India and States 2001-2026”

## 2. Land availability

Arable land is scarce in many parts of the world and under pressure from urbanization and industrial uses. It can be seen from the table below that the area under cultivation in since 2000-01 has more or less been stagnant. Accordingly, there is continual pressure to increase the productivity of available resources.

### AREA UNDER CULTIVATION – FOODGRAINS

(Million hectares)

Year	Cereals				Pulses	Total Foodgrains
	Rice	Wheat	Coarse Cereals	Total Cereals		
2000-01	44.71	25.73	30.26	100.7	20.35	121.05
2001-02	44.9	26.34	29.52	100.76	22.01	122.77
2002-03	41.18	25.2	26.99	93.37	20.5	113.87
2003-04	42.59	26.6	30.8	99.99	23.46	123.45
2004-05	41.91	26.38	29.03	97.32	22.76	120.08
2005-06	43.66	26.48	29.06	99.2	22.39	121.57
2006-07	43.81	27.99	28.71	100.51	23.19	123.7
2007-08	43.91	28.04	28.48	100.43	23.63	124.06
2008-09	45.54	27.75	27.45	100.74	22.09	122.83
2009-10	41.92	28.46	27.68	98.06	23.28	121.33
2010-11	42.86	29.07	28.34	100.27	26.4	126.67
2011-12	44.01	29.86	26.42	100.29	24.46	124.75
2012-13	42.41	29.65	24.64	96.7	23.47	120.16
2013-14	43.95	31.19	25.67	100.81	25.23	126.04
CAGR	-0.12%	1.38%	-1.17%	0.01%	1.55%	0.29%

Note: Data for 2013-14 are based on Advance Estimates.

(Source: Ministry of Agriculture, Government of India, RBI Website).

## 3. National Seed Mission

A need was felt, in the current scenario, to upgrade and expand the existing scheme ‘Development and Strengthening of Infrastructure Facilities for Production and Distribution of Quality Seeds’ (DPQS) into a National Mission with a focused, time bound and integrated approach to further improve the availability of quality seeds to the farmers. Hence, it is proposed to launch a Mini-Mission on “Seeds and Planting Material” under the new Centrally Sponsored Scheme “National Mission on Agricultural Extension and Technology” during Twelfth Five Year Plan. The Mission includes seed planning, seed production, varietal replacement, seed infrastructure, quality control, specific interventions for seed PSUs, contingency planning, assistance to private sector, international cooperation, etc.

These and other such incentives are expected to boost production of seeds in India.

*(Source: State of Indian Agriculture 2012-2013)*

#### **4. National Food Security Mission**

The National Food Security Mission is presently under implementation in 482 Districts of 19 States of the country with a view to enhance the production of Rice, Wheat and Pulses through area expansion and productivity enhancement; restoring soil fertility and productivity; creating employment opportunities; and enhancing farm level economy to restore confidence of farmers. The basic strategy of the mission is to promote and extend improved technologies i.e., seed, micronutrients, soil amendments, Integrated Pest Management, Farm Machinery and resource conservation technologies along with capacity building of farmers with effective monitoring and better management in the high potential districts in order to bridge the yield gaps. Implementation of Mission in the 11th Plan has not only achieved the targeted food grains production but has also widened the base of food grains production with significant contribution from low productivity Districts.

During the 12th Plan, it is proposed to include coarse cereals as well in the Mission. Emphasis would be on promotion of technologies adopting cropping system approach in identified clusters. This is expected to increase demand of seeds in India.

*(Source: State of Indian Agriculture 2012-2013)*

#### **Challenges and Way Forward**

The challenges confronting the seed sector is to make available quality seeds and planting materials having good genetic potential at an affordable price and across the country to the farmers to enable them harvest maximum yield under the given agro-climatic conditions. In pursuance to this challenge, effort is being made to produce quality seeds with the collective efforts of Public and Private sector seed producing agencies, however, it cannot be said that enough is being done. There is need to develop better varieties/hybrids/planting materials, which will be able to manifest itself even under the challenging agro-climatic conditions. We have to adopt new technologies available for fast tracking the development of quality varieties/ planting materials like, Genetic Modification, Tissue Culture etc. to address this concern. These technologies enable development, production of planting materials, varieties/hybrids, with better genetic potential in the shortest possible time and maintain uniformity of quality across the production line.

Genetic Modification helps in attacking/ addressing multiple problems at the same time, like addressing the problems of productivity, stress tolerance, pests and disease tolerance simultaneously by combining genes responsible for higher productivity with genes responsible for stress tolerant and or genes responsible for disease/pests tolerance. Momentum for the development of GM technology in the country has somewhat slowed down due to opposition from certain quarters on safety issues, however, there is need to address these concerns through adoption of appropriate measures for safety and safeguards and move ahead with the technology for meeting the challenges facing the country.

It is also a fact that in many crops, the leading varieties being cultivated are more than 20 years old, though, every year new varieties are being released. This indicates that the concerns of the farmers are not being adequately addressed by R&D set up in the country. The State Agricultural Universities, ICAR and its Institutions and also the Private sector involved in development of new varieties/hybrids/planting materials, have to address this issue in a more concerted manner to make its impact pronounced on agricultural production.

The seed multiplication ratio from Breeder seed to Foundation seed and from Foundation seed to Certified seed, needs to be addressed by all the seed producing agencies, both in Public and Private Sector. Comprehensive and authentic database on seed production and distribution in India by public and private sectors needs to be built for the benefit of information of all the stakeholders. The seed chain and the norms for quality control have to be scrupulously followed by all the States/UTs to ensure maintenance of quality of seeds being sold to the farmers. The provision of subsidy for seeds for newer and older variety needs to be rationalized. The issue of seed certification and distribution of certified seeds is largely dependent on the sumptuous implementation of the provisions of Seed Act by the States. The seed certification agencies and seed inspectors have to be more vigilant to check sale of spurious seeds in the market. Accreditation of horticultural nurseries is gaining importance with the increasing demand for supply of quality planting materials of horticultural crops. Accreditation of nurseries therefore needs to be speeded up.

The States needs to prepare long term Seed Plan for the State keeping in mind the agroclimatic conditions, farmer's economic status and desire to adopt quality seeds, SRR of the crop, State's crop calendar, contingent situation arising, etc., in order to ensure availability of quality seed at the right time to the farmers. Often, it is seen that States do not have adequate Seed Plan, as a result of which the farmers are forced to fall back on 'farm-saved' seeds or Truthfully Labelled Seeds. This is not a viable option for enhancing productivity and production. Step has been taken in consultation with the State Governments to prepare Seed Plan for 5 years.

(Source : State of Indian Agriculture 2012-2013)

## SUMMARY OF BUSINESS

### OVERVIEW

Instituted in 2011, our Company Mangalam Seeds Limited, an ISO 9001:2008 certified is engaged in producing and delivering high quality seeds with specialisation in spices and forage crops.

With a vision of “Being the most preferred seed brand in India in major crops like cumin seeds, castor seeds, fennel seeds, lucerene seeds, sesame seeds, fodder bajra seeds etc”, our Promoter Mr. Mafatlal Patel, with his rich agricultural experience established Mangalam Seeds Corporation, a partnership firm in 2007, accompanied by technical expertise of our eminent agricultural scientist Dr. I.D. Patel and backed by intense research and development. With handful of hybrids already developed with continuous research and development, our promoters acknowledging the growth prospects the seed industry offers, converted the partnership firm and incorporated our Company under the name “Mangalam Seeds Limited” in 2011.

At present, our Company is offering a wide range of seeds categorised as “research seeds” and “hybrid seeds”. Research seeds are high quality seeds, being produced by a backward integration process and offers natural nutrient qualities. These seeds require intensive research and are also called as pure seeds. Hybrid seeds on the other hand, are produced through open pollination and cross pollination process. As on date we have developed 16 varieties of seeds. Further our Company has a collection of around 976 varieties of germplasm in various crops. Our products are being marketed under various brand names like Eklavya, Volina, Leetos, Juddo etc. Currently our Company has obtained 15 trademarks and already applied for 55 others to secure these brand names and logos.

Our growth strategy is majorly defined by one word i.e. “Research and Development” and our Company makes conscious efforts to produce better and different varieties of seeds. Our Company has R&D farms measuring approximately 29.17 acres to carry on its research activities. We further believe in developing state of art infrastructure and technology and have set up 2 greenhouses and 2 open poly houses and adequate tube wells for uninterrupted water supply.

We believe that in this competing world, no business can survive without marketing. Our company has strong marketing channels in Gujarat and Rajasthan, comprising of around 154 distributors, more than 1840 dealers and retailers to support marketing. We are seasonally organizing farmers and dealers meeting including farm demonstration. We are also putting our products on TV and news paper for advertising and field meetings with farmers to support marketing.

Driven by rich agricultural experience, increasing thrust on R&D, expectations of continued Government support, we foresee to expand our operations from Gujarat and Rajasthan to PAN India basis. We want to continue developing high yielding, diseases and pest resistant varieties in our crops and focus on value addition by assimilating the latest technologies and global best practices.

## OUR COMPETITIVE STRENGTHS

We believe that we have a number of strengths that help differentiate us from our competitors, including the following:

**1. *We are among the leading producers of hybrid and research seeds in the regions in which we operate.***

We are established as one of the market leading providers of hybrid seeds in the specific regions of Gujarat and Rajasthan. Our Company has established strength in a range of crops like cumin, fennel, psyllium, sesame, fodder bajra and jowar in the specific regions where we operate.

**2. *We have a proprietary germplasm base that is fully integrated with our Research capabilities.***

We own and have access to a broad portfolio of proprietary germplasm, a resource that is at the core of our competitive advantage in the market. This asset is not easily replicable and takes decades to develop and deploy. We are the pioneers in the country for developing hybrid seeds of fennel that is sugar secretion and wilt resistant. We place particular emphasis on the cost effective integration of research tools with our breeding activities. This has allowed for increased speed and intensity of plant breeding as well as increased rate of genetic gain that can be achieved and has created a meaningful differentiation in the products we provide to the customer.

**3. *We have developed a diverse portfolio of seed products.***

Our product portfolio consists of a wide range of hybrid seed varieties and research seed varieties including cumin, fennel, psyllium, sesame, fodder bajra, maize and jowar which allows us to cater to a wider market.

We have specialty products, such as Castor Seeds (MSC 55, LEETOS), Fennel Seeds (VOLINA), Bajra (EKLAVYA), Fodder Bajra (JUDDO), Groundnut Seeds (DAMDAR) and Red Gram (NOVOKA). Furthermore, following our association with direct licensees, we are able to offer co-marketed Bt Cotton seeds in the market.

**4. *We have an experienced management team with a track record of success.***

We benefit from having a stable management team that has specific, long term experience in seed production and allied areas. The R&D function is headed by Dr. I D. Patel. Mr. Patel holds Phd in plant breeding and genetics. Mr. Patel is an eminent agricultural scientist and has played a significant role in the development of agriculture. He has been awarded 6 awards for his notable contribution in the field of agriculture including Sardar Patel award.

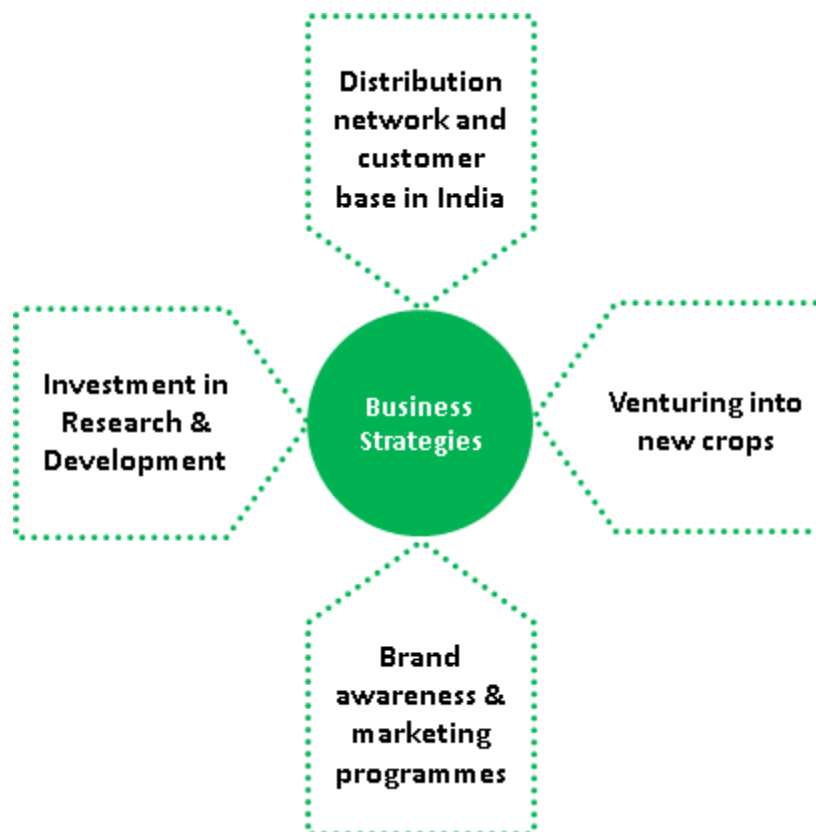
**5. *We have adequate research and development capabilities that allow us to develop innovative products.***

We have a dedicated research and development team of 14 employees who are focused on the research of hybrid seeds and the development of new or improved proprietary hybrids based on their research. We also carry out our research through collaborations with academic institutions and other strategic partners. For example, we have entered into memoranda of understanding with the International Crop Research Institute for the semi-Arid Tropics (ICRISAT) of Hyderabad with respect

to Pearl Millet Hybrid Parents Research Consortium. We have teams of plant breeders that have the ability to develop new lines and hybrids. We believe our continuing efforts in research and development provides us with a strong platform to build our market share in the seed industry.

## OUR BUSINESS STRATEGY

Our Company endeavors to maintain and expand its presence in the seed industry with substantial research and product development capabilities. Our vision is to be the most preferred seed brand in India in all crops like castor, sesamum, bajra, fennel, mustard, cumin, etc.



### 1. Continued investment in Research and Development

We are of the firm belief that our future success is dependent on our continued focus on breeding and other R&D activities to develop new and improved varieties. We intend to continue our investments in research and development and expand our research capabilities by investment in land and infrastructure.

### 2. Venturing into new crops

Our product portfolio is diversified and thus does not makes us dependent on any particular crop(s). There lies, however, untapped market potential of various other crops

Set forth below is a table describing the crops, planting months, harvest months and production areas of each of our Company's seed products:

CROP	1SEED VARIETY	2PLANTING MONTH	3HARVESTING MONTH	4PRODUCTION AREA
Castos	MSC 55	July – Aug	Feb - March	Gujarat/Rajashtan
	MSC 155	July – Aug	Feb - March	Gujarat/Rajashtan
	LEETOS	July – Aug	Feb - March	Gujarat/Rajashtan
Fennel	Volina	Sep – Oct	Feb - March	Gujarat/Rajashtan
	TF Fennel GUJ 11	Sep – Oct	Feb - March	Gujarat/Rajashtan
Fodder bajra	Juddo	Jun – July	Oct - Nov	Gujarat/Rajashtan
Cumin	MSC 5	Sep – Oct	Feb - March	Gujarat/Rajashtan
Bajra	MSC 5240	Dec – Jan	Apr - May	Andhra Pradesh
	Mangalam 252	Dec – Jan	Apr - May	Andhra Pradesh
	Eklavya	Dec – Jan	Apr - May	Andhra Pradesh
Mustard	Mangalam 8	Sep – Oct	Feb - March	Gujarat/Rajashtan
	Mangalam 88+	Sep – Oct	Feb - March	Gujarat/Rajashtan
	Mangalam Kranti	Sep – Oct	Feb - March	Gujarat/Rajashtan
Psyllium	Chetak	Sep – Oct	Feb - March	Gujarat/Rajashtan
	Chetak+	Sep – Oct	Feb - March	Gujarat/Rajashtan
Sesame	MSC 66	June – July	Oct - Nov	Gujarat/Rajashtan
	MSC 8	Jan – Feb	May - June	Gujarat/Rajashtan
Groundnut	Mangalam 222	Jun – July	Oct - Nov	Gujarat/Rajashtan
	Mangalam 220	Jun – July	Oct - Nov	Gujarat/Rajashtan
Moong	MSC 77	Jun – July	Sep - Oct	Gujarat/Rajashtan
		Feb – Mar	May - June	Gujarat/Rajashtan
Lucerne Seeds	Ujash	Sep – Oct	Apr - May	Gujarat/Rajashtan

### 3. Broadbase our distribution network and customer base in India

Our Company intends to expand our distribution network and increase the geographical reach of our products across India. Our Company intends to enter into marketing agreements with other seed companies as well

### 4. Undertaking brand awareness and other marketing programmes

Our Company intends to continue focusing on our product brands. We have product brands such as Juddo, Volina, Leetos, Eklavya, Abhay etc. We believe that our product brands will provide us a strong platform to increase our revenues as well as our market share. Our “Field Day” programmes also helps spreading awareness about our products we market our seed to farmers by describing the unique selling features of our products comparable with the competitors. We intend to continue to organise such programmes.

## SUMMARY OF FINANCIAL STATEMENTS

The following summary of financial data has been prepared in accordance with Indian GAAP, the Companies Act and the SEBI (ICDR) Regulations and restated as described in the Auditor's Report in the section titled "Financial Statements". You should read this financial data in conjunction with our financial statements for Financial Year 2012, 2013, 2014 and 2015 including the notes thereto and the reports thereon, which appears under the section titled "Financial Statements" and chapter titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page 220 and 275 of this Prospectus.

### STANDALONE SUMMARY FINANCIAL STATEMENTS

#### STATEMENT OF ASSETS & LIABILITIES AS RESTATED

(Rs. In Lakhs)

Sr. No.	Particulars	As at March 31, 2012	As at March 31, 2013	As at March 31, 2014	As at March 31, 2015
<b>1)</b>	<b>Equity &amp; Liabilities</b>				
	<b>Shareholder's funds</b>				
	a. Share Capital	9.50	9.50	14.00	93.15
	b. Reserves & Surplus	45.98	56.32	108.69	370.05
	<b>Sub-Total</b>	<b>55.48</b>	<b>65.82</b>	<b>122.69</b>	<b>463.20</b>
<b>2)</b>	<b>Non-Current Liabilities</b>				
	a. Long-term borrowings	20.48	34.33	37.30	2.91
	b. Deferred tax liabilities	0.15	1.98	0.97	0.41
	c. Long-term provisions	1.58	3.34	5.27	10.25
	d. Other Non-Current Liabilities	-	37.24	34.97	-
	<b>Sub-Total</b>	<b>22.21</b>	<b>76.89</b>	<b>78.51</b>	<b>13.57</b>
<b>3)</b>	<b>Current Liabilities</b>				
	a. Short-term borrowings	128.05	293.88	301.78	317.35
	b. Trade Payables	130.22	154.71	230.95	22.75
	c. Other Current Liabilities	43.30	210.51	77.03	38.18
	d. Short term Provisions	3.95	1.67	2.56	3.98
	<b>Sub-Total</b>	<b>305.52</b>	<b>660.77</b>	<b>612.32</b>	<b>382.26</b>
	<b>TOTAL (1+2++3)</b>	<b>383.21</b>	<b>803.48</b>	<b>813.52</b>	<b>859.03</b>
<b>4)</b>	<b>Non-Current assets</b>				
	a. Fixed Assets				
	i. Tangible Assets	51.19	90.23	76.38	245.63
	b. Non-current investments	-	-	-	3.00
	<b>Sub-Total</b>	<b>51.19</b>	<b>90.23</b>	<b>76.38</b>	<b>248.63</b>
<b>5)</b>	<b>Current Assets</b>				
	a. Inventories	141.43	571.73	475.72	301.89
	b. Trade receivables	185.18	114.74	131.22	180.54
	c. Cash & Bank	5.41	18.97	127.45	45.48
	d. Short-term loans & advances	-	-	-	0.93
	e. Other current assets	-	7.81	2.75	81.56
	<b>Sub-Total</b>	<b>332.02</b>	<b>713.25</b>	<b>737.14</b>	<b>610.40</b>
	<b>TOTAL (4+5)</b>	<b>383.21</b>	<b>803.48</b>	<b>813.52</b>	<b>859.03</b>



**STATEMENT OF PROFIT AND LOSS AS RESTATED**
**(Rs. In Lakhs)**

Sr. No.	Particulars	As at March 31, 2012	As at March 31, 2013	As at March 31, 2014	As at March 31, 2015
	<b>INCOME</b>				
	<b>Revenue from Operations:</b>				
	Income from Trading & Contract Farming	671.19	1183.79	1482.13	442.37
	Income from Agricultural Activity	-	-	-	1259.76
	<b>Total</b>	671.19	1183.79	1482.13	1702.13
	Other income	0.61	0.97	0.81	1.28
	<b>Total revenue (A)</b>	<b>671.80</b>	<b>1184.76</b>	<b>1482.94</b>	<b>1703.41</b>
	<b>EXPENDITURE</b>				
	Cost of materials consumed	450.66	849.77	1075.65	1110.26
	Employee benefit expenses	38.03	55.31	59.18	76.90
	Finance costs	15.98	51.39	51.79	29.08
	Depreciation and amortisation expenses	5.82	10.84	16.32	21.70
	Other expenses	152.59	201.12	262.13	336.54
	<b>Total expenses (B)</b>	<b>663.08</b>	<b>1168.43</b>	<b>1465.07</b>	<b>1574.48</b>
	<b>Net profit/ (loss) before exceptional, extraordinary items and tax, as restated</b>	<b>8.72</b>	<b>16.33</b>	<b>17.87</b>	<b>128.93</b>
	Exceptional items	-	-	-	-
	<b>Net profit/ (loss) before extraordinary items and tax, as restated</b>	<b>8.72</b>	<b>16.33</b>	<b>17.87</b>	<b>128.93</b>
	Extraordinary items	-	-	-	-
	<b>Net profit/ (loss) before tax, as restated</b>	<b>8.72</b>	<b>16.33</b>	<b>17.87</b>	<b>128.93</b>
	Tax expense:				
	(i) Current tax	3.09	4.16	7.01	9.25
	(ii) Deferred tax (asset)/liability	0.15	1.83	(1.01)	(0.57)
	<b>Total tax expense</b>	<b>3.24</b>	<b>5.99</b>	<b>6.00</b>	<b>8.68</b>
	<b>Profit/ (loss) for the year/ period, as restated</b>	<b>5.48</b>	<b>10.34</b>	<b>11.87</b>	<b>120.25</b>
	<b>Earning per equity share(face value of Rs. 10/- each): Basic (Rs.) Diluted (Rs.)</b>	<b>0.22</b>	<b>0.42</b>	<b>0.48</b>	<b>4.79</b>

**Note:**

EPS has been calculated after taking bonus shares into effect. For detailed EPS Calculations refer Annexure –XXVI.

**STATEMENT OF CASH FLOW AS RESTATED**
**(Rs. In Lakhs)**

Particulars	As at March 31, 2012	As at March 31, 2013	As at March 31, 2014	As at March 31, 2015
<b><u>Cash flow from operating activities:</u></b>				
Net profit before tax as per statement of profit and loss	8.72	16.33	17.87	128.93
<b>Adjusted for:</b>				
Preliminary expenses	1.56	-	-	-
Provision for gratuity	1.58	1.76	1.93	4.98
Depreciation & amortization	5.82	10.84	16.32	21.70
Profit/(loss) on sale of fixed assets	-	-	(0.81)	-
Interest income on loans & advances given	-	-	-	(1.28)
Income from investments	(0.03)	-	-	-
Interest & finance costs	15.98	51.39	51.79	29.08
<b>Operating cash flow before working capital changes</b>	<b>33.63</b>	<b>80.32</b>	<b>87.10</b>	<b>183.41</b>
<b>Adjusted for:</b>				
(Increase)/ decrease in Inventories	(141.43)	(430.30)	96.01	173.83
(Increase)/ decrease in trade receivables	(185.18)	70.44	(16.48)	(49.32)
(Increase)/ decrease in loans and advances and other assets	-	(7.81)	5.06	(79.74)
Increase/ (decrease) in trade payables	130.22	24.49	76.24	(208.20)
Increase/ (decrease) in liabilities & provisions	44.59	164.93	(132.59)	(37.43)
<b>Cash generated from/ (used in) operations</b>	<b>(118.17)</b>	<b>(97.93)</b>	<b>115.34</b>	<b>(17.45)</b>
Income taxes paid	(3.09)	(4.16)	(7.01)	(9.25)
<b>Net cash generated from/ (used in) operating activities (A)</b>	<b>(121.26)</b>	<b>(102.09)</b>	<b>108.33</b>	<b>(26.70)</b>
<b><u>Cash flow from investing activities</u></b>				
Purchase of fixed assets	(57.01)	(49.88)	(2.93)	(191.43)
Sale of fixed assets	-	-	1.27	-
Interest income on loans & advances given	-	-	-	1.28
Purchase of investments	-	-	-	(3.00)

Income from investments	0.03	-	-	-
Preliminary Expenses	(1.56)	-	-	-
<b>Net cash flow from/(used) in investing activities (B)</b>	<b>(58.54)</b>	<b>(49.88)</b>	<b>(1.66)</b>	<b>(193.15)</b>
<b>Cash flow from financing activities</b>				
Proceeds from issue of equity shares / Addition in Capital	50.00	-	45.00	220.75
Proceeds from secured borrowings (net)	131.95	171.83	4.25	14.89
Proceeds from unsecured borrowings (net)	19.24	7.85	6.62	(33.71)
Increase / (decrease) in Other Non-Current Liabilities	-	37.24	(2.27)	(34.97)
Interest & finance costs	(15.98)	(51.39)	(51.79)	(29.08)
<b>Net cash flow from/(used in) financing activities (C)</b>	<b>185.21</b>	<b>165.53</b>	<b>1.81</b>	<b>137.88</b>
Net increase/(decrease) in cash & cash equivalents (A+B+C)	5.41	13.56	108.48	(81.97)
Cash & cash equivalents as at beginning of the year	-	5.41	18.97	127.45
Cash & cash equivalents as at end of the year	5.41	18.97	127.45	45.48

**CONSOLIDATED SUMMARY FINANCIAL STATEMENTS**

**CONSOLIDATED STATEMENT OF ASSETS & LIABILITIES AS RESTATED**

**(Rs. In Lakhs)**

Sr. No.	Particulars	As at March 31, 2015
<b>1.</b>	<b>Equity &amp; Liabilities</b>	
<b>A.</b>	<b>Shareholder's funds</b>	
	a. Share Capital	93.15
	b. Reserves & Surplus	370.05
	Sub-Total	463.20
<b>2.</b>	<b>Non-Current Liabilities</b>	
	a. Long-term borrowings	2.91
	b. Deferred tax liabilities	0.41
	c. Long-term provisions	10.25
	Sub-Total	13.57
<b>3.</b>	<b>Current Liabilities</b>	
	a. Short-term borrowings	317.35
	b. Trade Payables	22.75
	c. Other Current Liabilities	38.18
	d. Short term Provisions	3.98
	Sub-Total	382.26
	<b>TOTAL (1+2+3)</b>	<b>859.03</b>
<b>4.</b>	<b>Non-Current assets</b>	
	a. Fixed Assets	
	i. Tangible Assets	245.63
	Sub-Total	245.63
<b>5.</b>	<b>Current Assets</b>	
	a. Inventories	301.89
	b. Trade receivables	180.54
	c. Cash & Bank	48.48
	d. Short-term loans & advances	0.93
	e. Other current assets	81.56
	Sub-Total	613.40
	<b>TOTAL (5+6)</b>	<b>859.03</b>

**STATEMENT OF PROFIT AND LOSS AS RESTATED**
**(Rs. In Lakhs)**

Particulars	As at March 31, 2015
<b>INCOME</b>	
<u>Revenue from Operations</u>	
From Trading and Contract Farming	442.37
From Agricultural Activity	1259.76
Other income	1.28
<b>Total revenue (A)</b>	<b>1703.41</b>
<b>EXPENDITURE</b>	
Cost of materials consumed	1110.26
Employee benefit expenses	76.90
Finance costs	29.08
Depreciation and amortisation expenses	21.70
Other expenses	336.54
<b>Total expenses (B)</b>	<b>1574.48</b>
Net profit/(loss) before exceptional, extraordinary items and tax, as restated	128.93
Exceptional items	-
Net profit/(loss) before extraordinary items and tax, as restated	128.93
Extraordinary items	-
Net profit/(loss) before tax, as restated	128.93
Tax expense:	
(i) Current tax	9.25
(ii) Deferred tax (asset)/liability	(0.57)
Total tax expense	8.68
<b>Profit/ (loss) for the year/ period, as restated</b>	<b>120.25</b>
<b>Earning per equity share(face value of Rs. 10/- each):</b>	
<b>Basic (Rs.) Diluted (Rs.)</b>	<b>4.79</b>

**Note: EPS has been calculated after taking bonus shares into effect. For detailed EPS Calculations refer Annexure –XXIV.**

**STATEMENT OF CASH FLOW AS RESTATED**
**(Rs. In Lakhs)**

Particulars	As at March 31.2015
<b>Cash flow from operating activities:</b>	
Net profit before tax as per statement of profit and loss	128.93
<b>Adjusted for:</b>	
Provision for gratuity	4.98
Depreciation & amortization	21.70
Interest income on loans & advances given	(1.28)
Interest & finance costs	29.08
<b>Operating cash flow before working capital changes</b>	<b>183.41</b>
<b>Adjusted for:</b>	
(Increase)/ decrease in Inventories	173.83
(Increase)/ decrease in trade receivables	(49.32)
(Increase)/ decrease in loans and advances and other assets	(79.74)
Increase/ (decrease) in trade payables	(208.20)
Increase/ (decrease) in liabilities & Provisions	(37.43)
<b>Cash generated from/(used in) operations</b>	<b>(17.45)</b>
Income taxes paid	(9.25)
<b>Net cash generated from/ (used in) operating activities (A)</b>	<b>(26.70)</b>
<b>Cash flow from investing activities:</b>	
Purchase of fixed assets	(191.43)
Interest income on loans & advances given	1.28
<b>Net cash flow from/(used) in investing activities (B)</b>	<b>(190.15)</b>
<b>Cash flow from financing activities:</b>	
Proceeds from issue of equity shares / Addition in Capital	220.75
Proceeds from secured borrowings (net)	14.89
Proceeds from unsecured borrowings (net)	(33.71)
Increase / (decrease) in Other Non Current Liabilities	(34.97)
Interest & finance costs	(29.08)
<b>Net cash flow from/(used in) financing activities (C)</b>	<b>137.88</b>
<b>Net increase/(decrease) in cash &amp; cash equivalents (A+B+C)</b>	<b>(78.97)</b>
Cash & cash equivalents as at beginning of the year	127.45
Cash & cash equivalents as at end of the year	48.48

## THE ISSUE

The following table summarizes the Issue details:

Particulars	Details of Equity Shares
Issue of Equity Shares by our Company	11,40,000 Equity Shares of face value of Rs.10 each fully paid of the Company for cash at price of Rs. 50 per Equity Share aggregating Rs. 570.00 lakhs
<b>Of which:</b>	
Market Maker Reservation Portion	60,000 Equity Shares of face value of Rs. 10 each fully paid of the Company for cash at price of Rs. 50 per Equity Share aggregating Rs. 30.00 lakhs
Net Issue to the Public	10,80,000 Equity Shares of face value of Rs.10 each fully paid of the Company for cash at price of Rs. 50 per Equity Share aggregating 540.00 lakhs
	<b>Of which:</b>
	5,40,000 Equity Shares of face value of Rs. 10 each fully paid of the Company for cash at price of Rs. 50 per Equity Share aggregating Rs. 270.00 lakhs will be available for allocation to investors up to Rs. 2.00 lakhs
	5,40,000 Equity Shares of face value of Rs. 10 each fully paid of the Company for cash at price of Rs. 50 per Equity Share aggregating Rs. 270.00 lakhs will be available for allocation to investors above Rs. 2.00 lakhs
<b>Pre and Post Issue Equity Shares</b>	
Equity Shares outstanding prior to the Issue	31,62,079 Equity Shares
Equity Shares outstanding after the Issue	43,02,079 Equity Shares
Use of Proceeds	For further details please refer chapter titled “ <i>Objects of the Issue</i> ” beginning on page 104 of this Prospectus for information on use of Issue Proceeds

### Notes

1. This Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time. The Issue is being made through the Fixed Price method and hence, as per regulation 43, sub regulation (4) of SEBI (ICDR) Regulations, at least 50% of the Net Issue to public will be available for allocation on a proportionate basis to Retail Individual Applicants, subject to valid Applications being received at the Issue Price. For further details please refer to section titled ‘*Issue Information*’ beginning on page 322 of this Prospectus.
2. The Issue has been authorized by the Board of Directors *vide* a resolution passed at its meeting held on April 27, 2015 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 EGM held on May 20, 2015.

For further details please refer to chapter titled “Issue Structure” beginning on page 328 of this Prospectus.

## GENERAL INFORMATION

Our Company was originally formed as a partnership firm under the Partnership Act in the name of “Mangalam Seeds Corporation”, pursuant to a deed of partnership dated April 01, 2007. The name of the partnership firm was changed to “Mangalam Seeds” pursuant to supplementary agreement modifying the partnership deed dated July 06, 2011. Mangalam Seeds was thereafter converted from a partnership firm to a public limited company under Part IX of the Companies Act, 1956 with the name of “Mangalam Seeds Limited” and received a fresh certificate of incorporation from the Registrar of Companies, Gujarat, Dadra and Nagar Havelli on September 14, 2011 bearing registration no. 067128 and Corporate Identification Number U01112GJ2011PLC067128. The certificate of commencement of business was granted by the Registrar of Companies, Gujarat, Dadra and Nagar Havelli on September 26, 2011. The partners of M/s Mangalam Seeds were initial subscribers to Memorandum of Association of our Company.

For further details please refer to chapter titled “*Our History and Certain Other Corporate Matters*” beginning on page 184 of this Prospectus

### REGISTERED OFFICE OF OUR COMPANY

#### **Mangalam Seeds Limited**

202, Sampada Complex,  
B/H Tulsi Complex,  
Mithakhali Six Roads, Navrangpura,  
Ahmedabad-380009

**Tel:** +91-79 26447302

**Fax :** +91-79 26447598

**Email:** [ipo@mangalamseeds.com](mailto:ipo@mangalamseeds.com)

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

**Registration Number:** 067128

**Corporate Identification Number:** U01112GJ2011PLC067128

### REGISTRAR OF COMPANIES

#### **Registrar of Companies, Gujarat, Dadra and Nagar Haveli,**

ROC Bhavan, Opp Rupal Park Society,  
Behind Ankur Bus Stop, Naranpura,  
Ahmedabad-380013

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

### DESIGNATED STOCK EXCHANGE

#### **SME Platform of BSE**

P. J. Towers, Dalal Street  
Mumbai, Maharashtra, 400001

For details in relation to the changes to the name of our Company, please refer to the chapter titled, “*Our History and Certain Other Corporate Matters*” beginning on page 184 of this Prospectus.



## BOARD OF DIRECTORS OF OUR COMPANY

Sr. No.	Name	Age	DIN	Address	Designation
1.	Mafatlal Patel	65	03173737	Naveriya Vas, Maktupur, 384170, Gujarat, India	Chairman and Executive Director
2.	Pravinkumar Patel	37	03173769	Naveriya Vas, Maktupur, 384170, Gujarat, India	Managing Director
3.	Dhanajibhai Patel	43	03173687	C-40, Sardar Society, Highway Road, Maktupur, 384170, Gujarat, India	Executive Director
4.	Riddhi Shah	25	07192924	58, Mahasukh Nagar, Nr. Noble School Krishnanagar, Ahmedabad - 382345 Gujarat, India	Non Executive Independent Director
5.	Samir Shah	38	07192925	A8, Paradise Park, Opp. Shantinagar, Old Vadaj Ahmedabad - 380013 Gujarat, India	Non Executive Independent Director
6.	Mukesh Sheth	51	03567774	B/101, Sugam Avaneue, Sugam Appt, Opp Mahalaxmi Complex, Vikas Gruh, Paldi, Ahmedabad - 380007 Gujarat, India	Non Executive Independent Director

For further details of our Directors, please refer to the chapter titled “Our Management” beginning on page 191 of this Prospectus.

## COMPANY SECRETARY & COMPLIANCE OFFICER

**Rujavi Chalishajar**  
**Mangalam Seeds Limited**  
 202, Sampada Complex,  
 B/H Tulsi Complex,  
 Mithakhali Six Road, Navrangpura,  
 Ahmedabad-380009  
**Tel:** +91-79 26447302  
**Fax:** +91-79 26447598  
**Email:** cs@mangalamseeds.com  
**Website:** [www.mangalamseeds.com](http://www.mangalamseeds.com)

## CHIEF FINANCIAL OFFICER

**Ankit Mahendrabhai Soni**  
**Mangalam Seeds Limited**  
 202, Sampada Complex,

B/H Tulsi Complex,  
Mithakhali Six Road, Navrangpura,  
Ahmedabad-380009  
**Tel:** +91-79 26447302  
**Fax:** +91-79 26447598  
**Email:** [cfo@mangalamseeds.com](mailto:cfo@mangalamseeds.com)  
**Website:** [www.mangalamseeds.com](http://www.mangalamseeds.com)

**Investors may contact our Company Secretary and Compliance Officer and / or the Registrar to the Issue and / or the Lead Manager, in case of any pre-Issue or post-Issue related problems, such as non-receipt of letters of allotment, credit of allotted Equity Shares in the respective beneficiary account or refund orders, etc.**

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

#### STATUTORY AUDITOR

**Piyush J Shah & Co**  
504-B Shikhar Building  
Nr. Vadilal House  
Mithakali Cross Roads  
Navrangpura, Ahmedabad-380009  
**Tel:** 079-26400333  
**E-mail:** [piyush@pjsahca.com](mailto:piyush@pjsahca.com)  
**Contact Person:** Piyush J Shah  
**Firm Registration No:** 121172W  
**Membership No:** 108670

#### PEER REVIEWED AUDITOR

**M/s Ramanand & Associates**  
Chartered Accountants  
6/C, Ostwal Park Bulding No. 4 CHSL,  
Near Jesal Park Jain Temple,  
Bhayander (East), Thane-401105  
**Tel:** +91-22-28171199  
**Telefax:** +91-22-28171199  
**E-mail:** [rg@ramanandassociates.com](mailto:rg@ramanandassociates.com)  
**Contact Person:** Mr. Ramanand Gupta  
**Firm Registration No.-**117776W

M/s. Ramanand & Associates. holds a peer reviewed certificate dated November 13, 2014 issued by the Institute of Chartered Accountants of India.



## LEAD MANAGER

### **Pantomath Capital Advisors Private Limited**

108, Madhava Premises Co-Op Soc. Ltd.  
Bandra Kurla Complex, Bandra East  
Mumbai 400 051

**Tel:** +91 22 26598687

**Fax:** + 91 22 26598690

**Email:** [ipo@pantomathgroup.com](mailto:ipo@pantomathgroup.com)

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

**Contact Person:** Mahavir Lunawat

**SEBI Registration No:** INM000012110

## REGISTRAR TO THE ISSUE

### **Karvy Computershare Pvt. Ltd.**

Karvy Selenium Tower B, Plot 31-32,  
Gachibowli, Financial District,  
Nanakramguda, Hyderabad – 500 032 India

**Toll Free No:** 1800 3454 001

**Tel:** 040 6716 2222

**Fax:** 040 23431551

**Email:** [mangalamseeds.ipo@karvy.com](mailto:mangalamseeds.ipo@karvy.com)

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

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

**SEBI Registration Number:** INR000000221

## LEGAL ADVISOR TO THE ISSUE

### **Shardul Amarchand Mangaldas & Co**

Express Towers, 17th Floor,  
Nariman Point, Mumbai - 400 021

**Tel:** +91 022 49335555

**Fax:** +91 022 49335550

**Contact Person:** Jay Parikh

**Email:** [jay.parikh@AMSShardul.com](mailto:jay.parikh@AMSShardul.com)

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

## BANKER TO THE COMPANY

### **HDFC Bank Limited**

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

**Tel:** +91 022 3075 2928

**Fax:** +91 022 2579 9801

**Email:** [uday.dixit@hdfcbank.com](mailto:uday.dixit@hdfcbank.com)

**Contact Person:** Uday Dixit  
**Website :** www.hdfcbank.com

#### ESCROW COLLECTION BANK AND REFUND BANKER

##### **ICICI Bank Limited**

Capital Market Division, 1<sup>st</sup> Floor, 122  
Mistry Bhavan, Dinshaw Vachha Road  
Backbay Reclamation, Churchgate, Mumbai-400 020

**Tel:** (91) 022 22859932/992

**Fax:** (91) 022 22611138

**Email:** anil.gadoo@icicibank.com

**Contact Person:** Mr. Anil Gadoo

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

**SEBI Registration Number:** INBI00000004

#### SELF CERTIFIED SYNDICATE BANKS

The lists of banks that have been notified by SEBI to act as SCSB for the Applications Supported by Blocked Amount (ASBA) Process are provided on <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognition-Intermediaries>. For details on Designated Branches of SCSBs collecting the ASBA Bid Form, please refer to the above-mentioned SEBI link.

#### CREDIT RATING

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

#### IPO GRADING

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

#### APPRAISAL AND MONITORING AGENCY

As per regulation 16(1) of the SEBI ICDR Regulations, the requirement of Monitoring Agency is not mandatory if the Issue size is below Rs. 50,000 Lakhs. Since the Issue size is only of Rs. 570 lakhs, our Company has not appointed any monitoring agency for this Issue. However, as per the Clause 52 of the SME Listing Agreement to be entered into with BSE upon listing of the Equity Shares and the corporate governance requirements, *inter-alia*, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

#### INTER-SE ALLOCATION OF RESPONSIBILITIES

Since Pantomath Capital Advisors Private Limited is the sole Lead Manager to this Issue, a statement of inter se allocation of responsibilities among Lead Managers is not applicable.

#### EXPERT OPINION

Except the report of the Peer Reviewed Auditor on statement of tax benefits included in this Prospectus, our Company has not obtained any other expert opinion.

## DEBENTURE TRUSTEE

Since this is not a debenture issue, appointment of debenture trustee is not required.

## UNDERWRITER

Our Company and Lead Manager to the Issue hereby confirm that the Issue is 100% Underwritten. The underwriting agreement is dated June 10, 2015 and pursuant to the terms of the underwriting agreement; the obligations of the underwriter are subject to certain conditions specified therein. The underwriter has indicated its intention to underwrite the following number of specified securities being offered through this Issue.

Name and Address of the Underwriters	Indicative Number of Equity shares to be Underwritten	Amount Underwritten (Rupees In Lakhs)	% of the Total Issue Size Underwritten
<b>Pantomath Capital Advisors Private Limited</b> 108, Madhava Premises Co-Op Soc. Ltd. Bandra Kurla Complex, Bandra East Mumbai 400051 <b>Tel:</b> (022) 26598687 <b>Fax:</b> (022) 26598690 <b>Email:</b> <a href="mailto:ipo@pantomathgroup.com">ipo@pantomathgroup.com</a> <b>Contact Person:</b> Mahavir Lunawat <b>SEBI Registration Number:</b> INM000012110	11,40,000	570.00	100%
<b>Total</b>	<b>11,40,000</b>	<b>570.00</b>	<b>100%</b>

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

## DETAILS OF THE MARKET MAKING ARRANGEMENT

Our Company and the Lead Manager have entered into a tripartite agreement dated June 10, 2015 with the following Market Maker, duly registered with BSE Limited to fulfill the obligations of Market Making:

### **BCB Brokerage Private Limited**

1207/A P J Towers,

Dalal Street, Fort,

Mumbai – 400 001

**Tel:** 022 - 22720000

**Fax:** 022 - 22722451

**E-mail:** [marketmaker@bcbbrokerage.com](mailto:marketmaker@bcbbrokerage.com)

**Contact Person:** Uttam Bagri

**SEBI Registration No.:** INB011161131

**Market Maker Registration No. (SME Segment of BSE):** SMEMM0004218012012

BCB Brokerage Private Limited, registered with SME segment of BSE will act as the Market Maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by any amendment to SEBI (ICDR) Regulations.

The Market Maker shall fulfill the applicable obligations and conditions as specified in the SEBI ICDR Regulations, as amended from time to time and the circulars issued by BSE and SEBI in this matter from time to time.

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

1. The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. Further, the Market Maker(s) shall inform the Exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
2. The minimum depth of the quote shall be Rs. 1,00,000/-. However, the investors with holdings of value less than Rs. 1,00,000/- shall be allowed to offer their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker. Based on the IPO price of Rs. 50/- the minimum lot size is 3,000 Equity shares thus minimum depth of the quote shall be Rs. 1.50 Lakhs until the same, would be revised by BSE.
3. After a period of three (3) months from the market making period, the Market Maker would be exempted to provide quote if the Shares of Market Maker in our Company reaches to 25% of Issue Size. Any Equity Shares allotted to Market Maker under this Issue over and above 25% of Issue Size would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of Market Maker in our Company reduce to 24% of Issue Size, the Market Maker will resume providing 2-way quotes.
4. There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, BSE may intimate the same to SEBI after due verification.
5. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
6. There would not be more than five Market Makers for the Company's Equity Shares at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors. At this stage, BCB Brokerage Private Limited is acting as the sole Market Maker.
7. On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.
8. The Marker Maker may also be present in the opening call auction, but there is no obligation on him to do so.

9. 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.
10. The Market Maker(s) shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the Lead Manager, who shall then be responsible to appoint a replacement Market Maker(s).

In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker(s) in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 106V of the SEBI (ICDR) Regulations. Further the Company and the Lead Manager reserve the right to appoint other Market Maker(s) either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed 5 (five) or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our Corporate Office from 11.00 a.m. to 5.00 p.m. on working days.

11. BSE SME Exchange will have all margins which are applicable on the BSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.
12. BSE SME Exchange will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker(s) 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.

13. SEBI Circular bearing reference no: CIR/MRD/DP/02/2012 dated January 20, 2012, has laid down that for issue size up to Rs. 25,000 Lakhs, 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 (Trade for Trade) segment for first 10 days from commencement of trading. The following spread will be applicable on the BSE SME Platform:

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

14. 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 Rs. 20 Crore	25%	24%
Rs. 20 crore to Rs. 50 crore	20%	19%
Rs. 50 to Rs. 80 crore	15%	14%
Above Rs. 80 crore	12%	11%

The Market Making arrangement, trading and other related aspects including all those specified above shall be subject to the applicable provisions of law and/or norms issued by SEBI/BSE from time to time.



## CAPITAL STRUCTURE

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

**Amount (in Rs. Lakhs except share data)**

No.	Particulars	Aggregate nominal value	Aggregate value at Issue Price
<b>A.</b>	<b>Authorised Share Capital</b>		
	50,00,000 Equity Shares of face value of Rs. 10/- each	500.00	-
<b>B.</b>	<b>Issued, Subscribed and Paid-Up Share Capital before the Issue</b>		
	31,62,079 Equity Shares of face value of Rs. 10/- each	316.21	-
<b>C.</b>	<b>Present Issue in terms of this Prospectus</b>		
	Issue of 11,40,000 Equity Shares of face value Rs.10 each at a price of Rs 50/- per Equity Share	114.00	570.00
	<b>Consisting :</b>		
	<b>Reservation for Market Maker</b> – 60,000 Equity Shares of face value of Rs. 10 each reserved as Market Maker portion at a price of Rs 50/- per Equity Share	6.00	30.00
	<b>Net Issue to the Public</b> – 10,80,000 Equity Shares of face value of Rs. 10 each at a price of Rs 50/- per Equity Share	108.00	540.00
	<b>Of the Net Issue to the Public</b>		
	<b>Allocation to Retail Individual Investors</b> – 5,40,000 Equity Shares of face value of Rs. 10 each at a price of Rs. 50/- per Equity Share shall be available for allocation for Investors applying for a value of upto Rs. 2 Lakhs	54.00	270.00
	<b>Allocation to Other than Retail Individual Investors</b> 5,40,000 Equity Shares of face value of Rs. 10 each at a price of Rs 50/- per Equity Share shall be available for allocation for Investors applying for a value of upto Rs. 2 Lakhs	54.00	270.00
<b>D.</b>	<b>Issued, Subscribed and Paid-Up Share Capital after the Issue</b>		
	43,02,079 Equity Shares of face value of Rs. 10 each	430.21	-
<b>E.</b>	<b>Securities Premium Account</b>		
	Before the Issue		105.71
	After the Issue		561.71

The Issue has been authorised by the Board of Directors vide a resolution passed at its meeting held on April 27, 2015, 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 20, 2015

The Company has only one class of share capital i.e. Equity Shares of face value of Rs. 10/- each only. All Equity Shares issued are fully paid-up. Our Company has no outstanding convertible instruments as on the date of this Prospectus.

## NOTES TO THE CAPITAL STRUCTURE

### 1. Details of increase in authorized Share Capital:

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

Particulars of Change		Date of Shareholders' Meeting	AGM / EGM
From	To		
Rs. 5,00,000 consisting of 50,000 Equity shares of Rs. 10 each.		On Incorporation	-
Rs. 5,00,000 consisting of 50,000 Equity shares of Rs. 10 each.	Rs. 50,00,000 consisting of 500,000 Equity shares of Rs. 10 each.	January 05, 2012	EGM
Rs. 50,00,000 consisting of 500,000 Equity shares of Rs. 10 each.	Rs. 5,00,00,000 consisting of 50,00,000 Equity shares of Rs. 10 each	March 09, 2015	EGM

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

Date of Allotment / Fully Paid-up	No. of Equity/ Preference Shares allotted	Face value (Rs.)	Issue Price (Rs.)	Nature of consideration	Nature of Allotment	Cumulative number of Equity Shares	Cumulative Paid-up Capital (Rs.)
September 14, 2011	50,000	10	10	Other than cash*	Subscription to Memorandum of Association <sup>(1)</sup>	50,000	5,00,000
February 4, 2012	45,000	10	100	Other than cash	Further Allotment <sup>(2)</sup>	95,000	9,50,000
March 31, 2014	45,000	10	100	Cash/Other than cash	Preferential Allotment <sup>(3)</sup>	1,40,000	14,00,000
March 16, 2015	3,50,000	10	NA	Other than cash	Bonus Issue of ratio of 5 Equity shares for every 2 held <sup>(4)</sup>	4,90,000	49,00,000
March 31, 2015	4,41,500	10	50	Cash/other than cash	Preferential Allotment <sup>(5)</sup>	9,31,500	93,15,000
May 08, 2015	20,18,251	10	NA	Other than cash	Bonus Issue of ratio of 13 Equity shares for every 6 held <sup>(6)</sup>	29,49,751	2,94,97,510
May 15, 2015	2,12,328	10	50	Cash	Preferential Allotment <sup>(7)</sup>	31,62,079	3,16,20,790

*\*Equity Shares allotted pursuant to conversion of Mangalam Seeds, a partnership firm into our Company under Part IX of the Companies Act, 1956*

- (1) Pursuant to conversion of Mangalam Seeds, a partnership firm into our Company under Part IX of the Companies Act, 1956, the Initial Subscribers to Memorandum of Association subscribed 50,000 Equity Shares of face value of Rs. 10/-each fully paid as per the details given below:

Sr. No.	Name of Person	No. of shares Allotted	Mode of Consideration
1.	Pravinkumar Patel	7,500	Other than Cash
2.	Mafatlal Patel	4,000	Other than Cash
3.	Dhanajibhai Patel	7,000	Other than Cash
4.	Kalpeshkumar Patel	7,500	Other than Cash
5.	Dharmishtaben Patel	6,500	Other than Cash
6.	Ishwarbhai D Patel	2,500	Other than Cash
7.	Narsinhbhai Patel	7,500	Other than Cash
8.	Revabhai Patel	7,500	Other than Cash
	<b>Total</b>	<b>50,000</b>	

- (2) Further Allotment of 45,000 Equity Shares of face value of Rs. 10 / - each fully paid at a premium of Rs. 90 per share as per the details given below:

Sr. No	Name of Person	No. of Shares Allotted	Mode of Consideration
1.	Pravinkumar Patel	6,750	Other than Cash
2.	Kalpeshkumar Patel	6,750	Other than Cash
3.	Narsinhbhai Patel	6,750	Other than Cash
4.	Revabhai Patel	6,750	Other than Cash
5.	Dhanajibhai Patel	6,300	Other than Cash
6.	Mafatlal Patel	3,600	Other than Cash
7.	Ishwarbhai D Patel	2,250	Other than Cash
8.	Dharmishtaben Patel	5,850	Other than Cash
	<b>Total</b>	<b>45,000</b>	

- (3) Preferential Allotment of 45,000 Equity Shares of face value of Rs. 10/- each fully paid up at a premium of Rs. 90 per share as per the details given below:

Sr. No	Name of Person	No. of Shares Allotted	Mode of Consideration
1.	Pravinkumar Patel	1,410	Other than Cash
2.	Pravinkumar M. Patel – HUF	5,340	Cash
3.	Kalpeshkumar Patel	1,430	Other than Cash
4.	Kalpeshkumar N. Patel – HUF	5,320	Cash
5.	Narsinhbhai Patel	1,480	Other than Cash
6.	Narsinhbhai J. Patel – HUF	5,270	Cash
7.	Revabhai Patel	1,730	Other than Cash
8.	Revabhai J .Patel – HUF	5,020	Cash
9.	Dhanajibhai Patel	1,430	Other than Cash

Sr. No	Name of Person	No. of Shares Allotted	Mode of Consideration
10.	Dhanjibhai S. Patel - HUF	4,870	Cash
11.	Mafatlal J. Patel – HUF	3,600	Cash
12.	Ishwarbhai D. Patel	2,250	Other than Cash
13.	Dharmishtaben I. Patel	5,850	Other than Cash
	<b>Total</b>	<b>45,000</b>	

(4) Bonus issue of 3,50,000 Equity shares of face value of Rs. 10/- each in the ratio of 5 bonus shares for every 2 Equity shares held as per the details given below:

Sr. No	Name of Person	No. of Shares Allotted	Mode of Consideration
1.	Pravinkumar Patel	39,150	Other than Cash
2.	Pravinkumar M. Patel – HUF	13,350	Other than Cash
3.	Kalpeshkumar Patel	39,200	Other than Cash
4.	Kalpeshkumar N. Patel – HUF	13,300	Other than Cash
5.	Narsinhbhai Patel	39,325	Other than Cash
6.	Narsinhbhai J. Patel – HUF	13,175	Other than Cash
7.	Revabhai Patel	39,950	Other than Cash
8.	Revabhai J. Patel – HUF	12,550	Other than Cash
9.	Dhanajibhai Patel	36,825	Other than Cash
10.	Dhanajibhai S. Patel - HUF	12,175	Other than Cash
11.	Mafatlal Patel	36,500	Other than Cash
12.	Mafatlal J. Patel - HUF	9,000	Other than Cash
13.	Pradipkumar Patel	45,500	Other than Cash
	<b>Total</b>	<b>3,50,000</b>	

(5) Preferential Allotment of 4,41,500 Equity Shares of face value of Rs. 10/- each fully paid up at a premium of Rs. 40 per share as per the details given below:

Sr. No	Name of Person	No. of Shares Allotted	Mode of Consideration
1.	Pravinkumar Patel	9,283	Other than Cash
2.	Pravinkumar M. Patel-HUF	5,100	Cash
3.	Kalpeshkumar Patel	4,000	Cash
4.	Kalpeshkumar N. Patel – HUF	5,780	Cash
5.	Narsinhbhai Patel	85,200	Cash
6.	Narsinhbhai J. Patel – HUF	4,900	Cash
7.	Mehul N. Patel – HUF	4,100	Cash
8.	Revabhai Patel	85,200	Cash
9.	Revabhai J. Patel – HUF	4,714	Cash
10.	Dhanajibhai Patel	29,403	Other than Cash
11.	Dhanajibhai S. Patel – HUF	3,980	Cash
12.	Mafatlal Patel	90,400	Cash
13.	Mafatlal J. Patel – HUF	4,800	Cash

Sr. No	Name of Person	No. of Shares Allotted	Mode of Consideration
14.	Pradipkumar N. Patel - HUF	4,440	Cash
15.	Urmiben P. Patel	8,400	Cash
16.	Nathalal Patel	87,200	Cash
17.	Nathalal J. Patel – HUF	4,600	Cash
	<b>Total</b>	<b>4,41,500</b>	

(6) Bonus issue of 20,18,251 Equity shares of face value of Rs. 10/- each in the ratio of 13 bonus shares for every 6 Equity shares held as per the details given below

Sr. No	Name of Person	No. of Shares Allotted	Mode of Consideration
1.	Pravinkumar Patel	2,71,375	Other than Cash
2.	Pravinkumar M. Patel-HUF	51,545	Other than Cash
3.	Kalpeshkumar Patel	2,09,506	Other than Cash
4.	Kalpeshkumar N. Patel – HUF	52,867	Other than Cash
5.	Narsinhbhai Patel	2,43,273	Other than Cash
6.	Narsinhbhai J. Patel – HUF	50,581	Other than Cash
7.	Mehul N. Patel – HUF	8,883	Other than Cash
8.	Revabhai Patel	2,54,456	Other than Cash
9.	Revabhai J. Patel – HUF	48,282	Other than Cash
10.	Dhanajibhai Patel	2,37,001	Other than Cash
11.	Dhanajibhai S. Patel – HUF	45,554	Other than Cash
12.	Mafatlal Patel	2,04,490	Other than Cash
13.	Mafatlal J. Patel – HUF	37,700	Other than Cash
14.	Pradipkumar Patel	2,34,553	Other than Cash
15.	Pradipkumar N. Patel – HUF	9,620	Other than Cash
16.	Urmiben P. Patel	18,200	Other than Cash
17.	Nathalal Patel	30,398	Other than Cash
18.	Nathalal J. Patel – HUF	9,967	Other than Cash
	<b>Total</b>	<b>20,18,251</b>	

(7) Preferential Allotment of 2,12,328 Equity Shares of face value of Rs. 10/- each fully paid up at a premium of Rs. 40 per share as per the details given below:

Sr. No	Name of Person	No. of Shares Allotted	Mode of Consideration
1.	Pravinkumar Patel	11,905	Cash
2.	Chhayaben P. Patel	6,512	Cash
3.	Truptiben K. Patel	14,498	Cash
4.	Narsinhbhai Patel	25,735	Cash
5.	Chandrikaben N. Patel	6,004	Cash
6.	Mehulbhai N. Patel	4,441	Cash

Sr. No	Name of Person	No. of Shares Allotted	Mode of Consideration
7.	Mehulbhai N. Patel – HUF	10,476	Cash
8.	Rinkuben M. Patel	14,497	Cash
9.	Revabhai Patel	12,099	Cash
10.	Bhargavbhai R. Patel	6,600	Cash
11.	Laxmiben R. Patel	6,553	Cash
12.	Dhanajibhai Patel	26,046	Cash
13.	Induben Dhanajibhai Patel	3,682	Cash
14.	Mafatlal Patel	4,509	Cash
15.	Mafatlal J. Patel – HUF	2,983	Cash
16.	Shantaben M. Patel	10,551	Cash
17.	Pradipkumar Patel	10,864	Cash
18.	Pradipkumar N. Patel - HUF	10,240	Cash
19.	Urmiben P. Patel	6,495	Cash
20.	Nathalal Patel	2,582	Cash
21.	Nathalal J. Patel – HUF	10,340	Cash
22.	Babiben N. Patel	4,716	Cash
	<b>Total</b>	<b>2,12,328</b>	

3. We have not issued any Equity Shares for consideration other than cash except as follows

Date of Allotment	Number of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Reasons for allotment	Benefits Accrued to our Company	Allottees	No. of Shares Allotted
September 14, 2011	50,000	10	10	Since our Company was formed by conversion of the partnership firm M/s Mangalam Seeds, the partners in the firm became the initial subscriber to the MOA and were allotted Equity Shares against their respective closing balance in the capital account.	Conversion from partnership to company	Pravinkumar Patel	7,500
						Mafatlal Patel	4,000
						Dhanajibhai Patel	7,000
						Kalpeshkumar Patel	7,500
						Dharmishtaben Patel	6,500
						Ishwarbhai D Patel	2,500
						Narsinhbhai Patel	7,500
						Revabhai Patel	7,500
<b>Total</b>							<b>50,000</b>

Date of Allotment	Number of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Reasons for allotment	Benefits Accrued to our Company	Allottees	No. of Shares Allotted
February 4, 2012	45,000	10	10	Allotment of Equity Shares to the partners of M/s Mangalam Seeds against the closing balance in their respective current account in the firm before the conversion of the firm into our Company	Conversion from partnership to company	Pravinkumar Patel	6,750
						Kalpeshkumar Patel	6,750
						Narsinhbhai Patel	6,750
						Revabhai Patel	6,750
						Dhanajibhai Patel	6,300
						Mafatlal Patel	3,600
						Ishwarbhai D Patel	2,250
						Dharmishtaben Patel	5,850
<b>Total</b>							<b>45,000</b>

Date of Allotment	Number of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Reasons for allotment	Benefits Accrued to our Company	Allottees	No. of Shares Allotted
March 31, 2014	15,580	10	10	Allotment of equity shares against dues payable to respective persons by company	Reduction of current liabilities	Pravinkumar Patel	1,410
						Kalpeshkumar Patel	1,430
						Narsinhbhai Patel	1,480
						Revabhai Patel	1,730
						Dhanajibhai Patel	1,430
						Ishwarbhai D Patel	2,250
						Dharmishtaben Patel	5,850
<b>Total</b>							<b>15,850</b>

Date of Allotment	Number of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Reasons for allotment	Benefits Accrued to our Company	Allottees	No. of Shares Allotted
March 16, 2015	3,50,000	10	NA	Bonus Issue in the ratio of 5 Equity shares for every 2 Equity shares held	Nil	Pravinkumar Patel	39,150
						Pravinkumar M. Patel – HUF	13,350
						Kalpeshkumar Patel	39,200
						Kalpeshkumar N. Patel – HUF	13,300
						Narsinhbhai Patel	39,325
						Narsinhbhai J. Patel – HUF	13,175
						Revabhai Patel	39,950
						Revabhai J. Patel – HUF	12,550
						Dhanajibhai Patel	36,825
						Dhanajibhai S. Patel - HUF	12,175
						Mafatlal Patel.	36,500
						Mafatlal J. Patel - HUF	9,000
						Pradipkumar Patel	45,500
<b>Total</b>							<b>3,50,000</b>

Date of Allotment	Number of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Reasons for allotment	Benefits Accrued to our Company	Allottees	No. of Shares Allotted
March 31, 2015	38,686	10	50	Allotment of equity shares against dues payable to respective persons by company	Reduction of current liabilities	Pravinkumar Patel	9,283
						Dhanajibhai Patel	29,403
<b>Total</b>							<b>38,686</b>



Date of Allotment	Number of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Reasons for allotment	Benefits Accrued to our Company	Allottees	No. of Shares Allotted
May 08, 2015	20,18,251	10	NA	Bonus Issue in the ratio of 13 Equity shares for every 6 Equity shares held	Nil	Pravinkumar Patel	2,71,375
						Pravinkumar M. Patel-HUF	51,545
						Kalpeshkumar Patel	2,09,506
						Kalpeshkumar N. Patel – HUF	52,867
						Narsinhbhai Patel	2,43,273
						Narsinhbhai J. Patel – HUF	50,581
						Mehul N. Patel – HUF	8,883
						Revabhai Patel	2,54,456
						Revabhai J. Patel – HUF	48,282
						Dhanajibhai Patel	2,37,001
						Dhanajibhai S. Patel – HUF	45,554
						Mafatlal Patel	2,04,490
						Mafatlal J. Patel – HUF	37,700
						Pradipkumar Patel	2,34,553
						Pradipkumar N. Patel – HUF	9,620
Urmiben P. Patel	18,200						
Nathalal Patel	30,398						
Nathalal J. Patel – HUF	9,967						
<b>Total</b>							<b>20,18,251</b>

4. No Equity Shares have been allotted pursuant to any scheme approved under Section 391-394 of the Companies Act, 1956.
5. We have not revalued our assets since inception and have not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.
6. No shares have been issued at price below Issue Price within last one year from the date of this Prospectus except the bonus issue as mentioned below

Date of Allotment	Number of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Reasons for allotment	Allottees	No. of Shares Allotted	Whether part of Promoter Group
March 16, 2015	3,50,000	10	NA	Bonus Issue in the ratio of 5 Equity shares for every 2 Equity shares held	Pravinkumar Patel	39,150	Yes
					Pravinkumar M. Patel – HUF	13,350	Yes
					Kalpeshkumar Patel	39,200	Yes
					Kalpeshkumar N. Patel – HUF	13,300	Yes
					Narsinhbhai Patel	39,325	Yes
					Narsinhbhai J. Patel – HUF	13,175	Yes
					Revabhai Patel	39,950	Yes
					Revabhai J. Patel – HUF	12,550	Yes
					Dhanajibhai Patel	36,825	Yes
					Dhanajibhai S. Patel - HUF	12,175	Yes
					Mafatlal. Patel	36,500	Yes
					Mafatlal J. Patel - HUF	9,000	Yes
Pradipkumar Patel	45,500	Yes					
<b>Total</b>						<b>3,50,000</b>	

Date of Allotment	Number of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Reasons for allotment	Allottees	No. of Shares Allotted	Whether part of Promoter Group
May 08, 2015	20,18,251	10	NA	Bonus Issue in the ratio of 13 Equity shares for every 6 Equity shares held	Pravinkumar Patel	2,71,375	Yes
					Pravinkumar M. Patel-HUF	51,545	Yes
					Kalpeshkumar Patel	2,09,506	Yes
					Kalpeshkumar N. Patel – HUF	52,867	Yes
					Narsinhbhai Patel	2,43,273	Yes
					Narsinhbhai J. Patel – HUF	50,581	Yes

Date of Allotment	Number of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Reasons for allotment	Allottees	No. of Shares Allotted	Whether part of Promoter Group
					Mehul N. Patel – HUF	8,883	Yes
					Revabhai Patel	2,54,456	Yes
					Revabhai J. Patel – HUF	48,282	Yes
					Dhanajibhai Patel	2,37,001	Yes
					Dhanajibhai S. Patel – HUF	45,554	Yes
					Mafatlal Patel	2,04,490	Yes
					Mafatlal J. Patel – HUF	37,700	Yes
					Pradipkumar Patel	2,34,553	Yes
					Pradipkumar N. Patel – HUF	9,620	Yes
					Urmiben P. Patel	18,200	Yes
					Nathalal Patel	30,398	Yes
					Nathalal J. Patel – HUF	9,967	Yes
<b>Total</b>						<b>20,18,251</b>	

## 7. Build-up of Promoters' shareholding, Promoters' contribution and lock-in

### i. Build Up of Promoters' shareholdings

As on the date of this Prospectus, our Promoters Pravinkumar Patel, Mafatlal Jetabhai Patel and Dhanajibhai Patel hold 11,07,311 Equity Shares of our Company. None of the Equity Shares held by our Promoters are subject to any pledge.

**a. Pravinkumar Patel**

Date of Allotment and made fully paid up/ Transfer	No. of Equity Shares	Face value per Share (Rs.)	Issue / Acquisition /Transfer price (Rs.)*	Nature of Transactions	Pre-issue shareholdin g %	Post- issue shareholdin g %	Lock-in Period	Source of funds	Pledge
September 14, 2011	7,500	10	10	Subscription to MoA	0.24%	0.17%	1 Year	Balance in partners fixed capital account of M/s Mangalam Seed	Nil
February 04, 2012	6,750	10	100	Further Allotment	0.21%	0.16%	3 Years	Balance in partners current capital account of M/s Mangalam Seeds	Nil
March 31, 2014	1,410	10	100	Preferential Allotment	0.04%	0.03%	3 Years	Personal Income/Saving	Nil
March 16, 2015	39,150	10	Nil	Bonus Issue	1.24%	0.91%	3 Years	NA	Nil
March 31, 2015	9,283	10	50	Preferential Allotment	0.29%	0.22%	1 Year	Personal Income/Saving	Nil
May 05, 2015	61,157	10	50	Transfer	1.93%	1.42%	1 Year	Personal Income/Saving	Nil
May 08, 2015	2,71,375	10	Nil	Bonus Issue	8.58%	6.31%	3 Years	NA	Nil
May 09, 2015	15,543	10	50	Transfer	0.49%	0.36%	1 Year	Personal Income/Saving	Nil
May 15, 2015	11,905	10	50	Preferential Allotment	0.38%	0.28%	1 Year	Personal Income/Saving	Nil
<b>Total</b>	<b>4,24,073</b>				<b>13.41%</b>	<b>9.86%</b>			

\*Cost of acquisition excludes Stamp Duty and the shares were made fully paid on the date of allotment

**b. Mafatlal Patel**

Date of Allotment and made fully paid up/ Transfer	No. of Equity Shares	Face value per Share (Rs.)	Issue / Acquisition /Transfer price (Rs.)*	Nature of Transactions	Pre-issue shareholding %	Post- issue shareholding %	Lock-in Period	Source of funds	Pledge
September 14, 2011	4,000	10	10	Subscription to MoA	0.13%	0.09%	3 Years	Balance in partners fixed capital account of M/s Mangalam Seed	Nil
February 04, 2012	3,600	10	100	Further Allotment	0.11%	0.08%	3 Years	Balance in partners current capital account of M/s Mangalam Seeds	Nil
March 14, 2015	7,000	10	100	Transfer	0.22%	0.16%	3 Years	Personal Income/Saving	Nil
March 16, 2015	36,500	10	Nil	Bonus Issue	1.15%	0.85%	3 Years	NA	Nil
March 31, 2015	90,400	10	50	Preferential Allotment	2.86%	2.10%	1 Year	Personal Income/Saving	Nil
May 05, 2015	(47,120)	10	50	Transfer	-1.49%	-1.10%	NA	NA	NA
May 08, 2015	2,04,490	10	Nil	Bonus Issue	6.47%	4.75%	3 Years	NA	Nil
May 09, 2015	7,427	10	50	Transfer	0.23%	0.17%	1 Year	Personal Income/Saving	Nil
May 15, 2015	4,509	10	50	Preferential Allotment	0.14%	0.10%	1 Year	Personal Income/Saving	Nil
<b>Total</b>	<b>3,10,806</b>				<b>9.83%</b>	<b>7.22%</b>			

\*Cost of acquisition excludes Stamp Duty and the shares were made fully paid on the date of allotment.

**c. Dhanajibhai Patel**

Date of Allotment and made fully paid up/ Transfer	No. of Equity Shares	Face value per Share (Rs.)	Issue / Acquisition /Transfer price (Rs.)*	Nature of Transactions	Pre-issue shareholding %	Post- issue shareholding %	Lock-in Period	Source of funds	Pledge
September 14, 2011	7,000	10	10	Subscription to MoA	0.22%	0.16%	1 Year	Balance in partners fixed capital account of M/s Mangalam Seed	Nil
February 04, 2012	6,300	10	100	Further Allotment	0.20%	0.15%	3 Years	Balance in partners current capital account of M/s Mangalam Seeds	Nil
March 31, 2014	1,430	10	100	Preferential Allotment	0.05%	0.03%	3 Years	Personal Income/Saving	Nil
March 16, 2015	36,825	10	Nil	Bonus Issue	1.16%	0.86%	3 Years	NA	Nil
March 31, 2015	29,403	10	50	Preferential Allotment	0.93%	0.68%	1 Year	Personal Income/Saving	Nil
May 05, 2015	28,427	10	50	Transfer	0.90%	0.66%	1 Year	Personal Income/Saving	Nil
May 08, 2015	2,37,001	10	Nil	Bonus Issue	7.50%	5.51%	3 Years	NA	Nil
May 15, 2015	26,046	10	50	Preferential Allotment	0.82%	0.61%	1 Year	Personal Income/Saving	Nil
<b>Total</b>	<b>3,72,432</b>				<b>11.78%</b>	<b>8.66%</b>			

\*Cost of acquisition excludes Stamp Duty and the shares were made fully paid on the date of allotment

ii. Details of Promoter's Contribution locked in for three years:

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

Our Promoters' have given written consent to include such number of Equity Shares held by them and subscribed by them as a part of Promoter's Contribution constituting 20.07% of the post issue Equity Shares of our Company and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters Contribution, for a period of three years from the date of allotment in the Issue.

Date of Allotment /Transfer	Date when made fully paid up	No. of Shares Allotted/ Transferred	Face Value	Issue Price	Nature of Allotment	% of Post Issue shareholding	Lock in Period
<b>Pravinkumar Patel</b>							
September 14, 2011	September 14, 2011	7,500	10	10	Subscription to MoA	0.17%	3 Years
February 04, 2012	February 04, 2012	6,750	10	100	Further Allotment	0.16%	3 Years
March 31, 2014	March 31, 2014	1,410	10	100	Preferential Allotment	0.03%	3 Years
March 16, 2015	March 16, 2015	39,150	10	NA	Bonus Issue	0.91%	3 Years
May 08, 2015	May 08, 2015	2,71,375	10	NA	Bonus Issue	6.31%	3 Years
<b>Sub Total</b>		<b>3,26,185</b>				<b>7.58%</b>	
<b>Mafatlal Patel</b>							
September 14, 2011	September 14, 2011	4,000	10	10	Subscription to MoA	0.09%	3 Years
February 04, 2012	February 04, 2012	3,600	10	10	Further Allotment	0.08%	3 Years
March 14, 2015	NA	7,000	10	100	Transfer	0.16%	3 Years
March 16, 2015	March 16, 2015	36,500	10	NA	Bonus Issue	0.85%	3 Years
May 08, 2015	May 08, 2015	2,04,490	10	NA	Bonus Issue	4.75%	3 Years
<b>Sub Total</b>		<b>2,55,590</b>				<b>5.94%</b>	
<b>Dhanajibhai Patel</b>							
February 04, 2012	February 04, 2012	6,300	10	100	Further Allotment	0.15%	3 Years
March 31,	March 31,	1,430	10	100	Preferential	0.03%	3 Years

Date of Allotment /Transfer	Date when made fully paid up	No. of Shares Allotted/ Transferred	Face Value	Issue Price	Nature of Allotment	% of Post Issue shareholding	Lock in Period
2014	2014				Allotment		
March 16, 2015	March 16, 2015	36,825	10	NA	Bonus Issue	0.86%	3 Years
May 08, 2015	May 08, 2015	2,36,990	10	NA	Bonus Issue	5.51%	3 Years
<b>Sub Total</b>		<b>2,81,545</b>				<b>6.54%</b>	
<b>Grand Total</b>		<b>8,63,320</b>				<b>20.07%</b>	

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

- a) The Equity Shares offered for minimum 20% Promoters' contribution have not been acquired in the three years preceding the date of this Prospectus for consideration other than cash and revaluation of assets or capitalization of intangible assets nor resulted from a bonus issue out of the revaluation reserves or unrealized profits of the Company or against Equity Shares which are otherwise ineligible for computation of Promoters' contribution;
- b) The minimum Promoters' contribution does not include Equity Shares acquired during the one year preceding the date of this Prospectus at a price lower than the Issue Price ;
- c) No Equity Shares have been issued to our Promoters upon conversion of a partnership firm during the preceding one year at a price less than the issue price;
- d) The Equity Shares held by the Promoters and offered for minimum Promoters' contribution are not subject to any pledge;
- e) All the Equity Shares of our Company held by the Promoter are dematerialized;
- f) The Equity Shares offered for Promoter's contribution do not consist of Equity Shares for which specific written consent has not been obtained from the Promoter for inclusion of its subscription in the Promoter's contribution subject to lock-in.

iii. Details of Equity Shares locked-in for one year

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

iv. Other requirements in respect of lock-in

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



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

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

We further confirm that our Promoter's Contribution of 20.07% of the post Issue Equity Share capital does not include any contribution from Alternative Investment Fund.

8. Shares purchased/sold by the Promoter and Promoter Group, directors and their immediate relatives during last 6 months

Date of Transaction	Name of Transacting Party	Party Category	Nature of Transactions	Price	Number of shares Transacted
March 14, 2015	Mafatlal Patel	Promoter	Acquisition by Transfer	100	7,000
March 14, 2015	Pradipkumar Patel	Promoter Group	Acquisition by Transfer	100	18,200
March 16, 2015	Pravinkumar Patel	Promoter	Bonus Issue	Nil	39,150
March 16, 2015	Pravinkumar M. Patel – HUF	Promoter Group	Bonus Issue	Nil	13,350
March 16, 2015	Kalpeshkumar Patel	Promoter Group	Bonus Issue	Nil	39,200
March 16, 2015	Kalpeshkumar N. Patel – HUF	Promoter Group	Bonus Issue	Nil	13,300
March 16, 2015	Narsinhbhai Patel	Promoter Group	Bonus Issue	Nil	39,325
March 16, 2015	Narsinhbhai J. Patel – HUF	Promoter Group	Bonus Issue	Nil	13,175
March 16, 2015	Revabhai Patel	Promoter Group	Bonus Issue	Nil	39,950
March 16, 2015	Revabhai J. Patel – HUF	Promoter Group	Bonus Issue	Nil	12,550
March 16, 2015	Dhanajibhai Patel	Promoter	Bonus Issue	Nil	36,825
March 16, 2015	Dhanajibhai S. Patel - HUF	Promoter Group	Bonus Issue	Nil	12,175
March 16, 2015	Mafatlal Patel	Promoter	Bonus Issue		36,500
March 16, 2015	Mafatlal J. Patel - HUF	Promoter Group	Bonus Issue		9,000
March 16, 2015	Pradipkumar	Promoter Group	Bonus Issue		45,500

Date of Transaction	Name of Transacting Party	Party Category	Nature of Transactions	Price	Number of shares Transacted
	Patel				
March 31, 2015	Pravinkumar Patel	Promoter	Preferential Allotment	50	9,283
March 31, 2015	Pravinkumar M. Patel-HUF	Promoter Group	Preferential Allotment	50	5,100
March 31, 2015	Kalpeshkumar Patel	Promoter Group	Preferential Allotment	50	4,000
March 31, 2015	Kalpeshkumar N. Patel – HUF	Promoter Group	Preferential Allotment	50	5,780
March 31, 2015	Narsinhbhai Patel	Promoter Group	Preferential Allotment	50	85,200
March 31, 2015	Narsinhbhai J. Patel – HUF	Promoter Group	Preferential Allotment	50	4,900
March 31, 2015	Mehul N. Patel – HUF	Promoter Group	Preferential Allotment	50	4,100
March 31, 2015	Revabhai Patel	Promoter Group	Preferential Allotment	50	85,200
March 31, 2015	Revabhai J. Patel – HUF	Promoter Group	Preferential Allotment	50	4,714
March 31, 2015	Dhanajibhai Patel	Promoter	Preferential Allotment	50	29,403
March 31, 2015	Dhanajibhai S. Patel – HUF	Promoter Group	Preferential Allotment	50	3,980
March 31, 2015	Mafatlal Patel	Promoter	Preferential Allotment	50	90,400
March 31, 2015	Mafatlal J. Patel – HUF	Promoter Group	Preferential Allotment	50	4,800
March 31, 2015	Pradipkumar N. Patel - HUF	Promoter Group	Preferential Allotment	50	4,440
March 31, 2015	Urmiben P. Patel	Promoter Group	Preferential Allotment	50	8,400
March 31, 2015	Nathalal Patel	Promoter Group	Preferential Allotment	50	87,200
March 31, 2015	Nathalal J. Patel – HUF	Promoter Group	Preferential Allotment	50	4,600
May 05, 2015	Mafatlal Patel (Transferor) Pravinkumar Patel (Transferee)	Promoter	Transfer	50	47,120
May 05, 2015	Narsinhbhai Patel	Promoter Group	Transfer	50	14,037

Date of Transaction	Name of Transacting Party	Party Category	Nature of Transactions	Price	Number of shares Transacted
	(Transferor) Pravinkumar Patel (Transferee)	and Promoter			
May 05, 2015	Narsinhbhai Patel (Transferor) Kalpeshkumar Patel (Transferee)	Promoter Group	Transfer	50	13,938
May 05, 2015	Revabhai Patel (Transferor) Kalpeshkumar Patel (Transferee)	Promoter Group	Transfer	50	23,689
May 05, 2015	Nathalal Patel (Transferor) Kalpeshkumar Patel (Transferee)	Promoter Group	Transfer	50	188
May 05, 2015	Nathalal Patel (Transferor) Dhanajibhai Patel (Transferee)	Promoter Group and Promoter	Transfer	50	28,427
May 05, 2015	Nathalal Patel (Transferor) Pradipkumar Patel (Transferee)	Promoter Group	Transfer	50	44,555
May 08, 2015	Pravinkumar Patel	Promoter	Bonus Issue	Nil	2,71,375
May 08, 2015	Pravinkumar M. Patel-HUF	Promoter Group	Bonus Issue	Nil	51,545
May 08, 2015	Kalpeshkumar Patel	Promoter Group	Bonus Issue	Nil	2,09,506
May 08, 2015	Kalpeshkumar N. Patel – HUF	Promoter Group	Bonus Issue	Nil	52,867
May 08, 2015	Narsinhbhai Patel	Promoter Group	Bonus Issue	Nil	2,43,273
May 08, 2015	Narsinhbhai J. Patel – HUF	Promoter Group	Bonus Issue	Nil	50,581
May 08, 2015	Mehul N. Patel – HUF	Promoter Group	Bonus Issue	Nil	8,883
May 08, 2015	Revabhai Patel	Promoter Group	Bonus Issue	Nil	2,54,456
May 08, 2015	Revabhai J. Patel – HUF	Promoter Group	Bonus Issue	Nil	48,282
May 08, 2015	Dhanajibhai Patel	Promoter	Bonus Issue	Nil	2,37,001
May 08, 2015	Dhanajibhai S. Patel – HUF	Promoter Group	Bonus Issue	Nil	45,554

Date of Transaction	Name of Transacting Party	Party Category	Nature of Transactions	Price	Number of shares Transacted
May 08, 2015	Mafatlal Patel	Promoter	Bonus Issue	Nil	2,04,490
May 08, 2015	Mafatlal J. Patel – HUF	Promoter Group	Bonus Issue	Nil	37,700
May 08, 2015	Pradipkumar Patel	Promoter Group	Bonus Issue	Nil	2,34,553
May 08, 2015	Pradipkumar N. Patel – HUF	Promoter Group	Bonus Issue	Nil	9,620
May 08, 2015	Urmiben P. Patel	Promoter Group	Bonus Issue	Nil	18,200
May 08, 2015	Nathalal Patel	Promoter Group	Bonus Issue	Nil	30,398
May 08, 2015	Nathalal J. Patel – HUF	Promoter Group	Bonus Issue	Nil	9,967
May 09, 2015	Nathalal Patel (Transferor) Kalpeshkumar Patel (Transferee)	Promoter Group	Transfer	50	13,114
May 09, 2015	Nathalal Patel (Transferor) Pravinkumar Patel (Transferee)	Promoter Group and Promoter	Transfer	50	266
May 09, 2015	Narsinhbhai Patel (Transferor) Pravinkumar Patel (Transferee)	Promoter Group and Promoter	Transfer	50	15,277
May 09, 2015	Narsinhbhai Patel (Transferor) Revabhair Patel (Transferee)	Promoter Group	Transfer	50	6,592
May 09, 2015	Narsinhbhai Patel (Transferor) Mafatlal Patel (Transferee)	Promoter Group and Promoter	Transfer	50	7,427
May 15, 2015	Pravinkumar Patel	Promoter	Preferential Allotment	50	11,905
May 15, 2015	Chhayaben P. Patel	Promoter Group	Preferential Allotment	50	6,512
May 15, 2015	Truptiben K. Patel	Promoter Group	Preferential Allotment	50	14,498
May 15, 2015	Narsinhbhai Patel	Promoter Group	Preferential Allotment	50	25,735
May 15, 2015	Chandrikaben N. Patel	Promoter Group	Preferential Allotment	50	6,004
May 15, 2015	Mehulbhai N.	Promoter Group	Preferential	50	4,441

Date of Transaction	Name of Transacting Party	Party Category	Nature of Transactions	Price	Number of shares Transacted
	Patel		Allotment		
May 15, 2015	Mehulbhai N. Patel – HUF	Promoter Group	Preferential Allotment	50	10,476
May 15, 2015	Rinkuben M. Patel	Promoter Group	Preferential Allotment	50	14,497
May 15, 2015	Revabhai Patel	Promoter Group	Preferential Allotment	50	12,099
May 15, 2015	Bhargavbhai R. Patel	Promoter Group	Preferential Allotment	50	6,600
May 15, 2015	Laxmiben R. Patel	Promoter Group	Preferential Allotment	50	6,553
May 15, 2015	Dhanajibhai Patel	Promoter	Preferential Allotment	50	26,046
May 15, 2015	Induben Dhanajibhai Patel	Promoter Group	Preferential Allotment	50	3,682
May 15, 2015	Mafatlal Patel	Promoter	Preferential Allotment	50	4,509
May 15, 2015	Mafatlal J. Patel – HUF	Promoter Group	Preferential Allotment	50	2,983
May 15, 2015	Shantaben M. Patel	Promoter Group	Preferential Allotment	50	10,551
May 15, 2015	Pradipkumar Patel	Promoter Group	Preferential Allotment	50	10,864
May 15, 2015	Pradipkumar N. Patel - HUF	Promoter Group	Preferential Allotment	50	10,240
May 15, 2015	Urmiben P. Patel	Promoter Group	Preferential Allotment	50	6,495
May 15, 2015	Nathalal Patel	Promoter Group	Preferential Allotment	50	2,582
May 15, 2015	Nathalal J. Patel – HUF	Promoter Group	Preferential Allotment	50	10,340
May 15, 2015	Babiben N. Patel	Promoter Group	Preferential Allotment	50	4,716
June 01, 2015	Pradipkumar Patel(Transferor) Nathalal Patel (Transferee)	Promoter Group	Transfer	50	5,025
June 01, 2015	Urmiben Patel (Transferor) Nathalal Patel (Transferee)	Promoter Group	Transfer	50	26,595

Date of Transaction	Name of Transacting Party	Party Category	Nature of Transactions	Price	Number of shares Transacted
June 01, 2015	Pradipkumar Patel(Transferor) Kalpeshkumar Patel (Transferee)	Promoter Group	Transfer	50	31,620



## 9. Our Shareholding Pattern

The table below represents the shareholding pattern of our Company in accordance with clause 37 of the SME Equity Listing Agreement, as on the date of this Prospectus:

Category Code	Category of shareholder	No. Of shareholders	Total numbers of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares pledged or otherwise encumbered	
					As a percentage of (A+B)	As a percentage of (A+B+C)	Number of shares	As a Percentage
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)
<b>(A)</b>	<b>Promoter and Promoter Group</b>							
<b>1</b>	<b>Indian</b>							
(a)	Individuals/Hindu Undivided Family	28	31,62,079	31,62,079	100.00%	100.00%	0	0
(b)	Central Government/State Government(s)	0	0	0	0	0	0	0
(c)	Bodies Corporate	0	0	0	0	0	0	0
(d)	Financial Institutions/Banks	0	0	0	0	0	0	0
(e)	Any other (Specify)	0	0	0	0	0	0	0
	<b>SUB TOTAL (A)(1)</b>	<b>28</b>	<b>31,62,079</b>	<b>31,62,079</b>	<b>100.00%</b>	<b>100.00%</b>	<b>0</b>	<b>0</b>
2	Foreign	0	0	0	0	0	0	0

Category Code	Category of shareholder	No. Of shareholders	Total numbers of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares pledged or otherwise encumbered	
					As a percentage of (A+B)	As a percentage of (A+B+C)	Number of shares	As a Percentage
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)
(a)	Individuals (Non-Resident Individuals/Foreign Individuals)	0	0	0	0	0	0	0
(b)	Bodies Corporate	0	0	0	0	0	0	0
(c)	Institutions/FPI	0	0	0	0	0	0	0
(d)	Any other (Specify)	0	0	0	0	0	0	0
	<b>SUB TOTAL (A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)</b>	<b>28</b>	<b>31,62,079</b>	<b>31,62,079</b>	<b>100.00%</b>	<b>100.00%</b>	<b>0</b>	<b>0</b>
<b>(B)</b>	<b>Public shareholding</b>							
<b>1</b>	<b>Institutions</b>							
(a)	Mutual Funds/UTI	0	0	0	0	0	0	0
(b)	Financial Institutions/Banks	0	0	0	0	0	0	0
(c)	Central Government/State Government(s)	0	0	0	0	0	0	0



Category Code	Category of shareholder	No. Of shareholders	Total numbers of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares pledged or otherwise encumbered	
					As a percentage of (A+B)	As a percentage of (A+B+C)	Number of shares	As a Percentage
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)
(d)	Venture Capital Fund	0	0	0	0	0	0	0
(c)	Insurance Companies	0	0	0	0	0	0	0
(f)	Foreign Portfolio Investors	0	0	0	0	0	0	0
(g)	Foreign Venture Capital Investors	0	0	0	0	0	0	0
(h)	Nominated Investors (as defined in Chapter XB of SEBI (ICDR) Regulations)	0	0	0	0	0	0	0
(i)	Market Makers	0	0	0	0	0	0	0
(j)	Any other (Specify)	0	0	0	0	0	0	0
	<b>SUB TOTAL (B) (1)</b>	0	0	0	0	0	0	0
<b>2</b>	<b>Non-Institutions</b>							
(a)	Bodies Corporate	0	0	0	0	0	0	0
(b)	Individuals -							
	i) Individual shareholders holding nominal share Capital up to Rs.1 lakh	0	0	0	0	0	0	0

Category Code	Category of shareholder	No. Of shareholders	Total numbers of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares pledged or otherwise encumbered	
					As a percentage of (A+B)	As a percentage of (A+B+C)	Number of shares	As a Percentage
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)
	ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	0	0	0	0	0	0	0
(c)	Any other (Specify) Individual (Non-Resident individuals )	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>Total Public Shareholding (B)=(B)(1)+(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>TOTAL (A)+(B)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
(C)	Shares held by Custodians and against which Depository Receipts have been issued	0	0	0	0	0	0	0
	<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>28</b>	<b>31,62,079</b>	<b>31,62,079</b>	<b>100.00%</b>	<b>100.00%</b>	0	0

In terms of SEBI circular bearing no. Cir/ISD/3/2011 dated June 17, 2011 and SEBI circular bearing no. SEBI/Cir/ISD/ 05 /2011, dated September 30, 2011, our Company has ensured that the Equity Shares held by the Promoter / members of the Promoter Group are dematerialised prior to filing the Prospectus with the RoC.



Our Company will file the shareholding pattern of our Company, in the form prescribed under clause 37 of the Listing Agreement, one day prior to the listing of Equity Shares. The shareholding pattern will be uploaded on the website of BSE before commencement of trading of such Equity Share

10. Following are the details of the holding of securities (including shares, warrants, convertible securities) of persons belonging to the category “Promoter and Promoter Group”:

Sr. No.	Name of the Shareholder	Pre – Issue		Post – Issue	
		No. of Equity Shares	% of Pre-Issue Capital	No. of Equity Shares	% of Post-Issue Capital
(I)	(II)	(III)	(IV)	(V)	(VI)
	<b>Promoter</b>				
1	Pravinkumar Patel	4,24,073	13.41%	4,24,073	9.86%
2	Dhanajibhai Patel	3,72,432	11.78%	3,72,432	8.66%
3	Mafatlal Patel	3,10,806	9.83%	3,10,806	7.22%
	<b>Sub total (A)</b>	<b>11,07,311</b>	<b>35.02%</b>	<b>11,07,311</b>	<b>25.74%</b>
	<b>Promoter Group</b>				
1	Revabhai Patel	3,90,588	12.35%	390,588	9.08%
2	Narsinhbhai Patel	3,51,992	11.13%	351,992	8.18%
3	Kalpeshkumar Patel	3,50,935	11.10%	350,935	8.16%
4	Pradipkumar Patel	3,17,027	10.03%	317,027	7.37%
5	Kalpeshkumar N. Patel – HUF	77,267	2.44%	77,267	1.80%
6	Pravinkumar M. Patel-HUF	75,335	2.38%	75,335	1.75%
7	Narsinhbhai J. Patel – HUF	73,926	2.34%	73,926	1.72%
8	Revabhai J. Patel – HUF	70,566	2.23%	70,566	1.64%
9	Dhanajibhai S. Patel – HUF	66,579	2.11%	66,579	1.55%
10	Nathalal Patel	65,250	2.06%	65,250	1.52%
11	Mafatlal J. Patel – HUF	58,083	1.84%	58,083	1.35%
12	Nathalal J. Patel – HUF	24,907	0.79%	24,907	0.58%
13	Pradipkumar N. Patel – HUF	24,300	0.77%	24,300	0.56%
14	Mehulbhai N. Patel – HUF	23,459	0.74%	23,459	0.55%
15	Truptiben K. Patel	14,498	0.46%	14,498	0.34%
16	Rinkuben M. Patel	14,497	0.46%	14,497	0.34%
17	Shantaben M. Patel	10,551	0.33%	10,551	0.25%
18	Bhargavbhai R. Patel	6,600	0.21%	6,600	0.15%
19	Laxmiben R. Patel	6,553	0.21%	6,553	0.15%
20	Chhayaben P. Patel	6,512	0.21%	6,512	0.15%
21	Urmiben P. Patel	6,500	0.21%	6,500	0.15%

Sr. No.	Name of the Shareholder	Pre – Issue		Post – Issue	
		No. of Equity Shares	% of Pre-Issue Capital	No. of Equity Shares	% of Post-Issue Capital
(I)	(II)	(III)	(IV)	(V)	(VI)
22	Chandrikaben N. Patel	6,004	0.19%	6,004	0.14%
23	Babiben N. Patel	4,716	0.15%	4,716	0.11%
24	Mehulbhai N. Patel	4,441	0.14%	4,441	0.10%
25	Induben Dhanajibhai Patel	3,682	0.12%	3,682	0.09%
	<b>Sub total (B)</b>	<b>20,54,768</b>	<b>64.98%</b>	<b>20,54,768</b>	<b>47.76%</b>
	<b>Total (A+B)</b>	<b>31,62,079</b>	<b>100.00%</b>	<b>31,62,079</b>	<b>73.50%</b>

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

Name of the Promoter	No. of Shares held	Average cost of Acquisition (in Rs.)
Pravinkumar Patel	4,24,073	13.64
Mafatlal Patel	3,10,806	12.42
Dhanajibhai Patel	3,72,432	13.52

12. There are no Persons belonging to the category “Public” holding securities (including shares, warrants, convertible securities) of more than 1% of the total number of shares

13. The lists of top 10 shareholders of our Company and the number of Equity Shares held by them as on the date of filing, ten days before the date of filing and two years before the date of filing of this Prospectus are set forth below:

a. Particulars of the top ten shareholders as on the date of filing this Prospectus:

Sr. No.	Name of Shareholders	Number of Equity Shares	% of Total Paid-Up Capital
1.	Pravinkumar Patel	4,24,073	13.41%
2.	Revabhai Patel	3,90,588	12.35%
3.	Dhanajibhai Patel	3,72,432	11.78%
4.	Narsinhbhai. Patel	3,51,992	11.13%
5.	Kalpeshkumar Patel	3,50,935	11.10%
6.	Pradipkumar Patel	3,17,027	10.03%
7.	Mafatlal Patel	3,10,806	9.83%
8.	Kalpeshkumar N. Patel - HUF	77,267	2.44%
9.	Pravinkumar M. Patel-HUF	75,335	2.38%
10.	Narsinhbhai J. Patel - HUF	73,926	2.34%
	<b>Total</b>	<b>27,44,381</b>	<b>86.79%</b>

b. Particulars of top ten shareholders ten days prior to the date of filing this Prospectus:

Sr. No.	Name of Shareholders	Number of Equity Shares	% of Total Paid-Up Capital
1.	Pravinkumar Patel	4,24,073	13.41%
2.	Revabhai Patel	3,90,588	12.35%
3.	Dhanajibhai Patel	3,72,432	11.78%

Sr. No.	Name of Shareholders	Number of Equity Shares	% of Total Paid-Up Capital
4.	Pradipkumar N. Patel	3,51,992	11.13%
5.	Narsinhbhai. Patel	3,50,935	11.10%
6.	Kalpeshkumar Patel	3,17,027	10.03%
7.	Mafatlal Patel	3,10,806	9.83%
8.	Kalpeshkumar N. Patel - HUF	77,267	2.44%
9.	Pravinkumar M. Patel-HUF	75,335	2.38%
10.	Narsinhbhai J. Patel - HUF	73,926	2.34%
	<b>Total</b>	<b>27,44,381</b>	<b>86.79%</b>

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

Sl. No	Name	Number of Equity Shares	% of then existing Paid-Up Capital
1.	Pravinkumar Patel	14,250	15.00%
2.	Kalpeshkumar Patel	14,250	15.00%
3.	Narsinhbhai Patel	14,250	15.00%
4.	Revabhai Patel	14,250	15.00%
5.	Dhanajibhai Patel	13,300	14.00%
6.	Dharmishtaben Patel	12,350	13.00%
7.	Mafatlal Patel	7,600	8.00%
8.	Ishwarbhai D Patel	4,750	5.00%
	<b>Total</b>	<b>95,000</b>	<b>100.00%</b>

\*Our Company had only 8 shareholders two years prior to the date of filing of this Prospectus

11. Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Plan for our employees and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Plan from the proposed issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014.
12. Neither the Lead Manager viz. Pantomath Capital Advisors Private Limited, nor their associates hold any Equity Shares of our Company as on the date of the Prospectus.
13. Under-subscription in the net issue, if any, in any category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the Lead Manager and the SME Platform of BSE.
14. The unsubscribed portion in any reserved category (if any) may be added to any other reserved category.
15. The unsubscribed portion if any, after such inter se adjustments among the reserved categories shall be added back to the net offer to the public portion.
16. There are no Equity Shares against which depository receipts have been issued.
17. Other than the Equity Shares, there is no other class of securities issued by our Company.
18. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, right issue or in any other manner during the period commencing from the date of the Prospectus until the Equity Shares have been listed. Further, our Company does not intend to alter its capital structure within six months from the date of opening of the Issue, by way of

split/consolidation of the denomination of Equity Shares. However our Company may further issue Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the listing of equity shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board may deem fit, if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company

19. None of the persons/entities comprising our Promoter Group, or our Directors or their relatives have financed the purchase by any other person of securities of our Company other than in the normal course of the business of any such entity/individual or otherwise during the period of six months immediately preceding the date of filing of this Prospectus.
20. Our Company, our Promoters, our Directors and the Lead Manager have not entered into any buy back or standby or similar arrangements for the purchase of Equity Shares being offered through the Issue from any person.
21. There are no safety net arrangements for this public issue.
22. An over-subscription to the extent of 60,000 shares can be retained for the purpose of rounding off to the nearest multiple of minimum allotment lot, while finalising the Basis of Allotment. Consequently, the actual Allotment may go up by a maximum of 60,000, as a result of which, the post-Issue paid up capital after the Issue would also increase by the excess amount of Allotment so made. In such an event, the Equity Shares held by our Promoters and subject to lock- in shall be suitably increased; so as to ensure that a minimum of 20% of the post Issue paid-up capital is locked in. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 43 (4) of SEBI (ICDR) Regulations, as amended from time to time.
23. As on date of this Prospectus there are no outstanding warrants, options or rights to convert debentures loans or other financial instruments into our Equity Shares.
24. All the Equity Shares of our Company are fully paid up as on the date of the Prospectus. Further, since the entire issue price in respect of the Issue is payable on application, all the successful applicants will be issued fully paid-up equity shares and thus all shares offered through this issue shall be fully paid-up.
25. As per RBI regulations, OCBs are not allowed to participate in this Issue.
26. Our Company has not raised any bridge loans against the proceeds of the Issue.
27. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
28. Our Company shall comply with such accounting and disclosure norms as specified by SEBI from time to time.
29. An Applicant cannot make an application for more than the number of Equity Shares being issued through this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors.
30. No payment, direct or indirect in the nature of discount, commission, and allowance or otherwise shall be made either by us or our Promoters to the persons who receive allotments, if any, in this Issue.
31. We have 28 shareholders as on the date of filing of the Prospectus.
32. Our Promoters and the members of our Promoter Group will not participate in this Issue.
33. Our Company has not made any public issue since its incorporation.

34. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group between the date of filing the Prospectus and the Issue Closing Date shall be reported to the Stock Exchange within twenty-four hours of such transaction.
35. For the details of transactions by our Company with our Promoter Group, Group Companies for the financial years ended March 31, 2012, 2013, 2014 and 2015 please refer to paragraph titled “Details of Related Parties Transactions as Restated” in the chapter titled ‘*Financial Statements as Restated*’ on page 220 of the Prospectus.
36. None of our Directors or Key Managerial Personnel holds Equity Shares in our Company, except as stated in the chapter titled “*Our Management*” beginning on page 191 of the Prospectus.





## OBJECTS OF THE ISSUE

Our Company proposes to utilize the funds which are being raised towards funding the following objects and to achieve the benefits of listing on the SME platform of BSE.

The objects of the Issue are:

1. Funding Working Capital Requirement;
2. Funding Issue Expenses.

We believe that listing will enhance our Company's corporate image, brand name and create a public market for our Equity Shares in India.

The main objects clause of our Memorandum enables us to undertake the activities for which funds are being raised in the Issue. The existing activities of our Company are within the objects clause of our Memorandum.

### FUND REQUIREMENTS

The fund requirement and deployment is based on internal management estimates and our Company's current business plan and is subject to change in light of changes in external circumstances or costs, other financial conditions, business or strategy. These estimates have not been appraised by any bank or financial institution.

In view of the dynamic nature of the sector and specifically that of our business, we may have to revise our expenditure and fund requirements as a result of variations in cost estimates and external factors which may not be within the control of our management. This may entail rescheduling and revising the planned expenditures and fund requirements and increasing or decreasing expenditures for a particular purpose at the discretion of our management, within the objects.

### Means of Finance

The Objects of the Issue will be funded through the proceeds of the IPO, the amount received pursuant to the preferential allotment, existing CC limits from HDFC Bank Ltd and internal accruals. Accordingly, we confirm that firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the proposed Issue has been made.

### Utilisation of Net Proceeds

We intend to utilize the Issue Proceeds, in the manner set forth below:

Sr. No.	Particulars	Amount (Rs. in Lakhs)	Percentage of total Issue (%)
1.	Working Capital Requirement	520.00	91.23%
2.	Issue Expenses	50.00	8.77%
	<b>Total</b>	<b>570.00</b>	<b>100.00%</b>

*\*As on June 11, 2015, Company has incurred Rs. 9.77 Lakhs towards Issue Expenses.*

While 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 variations in the actual utilisation of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in

this Issue. In the event of any shortfall in the Net Proceeds, we will bridge the fund requirements from internal accruals or debt/equity financing.

#### **Schedule of Implementation/Utilization of Net Proceeds**

Our Company proposes to deploy the Net Proceeds in the aforesaid objects in the financial year 2015-16.

#### **Details of Utilization of Issue Proceeds**

- **Working Capital Requirement**

Our business is working capital intensive. We finance our working capital requirement from internal accruals, client advances, bank funding and other sources

As on March 31, 2014 and March 31, 2015 our Company's net working capital consisted of Rs. 426.60 lakhs and Rs. 545.49 Lakhs respectively, based on the audited and restated standalone financial statements.

The total working capital requirement for the year 2015-16 is estimated to be Rs. 1,449.45. The incremental working capital requirement for the year ending March 31, 2016 will be Rs. 903.96 Lakhs, which will be met through the Net Proceeds to the extent of Rs. 520.00 Lakhs, and the balance portion will be met through internal accruals and existing CC limits from HDFC Bank.

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

The details of our Company's working capital requirement and funding of the same are based on the audited and restated standalone financial statements as at March 31, 2015 and March 31, 2014 are as set out in the table below:

(Rs. In Lakhs)

Particulars	Financial Year	
	2013-14	2014-15
<b>Current Assets</b>		
Inventories	475.72	301.89
Trade Receivables	131.22	180.54
Cash and Bank Balance	127.45	45.48
Other Current Assets	2.75	82.49
<b>Total (A)</b>	<b>737.14</b>	<b>610.40</b>
<b>Current Liabilities</b>		
Trade Payables	230.95	22.75
Other Current Liabilities	77.03	38.18
Short Term Provisions	2.56	3.98
<b>Total (B)</b>	<b>310.54</b>	<b>64.91</b>
<b>Net Working Capital (A)-(B)</b>	<b>426.60</b>	<b>545.49</b>
<b>Incremental Working capital</b>	<b>80.24</b>	<b>118.89</b>
<b>Sources Of Working Capital</b>		
Incremental Borrowings	7.90	15.57
Internal Accruals	27.34	-

Particulars	Financial Year	
	2013-14	2014-15
Further issue of Shares	45.00	103.32
<b>Total Source</b>	<b>80.24</b>	<b>118.89</b>

The details of our Company's expected working capital requirement as at March 31, 2016 is set out in the table below

Particulars	2015-16 (Estimated)
<b>Current Assets</b>	
Inventories	603.57
Trade Receivables	680.00
Cash and Bank Balance	191.19
Other Currents Assets	144.02
<b>Total (A)</b>	<b>1,618.78</b>
<b>Current Liabilities</b>	
Trade Payables	128.11
Other Current Liabilities	29.83
Short Term Provisions	11.39
<b>Total (B)</b>	<b>169.33</b>
<b>Net Working Capital (A)-(B)</b>	<b>1,449.45</b>
<b>Incremental Working Capital*</b>	<b>903.96</b>
<b>Sources Of Working Capital</b>	
Incremental Borrowings for existing CC limits	82.65
Internal Accruals	195.15
Issue Proceeds	520.00
Preferential Allotment made on May 15, 2015	106.16
<b>Total Source</b>	<b>903.96</b>

\*Incremental Working capital is calculated by subtracting the Current year net working capital from previous year net working capital

#### Assumption for working capital requirements

Assumptions for Holding Levels\*

Particulars	(In months)		
	Holding Level as of March 31, 2014	Holding Level as of March 31, 2015	Holding Level as of March 31, 2016
<b>Current Assets</b>			
Inventories	3.51	2.35	2.69
Trade Receivables	1.06	1.27	2.72

Particulars	Holding Level as of March 31, 2014	Holding Level as of March 31, 2015	Holding Level as of March 31, 2016
<b>Current Liabilities</b>			
Trade Payables	2.83	0.29	0.71

Our Company proposes to utilise Rs. 520.00 lakhs of Net Proceeds towards working capital requirements for meeting our business requirements.

The incremental long term working capital requirements are based on historical Company data and estimation of the future requirements in Financial Year 2015-16 considering the growth in activities of our Company and in line with norms accepted by our banker(s). Our Company has assumed inventory of 2.79 months for the Financial Year 2015-2016.

Our Debtors cycle was of about 1.06 and 1.27 months in Financial Year 2013-14 and 2014-2015. We have assumed that our debtor's cycle will be 2.72 months for Financial Year 2015-16. Similarly we have estimated other current assets, current liabilities and short term provisions in line with working capital employed in Financial Year 2014-2015.

#### **Justification for "Holding Period" levels**

The justifications for the holding levels mentioned in the table above are provided below

<b>Assets- Current Assets</b>	
<b>Inventories</b>	In FY 2015-16 the inventory holding period is expected to be bit higher as compared to FY 2014-15 to support sales growth
<b>Trade receivables</b>	In FY 2015-16 the trade receivable holding period is expected to go up to 2.72 months as against 1.27 months in FY 2014-15 as we will provide a more liberal credit period to increase our sales.
<b>Liabilities Current Liabilities</b>	
<b>Trade Payables</b>	We expect that suppliers for the raw material will provide us better credit period as compared to last year.

#### • **Issue Related Expenses**

The expenses for this Issue include issue management fees, underwriting fees, registrar fees, legal advisor fees, printing and distribution expenses, advertisement expenses, depository charges and listing fees to the Stock Exchange, among others. The total expenses for this Issue are estimated not to exceed Rs. 50.00 Lakhs.

Expenses	Expenses (Rs. in Lakhs)*	Expenses (% of total Issue expenses)	Expenses (% of Issue size)
Payment to Merchant Banker including expenses towards printing, advertising, and payment to other intermediaries such as Registrars, Market Maker, Bankers etc.	36.00	72.00%	6.32%
Regulatory fees	10.00	20.00%	1.75%
Marketing and Other Expenses	4.00	8.00%	0.70%

Expenses	Expenses (Rs. in Lakhs)*	Expenses (% of total Issue expenses)	Expenses (% of Issue size)
<b>Total estimated Issue expenses</b>	<b>50.00</b>	<b>100.00%</b>	<b>8.77%</b>

**\*As on June 11, 2015, Company has incurred Rs. 9.77 Lakhs towards Issue Expenses.**

#### BRIDGE FINANCING

We have not entered into any bridge finance arrangements that will be repaid from the Net Proceeds of the Issue. However, we may draw down such amounts, as may be required, from an overdraft arrangement / cash credit facility with our lenders, to finance additional working capital needs until the completion of the Issue. Any amount that is drawn down from the overdraft arrangement / cash credit facility during this period to finance additional working capital needs will be repaid from the Net Proceeds of the Issue.

#### DEPLOYMENT OF FUNDS

As estimated by our management, the entire proceeds from the Issue shall be utilized as follows:

(Rs. in Lakhs)

Particulars	Total Funds required	Amount incurred till March 31, 2015	Deployment during FY 2015-16
Working Capital Requirements	520.00	Nil	520.00
Issue Expenses	50.00	9.77	40.23
<b>Total</b>	<b>570.00</b>	<b>9.77</b>	<b>560.23</b>

Piyush J Shah & Co Chartered Accountants have *vide* certificate dated June 11, 2015 confirmed that as on June 11, 2015 following funds were deployed for the proposed Objects of the Issue:

(Rs. in Lakhs)

Particulars	Estimated Amount
Internal Accruals	9.77
<b>Total</b>	<b>9.77</b>

Our management, in accordance with the policies set up by the Board, will have flexibility in deploying the Net Proceeds of the Issue.

#### APPRAISAL BY APPRAISING AGENCY

The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution.

#### INTERIM USE OF FUNDS

Pending utilization for the purposes described above, we intend to invest the funds in high quality interest bearing liquid instruments including money market mutual funds, deposits with banks, for the necessary duration or for reducing overdrafts. Our management, in accordance with the policies established by our Board of Directors from time to time, will deploy the Net Proceeds.

## MONITORING UTILIZATION OF FUNDS

As the Net Proceeds of the Issue will be less than Rs. 50,000 Lakhs, under the SEBI (ICDR) Regulations it is not mandatory for us to appoint a monitoring agency.

Our Board and the management will monitor the utilization of the Net Proceeds through its Audit Committee. Pursuant to Clause 52 of the SME Listing Agreement, our Company shall on half-yearly basis disclose to the Audit Committee the applications of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in this Prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full. The statement will be certified by the Statutory Auditors of our Company.

## VARIATION IN OBJECTS

In accordance with Section 27 of the Companies Act, 2013, our Company shall not vary the objects of the Issue without our Company being authorised to do so by our shareholders by way of a special resolution. In addition, the notice issued to our shareholders in relation to the passing of such special resolution shall specify the prescribed details as required under the Companies Act, 2013 and shall be published in accordance with the Companies Act, 2013 and the rules thereunder. As per the current provisions of the Companies Act, 2013 our Promoters or controlling shareholders would be required to provide an exit opportunity to such shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

## OTHER CONFIRMATIONS

No part of the Issue proceeds will be paid by our Company as consideration to the Promoters, the Directors, our key management personnel or the Group Companies, except in the ordinary course of business.



## BASIS FOR ISSUE PRICE

The Issue Price of Rs.50 per Equity Share has been determined by our Company, in consultation with the Lead Manager on the basis of the following qualitative and quantitative factors.

The face value of the Equity Share is Rs. 10 and Issue Price is Rs. 50 per Equity Share and is 5.00 times the face value.

### QUALITATIVE FACTORS

Some of the qualitative factors, which form the basis for computing the price are:

- Leading producers of hybrid and research seeds in the regions in which we operate
- Proprietary germplasm base that is fully integrated with our Research capabilities.
- Diverse portfolio of seed products
- Experienced management team with a track record of success
- Research and development capabilities

For further details, refer to heading '*Our Competitive Strengths*' under chapter titled "*Our Business*" beginning on page 135 of this Prospectus.

### QUANTITATIVE FACTORS

The information presented below relating to the Company is based on the Standalone restated financial statements of the Company for Financial Year 2013, 2014 and 2015 prepared in accordance with Indian GAAP. Some of the quantitative factors, which form the basis for computing the price, are as follows:

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

Year ended	EPS (Rs.)	Weight
March 31, 2013	0.42	1
March 31, 2014	0.48	2
March 31, 2015	4.79	3
<b>Weighted Average</b>	<b>2.63</b>	

Consolidated EPS for the Year ended March 31, 2015 is Rs. 4.79.

On May 8, 2015, our Company allotted 20,18,251 Equity Shares in the ratio of 13:6. For the purposes of calculating the EPS above, the number of Equity Shares has been adjusted for these changes.

#### 2. Price to Earnings (P/E) ratio in relation to Issue Price of Rs. 50 per Equity Share of Rs. 10/- each.

Particulars	P/E Ratio
P/E ratio based on Basic EPS for FY 2014-15	10.43
P/E ratio based on Weighted Average EPS	19.04
<b>Industry P/E</b>	
Lowest	18.39
Highest	87.99
Average	42.08

P/E ratio based on Consolidated EPS for the Year ended March 31, 2015 is 10.43

Industry Composite comprises R J Biotech Limited, Camson Biotechnologies Limited, Kaveri Seed Company Limited, Monsanto India Limited and Advanta Limited

### 3. Average Return on Net worth (RoNW)

Return on Net Worth (“RoNW”) as per restated financial statements

Year ended	RoNW (%)	Weight
March 31, 2013	15.71	1
March 31, 2014	9.67	2
March 31, 2015	25.96	3
<b>Weighted Average</b>	<b>18.82</b>	

Consolidated RONW for the Year ended March 31, 2015 is 25.96%

Note: The RoNW has been computed by dividing net profit after tax as restated, by Net Worth as at the end of the year excluding miscellaneous expenditure to the extent not written off.

### 4. Minimum Return on Total Net Worth post Issue needed to maintain Pre Issue EPS for the year ended March 31, 2015 is 18.09%

### 5. Net Asset Value (NAV)

Particulars	Amount (In Rs)
Net Asset Value per Equity Share as of March 31, 2015	15.70
Net Asset Value per Equity Share after the Issue	26.48
Issue Price per equity share	50.00

Consolidated NAV for the Year ended March 31, 2015 is Rs. 15.70.

NAV per equity share has been calculated as net worth as divided by number of equity shares. On May 8, 2015, our Company allotted 20,18,251 Equity Shares in the ratio of 13:6. For the purposes of calculating the Net Asset Value above, the number of equity shares has been adjusted for these changes.

### 6. Comparison with other listed companies

Companies	CMP	EPS	PE Ratio	RONW %	NAV (Per Share)	Face Value	Sales (In Crores)
Mangalam Seeds Limited	50.00	4.79	10.43	25.96	15.70	10	17.02
<b>Peer Group*</b>							
RJ Biotech	29.00	1.55	18.71	6.18%	25.03	10	31.67
Camson Bio Technologies Limited	94.15	1.07	87.99	1.17%	88.00	10	169.38
Kaveri Seed Company Limited	805.7	43.81	18.39	39.78%	110.13	2	1115.52
Monsanto India Limited	2662.95	61.59	43.24	28.40%	216.84	10	556.43
Advanta Limited	406.9	-0.61	NA	-1.58%	38.89	2	83.19

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

\*\*CMP for our Company is considered as Issue Price

#### Notes:

- Considering the nature of business of the Company the peers are not strictly comparable. However same have been included for broad comparison.
- The figures for Mangalam Seeds Limited are based on Standalone restated financial





statements for the year ended March 31, 2015.

- The figures for the peer group except Advanta India Limited are based on standalone audited results for the respective year ended March 31, 2015. Figures of Advanta India Limited are based on standalone audited results for the year ended December 31, 2014.
- Current Market Price (CMP) is the closing prices of respective scripts as on June 11, 2015.
- The Issue Price of Rs. 50 per Equity Share has been determined by the Company in consultation with the LM and is justified based on the above accounting ratios.

For further details see section titled “Risk Factors” beginning on page 16 and the financials of the Company including profitability and return ratios, as set out in the section titled “Financial Statements” beginning on page 220 of this Prospectus for a more informed view

## STATEMENT OF POSSIBLE TAX BENEFITS

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

To  
The Board of Directors  
Mangalam Seeds Limited  
202, Sampada Complex, B/h. Tulsi Complex,  
Mithakhali Six Cross Road, Navrangpura,  
Ahmedabad- 380009, Gujarat, India

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

The Direct Tax Code (which consolidates the prevalent direct tax laws) is proposed to come into effect from April 1, 2017. However, it may undergo a few more changes by the time it is actually introduced and hence, at the moment, it is unclear what effect the proposed Direct Tax Code would have on the Company and its investors. The benefits discussed in the enclosed Annexure are not exhaustive and the preparation of the contents stated is the responsibility of the Company's management. We are informed that this statement is only intended to provide general information to the investors and hence is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Issue.

Our confirmation is based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company. We do not express any opinion or provide any assurance as to whether:

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

**For M/s Ramanand & Associates**  
**Chartered Accountants**  
**Firm Reg no: 117776W**

**CA Ramanand Gupta**  
**Membership No.: 103975**

Place: Mumbai  
Date: June 11, 2015



## ANNEXURE TO THE STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO MANGALAM SEED LIMITED AND ITS SHAREHOLDERS

Outlined below are the possible benefits available to the Company and its shareholders under the current direct tax laws in India for the Financial Year 2015-16.

### Benefits to the Company under the Act

#### 1. General tax benefits

##### A. Business Income

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

##### B. Exemption from Agriculture Income

The Income generated from cultivation and marketing of seeds and vegetables, which is in the nature of agriculture activity, is fully exempt from Income Tax u/s 10(1) of the Income Tax Act

##### C. MAT Credit

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

##### D. Capital Gains

###### (i) Computation of capital gains

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

- In respect of any other capital assets, STCG means capital gains arising from the transfer of an asset, held by an assessee for thirty six months or less.
  - LTCG arising on transfer of equity shares of a Company or units of an equity oriented fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)) is exempt from tax as per provisions of Section 10(38) of the Act, provided the transaction is chargeable to securities transaction tax (STT) and subject to conditions specified in that section.
  - Income by way of LTCG exempt under Section 10(38) of the Act is to be taken into account while determining book profits in accordance with provisions of Section 115JB of the Act.
  - As per provisions of Section 48 of the Act, LTCG arising on transfer of capital assets, other than bonds and debentures (excluding capital indexed bonds issued by the Government) and depreciable assets, is computed by deducting the indexed cost of acquisition and indexed cost of improvement from the full value of consideration.
  - As per provisions of Section 112 of the Act, LTCG not exempt under Section 10(38) of the Act are subject to tax at the rate of 20% with indexation benefits. However, if such tax payable on transfer of listed securities or units or zero coupon bonds exceed 10% of the LTCG (without indexation benefit), the excess tax shall be ignored for the purpose of computing the tax payable by the assessee.
  - As per provisions of Section 111A of the Act, STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)), are subject to tax at the rate of 15% provided the transaction is chargeable to STT. No deduction under Chapter VIA is allowed from such income.
  - STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)), where such transaction is not chargeable to STT is taxable at the rate of 30%.
  - The tax rates mentioned above stands increased by surcharge, payable at the rate of 7% where the taxable income of a domestic company exceeds Rs10,000,000 and 12% where the taxable income of a domestic company exceeds 100,000,000. Further, education cess and secondary and higher education cess on the total income at the rate of 2% and 1% respectively is payable by all categories of taxpayers.
  - As per provisions of Section 71 read with Section 74 of the Act, short – term capital loss arising during a year is allowed to be set-off against short – term as well as long – term capital gains. Balance loss, if any, shall be carried forward and set-off against any capital gains arising during subsequent eight assessment years.
  - As per provisions of Section 71 read with Section 74 of the Act, long – term capital loss arising during a year is allowed to be set-off only against long – term capital gains. Balance loss, if any, shall be carried forward and set-off against long – term capital gains arising during subsequent eight assessment years.
- (ii) Exemption of capital gains from income – tax

- Under Section 54EC of the Act, capital gain arising from transfer of long – term capital assets [other than those exempt u/s 10(38)] shall be exempt from tax, subject to the conditions and to the extent specified therein, if the capital gain are invested within a period of six months from the date of transfer in the bonds redeemable after three years and issued by -:
  1. National Highway Authority of India (NHAI) constituted under Section 3 of National Highway Authority of India Act, 1988; and
  2. Rural Electrification Corporation Limited (RECL), a company formed and registered under the Companies Act, 1956.
- Where a part of the capital gains is reinvested, the exemption is available on a proportionate basis. The maximum investment in the specified long term asset cannot exceed Rs 50,00,000 per assessee during any financial year.
- Where the new bonds are transferred or converted into money within three years from the date of their acquisition, the amount so exempted is taxable as capital gains in the year of transfer / conversion.
- As per provision of Section 14A of the Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.
- The characterization of the gain / losses, arising from sale / transfer of shares as business income or capital gains would depend on the nature of holding and various other factors.

#### ***E. Securities Transaction Tax***

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

#### ***F. Gujarat Value Added Tax Act, 2003***

As per provisions of Gujarat Value Added Tax Act, 2003 Agriculture Products are exempted from all the taxes.

#### ***G. Dividends***

- As per provisions of Section 10(34) read with Section 115-O of the Act, dividend (both interim and final), if any, received by the Company on its investments in shares of another Domestic Company is exempt from tax. The Company will be liable to pay dividend distribution tax at the rate of 15% (plus a surcharge of 12% on the dividend distribution tax and education cess and secondary and higher education cess of 2% and 1% respectively on the amount of dividend distribution tax and surcharge thereon) on the total amount distributed as dividend. Credit in respect of dividend distribution tax paid by a subsidiary of the Company could be available while determining the dividend distribution tax payable by the Company as per provisions of Section 115-O (1A) of the Act, subject to fulfillment of prescribed conditions.

- As per provisions of Section 10(35) of the Act, income received in respect of units of a mutual fund specified under Section 10(23D) of the Act (other than income arising from transfer of such units) is exempt from tax.
- As per provisions of Section 80G of the Act, the Company is entitled to claim deduction of as specified amount in respect of eligible donations, subject to the fulfillment of the conditions specified in that section.
- As per the provisions of Section 115BBD of the Act, dividend received by Indian company from a specified foreign company (in which it has shareholding of 26% or more) would be taxable at the concessional rate of 15% on gross basis (excluding surcharge and education cess).

### Benefits to the Resident members / shareholders of the Company under the Act

#### A. Dividends exempt under section 10(34) of the Act

As per provisions of Section 10(34) of the Act, dividend (both interim and final), if any, received by the resident members / shareholders from the Company is exempt from tax. The Company will be liable to pay dividend distribution tax at the rate of 15% plus a surcharge of 12% on the dividend distribution tax and education cess and secondary and higher education cess of 2% and 1% respectively on the amount of dividend distribution tax and surcharge thereon on the total amount distributed as dividend.

#### B. Capital Gains

##### (i) Computation of capital gains

- Capital assets are to be categorized into short – term capital assets and long – term capital assets based on the period of holding. All capital assets, being shares held in a Company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under section 10(23D) of the Act or a zero coupon bond, held by an assessee for more than twelve months are considered to be long – term capital assets, capital gains arising from the transfer of which are termed as LTCG. In respect of any other capital assets, the holding period should exceed thirty – six months to be considered as long – term capital assets.
- STCG means capital gains arising from the transfer of capital asset being a share held in a Company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under clause (23D) of Section 10 or a zero coupon bonds, held by an assessee for twelve months or less.
- In respect of any other capital assets, STCG means capital gain arising from the transfer of an asset, held by an assessee for thirty six months or less.
- LTCG arising on transfer of equity shares of a Company or units of an equity oriented fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)) is exempt from tax as per provisions of Section 10(38) of the Act, provided the transaction is chargeable to STT and subject to conditions specified in that section.
- As per first proviso to Section 48 of the Act, the capital gains arising on transfer of share of an Indian Company need to be computed by converting the cost of acquisition, expenditure incurred in connection with such transfer and full value of the consideration receiving or accruing as a result of the transfer, into the same foreign currency in which the shares were originally purchased. The resultant gains thereafter need to be

reconverted into Indian currency. The conversion needs to be at the prescribed rates prevailing on dates stipulated. Further, the benefit of indexation as provided in second proviso to Section 48 is not available to non-resident shareholders.

- As per provisions of Section 112 of the Act, LTCG not exempt under Section 10(38) of the Act are subject to tax at the rate of 20% with indexation benefits. However, if such tax payable on transfer of listed securities or units or zero coupon bonds exceed 10% of the LTCG (without indexation benefit), the excess tax shall be ignored for the purpose of computing the tax payable by the assessee. As per provisions of Section 111A of the Act, STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)), are subject to tax at the rate of 15% provided the transaction is chargeable to STT. No deduction under Chapter VIA is allowed from such income.
- STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)), where such transaction is not chargeable to STT is taxable at the rate of 30%.
- The tax rates mentioned above stands increased by surcharge, payable at the rate of 12% where the taxable income of a assessee (other than company) exceeds Rs. 10,000,000. Further, education cess and secondary and higher education cess on the total income at the rate of 2% and 1% respectively is payable by all categories of taxpayers.
- As per provisions of Section 71 read with Section 74 of the Act, short – term capital loss arising during a year is allowed to be set-off against short – term as well as long – term capital gains. Balance loss, if any, shall be carried forward and set-off against any capital gains arising during subsequent eight assessment years.
- As per provisions of Section 71 read with Section 74 of the Act, long – term capital loss arising during a year is allowed to be set-off only against long – term capital gains. Balance loss, if any, shall be carried forward and set-off against long – term capital gains arising during subsequent 8 assessment years.

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

- As per Section 54EC of the Act, capital gains arising from the transfer of a long – term capital asset are exempt from capital gains tax if such capital gains are invested within a period of six months after the date of such transfer in specified bonds issued by NHAI and REC and subject to the conditions specified therein.
- Where a part of the capital gains is reinvested, the exemption is available on a proportionate basis. The maximum investment in the specified long – term asset cannot exceed Rs 5,000,000 per assessee during any financial year.
- Where the new bonds are transferred or converted into money within three years from the date of their acquisition, the amount so exempted is taxable as capital gains in the year of transfer / conversion.
- As per provisions of Section 14A of the Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.
- The characterization of the gain / losses, arising from sale / transfer of shares as business income or capital gains would depend on the nature of holding and various other factors.
- In addition to the same, some benefits are also available to a resident shareholder being an individual or Hindu Undivided Family ('HUF').

- As per provisions of Section 54F of the Act, LTCG arising from transfer of shares is exempt from tax if the net consideration from such transfer is utilized within a period of one year before, or two years after the date of transfer, for purchase of a new residential house, or for construction of residential house within three years from the date of transfer and subject to conditions and to the extent specified therein.

### **C. Tax Treaty Benefits**

As per provisions of Section 90 (2) of the Act, non-resident shareholders can opt to be taxed in India as per the provisions of the Act or the double taxation avoidance agreement entered into by the Government of India with the country of residence of the non-resident shareholder, whichever is more beneficial.

### **D. Non-Resident Taxation**

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

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



- As per provisions of Section 115I of the Act, a NRI can opt not to be governed by the provisions of Chapter XII-A for any assessment year by furnishing return of income for that assessment year under Section 139 of the Act, declaring therein that the provisions of the chapter shall not apply for that assessment year. In such a situation, the other provisions of the Act shall be applicable while determining the taxable income and tax liability arising thereon.

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

#### A. Dividends exempt under section 10(34) of the Act

As per provisions of Section 10(34) of the Act, dividend (both interim and final), if any, received by a shareholder from a domestic Company is exempt from tax. The Company will be liable to pay dividend distribution tax at the rate of 15% plus a surcharge of 12% on the dividend distribution tax and education cess and secondary and higher education cess of 2% and 1% respectively on the amount of dividend distribution tax and surcharge thereon on the total amount distributed as dividend.

#### B. Long – Term Capital Gains exempt under section 10(38) of the Act

- LTCG arising on sale equity shares of a company subjected to STT is exempt from tax as per provisions of Section 10(38) of the Act. It is pertinent to note that as per provisions of Section 14A of the Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.
- It is pertinent to note that as per provisions of Section 14A of the Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.

#### C. Capital Gains

- As per provisions of Section 115AD of the Act, income (other than income by way of dividends referred to Section 115-O) received in respect of securities (other than units referred to in Section 115AB) is taxable at the rate of 20% (plus applicable surcharge and education cess and secondary & higher education cess). No deduction is allowed from such income in respect of any expenditure or allowance or deductions under Chapter VI-A of the Act.
- As per provisions of Section 115AD of the Act, capital gains arising from transfer of securities is taxable as follows:

Nature of income	Rate of tax (%)
LTCG on sale of equity shares not subjected to STT	10
STCG on sale of equity shares subjected to STT	15
STCG on sale of equity shares not subjected to STT	30

- For corporate FIIs, the tax rates mentioned above stands increased by surcharge, payable at the rate of 7% where the taxable income exceeds Rs 1,00,00,000. Further, education cess and secondary and higher education cess on the total income at the rate of 2% and 1% respectively is payable by all categories of FIIs.
- The benefit of exemption under Section 54EC of the Act mentioned above in case of the Company is also available to FIIs.

#### **D. Securities Transaction Tax**

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

#### **E. Tax Treaty benefits**

- As per provisions of Section 90(2) of the Act, FIIs can opt to be taxed in India as per the provisions of the Act or the double taxation avoidance agreement entered into by the Government of India with the country of residence of the FII, whichever is more beneficial
- The characterization of the gain / losses, arising from sale / transfer of shares as business income or capital gains would depend on the nature of holding and various other factors

#### **Benefits available to Mutual Funds under the Act**

##### **a) Dividend income**

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

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

#### **Gift Tax Act, 1958**

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

Note: All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.



## SECTION IV – ABOUT THE COMPANY

### 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 industry sources. Neither we nor any other person connected with the 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 that 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. You should read the entire Prospectus, including the information contained in the sections titled “Risk Factors” and “Financial Statements” and related notes beginning on page 16 and 220 respectively of this Prospectus before deciding to invest in our Equity Shares.*

### INDIAN ECONOMIC REVIEW

One of the redeeming features, while comparing economic performance across different countries for the year 2014-15, has been the emergence of India among the few large economies with propitious economic outlook, amidst the mood of pessimism and uncertainties that engulf a number of advanced and emerging economies. Brighter prospects in India owe mainly to the fact that the economy stands largely relieved of the vulnerabilities associated with an economic slowdown, persistent inflation, elevated fiscal deficit, slackening domestic demand, external account imbalances, and oscillating value of the rupee in 2011-12 and 2012-13. From the macroeconomic perspective, the worst is clearly behind us. The latest indicators, emerging from the recently revised estimates of national income brought out by the Central Statistics Office, point to the fact that the revival of growth had started in 2013-14 and attained further vigour in 2014-15. Factors like the steep decline in oil prices, plentiful flow of funds from the rest of the world, and potential impact of the reform initiatives of the new government at the centre along with its commitment to calibrated fiscal management and consolidation bode well for the growth prospects and the overall macroeconomic situation. Encouraged by the greater macro-economic stability and the reformist intent and actions of the government, coupled with improved business sentiments in the country, institutions like the IMF and the World Bank have presented an optimistic growth outlook for India for the year 2015 and beyond. The possible headwinds to such promising prospects, however, emanate from factors like inadequate support from the global economy saddled with subdued demand conditions, particularly in Europe and Japan, recent slowdown in China, and, on the domestic front, from possible spill-overs of below normal agricultural growth and challenges relating to the massive requirements of skill creation and infrastructural upgradation. The encouraging results from the Advance Estimates for 2014-15 suggest that though the global sluggishness has partly fed into the lacklustre growth in foreign trade; yet this downward pressure has been compensated by strong domestic demand, keeping the growth momentum going.

## Growth in Real GDP (per cent)

**Table 1.1 : Comparison of Old Series and New Series**

Item	Year	Difference between new series and old series in percentage points
Growth in GVA at factor cost	2012-13	0.4
	2013-14	1.9
Growth in deflator	2012-13	0.5
	2013-14	-0.3
Level of GVA at factor cost at current prices	2011-12	-2.2
	2012-13	-1.3
	2013-14	0.2

Source: CSO.

The economic scenario presented by the new series (with 2011-12 as base year) reveals that there was perceptible improvement in some of the macro-aggregates of the economy in 2013-14, which got strengthened in 2014-15. Economic growth, measured by growth in gross domestic product (GDP) at constant market prices, estimated at 5.1 per cent and 6.9 per cent respectively during 2012-13 and 2013-14, was higher than the corresponding figures of 4.7 per cent and 5.0 per cent released under the 2004-05 series in May 2014. That this high growth occurred in a year when the both the savings and investment to GDP ratios were lower than the average of a number of years and when the level of imports (that are generally positively associated with GDP) actually declined by 8.4 per cent in real terms, is somewhat puzzling. One of the reasons why the real GDP growth rate for 2013-14 appears to be strong is the lower GDP level in 2011-12 and 2012-13 along with lower GDP deflators than were thought hitherto.

The table 1.1 captures these effects separately based on the new and old series of the GVA at factor cost. The level of GVA was lower in 2011-12 and 2012-13 in the new series vis-à-vis the old series, with the degree of change tapering off in successive years. This cannot be verified for the Advance Estimates (AE) for 2014-15, for which only the data from new series is available. A greater decline in the level of GDP in 2011-12 and 2012-13, has given an upward push to the growth rate in the 2013-14. On the other hand, the upward revision of inflation in 2012-13, measured by the GDP deflator, gave a downward push to growth, but not to the extent of nullifying the positive effect of relative revisions in absolute levels. In 2013-14, the downward revision in the deflator pushed up real growth in the new series.

(Source – Economic Survey 2014-2015)

### Outlook for 2015-16

The macroeconomic situation in India has improved significantly during the current year. The release of the new series of national accounts revealed that the economy has been performing much better than what was being depicted earlier. The steady acceleration in services and manufacturing growth in the face of subdued global demand conditions point to the strengthening of domestic demand. Most of the buoyancy in domestic demand can be traced to consumption. Investment activity, which is slowly picking up. The savings-investment dynamics will be crucial for the growth to strengthen further in the coming years, in addition to reversal of the subdued export performance being currently witnessed. The key will be the response of savings to improved price and financial market stability, and of investment, particularly in the crucial infrastructure sector, to reform efforts of the Government that are underway. On the supply side, there are concerns about tentative growth patterns in construction and mining activities that need to be addressed to. This is particularly important in view of the strong intersectoral linkages that these sectors have. The farm sector suffered from a relatively poor monsoon, but there are no indications of its spillover to be next year. The improving rate of value addition in the economy, represented by the ratio of value added to output, and the falling incremental capital output ratio indicate better resource use in production. On the global front, the United States radiates confidence and strength, while some other structurally important economies like China, Russia, Euro area and Japan face uncertain prospects, thereby affecting global growth and investment outlook. The sharp decline in oil prices has provided an incentive for overall global growth and stability. At the same time, it has diminished fortunes of oil

exporting countries that can influence economic activity adversely. In the light of the Government's commitment to reforms, along with the improvements in price and external sector scenarios including the possibility of international oil prices remaining generally benign, the outlook for domestic macroeconomic parameters is generally optimistic, notwithstanding the uncertainties that could also arise from an increase in interest rates in the United States and situation prevailing in Greece within Euro-zone. Given the above, and assuming normal monsoons better prospects in the world economy that could provide impetus to higher exports for Indian products and services, a growth of around 8.5 per cent is in the realm of possibility in 2015-16.

*(Source: Economic Survey 2014-15)*

## AGRICULTURE SECTOR IN INDIA

### Introduction

Despite the focus on industrialisation, agriculture remains a dominant sector of the Indian economy both in terms of contribution to gross domestic product (GDP) as well as a source of employment to millions across the country.

Agriculture plays a vital role in the Indian economy. Over 70 per cent of the rural households depend on agriculture as their principal means of livelihood. Agriculture, along with fisheries and forestry, accounts for one-third of the nation's GDP and is its single largest contributor.

The total Share of Agriculture & Allied Sectors (Including agriculture, livestock, forestry and fishery sub sectors) in terms of percentage of GDP is 13.9 percent during 2013-14 at 2004-05 prices. [As per the estimates released by Central Statistics Office]

Agricultural exports constitute a fifth of the total exports of the country. In view of the predominant position of the Agricultural Sector, collection and maintenance of Agricultural Statistics assume great importance.

The country is also the largest producer, consumer and exporter of spices and spice products in the world and overall in farm and agriculture outputs, it is ranked second. From canned, dairy, processed, frozen food to fisheries, meat, poultry, and food grains, the Indian agro industry has plenty of areas to choose for business.

The Department of Agriculture and Cooperation under the Ministry of Agriculture is the nodal organisation responsible for the development of the agriculture sector in India. Under it, several other bodies such as the National Dairy Development Board (NDDB) work for the development of other allied agricultural sectors.

### Market Size

There are multiple factors that have predominantly worked in tandem leading to the growth of the Indian agriculture sector in recent years. These include growth in income and consumption, growth in food processing sector and increase in agricultural exports. Also, increasing private participation in Indian agriculture, growing organic farming and usage of information technology are the trends that are being witnessed by the agriculture industry.

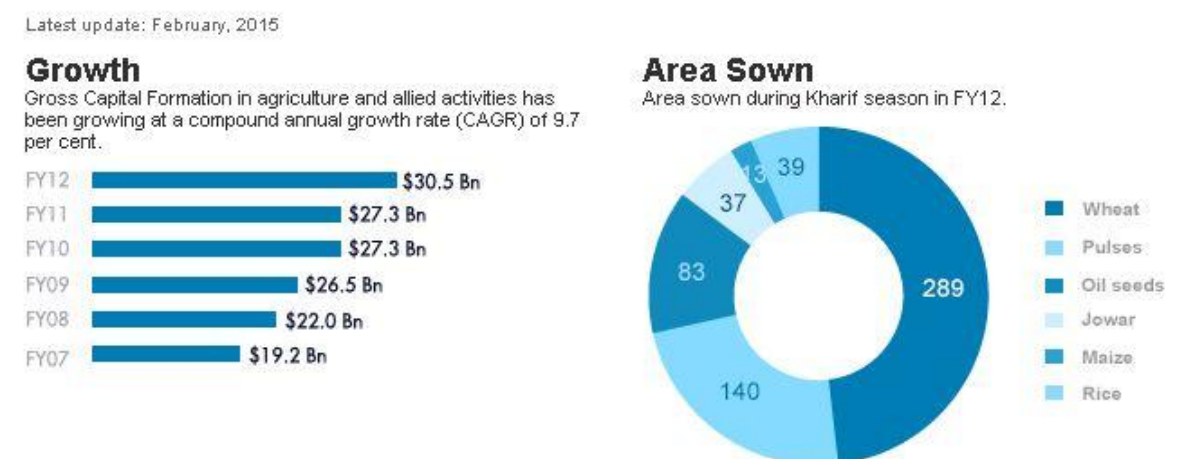
As per the 4<sup>th</sup> Advance Estimates of Production of food grains for 2013-14, total food grain production is estimated to be 264.77 million tonnes (MT).

- With an annual output of 130 MT, India is the largest producer of the milk in the world. It also has the largest milk-producing animal population of over 118 million. However, milk yields per animal are among the lowest in the world.

- India is the biggest producer of pulses in the world at 19 MT and their biggest importer 3.5 MT.
- India is the second largest producer of sugar in the world and the government has aimed to increase the exports from 1.3 MT in 2013 to an average of 2 MT in 2014 and 2015.

Spice exports from India are expected to reach US\$ 3 billion by 2016-17, on the back of creative marketing strategies, innovative packaging, strength in quality and a strong distribution network. The Indian spices market is pegged at Rs 40,000 crore (US\$ 6.42 billion) annually, of which the branded segment accounts for 15 per cent.

In 2013-14 India achieved a record food grain production of 264 MT, beating the previous year's (2012-13) 257 MT, according to data provided by Department of Economics and Statistics (DES). Also, agricultural profitability has increased over the last decade with record increases in MSPs (minimum support prices) for agricultural produce for all covered crops.



## Government Initiatives

Government during the budget 2014-15 took a number of steps for sustainable development of Agriculture. These steps include enhanced institutional credit to farmers; promotion of scientific warehousing infrastructure including cold storages and cold chains in the country for increasing shelf life of agricultural produce; Improved access to irrigation through Pradhan Mantri Krishi Sichayee Yojana; provision of Price Stabilisation Fund to mitigate price volatility in agricultural produce;

Mission mode scheme for Soil Health Card; Setting up of Agri-tech Infrastructure fund for making farming competitive and profitable; provide institutional finance to joint farming groups of “Bhoomi Heen Kisan” through NABARD; development of indigenous cattle breeds and promoting inland fisheries and other non-farm activities to supplement the income of farmers.

The Department of Agriculture & Cooperation under Ministry of Agriculture has entered into MOUs/Agreements with 52 countries including United State of America. In addition, Department of Agriculture Research & Education (DARE) and Department of Animal Husbandry, Dairying & Fisheries (DAHD&F) under Ministry of Agriculture have also entered into MOUs/Agreements with other countries taking the total number of countries to 63. Agreements with these countries provide better agricultural facilities due to cooperation in areas such as Research and Development, Capacity Building, Germ-Plasm Exchange, Post Harvest Management, Value Addition/ Food Processing, Plant Protection, Animal Husbandry, Dairy & Fisheries and also help in enhancing bilateral trade.

Some of the recent major government initiatives in the sector are as follows:

- The National Dairy Development Board (NDDB) has announced 42 dairy projects with a financial outlay of Rs 221 crore (US\$ 35.47 million) in order to boost milk output in the country and increase per animal production of milk.
- The Government of India has planned to invest Rs 50,000 crore (US\$ 8.02 billion) to revive four fertilizer plants and set up two new plants to produce farm nutrients.
- The Ministry of Food Processing Industries has taken some new initiatives to develop the food processing sector which will also help to enhance the incomes of farmers and export of agro and processed foods among others.
- Israel has increased its cooperation with Indian agriculture, helping farmers multiply their income with better practices, yields and choosing the right crops or vegetables in a success story that is boosting bilateral ties that have strengthened under the Government of Mr Narendra Modi, Prime Minister of India.
- The Government of Telangana has allocated Rs 4,250 crore (US\$ 682.31 million) for the first phase of farm loan waiver scheme. The scheme is expected to benefit 3.6 million farmers who had taken loans of Rs 100,000 (US\$ 1,605.46) or below before March 31, 2014.

### **Road Ahead**

The Indian agriculture sector is expected to grow with better momentum in the next few years owing to increase in investment in agricultural infrastructure such as irrigation facilities, warehousing and cold storage. Factors such as reduced transaction costs, time, better port gate management and fiscal incentives will also contribute to this upward trend. Furthermore, the increased use of genetically modified crops is also expected to better the yield of the Indian farmers.

The 12<sup>th</sup> Five Year Plan’s estimates of expanding the storage capacity to 35 MT and the target of achieving an overall growth of 4 per cent will also go a long way in modifying the overall face of the Indian agriculture sector in the next few years.

(Source: <http://www.ibef.org/industry/agriculture-india.aspx> )

## INDIAN SEED INDUSTRY

### Overview

Quality seeds and planting materials are the key agricultural inputs, which determine the productivity of the crops. The efficacy of other agricultural inputs such as fertilizers, pesticides and irrigation is largely determined by the quality of the seed used. It is estimated that quality of seed accounts for 20-25% of productivity. Hence timely availability of quality seeds at affordable prices to farmers is necessary for achieving higher agricultural productivity and production. The varied agro climatic conditions of the country are suitable for cultivation of large number of crops and varieties. This necessitates production of quality seeds and planting materials for a huge range of crops for achieving the targeted production.

The organized sector comprising of both the private and public sector accounts for about 15 to 20% of the total seed distributed in the country. The remaining portion is contributed by the unorganized sector comprising mainly of farm-saved seeds. Prudent mechanism for seed certification, testing, labelling and enforcement is necessary to maintain seed quality. Varietal development, plant variety protection, seed production, quality assurance, creation of infrastructure for seeds, transgenics, import of planting material, export of seeds and promotion of domestic seed industry are necessary for a vibrant seed industry. An enabling environment for speedy trial and evaluation of imported seeds for the betterment of agriculture production in the country is necessary.

The Seeds Bill, 2004 has been introduced in the Parliament to overcome the limitation of Seeds Act 1966, and provides for the regulation of seed quality and planting material of all agricultural, horticultural and plantation crops with the view to ensure availability of true to type seeds to Indian farmers; curb sale of spurious and poor quality seeds; protection of rights of farmers, increase private participation in seed production, distribution and seed testing; liberalize imports of seeds and planting material, and align with World Trade Organization (WTO) commitments and international standards, needs to be enacted with utmost urgency. The seed multiplication ratio from Breeder seed to Foundation seed and from Foundation seed to Certified seed needs to be addressed by all the seed producing agencies, both in public and private sectors. Comprehensive and authentic database on seed production and distribution in India by public and private sectors needs to be built for the benefit of all the stakeholders. There is need to ensure adequate and timely availability of seed through appropriate tie ups with NSC, SFCI, State Seed Corporations etc., popularize Good Agricultural Practices (GAP), enhance Seed Replacement Ratio to 20-25% in pulses and 20% in case of groundnut, popularize new farming techniques like ridge-furrow sowing, deep ploughing, zero seed drill and seed

*(Source: State of Indian Agriculture 2012-2013)*

### Evolution of the Seed Industry

1960s – Mid 1980s	Mid 1980s – 1990s	Current Status
Strict regulatory regime: Seed Act, 1966; Seed Rules, 1968	Seed Industry boom due to several government initiatives	Private Sector accounts for ~80% turnover in seed Industry
Minimal Private Sector participation	Foreign direct investment allowed and encouraged	Almost 1/3 companies have a global technology/ financial partner
R & D in public domain	Trade regulations liberalized	14 Government organizations and 350 private players
Restrictions on germplasm exchange, foreign ownership	Imports of improved varieties and breeding lines liberalized	Thrust on R&D from private players



1960s – Mid 1980s	Mid 1980s – 1990s	Current Status
etc		
Most farmers depended on seed saved from their own crops cultivated in the previous year	Policy reforms such as the New Policy on Seed Development (1988) and the economy wide New Industrial Policy 1991	Hybridization gaining momentum

(Source: [www.apsaseed.org/images/lovelypics/Documents/Technical%20Session08/India\\_%20Country%20Report.pdf](http://www.apsaseed.org/images/lovelypics/Documents/Technical%20Session08/India_%20Country%20Report.pdf)).

### Seed Production System in India:

The Indian seed programme largely adheres to the limited generations' system for seed multiplication in a phased manner. The system recognizes three generations namely breeder, foundation and certified seeds and provides adequate safeguards for quality assurance in the seed multiplication chain to maintain the purity of the variety as it flows from the breeder to the farmer.

#### **Breeder Seed**

Breeder seed is the progeny of nucleus seed of a variety and is produced by the originating breeder or by a sponsored breeder. Breeder seed production is the mandate of the Indian Council of Agricultural Research and is being undertaken with the help of;

- i. ICAR Research Institutions, National Research Centres and All India Coordinated Research Project of different crops;
- ii. State Agricultural Universities (SAUs) with 14 centres established in different States;
- iii. Sponsored breeders recognized by selected State Seed Corporations, and
- iv. Non-Governmental Organizations.

ICAR also promotes sponsored breeder seed production programme through the National Seeds Corporation / State Farms Corporation of India, State Seeds Corporation, Krishi Vigyan Kendras etc. There has been a steady increase in the production of breeder seed over the years.

The indents from various seeds producing agencies are collected by the State Departments of Agriculture and submitted to the Department of Agriculture and Cooperation (DAC), Ministry of Agriculture, Government of India, which in turn compiles the whole information crop wise and sends it to the Project Coordinator/Project Director of the respective crops in ICAR for final allocation of production responsibility to different SAUs/ICAR institutions. The allocation of responsibility for production of breeder seed is discussed in the workshop in respect of the particular crop and is made to various centres as per the facilities and capabilities available at the centres and the availability of nucleus seed of a particular variety. It may be noted that indents are compiled and forwarded to ICAR at least 18 months in advance. To make the programme systematic, and for proper evaluation of the breeder seed production programme, monitoring terms have been constituted and reporting proforma have been devised. The monitoring terms consist of breeder of the variety, the concerned Project Director or his nominee, representative of NSC. The production of breeder seed is reviewed every year by ICAR-DAC in the annual seed review meeting.

The actual production of breeder seed by different centres is intimated to DAC by ICAR. On receipt of information from ICAR, the available breeder seed is allocated to all the indenters in an equitable

manner. In the case of varieties which are relevant only to a particular State, the indents for breeder seed are placed by the concerned Director of Agriculture with the SAUs/ICAR institutions located in the State. The breeder seed produced is lifted directly by the Director of Agriculture or foundation seed producing agencies authorized by him.

### **Foundation Seed**

Foundation seed is the progeny of breeder seed and is required to be produced from breeder seed or from foundation seed which can be clearly traced to breeder seed. The responsibility for production of foundation seed has been entrusted to the NSC, SFCI, State Seeds Corporation, State Departments of Agriculture and private seed producers, who have the necessary infrastructure facilities. Foundation seed is required to meet the standards of seed certification prescribed in the Indian Minimum Seeds Certification Standards, both at the field and laboratory testing.

### **Certified Seed**

Certified seed is the progeny of foundation seed and must meet the standards of seed certification prescribed in the Indian Minimum Seeds Certification Standards, 1988. In case of self pollinated crops, certified seeds can also be produced from certified seeds provided it does not go beyond three generations from foundation seed stage-I.

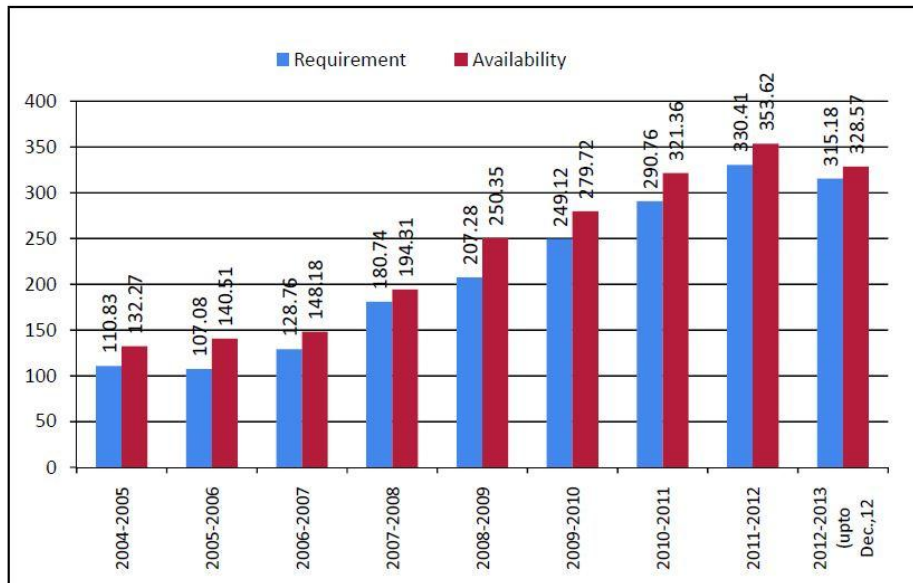
The production and distribution of quality/certified seeds is primarily the responsibility of the State Governments. Certified seed production is organized through State Seed Corporation, Departmental Agricultural Farms, Cooperatives etc. The distribution of seeds is undertaken through a number of channels i.e. departmental outlets at block and village level, cooperatives, outlets of seed corporations, private dealers etc. The efforts of the State Governments are being supplemented by NSC and SFCI which produce varieties of national importance. NSC markets its seeds through its own marketing network and also through its dealer network. SFCI markets its seeds mainly through the State Departments of Agriculture and the State Seed Corporations. The production of certified seed by NSC and State Seed Corporations is mainly organized through contract growing arrangements with progressive farmers. SFCI undertakes seed production on its own farms. The private sector has also started to play an important role in the supply of quality seeds of vegetables and crops like hybrid maize, sorghum, Bajra, cotton, castor, sunflower, paddy etc.

The requirement of certified/quality seeds is assessed by State Governments on the basis of the area sown under different crop varieties, area covered by hybrid and self-pollinated varieties as well as the seed replacement rate achieved. The availability of seed is ascertained by the State Departments of Agriculture on the basis of the production of seed in government farms and production of seeds by State Seeds Corporations and other agencies. The Government of India periodically assesses the requirement and availability of seeds through detailed interaction with State Governments and seed producing agencies in the bi-annual Zonal Seed Review Meetings and the National Kharif and Rabi Conferences. The Department of Agriculture and Cooperation facilitates tie-up arrangements with seed producing agencies to ensure that the requirement of seeds is met to the maximum extent possible

Source: <http://seednet.gov.in/material/IndianSeedSector.htm>

### Requirement & Availability of seeds in India

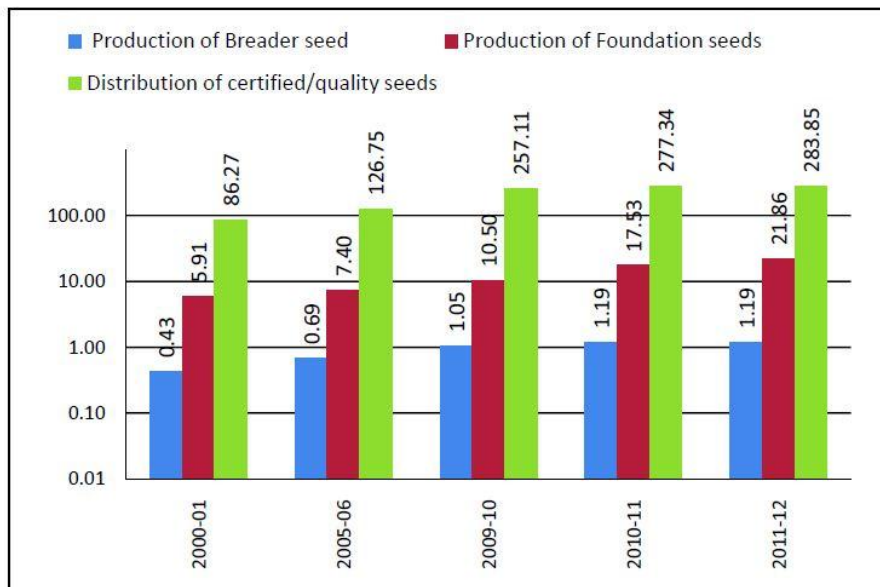
(Unit Lakh Qtl.)



Source: DAC, Seeds Division

### Production and consumption of seeds in India

(Unit lakh Qtls.)



Source: Directorate of Economics and Statistics, DAC

(Source: State of Indian Agriculture 2012-2013)

## INDUSTRY DRIVERS

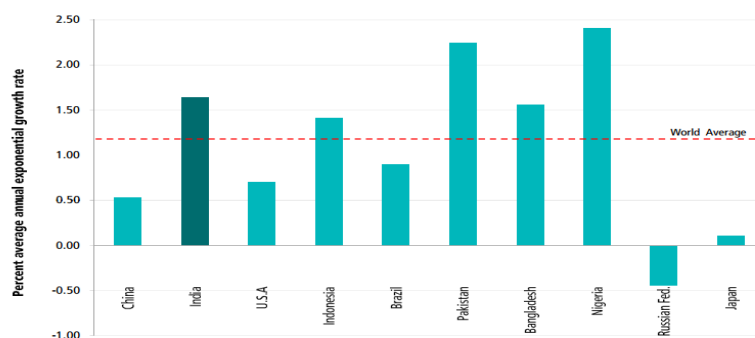
As key agricultural inputs, seed products have the following common industry drivers:

### 1. Population growth

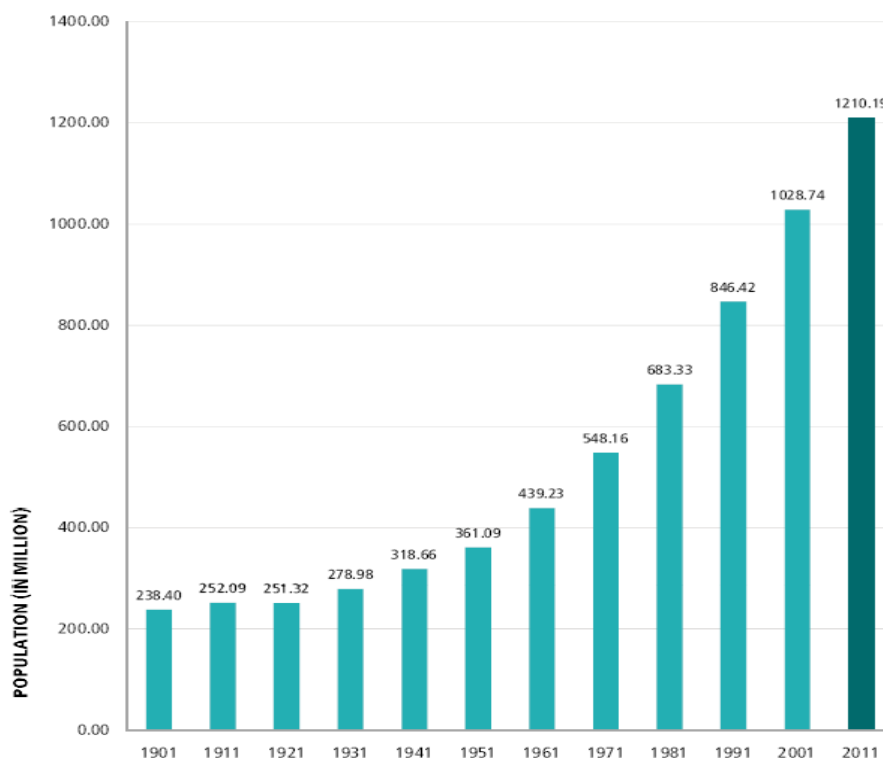
A fundamental driver for the increase in demand for crops is global population growth. The United Nations projects that world population will increase from 6.8 Billion in 2009 and will surpass 9 billion people by 2050.

India's population also has grown at a steady pace in past few years.

Population growth rate, India and selected Countries: 2000-2010



India  
Population (in millions): 1901-2011



(Source: [http://censusindia.gov.in/2011-prov-results/data\\_files/india/Final\\_PPT\\_2011\\_chapter3.pdf](http://censusindia.gov.in/2011-prov-results/data_files/india/Final_PPT_2011_chapter3.pdf))

The population of India is expected to increase from 1029 million to 1400 million during the period 2001-2026 – an increase of 36 percent in twenty-five years at the rate of 1.2 percent annually as per the report of the technical group on population projections constituted by the

national commission on population May 2006 titled “Population Projections for India and States 2001-2026”

## 2. Land availability

Arable land is scarce in many parts of the world and under pressure from urbanization and industrial uses. It can be seen from the table below that the area under cultivation in since 2000-01 has more or less been stagnant. Accordingly, there is continual pressure to increase the productivity of available resources.

### AREA UNDER CULTIVATION – FOODGRAINS

(Million hectares)

Year	Cereals				Pulses	Total Foodgrains
	Rice	Wheat	Coarse Cereals	Total Cereals		
2000-01	44.71	25.73	30.26	100.7	20.35	121.05
2001-02	44.9	26.34	29.52	100.76	22.01	122.77
2002-03	41.18	25.2	26.99	93.37	20.5	113.87
2003-04	42.59	26.6	30.8	99.99	23.46	123.45
2004-05	41.91	26.38	29.03	97.32	22.76	120.08
2005-06	43.66	26.48	29.06	99.2	22.39	121.57
2006-07	43.81	27.99	28.71	100.51	23.19	123.7
2007-08	43.91	28.04	28.48	100.43	23.63	124.06
2008-09	45.54	27.75	27.45	100.74	22.09	122.83
2009-10	41.92	28.46	27.68	98.06	23.28	121.33
2010-11	42.86	29.07	28.34	100.27	26.4	126.67
2011-12	44.01	29.86	26.42	100.29	24.46	124.75
2012-13	42.41	29.65	24.64	96.7	23.47	120.16
2013-14	43.95	31.19	25.67	100.81	25.23	126.04
<b>CAGR</b>	<b>-0.12%</b>	<b>1.38%</b>	<b>-1.17%</b>	<b>0.01%</b>	<b>1.55%</b>	<b>0.29%</b>

Note: Data for 2013-14 are based on Advance Estimates.

Source: Ministry of Agriculture, Government of India, RBI Website.

## 3. National Seed Mission

A need was felt, in the current scenario, to upgrade and expand the existing scheme ‘Development and Strengthening of Infrastructure Facilities for Production and Distribution of Quality Seeds’ (DPQS) into a National Mission with a focused, time bound and integrated approach to further improve the availability of quality seeds to the farmers. Hence, it is proposed to launch a Mini-Mission on “Seeds and Planting Material” under the new Centrally Sponsored Scheme “National Mission on Agricultural Extension and Technology” during Twelfth Five Year Plan. The Mission includes seed planning, seed production, varietal replacement, seed infrastructure, quality control, specific interventions for seed PSUs, contingency planning, assistance to private sector, international cooperation, etc.

These and other such incentives are expected to boost production of seeds in India.

(Source: State of Indian Agriculture 2012-2013)

#### 4. National Food Security Mission

The National Food Security Mission is presently under implementation in 482 Districts of 19 States of the country with a view to enhance the production of Rice, Wheat and Pulses through area expansion and productivity enhancement; restoring soil fertility and productivity; creating employment opportunities; and enhancing farm level economy to restore confidence of farmers. The basic strategy of the mission is to promote and extend improved technologies i.e., seed, micronutrients, soil amendments, Integrated Pest Management, Farm Machinery and resource conservation technologies along with capacity building of farmers with effective monitoring and better management in the high potential districts in order to bridge the yield gaps. Implementation of Mission in the 11<sup>th</sup> Plan has not only achieved the targeted food grains production but has also widened the base of food grains production with significant contribution from low productivity Districts.

During the 12<sup>th</sup> Plan, it is proposed to include coarse cereals as well in the Mission. Emphasis would be on promotion of technologies adopting cropping system approach in identified clusters. This is expected to increase demand of seeds in India.

(Source: State of Indian Agriculture 2012-2013)

#### Challenges and Way Forward

The challenges confronting the seed sector is to make available quality seeds and planting materials having good genetic potential at an affordable price and across the country to the farmers to enable them harvest maximum yield under the given agro-climatic conditions. In pursuance to this challenge, effort is being made to produce quality seeds with the collective efforts of Public and Private sector seed producing agencies, however, it cannot be said that enough is being done. There is need to develop better varieties/hybrids/planting materials, which will be able to manifest itself even under the challenging agro-climatic conditions. We have to adopt new technologies available for fast tracking the development of quality varieties/ planting materials like, Genetic Modification, Tissue Culture etc. to address this concern. These technologies enable development, production of planting materials, varieties/hybrids, with better genetic potential in the shortest possible time and maintain uniformity of quality across the production line.

Genetic Modification helps in attacking/ addressing multiple problems at the same time, like addressing the problems of productivity, stress tolerance, pests and disease tolerance simultaneously by combining genes responsible for higher productivity with genes responsible for stress tolerant and or genes responsible for disease/pests tolerance. Momentum for the development of GM technology in the country has somewhat slowed down due to opposition from certain quarters on safety issues, however, there is need to address these concerns through adoption of appropriate measures for safety and safeguards and move ahead with the technology for meeting the challenges facing the country.

It is also a fact that in many crops, the leading varieties being cultivated are more than 20 years old, though, every year new varieties are being released. This indicates that the concerns of the farmers are not being adequately addressed by R&D set up in the country. The State Agricultural Universities, ICAR and its Institutions and also the Private sector involved in development of new varieties/hybrids/planting materials, have to address this issue in a more concerted manner to make its impact pronounced on agricultural production.

The seed multiplication ratio from Breeder seed to Foundation seed and from Foundation seed to Certified seed, needs to be addressed by all the seed producing agencies, both in Public and Private Sector. Comprehensive and authentic database on seed production and distribution in India by public



and private sectors needs to be built for the benefit of information of all the stakeholders. The seed chain and the norms for quality control have to be scrupulously followed by all the States/Uts to ensure maintenance of quality of seeds being sold to the farmers. The provision of subsidy for seeds for newer and older variety needs to be rationalized. The issue of seed certification and distribution of certified seeds is largely dependent on the sumptuous implementation of the provisions of Seed Act by the States. The seed certification agencies and seed inspectors have to be more vigilant to check sale of spurious seeds in the market. Accreditation of horticultural nurseries is gaining importance with the increasing demand for supply of quality planting materials of horticultural crops. Accreditation of nurseries therefore needs to be speeded up.

The States needs to prepare long term Seed Plan for the State keeping in mind the agroclimatic conditions, farmer's economic status and desire to adopt quality seeds, SRR of the crop, State's crop calendar, contingent situation arising, etc., in order to ensure availability of quality seed at the right time to the farmers. Often, it is seen that States do not have adequate Seed Plan, as a result of which the farmers are forced to fall back on 'farm-saved' seeds or Truthfully Labelled Seeds. This is not a viable option for enhancing productivity and production. Step has been taken in consultation with the State Governments to prepare Seed Plan for 5 years.

(Source : State of Indian Agriculture 2012-2013)

## OUR BUSINESS

### OVERVIEW

Instituted in 2011, our Company Mangalam Seeds Limited, an ISO 9001:2008 certified is engaged in producing and delivering high quality seeds with specialisation in spices and forage crops.

With a vision of “Being the most preferred seed brand in India in major crops like cumin seeds, castor seeds, fennel seeds, lucerene seeds, sesame seeds, fodder bajra seeds etc”, our Promoter Mr. Mafatlal Patel, with his rich agricultural experience established Mangalam Seeds Corporation, a partnership firm in 2007, accompanied by technical expertise of our eminent agricultural scientist Dr. I.D. Patel and backed by intense research and development.. With handful of hybrids already developed with continuous research and development, our promoters acknowledging the growth prospects the seed industry offers, converted the partnership firm and incorporated our Company under the name “Mangalam Seeds Limited” in 2011.

At present, our Company is offering a wide range of seeds categorised as “research seeds” and “hybrid seeds”. Research seeds are high quality seeds, being produced by a backward integration process and offers natural nutrient qualities. These seeds require intensive research and are also called as pure seeds. Hybrid seeds on the other hand, are produced through open pollination and cross pollination process. As on date we have developed 16 varieties of seeds. Further our Company has a collection of around 976 varieties of germplasm in various crops. Our products are being marketed under various brand names like Eklavya, Volina, Leetos, Juddo etc. Currently our Company has obtained 15 trademarks and already applied for 55 others to secure these brand names and logos.



Our growth strategy is majorly defined by one word i.e. “Research and Development” and our Company makes conscious efforts to produce better and different varieties of seeds. Our Company has R&D farms measuring approximately 29.12 acres to carry on its research activities. We further believe in developing state of art infrastructure and technology and have set up 2 greenhouses and 2 open poly houses and adequate tube wells for uninterrupted water supply.

We believe that in this competing world, no business can survive without marketing. Our company has strong marketing channels in Gujarat and Rajasthan, comprising of around 154 distributors, more than 1840 dealers and retailers to support marketing. We are seasonally organizing farmers and dealers meeting including farm demonstration. We are also putting our products on TV and news paper for advertising and field meetings with farmers to support marketing.


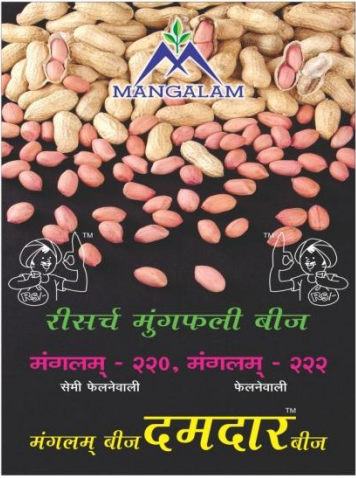

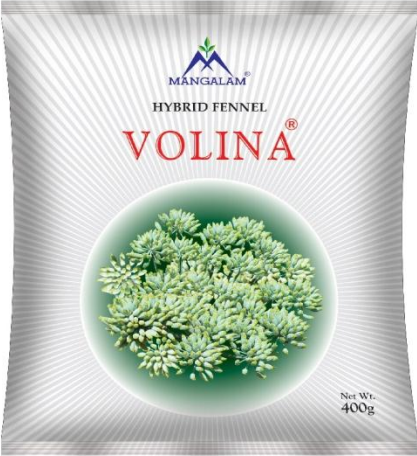
Driven by rich agricultural experience, increasing thrust on R&D, expectations of continued Government support, we foresee to expand our operations from Gujarat and Rajasthan to PAN India basis. We want to continue developing high yielding, diseases and pest resistant varieties in our crops and focus on value addition by assimilating the latest technologies and global best practices.






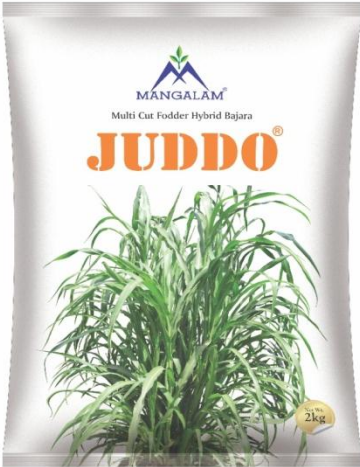
## OUR PRODUCT RANGE

OUR PRODUCT RANGE			
Our Company's principal products are seeds of fennel, cumin, fodder bajra, castor, sesame, psyllium, etc.			
Sr. No.	Name of Product	Representation	Qualities/ Features
1	<p><i>Pearl Millet (Bajara)</i></p> 		<p><b><i>Features and qualities:</i></b></p> <ul style="list-style-type: none"> <li>➤ Highyield</li> <li>➤ Resistant to D.M.</li> <li>➤ Long and compact ear head</li> <li>➤ Sweet fodder &amp; grain</li> </ul>





Sr. No.	Name of Product	Representation	Qualities/ Features
2	<p><b>Castor</b></p> 	 	<p><b>Features and qualities:</b></p> <ul style="list-style-type: none"> <li>➤ High oil content</li> <li>➤ Wilt Resistant</li> <li>➤ Early maturity</li> <li>➤ Multi branching plant</li> <li>➤ Long and compact spike</li> <li>➤ Basel Branching</li> <li>➤ Less Maleness</li> <li>➤ Suitable for both irrigation and non irrigation conditions</li> <li>➤ Dwarf variety</li> </ul>
3	<p><b>Sesamum</b></p> 	 	<p><b>Features and qualities:</b></p> <ul style="list-style-type: none"> <li>➤ High yield</li> <li>➤ Bold and white seed</li> <li>➤ Six capsulated variety</li> <li>➤ Compact capsule barring</li> <li>➤ Single stem variety</li> <li>➤ High oil content</li> <li>➤ Maturity in 120 to 130 days</li> <li>➤ Plant height 100 to 115 cms</li> </ul>



Sr. No.	Name of Product	Representation	Qualities/ Features
4	<p data-bbox="414 448 584 475"><b>Ground Nut</b></p> 	 <p data-bbox="936 624 1200 655">रीसर्च मंगफली बीज</p> <p data-bbox="920 671 1216 695">मंगलम् - २२०, मंगलम् - २२२</p> <p data-bbox="949 699 1187 715">सेमी फेलेनेयाली फेलेनेयाली</p> <p data-bbox="920 730 1216 778">मंगलम् बीज <b>दमदार</b> बीज</p>	<p data-bbox="1570 379 1816 403"><b>Features and qualities:</b></p> <ul data-bbox="1570 435 1951 635" style="list-style-type: none"> <li>➤ High Yield</li> <li>➤ Resistant to D.M.</li> <li>➤ Long and Compact ear head</li> <li>➤ High oil content</li> <li>➤ Semi spreading variety</li> <li>➤ Long and big seed</li> <li>➤ Spreading/semi spreading variety</li> </ul>
5	<p data-bbox="454 975 551 1002"><b>Fennel</b></p> 	 <p data-bbox="981 954 1155 994"><b>VOLINA</b></p> <p data-bbox="1003 930 1126 946">HYBRID FENNEL</p> <p data-bbox="1193 1225 1234 1249">Net Wt. 400g</p>	<p data-bbox="1570 930 1816 954"><b>Features and qualities:</b></p> <ul data-bbox="1570 986 1951 1185" style="list-style-type: none"> <li>➤ First hybrid in India</li> <li>➤ Bumper Yield</li> <li>➤ Plant height 4 to 5.5 ft</li> <li>➤ Vigorous Growth</li> <li>➤ Basal Branching</li> <li>➤ High Oil Content</li> <li>➤ Resistant to blight and gummosis</li> </ul>

Sr. No.	Name of Product	Representation	Qualities/ Features
6	<p><b>Cumin</b></p> 		<p><b><u>Features and qualities:</u></b></p> <ul style="list-style-type: none"> <li>➤ Plant height 35 to 45 cms</li> <li>➤ Shiny and ash coloured seeds</li> <li>➤ High yield</li> <li>➤ Multi branching plant</li> <li>➤ High oil content</li> <li>➤ Resistant against blight and wilt</li> <li>➤ Matures in 100 to 110 days</li> </ul>
7	<p><b>Mustard</b></p> 		<p><b><u>Features and qualities:</u></b></p> <ul style="list-style-type: none"> <li>➤ Maturity in 120 to 125 days</li> <li>➤ Plant height 150 to 165 cms</li> <li>➤ Oil content in seeds – 39% to 41%</li> <li>➤ Multi branching plant</li> <li>➤ Medium maturity</li> <li>➤ High Yield</li> <li>➤ Bold and Black Seed</li> <li>➤ Luxurious Growth</li> </ul>

Sr. No.	Name of Product	Representation	Qualities/ Features
8	<p><b>Green Gram-Moong</b></p> 		<p><b><i>Features and qualities:</i></b></p> <ul style="list-style-type: none"> <li>➤ High Yield</li> <li>➤ Wilt Resistant</li> <li>➤ Long and Compact Spike</li> <li>➤ Basel Branching</li> <li>➤ Less Maleness</li> </ul>
9	<p><b>Multi Cut Fodder Hybrid Bajara</b></p> 		<p><b><i>Features and qualities:</i></b></p> <ul style="list-style-type: none"> <li>➤ Bumper fodder yield</li> <li>➤ Vigorous growth</li> <li>➤ Sweet fodder</li> <li>➤ Broad and dark coloured leaf</li> </ul>

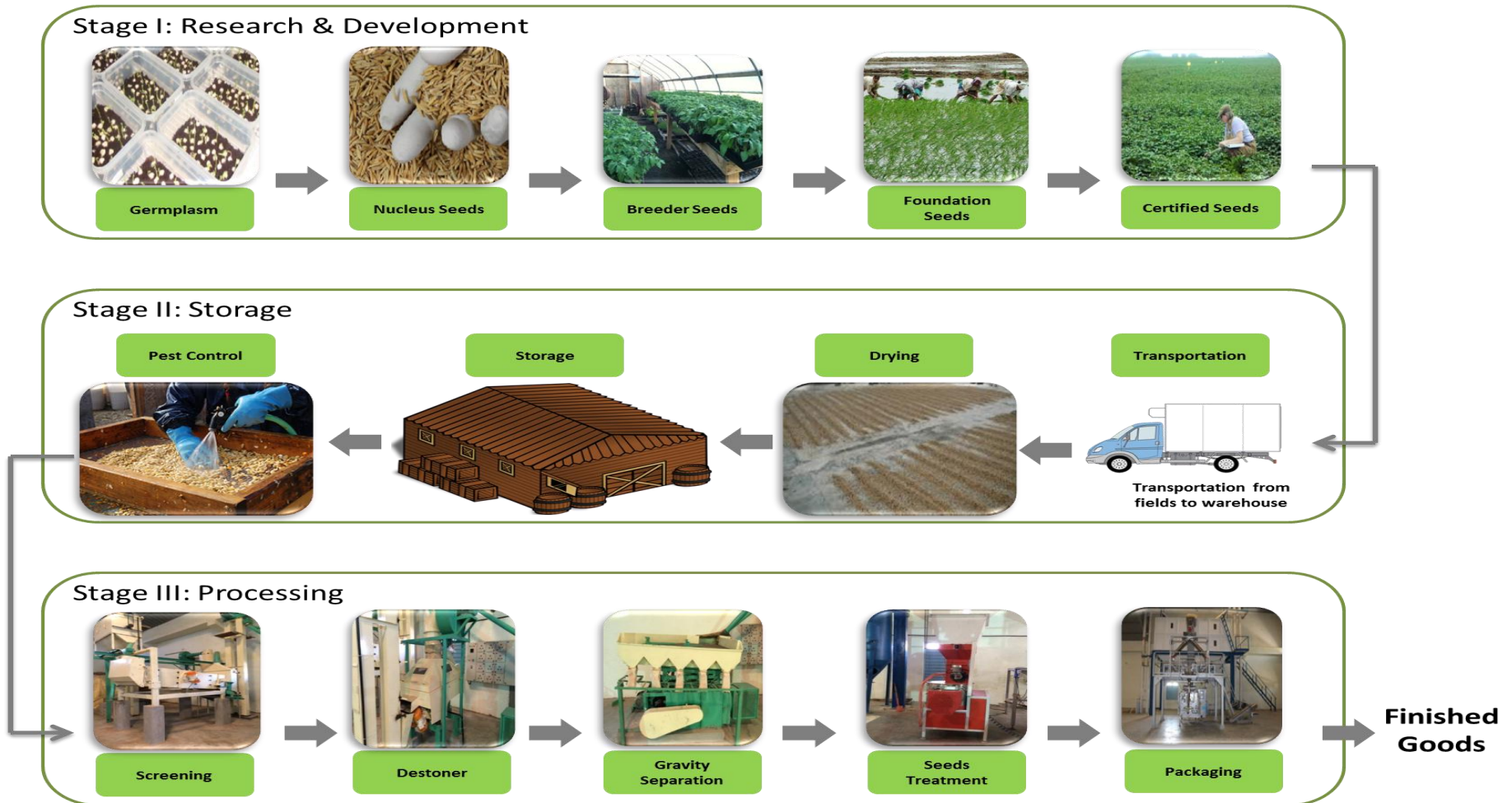
Sr. No.	Name of Product	Representation	Qualities/ Features
10	<p><b>Psyllium Seeds</b></p> 		<p><b><i>Features and qualities:</i></b></p> <ul style="list-style-type: none"> <li>➤ Basel branching plant</li> <li>➤ High fibre</li> <li>➤ Maturity in 120 to 130 days</li> <li>➤ High yield</li> </ul>
11	<p><b>Sorghum Sudan Grass - MangalamHarramoti</b></p> 		<p><b><i>Features and qualities:</i></b></p> <ul style="list-style-type: none"> <li>➤ Bumper Fodder Yield</li> <li>➤ Vigorous Growth</li> <li>➤ Sweet Fodder</li> <li>➤ Long &amp; dark Coloured Leaf</li> </ul>

Sr. No.	Name of Product	Representation	Qualities/ Features
12	<p><b>Lucerne Seeds</b></p> 		<p><b>Features and qualities:</b></p> <ul style="list-style-type: none"> <li>➤ Small Seeded Crop.</li> <li>➤ Slowly Growing Seedling.</li> <li>➤ Regrow many times after being grazed or harvested.</li> <li>➤ Grown throughout the world as forage for cattle.</li> </ul>
13	<p><b>Cotton Seeds</b></p> 		<p><b>Features and qualities:</b></p> <ul style="list-style-type: none"> <li>➤ Plant height 5.5 to 6 ft</li> <li>➤ Multi branching plant habit</li> <li>➤ Big ball (7 to 8 gram)</li> <li>➤ Monopodia 3 to 4, Simpodia 24 to 27</li> <li>➤ Flowering days 55 to 60 days</li> <li>➤ Maturing time 180 to 200 days</li> <li>➤ No of seeds per ball – 36 to 44</li> <li>➤ Hairy leaf – Resistance to sucking pest</li> </ul>

Sr. No.	Name of Product	Representation	Qualities/ Features
14	<p data-bbox="398 440 591 469"><b>Cluster Beans</b></p> 		<p data-bbox="1554 469 1805 491"><b><u>Features and qualities:</u></b></p> <ul style="list-style-type: none"> <li data-bbox="1554 523 1879 545">➤ Long, green and smooth pod</li> <li data-bbox="1554 552 1856 574">➤ Resistant to yellow mosaic</li> <li data-bbox="1554 580 1682 603">➤ High yield</li> </ul>



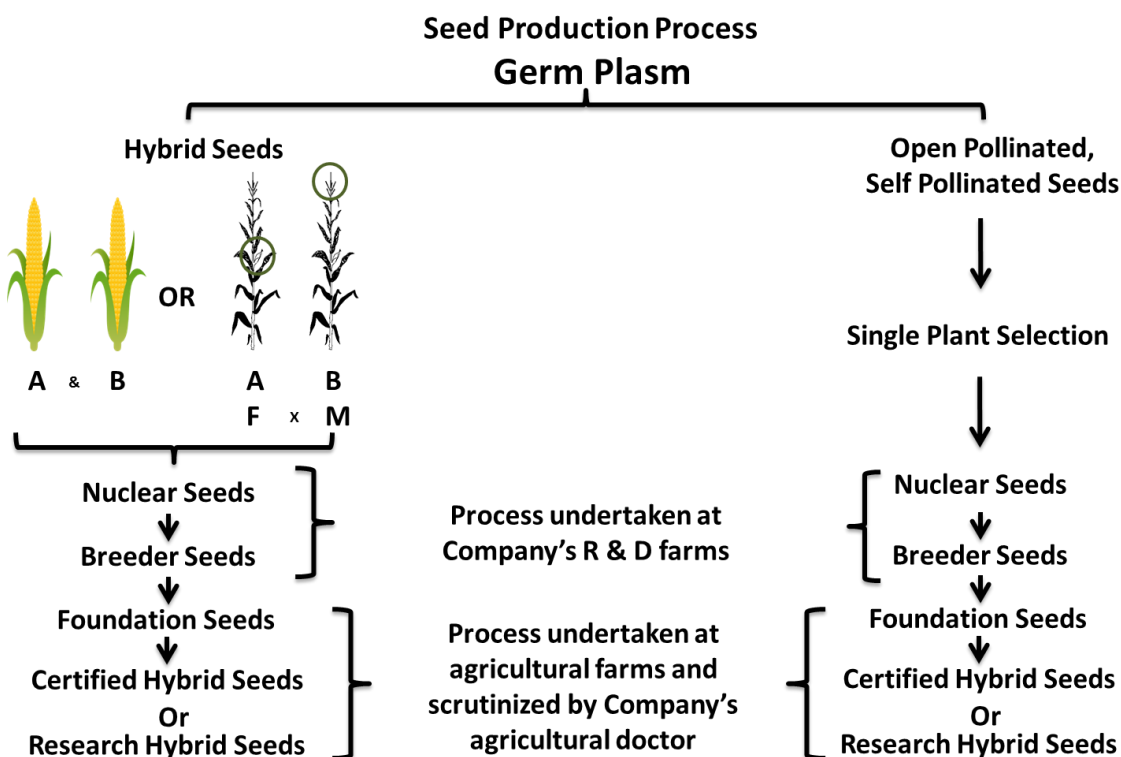
## PRODUCTION PROCESS



## A. Seed Production

In seed production programme, our Company grows foundation seeds at the company's leased agricultural lands. These foundation seeds are produced under strict supervision of our breeder. Breeding is the process of bringing together two specific parent plants to produce a new offspring plant which will have the desired traits and characteristics. The seeds produced are then processed at our modern plant located at Unjha, Mehsana. Our Company has an adequate storage with convenient loading and unloading system which enables us to store the seeds without deterioration of quality.

The important steps towards seed production are as under:



### Germplasm:

Germplasm is the complete set of genetic material of any plant species. Plant breeding involves the creation of new allelic combinations, fixing of specific combinations of alleles and selection of superior combinations of alleles resulting in superior varieties or parents for hybrid seed production. Donor or source material used for breeding crosses should be determined to be of appropriate quality with regard to genetic purity and seed borne and seed transmitted pathogens.



### **Nucleus Seeds**

Nucleus seed is the initial handful of pure seeds of improved variety or parental lines of hybrid plant. When a new variety of plant is released there is very little seed as only a handful of superior seeds will be selected by the breeder from individual plants. Nucleus seeds being genetically pure do not contain physical impurities. The nucleus seed is produced under strict isolation in order to avoid both genetical and physical contamination. Nucleus seed are managed with great care so that all seed produced from it remains true to the new variety. This is a most important step and is the responsibility of the plant breeder who developed the variety. The nucleus seed is not available to farmers. The next step in the chain from plant breeder to farmer is that the plant breeder develops Breeder Seed.

### **Breeder Seeds**

Breeder seed is the progeny of nucleus seed. Generally breeder seed is produced in one stage. But if there is greater demand for breeder seed and there is low seed multiplication ratio then breeders seed can be produced in two stages, viz Breeder stage I and II. In such cases breeder seed, stage I becomes source for breeder Stage II. Breeder seed plots are subjected to joint inspection by a team consisting of crop breeder from other Agricultural Universities in the State, representative of All India Coordinated Research Projects of the crop, National Seeds Corporation, State Seeds Corporation and Divisional Seed Certification Officer. Breeder seed produced should meet all prescribed standards viz. genetic purity (depending on crops in the range of 85% to 99%), physical purity (98%).

### **Foundation seed**

Foundation seed is the seed produced from growing breeder seed. It is produced by trained persons to maintain the genetic purity of the variety. Foundation seed is less expensive than breeder seed and is not as pure as the nucleus and breeder's seeds.

### **Certified / Research seed**

Certified seed is produced from growing foundation, registered or certified seed. It is grown by selected farmers to maintain sufficient varietal purity. Production is subject to field and seed inspections. It is grown by selected farmers in a way that maintains genetic purity. Production of certified seeds undergoes field and seed inspections by seed certification agency to ensure conformity with standards.

### **Quality Control in seed production:**

Quality control is quitessential to any seed development programme. Our Company thrusts on quality control at all stages of seed production from germplasm to commercial seed production so that our seeds are qualitative, yields higher productivity and are disease resistant.

Some of the quality control measures adopted by our Company during the process of seed production are as under:

- Close monitoring for better agronomic management.
- Maintaining purity standard of seed entering a breeding program
- Maintain appropriate protocols for pathogen and pest detection
- Management of perfect synchronization of flowering in both parents.
- Ensuring genetic purity through standard field isolation.
- Systematic monitoring and reporting at critical stages of crop growth.
- Testing of seeds using appropriate methodology to establish and confirm integrity and purity of seed used in breeding program

## **B. Seed Processing and Conditioning**

Post production, the seeds are brought to our processing facilities. The seeds are subjected to various stages of processing including drying, cleaning, de-weeding, screening etc. The moisture content in seeds is reduced to the optimum level in order to increase their storage life. We use certain technologies like chemical treatment and seed coating with insecticides and fungicides to ensure faster germination, qualitative and quantitative yield and disease resistant crop.

Our Company has made significant investment in establishing infrastructure for R & D, Processing, Testing, and Packing of its product. The seeds are produced by our experienced contract growers and are then processed at the processing plant at our leased farms at Unjha.

The seeds are processed in advanced processing plant with screening, de-stoner and gravity separation properties.

**The processes adopted by our Company for seed processing are as under:**

### **SEED DRYING**



The moisture content in seeds is reduced to the optimum level in order to increase their storage life.

## SEED CLEANING



Seed cleaning process involves separation of seed mixtures from dust, chaff and undersized seeds. It also involves grading of seeds based on weight, length, shape and size.

## SEED TREATMENT



Seeds are treated with chemicals and coated with polymers to protect seeds from deterioration, fungal attack, ageing and foster faster germination and healthy seedling development.

### **Quality control in Seed Conditioning**

Our Company provides foundation seeds which are grown under strict supervision of our breeder. The multiplied seeds are tested in laboratory for germination and genetical purity. We continuously endeavour that our seeds meet the required quality parameters of germination, genetic purity and yield, thus maximising profitability for farmers who are the end users of our product. We adhere to our pre-determined quality standards during production as well as during processing and conditioning at our plant. We draw samples from the seed lots received and test them at seed testing laboratories and grow-out test centres (“GOT”) centres in order to conduct GOTs and other tests for quality.

The different tests/processes adopted by our Company for ensuring quality control are as follows:

- Physical Purity Test
- Moisture Test
- Germination Test
- Seed Viability Test
- Seed Health

- Vigour Test
- Genetic Purity Test/ Molecular GOT

**Storage**

Our Company has adequate storage capacity with very easy loading and unloading system. This facility enables us to store seeds without any deterioration of quality.



**Processing Infrastructure**

Seed Processing Plant	Facility	Installed Capacity (TPH)
At Maktupur in Unjha Taluka, Mehsana District	Grading, Separation, Treatment & Packing	4 to 6 MT



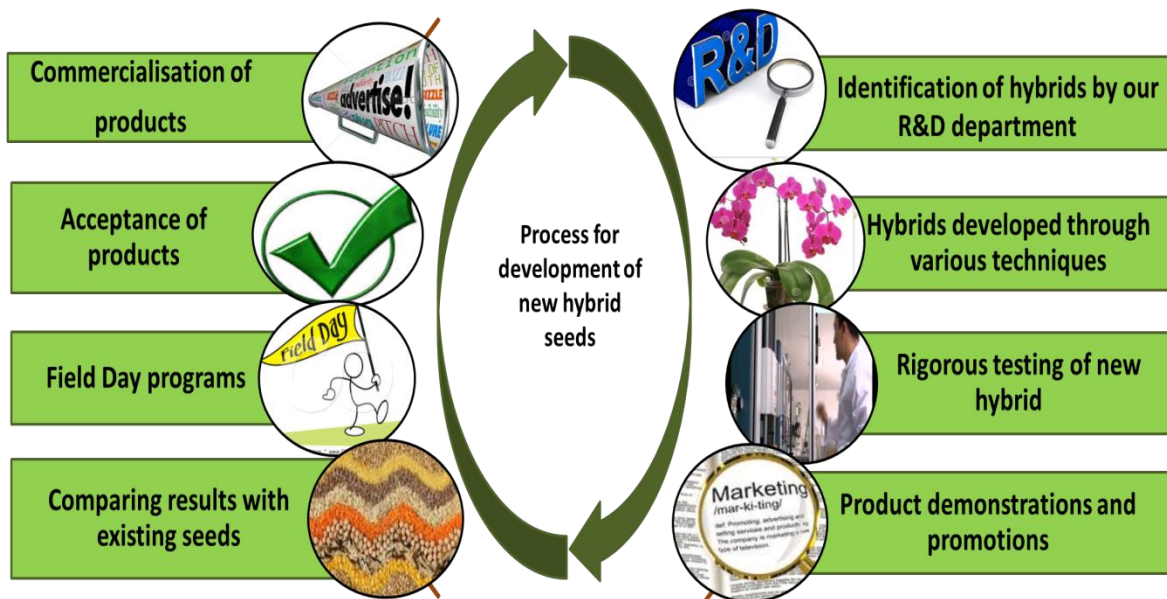
Processing and storage plant at Unjha, Mehsana

## OUR RESEARCH AND DEVELOPMENT FACILITY

Our success depends heavily on our ability to continue developing new products. Seed R&D covers a broad technological platform and technological advances are frequent, rapid and complex. We are heavily dependant on R & D procedures for making hybrid seeds and research seeds, depending on the demand. Our research and development activities include conventional breeding programmes and the use of innovative biotechnology tools. After new hybrid is developed it is rigorously tested at research station and the results are compared with existing seeds in the market which have major market share. The seeds are sent for further evaluation only if our hybrids are proved significantly superior to best seeds existing in the market.

Products developed by R&D are displayed through demonstrations at R&D farm as well as through product promotional activities. Product demonstrations are organized at farmer's field for evaluation of product performance and acceptance of product. After organizing the demonstration at farmer's level, "Field Day" programmes are organized to showcase the seed variety and its features to large number of farmers.

The following chart reflects in brief the new seeds development process:



The objectives of our research and development are as under:

1. To develop and diversify germplasm across various field crops and vegetables that are suitable for different agro-climatic conditions and geographical regions to meet the demand of various markets.
2. To asses yield and quality limiting factors/genes in well adopted varieties/hybrids of major crops.
3. To identify desirable characters/genes from available genetic material.
4. To transfer well identified beneficial genes to popular variety in place of undesirable genes and develop varieties/hybrids having good yield. E.g. transfer of non shattering genes in psyllium crop, blight and gamosis resistance genes in fennel crop, intersex genes in castor crop, six locule genes in

sesamum crop, fast growing genes in fodder bajara, dwarf genes in fennel, late and early maturing genes in mustard crop, compact and long spick in castor female etc.

5. To identify the hybrids at research stations located at R&D farm and also maintain the stock of nucleus seed and breeder seed of all the products which are proved superior and accepted by farmers.
6. To undertake market oriented research to understand the requirement of farmers and agro industries.



**Actual photos of Our R&D Farms**

### **Germplasm Collection**

Germplasm collection is important and crucial to ensure consistent seed germination percentage.

#### **Crop wise Germplasm Collection**

<b>Field Crops</b>	<b>Germplasm</b>
Castor	260
Bajra	189
Cumin	83



Field Crops	Germplasm
Psyllium	16
Sesamum	81
Fennel	34
Mustard	32
Moong	14
Ground Nut	37
Lucrene Seeds	7
Cotton	91
Maize	52
Jowar	80
<b>Total</b>	<b>976</b>

### Research Locations

We have research farms at the below mentioned locations:

Research farms	Location
Research farm with area admeasuring 14.25 acres	Unjha Taluka, Mehsana District
Research farm with area admeasuring 14.92 acres	Gandhinagar Taluka, Gandhinagar District

### Farm facilities

R&D Equipment's	Location
Bullock drawn implements for inter culture operations along with plant protection equipment like spray pumps etc.	1. At village Maktupur, Ta. Unjha, District Mehsana 2. At village Valad, Ta. Gandhinagar, District Gandhinagar
Screening Houses and breeder kits	1. At village Maktupur, Ta. Unjha, District Mehsana 2. At village Valad, Ta. Gandhinagar, District Gandhinagar
2 green houses – size 60 m x 64 m each	At village Valad, Ta. Gandhinagar, District Gandhinagar
Drip irrigation system – Area 8 acres	1. At village Maktupur, Ta. Unjha, District Mehsana 2. At village Valad, Ta. Gandhinagar, District Gandhinagar
Tools & appliances required for manual operations in the field for maintenance of sanitary conditions, inter culture operations, harvesting and storage of	1. At village Maktupur, Ta. Unjha, District Mehsana 2. At village Valad, Ta. Gandhinagar, District Gandhinagar

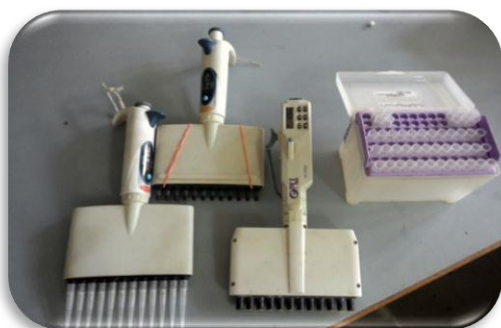
seeds.	Gandhinagar
Cold room for germplasm storage	At village Maktupur, Ta. Unjha, District Mehsana
Removable net houses – 7 Nos.	At village Valad, Ta. Gandhinagar, District Gandhinagar
Tubewell for irrigation – 3 Nos.	1. At village Maktupur, Ta. Unjha, District Mehsana 2. At village Valad, Ta. Gandhinagar, District Gandhinagar

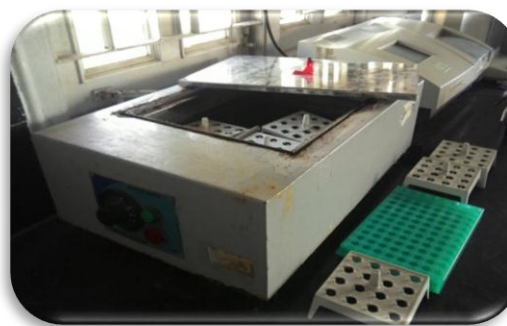
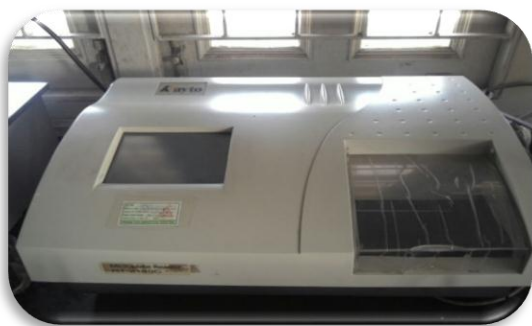


### Poly Houses

#### Quality Assurance Facilities

Our Company carries out various tests like moisture testing, paper germination test, vigor test, Grow out Test to ensure that the seeds meet the required quality parameters of germination, genetic purity and yield thus maximising the profitability for farmers who are the end users of our product.





### Our lab testing and quality assurance equipment

#### COLLABORATION AGREEMENTS

Our Company has entered into a technological collaboration agreement with International Crops Research Institute for the Semi-Arid Tropics. We have entered into this collaboration agreement for research in the field of Pearl Millet Hybrid Parents Consortium.

#### UTILITIES & INFRASTRUCTURE FACILITIES

Our registered office at Ahmedabad, Gujarat, is well equipped with computer systems, internet connectivity, other communication equipment, security and other facilities, which are required for our business operations to function smoothly.

Our registered office and processing plant has facilities of water and electricity provided by respective authorities. Generally power requirements are met at site through normal distribution channel like State Electricity Board.

#### Processing Infrastructure

Our processing plant is situated at village Maktupur in Unjha Taluka, Mehsana District. We have various facilities like grading, separating, treatment, seed drying, cleaning, treatment, quality control and packing. We have installed capacity of six metric tonnes per hour.

We have installed capacity of 18,360 metric tonnes. At present, we are utilizing around 13.00% of our installed capacity.

Metric tonnes per year

Year	Installed Capacity	Actual Use	Utilization (%)
2011-12	18,360	2320	12.64%
2012-13	18,360	2357	12.84%
2013-14	18,360	2370	12.91%
2014-15	18,360	2458	13.39%

#### DEPARTMENT WISE DISTRIBUTION OF EMPLOYEES

As on date of this Prospectus we have 37 employees. We also employ a number of seasonal workers, which varies greatly during the year due to the seasonal nature of our business. None of our employees are unionized. We believe that our relations with our employees are satisfactory.

Department	No.s
R & D	14
Production & Processing	07
Marketing	08
Administrative, Accounts & Legal	08
<b>Total</b>	<b>37</b>


## INSURANCE

We maintain insurance for standard fire and special perils policy, which provides insurance cover against loss or damage by fire, burglary and breaking of our premises located at Unjha, Mehsana which we believe is in accordance with customary industry practices.

## Intellectual Property

Our registered trademarks:-

Sl. No	Description	Word/Label Mark	Applicant	Application Number	Date of Filing	Class	Date of Expiry	Status
1.	ABHAY ABHAY	DEVICE	Mangalam Seeds Limited	2018605	03 September 2010	31	03 September 2020	Registered Certificate No. 1149965 Dated : 20 January 2014
2.	ABHAY-251 <b>ABHAY-251</b>	DEVICE	Mangalam Seeds Limited	2181635	27 July 2011	31	27 July 2021	Registered Certificate No. 1166015 Dated : 28 April 2014
3.	DAMDAR <b>दमदार</b>	DEVICE	Mangalam Seeds Limited	2181638	27 July 2011	31	27 July 2021	Registered Certificate No. 1193920 Dated : 04 December 2014
4.	EKLAVYA <b>EKLAVYA</b>	DEVICE	Mangalam Seeds Limited	2181637	27 July 2011	31	27 July 2021	Registered Certificate No. 1107583

Sl. No	Description	Word/Label Mark	Applicant	Application Number	Date of Filing	Class	Date of Expiry	Status
								Dated : 19 July 2013
5.	JUDDO <b>JUDDO</b>	DEVICE	Mangalam Seeds Limited	2181636	27 July 2011	31	27 July 2011	Registered  Certificate No. 1107967 Dated : 22 July 2013
6.	MANGALAM WITH M LOGO 	DEVICE	Mangalam Seeds Limited	2237102	21 November 2011	31	21 November 2021	Registered  Certificate No. 1187632 Dated : 30 September 2014
7.	MANGALAM SEEDS LIMITED 	DEVICE	Mangalam Seeds Limited	2237099	21 November 2011	31	21 November 2021	Registered  Certificate No. 1187252 Dated : 25 September 2014
8.	VOLINA VOLINA	DEVICE	Mangalam Seeds Limited	2237101	21 November 2011	31	21 November 2021	Registered  Certificate No. 1123088 Dated : 10 October 2013
9.	NOVOKA <b>NOVOKA</b>	DEVICE	Mangalam Seeds Limited	2237100	21 November 2011	31	21 November 2021	Registered  Certificate No. 1123129 Dated : 10 October 2013
10.	BREEKO <b>BREEKO</b>	DEVICE	Mangalam Seeds Limited	2391236	06 September 2012	31	06 September 2022	Registered  Certificate No. 1162348 Dated : 28

Sl. No	Description	Word/Label Mark	Applicant	Application Number	Date of Filing	Class	Date of Expiry	Status
								March 2014
11.	LEETOS <b>LEETOS</b>	DEVICE	Mangalam Seeds Limited	2391237	06 September 2012	31	06 September 2022	Registered Certificate No. 1175619 Dated : 30 September 2014
12.	OLVELL <b>OLVELL</b>	DEVICE	Mangalam Seeds Limited	2391238	06 September 2012	31	06 September 2022	Registered Certificate No. 1175430 Dated : 27 June 2014
13.	ALVIRA <b>ALVIRA</b>	DEVICE	Mangalam Seeds Limited	2391243	06 September 2012	31	06 September 2022	Registered Certificate No. 1162460 Dated : 28 March 2014
14.	PINAK <b>PINAK</b>	DEVICE	Mangalam Seeds Limited	2566126	17 July 2013	31	17 July 2023	Registered Certificate No. 1203500 Dated : 19 March 2015
15.	KESHMA <b>KESHMA</b>	DEVICE	Mangalam Seeds Limited	2566134	17 July 2013	31	17 July 2023	Registered Certificate No. 1203277 Dated : 18 March 2015



We have also applied for registration of our following products:

Sl. No	Description	Word/Label Mark	Applicant	Application Number	Date of Filing	Class	Da Ex
1.	ARPITA <b>Arpita</b>	DEVICE	Mangalam Seeds Limited	2391235	06 September 2012	31	
2.	NURELA <b>NURELA</b>	DEVICE	Mangalam Seeds Limited	2391239	06 September 2012	31	
3.	ROZZAK <b>ROZZAK</b>	DEVICE	Mangalam Seeds Limited	2391240	06 September 2012	31	
4.	SHIPRA <b>SHIPRA</b>	DEVICE	Mangalam Seeds Limited	2391241	06 September 2012	31	
5.	SIDDHRAJ <b>SIDDHRAJ</b>	DEVICE	Mangalam Seeds Limited	2391242	06 September 2012	31	
6.	MANGALAM-88 <b>MANGALAM-88</b>	DEVICE	Mangalam Seeds Limited	2470356	01 February 2013	31	
7.	MSC-220 <b>MSC-220</b>	DEVICE	Mangalam Seeds Limited	2470357	01 February 2013	31	
8.	MANGALAM HARAMOTI <b>MANGALAM HARAMOTI</b>	DEVICE	Mangalam Seeds Limited	2470358	01 February 2013	31	
9.	MANGALAM-KRANTI <b>MANGALAM-KRANTI</b>	DEVICE	Mangalam Seeds Limited	2470359	01 February 2013	31	
10	MANGALAM-252 <b>MANGALAM-252</b>	DEVICE	Mangalam Seeds Limited	2470360	01 February 2013	31	

Sl. No	Description	Word/Label Mark	Applicant	Application Number	Date of Filing	Class	Da Ex
11	MANGALAM-210 	DEVICE	Mangalam Seeds Limited	2470361	01 February 2013	31	
12	MSC-5240 	DEVICE	Mangalam Seeds Limited	2470362	01 February 2013	31	
13	MSC-5 	DEVICE	Mangalam Seeds Limited	2470363	01 February 2013	31	
14	MSC-66 	DEVICE	Mangalam Seeds Limited	2470364	01 February 2013	31	
15	MSC-55 	DEVICE	Mangalam Seeds Limited	2518477	23 April 2013	31	
16	MSC-155 	DEVICE	Mangalam Seeds Limited	2549883	17 June 2013	31	
17	MANGALAM-220 	DEVICE	Mangalam Seeds Limited	2549884	17 June 2013	31	
18	ABHAY-SUPER 	DEVICE	Mangalam Seeds Limited	2549885	17 June 2013	31	
19	DEVICE OF MAN 	DEVICE	Mangalam Seeds Limited	2549886	17 June 2013	31	
20	MANGALAM WITH LOGO M AND DEVICE OF LEAVES 	DEVICE	Mangalam Seeds Limited	2566124	17 July 2013	31	
21	SETU 	DEVICE	Mangalam Seeds Limited	2566127	17 July 2013	31	



Sl. No	Description	Word/Label Mark	Applicant	Application Number	Date of Filing	Class	Da Ex
22	TAMITA TAMITA	DEVICE	Mangalam Seeds Limited	2566128	17 July 2013	31	
23	UJASH UJASH	DEVICE	Mangalam Seeds Limited	2566129	17 July 2013	31	
24	ASHAVARI ASHAVARI	DEVICE	Mangalam Seeds Limited	2566130	17 July 2013	31	
25	BILVA BILVA	DEVICE	Mangalam Seeds Limited	2566131	17 July 2013	31	
26	BLUM BLUM	DEVICE	Mangalam Seeds Limited	2566132	17 July 2013	31	
27	GOPUJI GOPUJI	DEVICE	Mangalam Seeds Limited	2566133	17 July 2013	31	
28	MANGALAM WITH M LOGO AND DEVICE OF LEAF 	DEVICE	Mangalam Seeds Limited	2569591	24 July 2013	22	
29	MANGALAM WITH M LOGO AND DEVICE OF LEAF 	DEVICE	Mangalam Seeds Limited	2569592	24 July 2013	10	
30	MANGALAM WITH M LOGO AND DEVICE OF LEAF 	DEVICE	Mangalam Seeds Limited	2569593	24 July 2013	13	
31	MANGALAM WITH M LOGO AND DEVICE OF LEAF	DEVICE	Mangalam Seeds Limited	2569594	24 July 2013	15	

Sl. No	Description	Word/Label Mark	Applicant	Application Number	Date of Filing	Class	Da Ex
							
32	MANGALAM WITH M LOGO AND DEVICE OF LEAF 	DEVICE	Mangalam Seeds Limited	2569595	24 July 2013	18	
33	MANGALAM WITH M LOGO AND DEVICE OF LEAF 	DEVICE	Mangalam Seeds Limited	2569596	24 July 2013	40	
34	MANGALAM WITH M LOGO AND DEVICE OF LEAF 	DEVICE	Mangalam Seeds Limited	2569597	24 July 2013	43	
35	MANGALAM WITH M LOGO AND DEVICE OF LEAF 	DEVICE	Mangalam Seeds Limited	2569598	24 July 2013	45	
36	ANTOP 	DEVICE	Mangalam Seeds Limited	2574372	01 August 2013	31	
37	DELIOS 	DEVICE	Mangalam Seeds Limited	2574373	01 August 2013	31	
38	GRONER 	DEVICE	Mangalam Seeds Limited	2574374	01 August 2013	31	

Sl. No	Description	Word/Label Mark	Applicant	Application Number	Date of Filing	Class	Da Ex
39	KANJARI KANJARI	DEVICE	Mangalam Seeds Limited	2574375	01 August 2013	31	
40	KEROLIN KEROLIN	DEVICE	Mangalam Seeds Limited	2574376	01 August 2013	31	
41	REEFIX REEFIX	DEVICE	Mangalam Seeds Limited	2574377	01 August 2013	31	
42	ABHAY-PLUS ABHAY-PLUS	DEVICE	Mangalam Seeds Limited	2636757	03 December 2013	31	
43	MANGALAM WITH M LOGO 	DEVICE	Mangalam Seeds Limited	2719223	16 April 2014	7	
44	KIOSITECH KIOSITECH	DEVICE	Mangalam Seeds Limited	2719224	16 April 2014	7	
45	MANGALAM मंगलम्	DEVICE	Mangalam Seeds Limited	2751054	05 June 2014	31	
46	MANGALAM मंगलम्	DEVICE	Mangalam Seeds Limited	2751055	05 June 2014	31	
47	MANGALAM BRAND KAPASIYA मंगलम् ब्रांड कपासिया बीज KHOL	DEVICE	Mangalam Seeds Limited	2868903	24 December 2014	31	
48	JUDDO BRAND KAPASIYA KHOL	DEVICE	Mangalam Seeds Limited	2868904	24 December 2014	31	

Sl. No	Description	Word/Label Mark	Applicant	Application Number	Date of Filing	Class	Da Ex
							
49	MANGALAM WITH M LOGO 	DEVICE	Mangalam Seeds Limited	2868905	24 December 2014	31	
50	JUDDO <b>JUDDO</b>	DEVICE	Mangalam Seeds Limited	2868906	24 December 2014	31	
51	ANTHER	WORD	Mangalam Seeds Limited	2868907	24 December 2014	31	
52	POLLEN	WORD	Mangalam Seeds Limited	2868908	24 December 2014	31	
53	SPIKE	WORD	Mangalam Seeds Limited	2868909	24 December 2014	31	
54	FUZZ	WORD	Mangalam Seeds Limited	2868910	24 December 2014	31	
55	GLANDS	WORD	Mangalam Seeds Limited	2868911	24 December 2014	31	

### Copyright Application Status

Sl.No	Description	Type	Applicant	Application Number	Date of Application	Date of Expiry	Status
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1.	MANGALAM WITH LOGO	Copy Right NOC	Mangalam Seeds Limited	43536	July 17, 2013	NA	Inprocess
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### LAND AND PROPERTY

#### Land and Property owned by the Company

Sr.No.	Land address	Area	Vendors Details	Purchase Consideration	Date of Purchase	Nature of title
1	R. S. No. 278, Sq. Mtr 0/39/24, Khata No. 1411, At Maktupur, Ta Unjha, Mehsana	3924 Sq. Mt.	Revabhai Jethabhai Patel	172.00 Lakhs	May 30, 2015	Clear

#### Land and Properties taken on lease by the Company

Sr. No	Location of the property	Document and Date	Licensor/Lessor	Lease Rent/ License Fee	Lease/License period		Activity
					From	To	
1	Registered office at 202, Sampada Complex, B/H Tulsi Complex, Mithakhali Six Roads, Navrangpur, Ahmedabad-380009	Rent Agreement	Pravinkumar Patel	Rs. 1,80,000 p.a	January 10, 2012	January 9, 2020	Registered Office
2	R & D Unit at Village Maktupur, Ta. Unjha,	Lease Agreement dated 03.04.2014	Mafatlal J Patel Mr. Revabhai J Patel Mr. Narsinhbhai	Rs. 1,42,500 p.a	April 03, 2014	April 02, 2019	R & D Farm

Sr. No	Location of the property	Document and Date	Licensor/Lessor	Lease Rent/ License Fee	Lease/License period		Activity
					From	To	
	District Mehsana, Gujarat – 384170		J Patel Mr. Nathalal J Patel				
3	R & D Unit at Survey Nos 627, 670/1, 670/2 and 671/1 at Village Valad, Ta. Gandhinagar District Gandhinagar	Lease Agreement dated March 30, 2015	Mafatlal Patel	Rs. 2,18,250/ - p.a.	March 30, 2015	March 29, 2020	R & D Farm
4	R & D Unit at Survey Nos 669/1 and 669/2, at Village Valad, Ta. Gandhinagar District Gandhinagar	Lease Agreement dated March 30, 2015	Revabhai Patel	Rs. 1,31,020/ - p.a.	March 30, 2015	March 29, 2020	R & D Farm
5	R & D Unit at Survey Nos 637 and 650 at Village Valad, Ta. Gandhinagar District Gandhinagar	Lease Agreement dated March 30, 2015	Nathalal Patel	Rs. 1,40,990/ - p.a.	March 30, 2015	March 29, 2020	R & D Farm
6	R & D Unit at Survey Nos 669/2, 668/2 and 668/4 at Village Valad, Ta. Gandhinagar	Lease Agreement dated March 30, 2015	Narsinhbhai Patel	Rs. 1,18,870/ - p.a.	March 30, 2015	March 29, 2020	R & D Farm



Sr. No	Location of the property	Document and Date	Licensor/Lessor	Lease Rent/ License Fee	Lease/License period		Activity
					From	To	
	District Gandhinagar						

## MARKETING STRATEGY

Our Company has presence in Gujarat, Rajasthan and Madhya Pradesh. Our Company operates through a network of dealers and distributors and is associated with more than 1900 dealers and distributors.

Name of the State	Dealers
Gujarat	1,625
Rajasthan	347
Madhya Pradesh	21
Andhra Pradesh	1
<b>Total</b>	<b>1,994</b>

## R & D TEAM

Our Company has a strong R&D team consisting of 14 Employees. The R&D function is headed by Dr. I D. Patel. Mr. Patel holds Phd in plant breeding and genetics. Mr. Patel is an eminent agricultural scientist and has played a significant role in the development of agriculture. He has been awarded 6 awards for his notable contribution in the field of agriculture including Sardar Patel award.

### Areas of Focus

Our Company is focusing on developing new hybrids in high value cotton, cumin, fennel, psyllium, sesame, fodder bajra, maize and jowar.

### Products in Pipeline

Products	No. of Varieties	
	FY 2015	FY 2016
<b>Field Crops</b>		
Bajra	0	2
Castor	1	2
Psyllium	0	1
Cumin	0	2
Fennel	1	2
Mustard	0	1
Cotton	0	4
<b>Total</b>	<b>2</b>	<b>14</b>

## OUR COMPETITIVE STRENGTHS

We believe that we have a number of strengths that help differentiate us from our competitors, including the following:

**1. *We are among the leading producers of hybrid and research seeds in the regions in which we operate.***

We are established as one of the market leading providers of hybrid seeds in the specific regions of Gujarat and Rajasthan. Our Company has established strength in a range of crops like cumin, fennel, psyllium, sesame, fodder bajra and jowar in the specific regions where we operate.

**2. *We have a proprietary germplasm base that is fully integrated with our Research capabilities.***

We own and have access to a broad portfolio of proprietary germplasm, a resource that is at the core of our competitive advantage in the market. This asset is not easily replicable and takes decades to develop and deploy. We are the pioneers in the country for developing hybrid seeds of fennel that is sugar secretion and wilt resistant. We place particular emphasis on the cost effective integration of research tools with our breeding activities. This has allowed for increased speed and intensity of plant breeding as well as increased rate of genetic gain that can be achieved and has created a meaningful differentiation in the products we provide to the customer.

**3. *We have developed a diverse portfolio of seed products.***

Our product portfolio consists of a wide range of hybrid seed varieties and research seed varieties including cumin, fennel, psyllium, sesame, fodder bajra, maize and jowar which allows us to cater to a wider market.

We have specialty products, such as Castor Seeds (MSC 55, LEETOS), Fennel Seeds (VOLINA), Bajra (EKLAVYA), Fodder Bajra (JUDDO), Groundnut Seeds (DAMDAR) and Red Gram (NOVOKA). Furthermore, following our association with direct licensees, we are able to offer co-marketed Bt Cotton seeds in the market.

**4. *We have an experienced management team with a track record of success.***

We benefit from having a stable management team that has specific, long term experience in seed production and allied areas. The R&D function is headed by Dr. I D. Patel. Mr. Patel holds Phd in plant breeding and genetics. Mr. Patel is an eminent agricultural scientist and has played a significant role in the development of agriculture. He has been awarded 6 awards for his notable contribution in the field of agriculture including Sardar Patel award.

**5. *We have adequate research and development capabilities that allow us to develop innovative products.***

We have a dedicated research and development team of 14 employees who are focused on the research of hybrid seeds and the development of new or improved proprietary hybrids based on their research. We also carry out our research through collaborations with academic institutions and other strategic partners. For example, we have entered into memoranda of understanding with the International Crop Research Institute for the semi-Arid Tropics (ICRISAT) of Hyderabad with respect

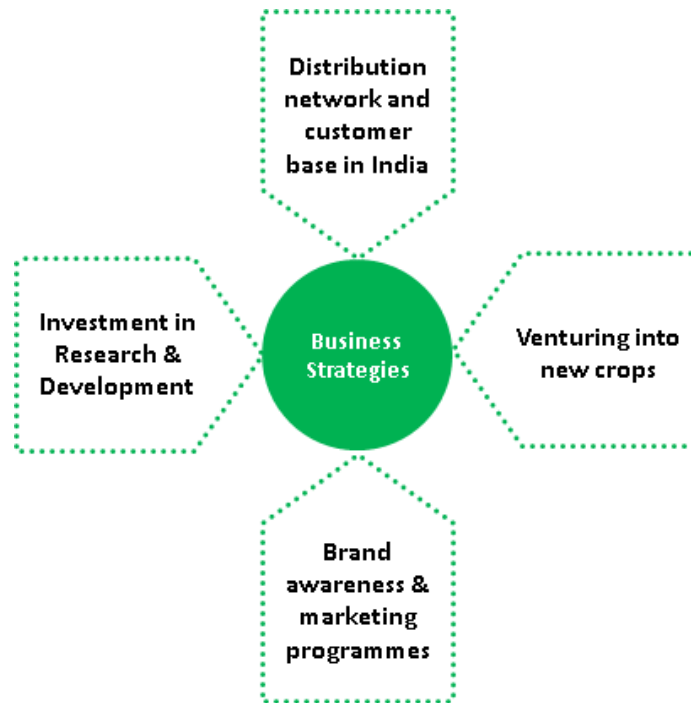




to Pearl Millet Hybrid Parents Research Consortium. We have teams of plant breeders that have the ability to develop new lines and hybrids. We believe our continuing efforts in research and development provides us with a strong platform to build our market share in the seed industry.

## OUR BUSINESS STRATEGY

Our Company endeavors to maintain and expand its presence in the seed industry with substantial research and product development capabilities. Our vision is to be the most preferred seed brand in India in all crops like castor, sesamum, bajra, fennel, mustard, cumin, etc.



### 1. Continued investment in Research and Development

We are of the firm belief that our future success is dependent on our continued focus on breeding and other R&D activities to develop new and improved varieties. We intend to continue our investments in research and development and expand our research capabilities by investment in land and infrastructure.

### 2. Venturing into new crops

Our product portfolio is diversified and thus does not makes us dependent on any particular crop(s). There lies, however, untapped market potential of various other crops

Set forth below is a table describing the crops, planting months, harvest months and production areas of each of our Company's seed products:

CROP	SEED VARIETY	PLANTING MONTH	HARVESTING MONTH	PRODUCTION AREA
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CROP	SEED VARIETY	PLANTING MONTH	HARVESTING MONTH	PRODUCTION AREA
Castos	MSC 55	July – Aug	Feb - March	Gujarat/Rajashtan
	MSC 155	July – Aug	Feb - March	Gujarat/Rajashtan
	LEETOS	July – Aug	Feb - March	Gujarat/Rajashtan
Fennel	Volina	Sep – Oct	Feb - March	Gujarat/Rajashtan
	TF Fennel GUJ 11	Sep – Oct	Feb - March	Gujarat/Rajashtan
Fodder bajra	Juddo	Jun – July	Oct - Nov	Gujarat/Rajashtan
Cumin	MSC 5	Sep – Oct	Feb - March	Gujarat/Rajashtan
Bajra	MSC 5240	Dec – Jan	Apr - May	Andhra Pradesh
	Mangalam 252	Dec – Jan	Apr - May	Andhra Pradesh
	Eklavya	Dec – Jan	Apr - May	Andhra Pradesh
Mustard	Mangalam 8	Sep – Oct	Feb - March	Gujarat/Rajashtan
	Mangalam 88+	Sep – Oct	Feb - March	Gujarat/Rajashtan
	Mangalam Kranti	Sep – Oct	Feb - March	Gujarat/Rajashtan
Psyllium	Chetak	Sep – Oct	Feb - March	Gujarat/Rajashtan
	Chetak+	Sep – Oct	Feb - March	Gujarat/Rajashtan
Sesame	MSC 66	June – July	Oct - Nov	Gujarat/Rajashtan
	MSC 8	Jan – Feb	May - June	Gujarat/Rajashtan
Groundnut	Mangalam 222	Jun – July	Oct - Nov	Gujarat/Rajashtan
	Mangalam 220	Jun – July	Oct - Nov	Gujarat/Rajashtan
Moong	MSC 77	Jun – July	Sep - Oct	Gujarat/Rajashtan
		Feb – Mar	May - June	Gujarat/Rajashtan
Lucerne Seeds	Ujash	Sep – Oct	Apr - May	Gujarat/Rajashtan

### 3. Broadbase our distribution network and customer base in India

Our Company intends to expand our distribution network and increase the geographical reach of our products across India. Our Company intends to enter into marketing agreements with other seed companies as well.

### 4. Undertaking brand awareness and other marketing programmes

Our Company intends to continue focusing on our product brands. We have product brands such as Juddo, Volina, Leetos, Eklavya, Abhay etc. We believe that our product brands will provide us a strong platform to increase our revenues as well as our market share. Our “Field Day” programmes also helps spreading awareness about our products we market our seed to farmers by describing the unique selling features of our products comparable with the competitors. We intend to continue to organise such programmes.



## KEY INDUSTRY REGULATIONS AND POLICIES

*The following description is a summary of certain sector specific Indian laws and regulations in India, which are applicable to the Company. The information detailed in this section has been obtained from publications available in the public domain. The laws and regulations set out below may not be exhaustive, and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice.*

*Except as otherwise specified in this Prospectus, Companies Act, 1956 / Companies Act, 2013, as may be applicable, taxation statutes such as the Income Tax Act, 1961 and other miscellaneous laws apply to the Company as they do generally to any other Indian company, and accordingly, have not been covered under this chapter. The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.*

### **Approvals**

For the purpose of the business undertaken by the Company, we are required to obtain licenses and approvals depending upon prevailing laws and regulations. For details of such approvals, please refer to the section titled “Government and Other Approvals” starting from page no. 298 of this Prospectus.

### **Applicable Laws and Regulations:**

#### **Seed Industry**

##### ***The Seeds Act, 1966***

The Seeds Act, 1966, as amended from time to time (**‘Seeds Act’**), governs the policy regulating the quality of certain seeds for sale. The Seeds Act defines the term “seed”, as any of the listed classes of seeds used for sowing or planting i.e. seeds of food crops including edible oil seeds and seeds of fruits and vegetables, cotton seeds, seeds of cattle fodder and includes seedlings, and tubers, bulbs, rhizomes, roots, cuttings, all types of grafts and other vegetatively propagated material, of food crops or cattle fodder and jute seeds.

The Seeds Act provides for the constitution of a Central Seeds Committee for the purposes of advising the Central and State Governments on matters arising out of the administration of the Seeds Act. The Seeds Act provides for notification of certain kinds or varieties of seeds for the purposes of regulating the quality of any kind or variety of seed to be sold for purposes of agriculture. The Seeds Act also provides for minimum limits of germination and purity with respect to any notified kind or variety of seed and the particulars which the mark or label should contain to indicate that such seed conforms to the minimum limits of germination and purity.

The Seeds Act prohibits any person, either by himself or by any other person on his behalf, from carrying on the business of selling, keeping for sale, offering for sale, bartering or otherwise supplying any seed of the notified kind or variety of seeds unless such seed is identifiable as to its kind or variety; conforms to the minimum limits of germination and purity as specified under the Seeds Act; the container of such seed bears the mark or label with the correct particulars; and he/she complies with such other

requirements as may be prescribed. Similar restrictions are imposed by the Seeds Act with regards to the import and export of seed of any notified variety.

Furthermore, any person selling, keeping for sale, offering for sale, bartering or otherwise supplying any seed of the notified kind or variety of seeds, may, apply for certification to the Central Seed Certification Board constituted under the Seeds Act. The Seeds Act also appoints a Seed Inspector for the purpose of effective regulation and inspection.

*The Seeds Rules, 1968*, as amended from time to time (**'Seeds Rules'**), provides for the implementation of the provisions of the Seeds Act. The Seeds Rules defines the term "certified seed" as a seed that fulfills all requirements for certification provided by the Seeds Act and the Seeds Rules and to the container of which the certification tag is attached. The Seeds Rules also defines the term "certified seed producer" as a person who grows or distributes certified seed in accordance with the procedure and standards of the certification agency.

### ***The Seeds (Control) Order, 1983***

The Seed (Control) Order issued under the section 3 of the Essential Commodities Act, 1955, as amended from time to time (**'Order'**), sets out the procedure for registration for every person carrying on the business of selling, exporting or importing seeds, including but not limited to, those of a notified kinds or variety. It prescribes that every person carrying on the business of selling, exporting or importing seeds at any place must do so under the terms and conditions of the license granted under the Order. All persons desiring to obtain a license for selling, exporting or importing of seeds must make an application in duplicate in the prescribed form together with the prescribed fee to the licensing authority.

The Order empowers the Central Government to appoint a Controller of Seeds to regulate the sale and distribution of seeds. The Controller has the power to direct a producer or dealer to sell or distribute any seed in such manner as specified if the Controller is of the opinion that such a direction is necessary with regard to public interest. Further, the Order also appoints an Inspector for securing compliance with the Order.

Every licence under the Order remains valid, unless previously suspended or cancelled, for a period of three years from the date of its issue.

### ***Essential Commodities Act, 1955***

The Essential Commodities Act, 1955, as amended from time to time (**'Commodities Act'**), gives the Central Government the power to control production, supply, and distribution etc. of essential commodities for maintaining or increasing supplies and for securing their equitable distribution and availability of the commodity. The Central Government generally exercises its control over the commodities either defined as an essential commodity under section 2 of the Commodities Act or those notified by the central government as an essential commodity by passing control orders like the Seeds (Control) Order, 1983.

### ***The Biological Diversity Act, 2002***

The Biological Diversity Act, 2002, as amended from time to time (***'BioDiversity Act'***), provides for conservation of biological diversity, sustainable use of its components and fair and equitable sharing of the benefits arising out of the use of genetic resources. The BioDiversity Act defines “Biological Resources” as plants, animals and micro-organisms or parts thereof, their genetic material and by-products (excluding value added products) with actual or potential use or value, but does not include human genetic material.

Persons who are citizens of India or are not citizens of India or body corporates, associations or organizations which are not incorporated or registered in India or incorporated or registered in India under any law for the time being in force which has any non-Indian participation in its share capital or management, are required to take permission of the National Biological Diversity Authority before obtaining any biological resource occurring in India and for transferring the results of any research relating to any biological resources occurring in, or obtained from, India for monetary consideration or otherwise.

The above provisions do not apply to collaborative research projects involving transfer or exchange of biological resources or information relating thereto between institutions, including Government sponsored institutions in India, and in other countries, if such collaborative research projects satisfy the conditions specified the BioDiversity Act. However, all collaborative research projects, other than those referred to above, which are based on agreements in the case of any inconsistency with the provisions of the BioDiversity Act or any guidelines issued under the BioDiversity Act is void.

The BioDiversity Act requires prior permission of the National Biological Diversity Authority for granting of intellectual property rights, in or outside India, for any invention based on any research or information on a biological resource obtained from India.

*The Biological Diversity Rules, 2003*, as amended from time to time (***'BioDiversity Rules'***), has been framed pursuant to section 62 of the BioDiversity Act and provides the procedural aspects of implementing the substantive provisions enumerated in the BioDiversity Act.

### **Grading and Marking Regulations**

#### ***Agricultural Produce (Grading and Marking) Act, 1937***

The Agricultural Produce (Grading and Marking) Act, as amended from time to time (***'Grading and Marking Act'***), provides for the grading and marking of agricultural and other produce. The Directorate of Marketing and Inspection under the Department of Rural Development in the Ministry of Agriculture is vested with the responsibility to enforce and implement the Grading and Marking Act.

Under the Grading and Marking Act, the term “agricultural produce” includes all produce of agriculture or horticulture and all articles of food or drink wholly or partly manufactured from any such produce, and fleeces and the skins of animals. The Grading and Marking Act prescribes *inter alia* for grade designations to indicate the quality on any article included in the schedule to the Grading and Marking

Act, for defining the quality indicated by such grade designations, and specify grade designation marks to represent particular grade designations.

Under the Grading and Marking Act, if the Central Government is of the opinion that it is necessary in the public interest or for the protection of consumers that any scheduled article or class of articles should not be sold or distributed except after such article or class of articles is marked with the grade designation mark, it may, by notification in the Official Gazette, make declaration to that effect.

*The General Grading and Making Rules, 1988* notified as per Section 3 of the Agricultural Produce (Grading and Marking) Act, 1937, as amended from time to time (**'Grading and Marking Rules'**), provide the detailed procedures for licensing, setting up of laboratories, consumer protection measures etc. The General Grading and Marking Rules apply to all articles of agricultural and other produce included in the Schedule to the Agricultural Produce (Grading and Marking) Act, 1937. An article graded in accordance with the provisions of the Agricultural Produce (Grading and Marking) Act, 1937 shall be packed in the manner and using the type of packaging material and the pack sizes, by weight or number as prescribed for the said article.

## **Labour Laws**

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

The Payment of Bonus Act, 1965, as amended from time to time (**'Bonus Act'**), provides for payment of bonus based on profit or based on production or productivity to persons employed in factories or in establishments employing twenty or more persons on any day during an accounting year. It ensures that a minimum bonus is payable to every employee regardless of whether the employer has any allocable surplus in the accounting year in which the bonus is payable. Under the Bonus Act, the employer is bound to pay to every employee, in respect of the accounting year, a minimum bonus equal to 8.33% of the salary or wage earned by the employee during the accounting year or Rupees Hundred, whichever is higher.

### ***The Payment of Gratuity Act, 1972***

The Payment of Gratuity Act, 1972, as amended from time to time (**'Gratuity Act'**), provides for payment of gratuity, to an employee, at the time of termination of his services. Gratuity is payable to an employee on the termination of his employment after he has rendered continuous service for not less than five years: (a) on his/her superannuation; (b) on his/her retirement or resignation; (c) on his/her death or disablement due to accident or disease (in this case the minimum requirement of five years does not apply).

The Gratuity Act establishes a scheme for the payment of gratuity to employees engaged in establishments in which ten or more persons are employed or were employed on any day of the preceding twelve months and in such other establishments in which ten or more persons are employed or were employed on any day of the preceding twelve months, as the Central Government may specify by notification. The maximum amount of gratuity payable to an employee is Rupees Ten Lakh.

*Payment of Gratuity (Gujarat) Rules, 1973 ('Rules')* are applicable to the Company. The Rules provide procedures for, amongst others, application for gratuity and mode of its payment.



### ***Employee's Compensation Act, 1923***

The Employees' Compensation Act, 1923, as amended from time to time (**'Compensation Act'**) aims to provide employees and their dependents, compensatory payment, in case of accidents arising out of and in course of employment and causing either death or disablement of employees. It applies to factories, mines, docks, construction establishments, plantations, oilfields and other establishments listed in Schedule II and III of the Compensation Act but exclude any establishment covered by the Employees' State Insurance Act. Every employee including those employed through a contractor except casual employees, who are engaged for the purposes of employer's business and who suffers an injury in any accident arising out of and in the course of his employment is entitled to compensation under the Compensation Act.

*The Gujarat Workmen's Compensation Rules, 1967 ('Rules')* are applicable to the company. The Rules provide provisions governing deposit of compensation, medical examinations of workers along with notice, statements and reports on accidents among other procedures.

### ***Minimum Wages Act, 1948***

The Minimum Wages Act, 1948, as amended from time to time (**'Minimum Wages Act'**), was enacted to provide for fixing minimum rates of wages in certain employments. The consequences of failure to adhere to the minimum rates of wages fixed under the Minimum Wages Act is in the form of liability to prosecution and punishment in the form of imprisonment of up to six months and/or fines of up to Rupees Five Hundred. Further, employees having earned less than the minimum wage fixed are entitled to the payment of shortfall amounts, in addition to a compensation, which may extend up to ten times the shortfall amount.

*The Gujarat Minimum Wages, Rules, 1961 ('Rules')* are also applicable to the state of Gujarat and to the Company. The Rules govern procedural aspects of the Minimum Wages Act.

### ***Payment of Wages Act, 1936***

Payment of Wages Act, 1936, as amended from time to time (**'Wages Act'**) is aimed at regulating the payment of wages to certain classes of persons employed in certain specified industries and to ensure a speedy and effective remedy for them against illegal deductions or unjustified delay caused in payment of wages. It contains provisions in relation to the responsibility for payment of wages, fixing of wage periods, time of payment of wages, and maintenance of registers and records. It applies to the persons employed in a factory, industrial or other establishment or in a railway, either directly or indirectly, through a sub-contractor. Further, the Wages Act is applicable to employees drawing wages up to Rupees Eighteen Thousand per month.

*The Gujarat Payment of Wages Rules, 1963* governs the procedural aspects of the Wages Act including maintenance of registers, procedure for imposing fines and payment of excess bonus.

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

Maternity Benefit Act, 1961, as amended from time to time (**'Maternity Benefit Act'**), is aimed at regulating the employment of women in certain establishments for certain periods before and after child birth and for providing for maternity benefit and certain other benefits. It applies to every establishment being a factory, mine or plantation including any such establishment belonging to government and to every establishment wherein persons are employed for the exhibition of equestrian, acrobatic and other performances. It also applies to every shop or establishment wherein ten or more persons are employed or were employed on any day of the preceding twelve months.

According to the Maternity Benefit Act, every woman is entitled to, and her employer is liable for, the payment of maternity benefit at the rate of the average daily wage for the period of her actual absence, including the period immediately preceding the day of her delivery, the actual day of her delivery and any period immediately following that day.

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

The Equal Remuneration Act, 1976 as amended from time to time (**'Remuneration Act'**) aims to provide for the payment of equal remuneration to men and women workers and for the prevention of discrimination, on the ground of sex, against women in the matter of employment and for matters connected therewith or incidental thereto. According to the Remuneration Act, no employer shall pay to any worker, employed by him/ her in an establishment, a remuneration (whether payable in cash or in kind) at rates less favourable than those at which remuneration is paid by him to the workers of the opposite sex in such establishment for performing the same work or work of a similar nature.

In addition, no employer shall for complying with the foregoing provisions of the Remuneration Act, reduce the rate of remuneration of any worker. No employer shall, while making recruitment for the same work or work of a similar nature, or in any condition of service subsequent to recruitment such as promotions, training or transfer, make any discrimination against women except where the employment of women in such work is prohibited or restricted by or under any law for the time being in force.

#### ***The Child Labour (Prohibition & Regulation) Act, 1986***

The Child Labour (Prohibition & Regulation) Act, 1986, as amended from time to time (**'Child Labour Act'**) was enacted to prohibit the engagement of children below the age of fourteen years in certain specified occupations and processes and to regulate their conditions of work in certain other employments. No child shall be required or permitted to work in any establishment in excess of such number of hours, as may be prescribed for such establishment or class of establishments. Every child employed in an establishment shall be allowed in each week, a holiday of one whole day, which day shall be specified by the occupier in a notice permanently exhibited in a conspicuous place in the establishment and the occupier shall not alter the day so specified more than once in three months.

#### ***The Trade Union Act, 1926***

The Trade Union Act, 1926 as amended from time to time (**'Trade Union Act'**) provides for registration of trade unions (including association of employers) with a view to render lawful organization of labour to enable collective bargaining. The Trade Union Act also confers certain protection and privileges on a





registered trade union. It applies to all kinds of unions of workers and associations of employers and aims at regularizing labour-management relations.

No trade union shall be registered unless a minimum of seven workers engaged or employed in the establishment or industry with which it is connected are the members of such trade union on the date of making of application for registration. However, a trade union shall not be registered unless at least ten per cent, or one hundred of the workers, whichever is less, engaged or employed in the establishment or industry with which it is connected are the members of the Trade Union on the date of making of application for registration. The trade union so formed has the right to act for the individual and/or for collective benefit of workers at different levels.

### ***Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979***

The Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 as amended from time to time (**'Migrant Workmen Act'**) is applicable to an establishment, which employs five or more Inter-State migrant workers through an intermediary who has recruited workers from one State for employment in an establishment situated in another State. The inter-State migrant workers, in an establishment to which the Migrant Workmen Act becomes applicable, are required to be provided with certain facilities such as housing, medical aid, travel expenses etc.

### ***Apprentices Act, 1961***

The Apprentices Act, 1961 as amended from time to time (**'Apprentice Act'**) was enacted to regulate and control the program of training of apprentices and for matters connected therewith. The term 'apprentice' means "a person who is undergoing apprenticeship training in pursuance of a contract of apprenticeship". While, '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". The Apprentice Act makes it obligatory on part of the employers both in public and private sector establishments having requisite training infrastructure as laid down in the Apprentice Act, to engage apprentices. The Apprentice Act covers a total of 259 designated trades and more than 250 groups of industries.

### ***Shops and Establishment Acts***

Establishments are required to be registered under the provisions of local shops and establishments legislation applicable in the relevant states. The objective of the act, irrespective of the state, is to regulate the working and employment conditions of worker employed in shops and establishments including commercial establishments. The act provides for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees.

*The Gujarat Shops and Establishments Act, 1948* govern the Company's shops and establishments in Gujarat.

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

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 as amended from time to time (**'SHWW Act'**) provides for the protection of women at work place and

prevention of sexual harassment at work place. The SHWW Act also provides for a redressal mechanism to manage complaints in this regard. Sexual harassment includes one or more of the following acts or behaviour namely, physical contact and advances or a demand or request for sexual favours or making sexually coloured remarks, showing pornography or any other unwelcome physical, verbal or non-verbal conduct of sexual nature.

The SHWW Act makes it mandatory for every employer of a workplace to constitute an Internal Complaints Committee presided upon by a woman. It also provides for the manner and time period within which a complaint shall be made to the Internal Complaints Committee i.e. a written complaint is to be made within a period of three months from the date of incident. If the establishment has less than ten employees, then the complaints from employees of such establishments as also complaints made against the employer himself shall be received by the Local Complaints Committee.

### **Anti-Trust Laws**

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

The Competition Act, 2002, as amended from time to time (***'Competition Act'***) aims to prevent anti-competitive practices that cause or are likely to cause an appreciable adverse effect on competition in the relevant market in India. The Act prohibits anti-competitive agreements, abuse of dominant position and regulates combinations (mergers and acquisitions) with a view to ensure that there is no adverse effect on competition in the relevant market in India.

Under the Competition Act, the Competition Commission has powers to pass directions / impose penalties in cases of anti-competitive agreements, abuse of dominant position and combinations, provided the penalty is not more than ten per cent of the average turnover of the last three years.

### **Intellectual Property Laws**

#### ***The Protection of Plant Varieties and Farmers' Rights Act, 2001***

The Protection of Plant Varieties and Farmers' Rights Act, 2001, as amended from time to time (***'PPVFR Act'***), provides for the establishment of an effective system for protection of plant varieties, the rights of farmers and plant breeders and encourages the development of new varieties of plants.

The PPVFR Act provides for the establishment of an effective system for protection of plant varieties, the rights of farmers and plant breeders and to encourage the development of new varieties of plants. The PPVFR Act also aims to provide for accelerated agricultural development in the country and recognises the necessity to protect plant breeders' rights to stimulate investment for research and development, both in the public and private sector, for the development of new plant varieties. The aim of such protection is to facilitate the growth of the seed industry in the country that should ensure the availability of high quality seeds and planting material to the farmers.

*The Protection of Plant Varieties and Farmers' Rights Rules, 2003*, as amended from time to time (***'PPVFR Rules'***), govern the procedural aspects of the PPVFR Act. The PPVFR Rules provide the particulars and procedures for making applications and representations under the PPVFR Act. The PPVFR

Rules also contains provisions for the formation and administration of the plant varieties and farmers' rights protection authority.

*The Protection of Plant Varieties and Farmers' Rights (Recognition and Reward from the Gene Fund) Rules, 2012*, as amended from time to time (**'Gene Fund Rules'**), provide for a reward of rupees one lakh along with a citation and a memento to a farmer who is engaged in the conservation of genetic resources of land races and wild relatives of economic plants and their improvement through selection and preservation called the "Plant Genome Saviour Farmer Reward". There are a maximum of ten rewards in a financial year. The Gene Fund Rules also contains provisions for a farmer to be recognised as a Plant Genome Saviour Farmer.

*The Protection of Plant Varieties and Farmers' Rights (Use of Denomination of Registered Variety) Rules, 2012*, as amended from time to time (**'Use of Denomination Rules'**), govern the use of denominations including the use of printed or other visual representation of the denomination. The PPVFR Act defines the term "denomination" in relation to a variety or its propagating material or essentially derived variety or its propagating material, to mean the denomination of such variety or its propagating material or essentially derived variety or its propagating material, as the case may be expressed by means of letters or a combination of letters and figures written in any language.

*Protection of Plant Varieties and Farmers' Rights Regulations, 2006*, as amended from time to time (**'PPVFR Regulations'**), spell out the duty and jurisdiction of the registrar under the PPVFR Act. The PPVFR Regulations also provide the criteria for registration of an extant variety and the provisions relating to the assignment of denomination to a plant variety.

#### ***The Patents Act, 1970***

The Patents Act, 1970, as amended from time to time (**'Patents Act'**), provides for the grant of patents to protect the legal rights tied to the intellectual property in inventions. A patent gives the holder of the patent the right to prevent others from exploiting the patented invention commercially in the country where the patent has been granted. In order for a patent to be granted to an invention, it must be novel, have an inventive step and should be capable of industrial application. The Patents Act sets out inventions that are not patentable along with the form and manner of application for patents. Patents obtained in India are valid for a period of twenty years from the date of filing the application.

#### ***The Trade Marks Act, 1999***

The Trade Marks Act, 1999, as amended from time to time (**'Trademarks Act'**), governs the statutory protection of trademarks in India. Indian trademarks law permits the registration of trademarks for goods and services. Certification trademarks and collective marks are also registrable under the Trademarks Act. Applications for a trademark registration may be made for in one or more international classes. Once granted, trademark registration is valid for ten years unless cancelled. If not renewed after 10 years, the mark lapses and the registration for such mark must be obtained afresh. Registered trademarks may be protected by means of an action for infringement. The owner of a registered trademark is *prima facie* regarded as the owner of the mark by virtue of the registration obtained.

## **Tax Laws**

### ***Central Excise Act, 1944***

Excise duty is levied on production of goods but the liability of excise duty arises only on removal of goods from the place of storage, i.e., factory or warehouse. Unless specifically exempted, excise duty is levied even if the duty was paid on the raw material used in production. The basic rate of excise duty is 12%. There is at present an education cess, which is 3% of the excise duty; therefore, the effective excise duty comes out as 12.3%.

### ***Central Sales Tax Act, 1956***

Central sales tax is levied on interstate sale of goods. The Central Sales Tax Act, 1956, as amended from time to time (***Central Sales Tax Act***) formulates principles for determining (a) when a sale or purchase takes place in the course of inter-state trade or commerce; (b) when a sale or purchase takes place outside a State and (c) when a sale or purchase takes place in the course of imports into or export from India. The Central Sales Tax Act provides for levy, collection and distribution of taxes on sales of goods in the course of inter-state trade or commerce and also declares certain goods to be of special importance in inter-State trade or commerce and specifies the restrictions and conditions to which state laws imposing taxes on sale or purchase of such goods of special importance are subject to. Sale is considered inter-state when the sale occasions movement of goods from one state to another or is effected by transfer of documents during their movement from one state to another. The liability to pay tax is on the dealer who sells the goods.

### ***Law on Value Added Tax***

Value Added Tax (***VAT***) is a tax on the final consumption of goods or services. It is a multi-stage tax with the provision to allow input tax credit on tax at an earlier stage, which can be appropriated against the VAT liability on subsequent sale. This input tax credit in relation to any period means setting off the amount of input tax by a registered dealer against the amount of his output tax. The VAT liability of the dealer/manufacturer is calculated by deducting input tax credit from tax collected on sales during the payment period.

VAT is covered under entry 54 of the State List. Each state government has enacted its respective VAT act for levying and collecting VAT in their respective states. *Gujarat Value Added Tax Act, 2003* is applicable to the establishments of the Company.

### ***Customs Act, 1962***

The Customs Act, 1962, as amended from time to time (***Customs Act***) regulates import of goods into and export of goods from India. Further, the Customs Act regulates the levy and collection of customs duty on goods in accordance with the Customs Tariff Act, 1975. Under the Customs Act, the Central Board of Customs and Excise (***CBEC***) is empowered to appoint, by notification, ports or airports as customs ports or airports.



Customs duty is payable as a percentage of value which is known as assessable value or customs value. The value may be either value or tariff value as defined in the Customs Act. According to the Customs Act, the value of the imported goods and export goods shall be the transaction value of such goods i.e. the price actually paid or payable for the goods when sold for export to India for delivery at the time and place of import or export from India for delivery at the time and place of export where the buyer and seller of the goods are not related and price is the sole consideration for the sale.

### **The Gujarat Panchayats, Municipalities, Municipal Corporations And State Tax On Professions, Traders, Callings and Employments Act, 1976**

The Gujarat Panchayats, Municipalities, Municipal Corporations And State Tax On Professions, Traders, Callings And Employments Act, 1976 as amended from time to time (**'Professional Tax Act'**) provides the professional tax slabs in India and is applicable to persons who are either involved in any profession or trade. The professional tax payable under the Professional Tax Act by any person earning a salary or wage shall be deducted by his employer from the salary or 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. Every employer must obtain the registration under the Professional Tax Act from the assessing authority in the prescribed manner.

### **Miscellaneous Laws**

#### **Micro, Small and Medium Enterprises Development Act, 2006**

The Micro, Small and Medium Enterprises Development Act, 2006 as amended from time to time (**'MSMED Act'**) seeks to facilitate the development of micro, small and medium enterprises. The MSMED Act provides that where an enterprise is engaged in the manufacturing and production of goods pertaining to any industry specified in the first schedule to the Industries (Development and Regulation) Act, 1951, the classification of an enterprise will be as follows:

- a. where the investment in plant and machinery does not exceed twenty-five lakh rupees shall be regarded as a micro enterprise;
- b. where the investment in plant and machinery is more than twenty-five lakh rupees but does not exceed five crore rupees shall be regarded as a small enterprise;
- c. where the investment in plant and machinery is more than five crore rupees but does not exceed ten crore rupees shall be regarded as a medium enterprise.

The manufacturing of laminates is covered under the entry 36 of the first schedule of the Industries (Development and Regulation) Act, 1951.

The MSMED Act provides for the memorandum of micro, small and medium enterprises to be submitted by the relevant enterprises to the prescribed authority. While it is compulsory for medium enterprises engaged in manufacturing to submit the memorandum, the submission of the memorandum by micro and small enterprises engaged in manufacturing is optional. The MSMED Act defines a supplier to mean a micro or small enterprise that has filed a memorandum with the concerned authorities. The MSMED

Act ensures that the buyer of goods makes payment for the goods supplied to him immediately or before the date agreed upon between the buyer and supplier. The MSMED Act provides that the agreed period cannot exceed forty five days from the day of acceptance of goods. The MSMED Act also stipulates that in case the buyer fails to make payment to the supplier within the agreed period, then the buyer will be liable to pay compound interest at three times of the bank rate notified by the Reserve Bank of India from the date immediately following the date agreed upon. The MSMED Act also provides for the establishment of the Micro and Small Enterprises Facilitation Council (**'Council'**). The Council has jurisdiction to act as an arbitrator or conciliator in a dispute between the supplier located within its jurisdiction and a buyer located anywhere in India.

### **Polices Applicable**

#### ***Foreign Direct Investment***

Under paragraph 6.2.1 of the current consolidated FDI Policy, effective from 17 April 2014, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, including any modifications thereto or substitutions thereof, issued from time to time, (**'Consolidated FDI Policy'**), foreign direct investment in micro and small enterprises will be subject to sectoral caps, entry routes and other sectoral regulations.

At present 100% foreign direct investment through automatic route is permitted in the agriculture and animal husbandry sector subject to following conditions for companies dealing with development of transgenic seeds/vegetables:

1. When dealing with genetically modified seeds or planting material the company shall comply with safety requirements in accordance with laws enacted under the Environment (Protection) Act, 1986 on the genetically modified organisms.
2. Any import of genetically modified materials if required shall be subject to the conditions laid down vide Notifications issued under Foreign Trade (Development and Regulation) Act, 1992.
3. The company shall comply with any other Law, Regulation or Policy governing genetically modified material in force from time to time.
4. Undertaking of business activities involving the use of genetically engineered cells and material shall be subject to the receipt of approvals from Genetic Engineering Approval Committee and Review Committee on Genetic Manipulation formed under the Manufacture, Use, Import, Export and Storage of Hazardous Micro-organisms /Genetically Engineered Organisms or Cells Rules, 1989.
5. Import of materials shall be in accordance with National Seeds Policy.

#### **National Seeds Policy, 2002**

The Seeds Act, Seeds Rules, Seeds Control Order and the New Policy on Seeds Development, 1988, formed the basis of promotion and regulation of the seed industry. The National Seeds Policy, 2002 replaced the New Policy on Seeds Development, 1988 (**'Policy'**). The Policy lays down the foundation for comprehensive reforms in the seed sector. Significant changes in the legislative framework were



effected accompanied by programmatic interventions. The Policy also provided the parameters for the development of the seed sector in the tenth and subsequent Five Year Plans.

Key measures resulting from the Policy included the establishment of a Plant Varieties and Farmers' Rights Protection Authority to undertake registration of extant and new plant varieties through the Plant Variety Registry on the basis of varietal characteristic and consideration of tax rebate/concessions on the expenditure incurred on in-house research and development of new varieties and other seed related research aspects. The Policy facilitated access by private seed production agencies to breeder seed. The Policy provided for the establishment of a National Seeds Board as an apex body in the seeds sector to replace the Central Seed Committee and Central Seed Certification Board.

The Policy recommended mandatory registration of all varieties of seed, both domestic and imported, and planting materials. The Policy recommended that import of transgenic planting material should be allowed only with the approval of the Genetic Engineering Approval Committee and that all genetically engineered crops/varieties must be tested for environment and bio-safety before their commercial release, as per the regulations and guidelines of the Environment Protection Act, 1986. The policy also called for the implementation of a gene fund for the benefit sharing arrangement, and payment of compensation to village communities for their contribution to the development and conservation of plant genetic resources and promote conservation and sustainable use of genetic resources. The policy also recommended the standards for import and export of seeds.

## OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS

Our Company was originally formed and registered as a partnership firm under the Partnership Act in the name and style of “M/s Mangalam Seeds Corporation”, pursuant to a deed of partnership dated April 01, 2007. The name of the partnership firm was changed to “Mangalam Seeds” pursuant to supplementary agreement modifying the partnership deed dated July 06, 2011. Our Company was incorporated as a public limited company under Part IX of the Companies Act, 1956 with the name of “Mangalam Seeds Limited” upon conversion of Mangalam Seeds into Our Company vide certificate of incorporation dated September 14, 2011, bearing registration no. 067128 issued by Registrar of Companies, Gujarat, Dadra and Nagar Havelli, Ahmedabad. The certificate of commencement of business was issued by the Registrar of Companies, Gujarat, Dadra and Nagar Havelli, Ahmedabad on September 26, 2011.

Pravinkumar Patel, Mafatlal Patel, Dhanajibhai Patel, Kalpeshkumar Nathalal Patel, Dharmishtaben I Patel, Ishwarbhai D. Patel, Narsinhbhai Jethabhai Patel and Revabhai J. Patel, partners of M/s Mangalam Seeds, were the initial subscribers to the Memorandum of Association of our Company.

Pravinkumar Patel, Mafatlal Patel and Dhanajibhai Patel are the Promoters of the Company.

For information on our Company’s profile, activities, products, market, growth, managerial competence, standing with reference to prominent competitors, major suppliers and customers, see the sections “Our Management”, “Our Business” and “Our Industry” beginning on pages 191, 135 and 122 respectively.

### CHANGE OF REGISTERED OFFICE

At the time of incorporation, our Registered Office was situated at 202, Sampada Complex, B/H Tulsi Complex, Mithakhali Six Road, Navrangpura, Ahmedabad-380009. There is no change in the registered office of the Company since then.

### KEY EVENTS AND MILESTONES IN THE HISTORY OF OUR COMPANY

Period	Event
April 2007	Started business as partnership firm in the name and style of M/s Mangalam Seeds Corporation
July 2011	Name of firm changed to Mangalam Seeds
September 2011	Conversion of partnership firm into Company
January 2013	R&D Research farm at Village Maktupur, Taluka Unjha, District Mehsana, Gujarat recognised by DISR
July 2014	Entered into agreement with ICRISAT for a Research Partnership as Promotional Member in Pearl Millet Hybrid Parents Research Consortium
December 2014	Received ISO 9001:2008 certificate

### OUR MAIN OBJECTS

The main objects of our Company, as contained in our Memorandum of Association, are as set forth below:

1. To carry on business of seed merchants and dealers in seeds, plants, trees, flowers, flower beds, spices, herbs, medicinal plants, roots of plants, creepers, vegetable fruits and as vegetable





growers and cultivators, tillers, husbandmen, nurserymen, seedsmen, agriculturists, horticulturists, farmers, planters, gardeners and producers of all varieties and kinds of vegetable and agricultural seeds, hybrid seeds and with a view thereto to raise vegetable plants, crops, fruits, flowers, flower beds, trees, herds, shrubs, sprouts, bulbs, vegetable plants, garden plants or all varieties and kinds and to process, treat condition and refine and market seeds of all kinds and varieties and to produce, breed and grow grains and farm produce of all kinds and to grow, cultivate, plant, produce, process, buy, sell, import, export, research, development, make marketable and otherwise deal in plants, hybrid seeds, seeds, species, herbs and medicinal plants, fodder as also agricultural, horticultural, sericultural, botanical including commercial and cash crops like sugarcane, cotton, grapes, tea, coffee, cocoa, rubber and plantation crops and varieties and kind of crops for sowing purposes and by-products therefrom and fodder of all kinds and varieties.

#### AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION

Since incorporation, the following changes have been made to our Memorandum of Association

Date of Shareholder's Approval	Amendment
January 5, 2012	Increase in Authorised Capital from Rs 5,00,000 divided into 50,000 equity shares of Rs 10 each to Rs 50,00,000 divided into 5,00,000 equity shares of Rs 10 each
March 9, 2015	Increase in Authorised Capital from Rs 50,00,000 divided into 5,00,000 equity shares of Rs 10 each to Rs 5,00,00,000 divided into 50,00,000 equity shares of Rs 10 each

#### HOLDING COMPANY OF OUR COMPANY

Our Company has no holding company as on this date of filing of this Prospectus.

#### SUBSIDIARY COMPANY OF OUR COMPANY

Except given as under our Company does not have any other subsidiary.

- Mangalam Nutrifeeds Private Limited
- Unjha Psyllium Private Limited
- Unjha Spices Private Limited

#### 1. MANGALAM NUTRIFEEDS PRIVATE LIMITED

##### Corporate Information

Mangalam Nutrifeeds Private Limited was incorporated as a private Company under Companies Act, 2013 on February 16, 2015. Its CIN is U01210GJ2015PTC082265.

##### Registered Office

The Registered Office of Mangalam Nutrifeeds Private Limited is situated at 202, Sampada Complex, B/h. Tulsi Complex, Mithakhali Six Road, Navrangpura, Ahmedabad, Gujarat.

### Current Nature of Business

Mangalam Nutrifeeds Private Limited is currently engaged in the business of manufacturing, processing, preserve, and dealing in all types, descriptions, tastes, uses and packs of cattle feed to farmers which contains nutrition, food items, their by products, ingredients, derivatives, residues, including foods and vegetables and non-vegetables, marine foods, forest foods, agricultural foods other extruded products, packed foods and all kinds of food and food products.

### Capital Structure and Shareholding Pattern

The authorised share capital of the company is Rs 1,00,000 divided into 10,000 equity shares of Rs 10 each and the paid up share capital of the company is Rs 1,00,000 divided into 10,000 equity shares of Rs 10 each. The shareholding pattern of Mangalam Nutrifeeds Private Limited as on the date of this prospectus is as mentioned below:

Name of Shareholder	Number of Shares	Percentage of Shares
Mangalam Seeds Limited	9,999	99.99
Mafatlal Jethabhai Patel nominee of Mangalam Seeds Limited	1	0.01
<b>Total</b>	<b>10,000</b>	<b>100.00</b>

The Board of Directors of Mangalam Nutrifeeds Private Limited as on the date of this Prospectus is as follows:

Sr. No.	Name of Directors
1	Dhanajibhai Shivrambhai Patel
2	Mafatlal Jethabhai Patel
3	Pravinkumar Mafatlal Patel
4	Kalpeshkumar Nathalal Patel
5	Mehul Narsinhbhai Patel
6	Pradipkumar Nathalal Patel
7	Revabhai Jethabhai Patel

### Standalone Financial Performance of Mangalam Nutrifeeds Private Limited as on March 31, 2015 .

Particulars	March 2015
Paid up Equity Share Capital	1,00,000
Reserve (Excluding Revaluation Reserve)	0
Sales	Nil
Profit after Tax	Nil
Earnings Per Share (Basic)	Nil
Earnings Per share (Diluted)	Nil
Net Asset Value (Rs. In Lakhs)	1.00



## 2. UNJHA PSYLLIUM PRIVATE LIMITED

### Corporate Information

Unjha Psyllium Private Limited was incorporated as a private Company under Companies Act, 2013 on February 16, 2015. Its CIN is U15510GJ2015PTC082266.

### Registered Office

The Registered Office of Unjha Psyllium Private Limited is situated at 202, Sampada Complex, B/h. Tulsi Complex, Mithakhali Six Road, Navrangpura, Ahmedabad, Gujarat.

### Current Nature of Business

Unjha Psyllium Private Limited is currently engaged in the business of manufacturing, processing, and marketing of agrobased commodities such as isabgol/psyllium, saunff, psyllium husk, agriculture products, products including pharmaceutical and medicinal preparation, herbal and herbal products and other products connected/allied with the company's products.

### Capital Structure and Shareholding Pattern

The authorised share capital of the company is Rs 1,00,000 divided into 10,000 equity shares of Rs 10 each and the paid up share capital of the company is Rs 1,00,000 divided into 10,000 equity shares of Rs 10 each. The shareholding pattern of Unjha Psyllium Private Limited as on the date of this Prospectus is as mentioned below:

Name of Shareholder	Number of Shares	Percentage of Shares
Mangalam Seeds Limited	9,999	99.99
Mafatlal Jethabhai Patel nominee of Mangalam Seeds Limited	1	0.01
<b>Total</b>	<b>10,000</b>	<b>100.00</b>

The Board of Directors of Unjha Psyllium Private Limited as on the date of this Prospectus is as follows:

Sr. No.	Name of Directors
1	Pravinkumar Mafatlal Patel
2	Kalpeshkumar Nathalal Patel

### Standalone Financial Performance of Unjha Psyllium Private Limited as on March 31, 2015

Particulars	March 2015
Paid up Equity Share Capital	1,00,000
Reserve (Excluding Revaluation Reserve)	0
Sales	Nil
Profit after Tax	Nil
Earnings Per Share (Basic)	Nil
Earnings Per share (Diluted)	Nil
Net Asset Value (Rs. In Lakhs)	1.00

### 3. UNJHA SPICES PRIVATE LIMITED

#### Corporate Information

Unjha Spices Private Limited was incorporated as a private Company under Companies Act, 2013 on February 13, 2015. Its CIN is U15400GJ2015PTC082259.

#### Registered Office

The Registered Office of Unjha Spices Private Limited is situated at 202, Sampada Complex, B/h. Tulsi Complex, Mithakhali Six Road, Navrangpura, Ahmedabad, Gujarat.

#### Current Nature of Business

Unjha Spices Private Limited is engaged in the business of manufacturing, processing, and marketing in all kinds of agrobased commodities such as isabgol/psyllium, saunff, psyllium husk, spices , agriculture products and their by-products and allied products including pharmaceutical and medicinal preparation, and all types/kinds of foods, herbal and herbal products.

#### Capital Structure and Shareholding Pattern

The authorised share capital of the company is Rs 1,00,000 divided into 10,000 equity shares of Rs 10 each and the paid up share capital of the company is Rs 1,00,000 divided into 10,000 equity shares of Rs 10 each. The shareholding pattern of Unjha Spices Private Limited as on the date of this Prospectus is as mentioned below:

Name of Shareholder	Number of Shares	Percentage of Shares
Mangalam Seeds Limited	9,999	99.99
Mafatlal Jethabhai Patel nominee of Mangalam Seeds Limited	1	0.01
<b>Total</b>	<b>10,000</b>	<b>100.00</b>

The Board of Directors of Unjha Spices Private Limited as on the date of this prospectus is as follows:

Sr. No.	Name of Directors
1	Pravinkumar Mafatlal Patel
2	Kalpeshkumar Nathalal Patel

#### Standalone Financial Performance of Unjha Spices Private Limited as on March 31, 2015 .

Particulars	March 2015
Paid up Equity Share Capital	1,00,000
Reserve (Excluding Revaluation Reserve)	0
Sales	Nil
Profit after Tax	Nil
Earnings Per Share (Basic)	Nil
Earnings Per share (Diluted)	Nil
Net Asset Value (Rs. In Lakhs)	1



## PROMOTERS OF OUR COMPANY

The promoters of our Company are Mafatlal Patel, Pravinkumar Patel and Dhanajibhai Patel. For details, see “*Our Promoter and Promoter Group*” beginning on page 206 of this Prospectus

## CAPITAL RAISING ACTIVITIES THROUGH EQUITY OR DEBT

For details regarding our capital raising activities through equity and debt, refer to the section titled “*Capital Structure*” beginning on pages 72 of this Prospectus.

## INJUNCTIONS OR RESTRAINING ORDERS

The Company is not operating under any injunction or restraining order.

## MERGERS AND ACQUISITIONS IN THE HISTORY OF OUR COMPANY

Our Company has not merged/amalgamated itself nor has acquired any business/undertaking, since incorporation.

## DETAILS OF PAST PERFORMANCE

Our Company was incorporated in September, 2011. For details in relation to our financial performance since inception, including details of non-recurring items of income, refer to section titled “*Financial Statements*” beginning on page 220 of this Prospectus.

## SHAREHOLDERS AGREEMENTS

Our Company has not entered into any shareholders agreement as on date of filing of this Prospectus.

## OTHER AGREEMENTS

Except under normal course of business of the Company, our Company has not entered into any other agreements.

## STRATEGIC/ FINANCIAL PARTNERS

Our Company does not have any strategic/financial partner as on the date of filing of this Prospectus.

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

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

## CHANGE IN ACTIVITIES OF OUR COMPANY IN THE LAST FIVE YEARS

Our Company was incorporated in September, 2011. Since incorporation, we have not changed the activities of our Company.

## STRIKES AND LOCKOUTS

There have been no strikes or lockouts in our Company since incorporation.

## REVALUATION OF ASSETS

Our Company has not revalued its assets since incorporation and has not issued any Equity Shares including bonus shares by capitalizing any revaluation reserves.

#### **TIME AND COST OVERRUNS IN SETTING UP PROJECTS**

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

#### **NUMBER OF SHAREHOLDERS**

Our Company has 28 shareholders as on date of this Prospectus.

## OUR MANAGEMENT

### BOARD OF DIRECTORS

Under our Articles of Association we are required to have not less than 3 directors and not more than 15 directors, subject to the applicable provisions of the Companies Act. We currently have six directors on our Board.

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

Sr. No.	Name, Father's/Husband's Name, Designation, Address, Occupation, Nationality, Term and DIN	Date of Appointment as Director	Other Directorship
1.	<b>Name:</b> Pravinkumar Patel <b>Age:</b> 37 years <b>Father's Name:</b> Mafatlal Patel <b>Designation:</b> Managing Director <b>Address:</b> Naveriya Vas, Maktupur, Gujarat - 384170 <b>Occupation:</b> Business <b>Nationality:</b> Indian <b>Term:</b> 5 years, upto May 19, 2020 <b>DIN:</b> 03173769	Initial Appointment : September 14, 2011  Subsequently Appointed as Managing Director on May 20, 2015	<b>Public Limited Company</b> Nil <b>Private Limited Company</b> 1. Mangalam Nutrifeds Private Limited 2. Unjha Spices Private Limited 3. Unjha Psyllium Private Limited
2.	<b>Name:</b> Mafatlal Patel <b>Age:</b> 65 years <b>Father's Name:</b> Jethalal Patel <b>Designation:</b> Chairman and Executive Director <b>Address:</b> Naveriya Vas, Maktupur, Gujarat - 384170 <b>Occupation:</b> Business <b>Nationality:</b> Indian <b>Term:</b> Liable to retire by rotation <b>DIN:</b> 03173737	Initial Appointment : September 14, 2011  Subsequently Appointed as Chairman and Executive Director on May 20, 2015	<b>Public Limited Company</b> Nil <b>Private Limited Company</b> Mangalam Nutrifeds Private Limited
3.	<b>Name:</b> Dhanajibhai Patel <b>Age:</b> 42 years <b>Father's Name:</b> Shivrambhai Patel <b>Designation:</b> Executive Director <b>Address:</b> C-40, Sardar Society, Highway Road, Maktupur, Gujarat - 384170 <b>Occupation:</b> Business <b>Nationality:</b> Indian <b>Term:</b> Liable to retire by rotation	Initial Appointment : September 14, 2011  Subsequently Appointed as Executive Director on May 20, 2015	<b>Public Limited Company</b> NIL <b>Private Limited Company</b> Mangalam Nutrifeds Private Limited

Sr. No.	Name, Father's/Husband's Name, Designation, Address, Occupation, Nationality, Term and DIN	Date of Appointment as Director	Other Directorship
	<b>DIN:</b> 03173687		
4.	<b>Name:</b> Riddhi Shah <b>Age:</b> 25 years <b>Husband's Name:</b> Nimit Shah <b>Designation:</b> Non Executive Independent Director <b>Address:</b> 58, Mahasukh Nagar, Nr. Noble School Krishnanagar, Ahmedabad – 382345 Gujarat, India <b>Occupation:</b> Housewife <b>Nationality:</b> Indian <b>Term:</b> 5 years, upto May 19, 2020 <b>DIN:</b> 07192924	May 20, 2015	<b>Public Limited Company</b> Nil <b>Private Limited Company</b> Nil
5.	<b>Name:</b> Samir Shah <b>Age:</b> 38 years <b>Father's Name:</b> Jitendrabhai Shah <b>Designation:</b> Non Executive Independent Director <b>Address:</b> A8, Paradise Park, Opp. Shantinagar, Old Vadaj Ahmedabad - 380013 Gujarat, India <b>Occupation:</b> Business <b>Nationality:</b> Indian <b>Term:</b> 5 years, upto May 19, 2020 <b>DIN:</b> 07192925	May 20, 2015	<b>Public Limited Company</b> Nil <b>Private Limited Company</b> Nil
6.	<b>Name:</b> Mukesh Sheth <b>Age:</b> 51 years <b>Father's Name:</b> Ravinchandra Sheth <b>Designation:</b> Non Executive Independent Director <b>Address:</b> B/101, Sugam Awanue, Sugam Appt, Opp Mahalaxmi Complex, Vikas Gruh, Paldi, Ahmedabad - 380007 Gujarat, India	May 20, 2015	<b>Public Limited Company</b> Nil <b>Private Limited Company</b> Nil



Sr. No.	Name, Father's/Husband's Name, Designation, Address, Occupation, Nationality, Term and DIN	Date of Appointment as Director	Other Directorship
	<b>Occupation:</b> Business <b>Nationality:</b> Indian <b>Term:</b> 5 years, upto May 19, 2020 <b>DIN:</b> 03567774		

## BRIEF BIOGRAPHIES OF OUR DIRECTORS

- **Mafatlal Patel, Chairman and Executive Director**

Mafatlal Patel aged approximately 65 years is the Chairman and Executive Director of our Company. He has been Director of our Company since incorporation. He has completed his Bachelors of Science in the field of Agriculture from Saraswati Gram Vidyapeeth. He has experience in the seed industry. He is entrusted with responsibility of guiding the management with his rich and vast experience in the field of hybrid seeds. He has been paid gross remuneration of Rs. 1.19 Lakhs during Financial Year 2014-2015.

- **Pravinkumar Patel, Managing Director**

Pravinkumar Patel, aged approximately 37 years is the Managing Director of our Company with effect from May 20, 2015. He has completed his Bachelors of Science in the field of Applied Chemistry from Sardar Patel University, Gujarat. He has been Director of our Company since incorporation. He has experience in the field of producing and selling of hybrid seeds. He is entrusted with responsibility of Marketing, Promotion and Development of products of our Company. He has been paid gross remuneration of Rs 1.19 Lakhs during Financial Year 2014-2015.

- **Dhanajibhai Patel, Director**

Dhanajibhai Patel aged approximately 42 years is the Promoter and Executive Director of our Company. He has completed HSC from Gujarat Board. He has been Director of our Company since incorporation. He has experience in the field of seed industry. He looks after the production and product research and development of our Company. He has been paid gross remuneration of Rs 1.19 Lakhs during Financial Year 2014-2015.

- **Riddhi Shah, Independent Director**

Riddhi Shah, aged approximately 25 years is the Independent Director of our Company with effect from May 20, 2015. She has completed Bachelors in Commerce from Veer Narmad South Gujarat University. As such no remuneration / sitting fees was paid to him for the financial year 2014 – 2015, as she was appointed on our Board in the financial year 2015– 2016.

- **Samir Shah, Independent Director**

Samir Shah, aged approximately 38 years is the Independent Director of our Company with effect from May 20, 2015. He has more than 20 years of experience in the in the field of Accounts and Taxation (Direct & Indirect). He is presently working with M/s. Bharat G. Shah & Co., Tax Consultants as Chief Executive Accounts & Tax Executive and has been with the firm for more than

20 years, where he gained expertise in Accounts as well as Taxation. As such no remuneration / sitting fees was paid to him for the financial year 2014 – 2015, as he was appointed on our Board in the financial year 2015– 2016.

- **Mukesh Sheth, Independent Director**

Mukesh Sheth, aged approximately 51 years is the Independent Director of our Company with effect from May 20, 2015. As such no remuneration / sitting fees was paid to him for the financial year 2014 – 2015, as he was appointed on our Board in the financial year 2015– 2016.

## CONFIRMATIONS

As on the date of this Prospectus:

1. None of the Directors of the Company are related to each within the meaning of Section 2 (77) of the Companies Act, 2013 except Mafatlal Patel and Pravinkumar Patel who are related as father and son; are termed as — relatives within the meaning of Section 2 (77) of the Companies Act, 2013;
2. There are no arrangements or understanding with major shareholders, customers, suppliers or any other entity, pursuant to which any of the Directors or Key Management Personnel were selected as a Director or member of the senior management.
3. The Directors of our Company have not entered into any service contracts with our Company which provides for benefits upon termination of employment.
4. None of the above mentioned Directors are on the RBI List of willful defaulters.
5. Further, none of our Directors are or were directors of any company whose shares were (a) suspended from trading by stock exchange(s) or (b) delisted from the stock exchanges during the term of their directorship in such companies.
6. None of the Promoters, persons forming part of our Promoter Group, Directors or persons in control of our Company, has been or is involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.

## REMUNERATION/COMPENSATION OF DIRECTORS

During the last financial year ended on March 31, 2015, the directors have been paid gross remuneration as follows

Name of Director	Remuneration received in year 2014-15 (in Rs. Lakhs)
Pravinkumar Patel	1.19
Mafatlal Patel	1.19
Dhanajibhai Patel	1.19

None of the existing Directors except above have received any remuneration during the Financial Year 2014-15.

### Pravinkumar Patel



Pravinkumar Patel is appointed as Managing Director of the Company *vide* shareholders resolution in Extra ordinary General Meeting dated May 20, 2015 at a remuneration of Rs. 3.00 Lakhs per annum for a period of 5 years commencing from May 20, 2015.

### SHAREHOLDING OF OUR DIRECTORS IN OUR COMPANY

As per the Articles of Association of our Company, a Director is not required to hold any qualification shares.

Details of the shareholding of our Directors as on the date of this Prospectus are as follows:-

Sr. No.	Name of the Director	No. of Equity Shares	% of Pre Issue Equity Share Capital	% of Post Issue Equity Share Capital
1.	Pravinkumar Patel	4,24,073	13.41%	9.86%
2.	Mafatlal Patel	3,10,806	9.83%	7.22%
3.	Dhanajibhai Patel	3,72,432	11.78%	8.66%
4.	Riddhi Shah	Nil	-	-
5.	Samir Shah	Nil	-	-
6.	Mukesh Sheth	Nil	-	-

### INTERESTS OF DIRECTORS

Our Executive Directors may be deemed to be interested to the extent of remuneration paid to them for services rendered as a Director of our Company and reimbursement of expenses payable to them. For details, see “- Remuneration/Compensation of Directors” above. Further, our non- Executive Directors are entitled to receive sitting fees for attending meetings of our Board within the limits laid down in the Companies Act, 2013 and as decided by our Board subject to Articles of Association. Our Directors, Pravinkumar Patel, Dhanajibhai Patel and Mafatlal Patel are interested to the extent of being Promoters of our Company. For more information, see “Our Promoters and Promoter Group” on page 206 of the Prospectus.

Further, except for as disclosed under shareholding of our Directors in our Company above none of our Directors hold any Equity Shares in our Company. Our Directors may also be interested to the extent of Equity Shares, if any, held by them or held by the entities in which they are associated as promoters, directors, partners, proprietors or trustees or held by their relatives or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to the Offer. All of our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares, if any.

Except as stated in the chapters “Our Management” and “Related Party Transactions” beginning on pages 191 and 218 respectively of this Prospectus and described herein above, our Directors do not have any other interest in the business of our Company.

Our Directors are not interested in the appointment of or acting as Underwriters, Registrar and Bankers to the Issue or any such intermediaries registered with SEBI.

Some of our Directors may be interested to the extent of any loans provided to the Company and interest payable on the same.





## PROPERTY INTEREST

Except as stated/referred to in the heading titled “*Land and Property*” beginning on page 164 and chapter titled ‘Related Party Transaction’ on page 218 of the Prospectus, our Directors have not entered into any contract, agreement or arrangements since incorporation in which the Directors are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them. Further our Directors do not have any interest in any immovable property to be acquired by the Company except other wise disclosed in the heading titled “*Land and Property*” beginning on page 164 of the Prospectus

## INTEREST IN THE BUSINESS OF OUR COMPANY

Save and except as stated otherwise in “*Related Party Transactions*” in the chapter titled “*Financial Statements as Restated*” beginning on page 220 of this Prospectus, our Directors do not have any other interests in our Company as on the date of this Prospectus.

## SHAREHOLDING OF DIRECTORS IN SUBSIDIARIES AND ASSOCIATE COMPANIES

Our Company does not have any associate Company and Our Directors do not have any shareholding in the subsidiaries except as nominee of our Company.

## CHANGES IN OUR BOARD OF DIRECTORS DURING THE LAST THREE YEARS

Following are the changes in directors of our Company in last three years prior to the date of this Prospectus.

Name	Date of event	Nature of event	Reason
Pravinkumar Patel	May 20, 2015	Change in Designation	Appointment as Managing Director
Mafatlal Patel	May 20, 2015	Change in Designation	Appointment as Chairman and Executive Director
Dhanajibhai Patel	May 20, 2015	Change in Designation	Appointment as Executive Director
Riddhi Shah	May 20, 2015	Appointment	Appointment as Independent Director
Samir Shah	May 20, 2015	Appointment	Appointment as Independent Director
Mukesh Sheth	May 20, 2015	Appointment	Appointment as Independent Director

## BORROWING POWERS OF THE BOARD

Pursuant to a special resolution passed at an Extra- Ordinary General Meeting of our Company held on May 20, 2015, pursuant to provisions of Section 180(1)(c) or any amendment or modification thereof, if any, of the Companies Act 2013 and other applicable proviso, if any, of the Companies Act, 2013, the consent of the company be and is hereby accorded to the Board of Directors of the company for borrowing from time to time as may be required for the purposes of business of the company, in excess of the aggregate of the paid -up capital and free reserves of the Company, that is to say, reserves not set apart for any specific purpose, subject to the proviso that such borrowing shall not exceed Rs.

25,00,00,000 /- (Rupees Twenty Five Crores only) over and above the aggregate of the paid-up capital of the Company and its free reserves and shall exclude all temporary loan obtained by the Company from its Bankers in the ordinary course of its business, on such terms and conditions as the Board may consider necessary and expedient in the best interest of the Company, whether the same may be secured or unsecured and if secured, whether by way of mortgage, Charge or hypothecation, pledge or otherwise in any way whatsoever, on, over or in any respect of all, or any of the company's assets and effects or properties, notwithstanding that the money to be borrowed together with the money already borrowed by the company (apart from the temporary loans obtained from the Company's Bankers in the ordinary course of business) and remaining un-discharged at any given time, exceed the aggregate, for the time being, of the paid up capital of the Company and its free reserves that is to say, reserves not set apart for any specific purpose."

## CORPORATE GOVERNANCE

The provisions of the SME Listing Agreement, to be entered into by our Company with the BSE, will be applicable to our Company immediately upon the listing of our Equity Shares with BSE SME Platform. We have complied with the corporate governance code in accordance with Clause 52 (as applicable) of the SME Listing Agreement, particularly in relation to appointment of Independent Directors to our Board and constitution of the audit committee and stakeholder's relationship committee. Our Company undertakes to take all necessary steps to continue to comply with all the requirements of Clause 52 of the SME Listing Agreement.

Our Company stands committed to good corporate governance practices based on the principles such as accountability, transparency in dealings with our stakeholders, emphasis on communication and transparent reporting. We have complied with the requirements of the applicable regulations, including the SME Listing Agreement to be executed with the BSE and the SEBI Regulations, in respect of corporate governance including constitution of the Board and Committees thereof. The corporate governance framework is based on an effective independent Board, the Board's supervisory role from the executive management team and constitution of the Board Committees, as required under law.

We have a Board constituted in compliance with the Companies Act, 2013 and the Listing Agreement in accordance with best practices in corporate governance. The Board functions either as a full Board or through various committees constituted to oversee specific operational areas.

Currently our Board has six directors out of which three are Independent Directors, two are Executive Directors and one Managing Director. The constitution of our Board is in compliance with the requirements of Clause 52 of the SME Listing Agreement.

### **The following committees have been formed in compliance with the corporate governance norms:**

- A. Audit Committee
- B. Stakeholders Relationship Committee
- C. Nomination and Remuneration Committee



#### **A) Audit Committee**

Our Company has constituted an audit committee ("**Audit Committee**"), as per section 177 of the Companies Act 2013 and Clause 52 of the SME Listing Agreement to be entered with BSE SME Platform, vide resolution passed at the meeting of the Board of Directors held on May 20, 2015.

The terms of reference of Audit Committee adheres to the requirements of Clause 52 of the Listing Agreement, proposed to be entered into with the Stock Exchange in due course. The committee presently comprises the following three (3) directors:

Name of the Director	Status	Nature of Directorship
Samir Shah	Chairman	Independent Director
Riddhi Shah	Member	Independent Director
Mukesh Sheth	Member	Independent Director

The Company Secretary and Compliance Officer of the Company acts as the Secretary to the Audit Committee.

The Audit Committee shall have following powers:

- a. To investigate any activity within its terms of reference,
- b. To seek information from any employee,
- c. To obtain outside legal or other professional advice, and
- d. To secure attendance of outsiders with relevant expertise if it considers necessary.

The Audit Committee shall mandatorily review the following information:

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

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

The role of the Audit Committee not limited to but includes:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.

3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
  - i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
  - ii. Changes, if any, in accounting policies and practices and reasons for the same;
  - iii. Major accounting entries involving estimates based on the exercise of judgment by management;
  - iv. Significant adjustments made in the financial statements arising out of audit findings;
  - v. Compliance with listing and other legal requirements relating to financial statements;
  - vi. Disclosure of any related party transactions;
  - vii. Qualifications in the draft audit report.
5. Reviewing, with the management, the half yearly financial statements before submission to the board for approval.
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, right 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.
7. Review and monitor the auditor's independence, performance and effectiveness of audit process.
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
14. Discussion with internal auditors any significant findings and follow up there on.
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.





18. To oversee and review the functioning of the vigil mechanism which shall provide for adequate safeguards against victimization of employees and directors who avail of the vigil mechanism and also provide for direct access to the Chairperson of the Audit Committee in appropriate and exceptional cases.
19. Call for comments of the auditors about internal control systems, scope of audit including the observations of the auditor and review of the financial statements before submission to the Board;
20. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
21. To investigate any other matters referred to by the Board of Directors;
22. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

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

#### **Meeting of Audit Committee and relevant Quorum**

The audit committee shall meet at least 4 times in a year and not more than 4 months shall elapse between 2 meetings. The quorum shall be either 2 members or one third of the members of the Audit Committee whichever is greater, but there shall be a minimum of 2 Independent Directors, who are members, present.

#### **B) Stakeholder's Relationship Committee**

Our Company has constituted a shareholder / investors grievance committee ("*Stakeholders relationship Committee*") to redress complaints of the shareholders. The Stakeholders Relationship Committee was constituted vide resolution passed at the meeting of the Board of Directors held on May 20, 2015.

The **Stakeholder's Relationship Committee** comprises the following Directors:

<b>Name of the Director</b>	<b>Status</b>	<b>Nature of Directorship</b>
Samir Shah	Chairman	Independent Director
Riddhi Shah	Member	Independent Director
Mukesh Sheth	Member	Independent Director

The Company Secretary and Compliance Officer of the Company acts as the Secretary to the Stakeholder's Relationship Committee.

The Stakeholders Relationship Committee shall oversee all matters pertaining to investors of our Company. The terms of reference of the Stakeholders Relationship Committee include the following:

1. Efficient transfer of shares; including review of cases for refusal of transfer / transmission of shares and debentures;
2. Redressal of shareholder's/investor's complaints;
3. Reviewing on a periodic basis the approval/refusal of transfer or transmission of shares, debentures or any other securities;
4. Issue of duplicate certificates and new certificates on split/consolidation/renewal;

5. Allotment and listing of shares;
6. Reference to statutory and regulatory authorities regarding investor grievances; and
7. To otherwise ensure proper and timely attendance and redressal of investor queries and grievances;
8. Any other power specifically assigned by the Board of Directors of the Company

#### **Quorum for Stakeholders Relationship Committee**

The quorum necessary for a meeting of the Stakeholders Relationship Committee shall be 2 members or one third of the members, whichever is greater.

#### **C) Nomination and Remuneration Committee**

Our Company has constituted a Nomination and Remuneration Committee in accordance with section 178 of Companies Act 2013. The constitution of the Nomination and Remuneration Committee was approved by a Meeting of the Board of Directors held on May 20, 2015. The said committee is comprised as under:

The Nomination and Remuneration Committee comprises the following Directors:

<b>Name of Director</b>	<b>Designation in Committee</b>	<b>Nature of Directorship</b>
Samir Shah	Chairman	Independent Director
Riddhi Shah	Member	Independent Director
Mukesh Sheth	Member	Independent Director

The Company Secretary and Compliance Officer of the Company acts as the Secretary to the Nomination and Remuneration Committee.

#### **The terms of reference of the Nomination and Compensation Committee are:**

- a. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- b. Formulation of criteria for evaluation of Independent Directors and the Board;
- c. Devising a policy on Board diversity;
- d. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal and shall carry out evaluation of every director's performance;
- e. Determining, reviewing and recommending to the Board, the remuneration of the Company's Managing/ Joint Managing / Deputy Managing / Whole time / Executive Director(s), including all elements of remuneration package;
- f. To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks

#### **Quorum for Nomination and Remuneration Committee**

The quorum necessary for a meeting of the Nomination and Remuneration Committee shall be 2 members or one third of the members, whichever is greater.

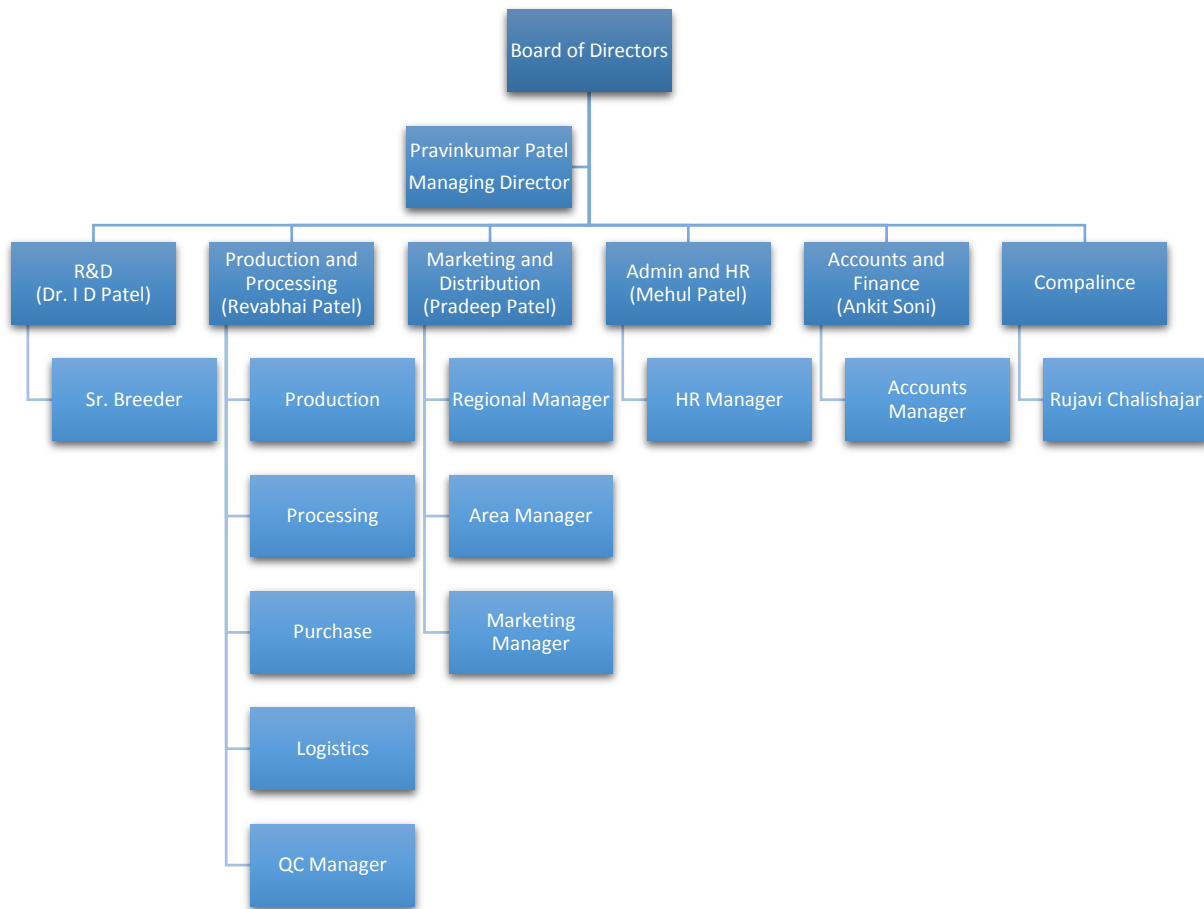


### Policy on Disclosures and Internal Procedure for Prevention of Insider Trading

We will comply with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 1992 as amended, post listing of our Company’s shares on the Stock Exchange.

Rujavi Pranavbhai Chalishajar, Company Secretary & Compliance Officer, is responsible for setting forth policies, procedures, monitoring and adhering to the rules for the prevention of dissemination of price sensitive information and the implementation of the code of conduct under the overall supervision of the Board.

### ORGANIZATIONAL STRUCTURE



### KEY MANAGERIAL PERSONNEL

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

**The details of our Key Managerial Personnel are set out below:**

- **Pravinkumar Patel, Managing Director**

Pravinkumar Patel, aged approximately 37 years is the Managing Director of our Company with effect from May 20, 2015. He has completed his Bachelors of Science in the field of Applied Chemistry from Sardar Patel University, Gujarat. He has been Director of our Company since incorporation. He has experience in the field of producing and selling of hybrid seeds. He is entrusted with responsibility of Marketing, Promotion and Development of products of our Company. He has been paid gross remuneration of Rs 1.19 Lakhs during Financial Year 2014-2015.

- **Dr. I D Patel, Head Research and Development**

Dr. I D Patel aged approximately 72 Years is the Head of Research and Development at our Company. He has been conferred upon with Sadvichar Pariwar Award and Prof. J. P. Trivedi Award by the Gujarat Association for Agricultural Sciences. He has also been awarded Sardar Patel Agricultural Research Award by Government of Gujarat for contribution in the field of agriculture. He joined our company since incorporation. He has been paid gross remuneration of Rs 1.79 for the financial year 2014-2015.

- **Revabhai Patel, Head Production and Processing**

Revabhai Patel aged approximately 56 years is the Head of Production and Processing at our Company. He has been associated with our company since incorporation. He has been paid gross remuneration of Rs 2.40 Lakhs for the financial year 2014-2015.

- **Pradip N Patel, Head Marketing and Distribution**

Pradeep N Patel aged approximately 32 years is the Head of Marketing and Distribution at our Company. He has completed Masters in Commerce from Hemchandra North Gujarat University, Patan. He has been associated with our company since incorporation. He has been paid gross remuneration of Rs 3.60 Lakhs for the financial year 2014-2015.

- **Mehul N Patel, Head Administration and Human Resources**

Mehul N Patel aged approximately 26 years is the Head of Administration and Human Resources at our Company. He has completed Bachelors in Rural Studies from Hemchandra North Gujarat University, Patan. He has been associated with our company since incorporation. He has been paid gross remuneration of Rs 3.00 Lakhs for the financial year 2014-2015.

- **Ankit Soni, Chief Financial Officer**

Ankit Soni aged approximately 32 years is the Chief Financial Officer of our Company. He holds Bachelors Degree in Commerce from Gujarat University. He joined our company on May 20, 2015. No remuneration was paid to him for the financial year 2014 – 2015, as he was appointed in the financial year 2015– 2016.



- **Rujavi Chalishajar, Company Secretary & Compliance Officer**

Rujavi Chalishajar aged approximately 22 years, is the Company Secretary and Compliance Officer of our Company. She is a qualified Company Secretary and is an Associate member of Institute of Company Secretary of India. She joined our company on May 20, 2015 and prior joining to our company she was associated with Pinakin Shah & Co., Practising Company Secretary as Management Trainee. She is entrusted with the responsibility of handling corporate secretarial functions of our Company. No remuneration was paid to her for the financial year 2014 – 2015, as she was appointed in the financial year 2015– 2016.

#### RELATIONSHIP BETWEEN KEY MANAGERIAL PERSONNEL

None of the key managerial personnel are —related to the each other within the meaning of Section 2 (77) of the Companies Act, 2013. All of Key Managerial Personnel are permanent employees of our Company.

#### RELATIONSHIPS OF DIRECTORS/ AND PROMOTERS WITH KEY MANAGERIAL PERSONNEL

Pravinkumar Patel is related with Mafatlal Patel as son and father and Revabhai Patel is related with Mafatlal Patel as brother.

Except as disclosed herein, none of the key managerial personnel are “related” to the Promoter or Director of our Company within the meaning of Section 2 (77) of the Companies Act, 2013.

#### ARRANGEMENTS AND UNDERSTANDING WITH MAJOR SHAREHOLDERS

None of our Directors have been appointed on our Board pursuant to any arrangement with our major shareholders, customers, suppliers or others.

#### SHAREHOLDING OF THE KEY MANAGERIAL PERSONNEL

Except as disclosed below, none of the Key Managerial Personnel hold any Equity Shares of our Company as on the date of this Prospectus.

Sr. No.	Name	No. of Shares held
1.	Pravinkumar Patel	4,24,073
2.	Dr. I D Patel	Nil
3.	Revabhai Patel	3,90,588
4.	Pradip N Patel	3,17,027
5.	Mehul N Patel	4,441
6.	Ankit Soni	Nil
7.	Rujavi Chalishajar	Nil

#### BONUS OR PROFIT SHARING PLAN OF THE DIRECTORS/ KEY MANAGERIAL PERSONNEL

Our Company has not entered into any Bonus or Profit Sharing Plan with any of the Directors and Key Managerial Personnel.

#### CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO KEY MANAGERIAL PERSONNEL

None of our Key Managerial Personnel has received or is entitled to any contingent or deferred compensation.

### LOANS TO KEY MANAGERIAL PERSONNEL

The Company has not given any loans and advances to the Key Managerial Personnel as on the date of this Prospectus.

### INTEREST OF KEY MANAGERIAL PERSONNEL

The Key Managerial Personnel of our Company have interest in our Company to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business and to the extent of Equity Shares held by them in our Company, if any and dividends payable thereon, if any. They are also interested in loans provided by them to the Company, if any and interest payable thereon, if any. Pravinkumar Patel and Revabhai Patel are interested to the extent of Lease rent payable to them for property taken on Lease by Company from them.

Except as disclosed in this Prospectus, none of our key managerial personnel have been paid any consideration of any nature from our Company, other than their remuneration.

### CHANGES IN KEY MANAGERIAL PERSONNEL IN THE LAST THREE YEARS

The changes in the Key Managerial Personnel in the last three years are as follows:

Name of Managerial Personnel	Designation	Date of Event	Reason
Pravinkumar Patel	Managing Director	May 20, 2015	Appointment
Ankit Soni	Chief Financial Officer	May 20, 2015	Appointment
Rujavi Chalishajar	Company Secretary and Compliance Officer	May 20, 2015	Appointment

Other than the above changes, there have been no changes to the key managerial personnel of our Company that are not in the normal course of employment.

### ESOP/ESPS SCHEME TO EMPLOYEES

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

### PAYMENT OR BENEFIT TO OUR OFFICERS (NON SALARY RELATED)

Except as disclosed in the heading titled *“Related Party Transactions”* in the section titled *“Financial Statements”* beginning on page 220 of this Prospectus, no amount or benefit has been paid or given within the three preceding years or is intended to be paid or given to any of our officers except the normal remuneration for services rendered as officers or employees.

## OUR PROMOTER AND PROMOTER GROUP

### OUR PROMOTERS

Our Company has been promoted by Pravinkumar Patel, Mafatlal Patel and Dhanajibhai Patel

**Brief profile of our individual Promoters is as under:**

	<p><b>Pravinkumar Patel, Promoter and Managing Director</b></p> <p>Pravinkumar Patel, aged approximately 37 years is the Managing Director of our Company with effect from May 20, 2015. He has completed his Bachelors of Science in the field of Applied Chemistry from Sardar Patel University, Gujarat. He has been Director of our Company since incorporation. He has experience in the field of producing and selling of hybrid seeds. He is entrusted with responsibility of Marketing, Promotion and Development of products of our Company.</p> <p><b>Passport No:</b> H0126528  <b>Driving License:</b> 2/MHS/99/12068  <b>Voters ID:</b> JTZ1284090</p> <p><b>Address:</b> Naveriya Vas, Maktupur, Gujarat 384170</p> <p>For further details relating to Pravinkumar Patel, including terms of appointment as our Managing Director and other directorships, please refer to the chapter titled “<i>Our Management</i>” beginning on page 191 of this Prospectus.</p>
	<p><b>Mafatlal Patel, Promoter, Chairman and Executive Director</b></p> <p>Mafatlal Patel aged approximately 65 years is the Chairman and Executive Director of our Company. He has been Director of our Company since incorporation. He has completed his Bachelors of Science in the field of Agriculture from Saraswati Gram Vidyapeeth. He experience in the seed industry. He is entrusted with responsibility of guidance to the management with his rich and vast experience in the field of hybrid seeds.</p> <p><b>Passport No:</b> H0129684  <b>Driving License:</b> Not legible  <b>Voters ID:</b> GJ/13/089/516722</p> <p><b>Address:</b> Naveriya Vas, Maktupur, Gujarat- 384170</p>

 	<p><b>Dhanajibhai Patel</b></p> <p>Dhanajibhai Patel aged approximately 42 years is the Promoter and Executive Director of our Company. He has completed HSC from Gujarat Board. He has been Director of our Company since incorporation. He has experience in the field of seed industry. He looks after the production and product research and development of our Company.</p> <p><b>Passport No:</b> NA <b>Driving License:</b> 2/MH8/99/9354 <b>Voters ID:</b> JTZ1886860</p> <p><b>Address:</b> C-40, Sardar Society, Highway Road, Maktupur, Gujarat 384170</p>
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## DECLARATION

Our Company confirms that the permanent account number and bank account number of our Promoters have been submitted to the Stock Exchange at the time of filing of Draft Prospectus with it.

Our Promoters and the members of our Promoter Group have not been debarred from accessing the capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority. None of our Promoters was or also 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.

Further, neither our Promoters, the relatives of our Promoters (as defined under the Companies Act) nor our Group Companies have been declared as a wilful defaulter by the RBI or any other government authority and there are no violations of securities laws committed by our Promoters in the past and no proceedings for violation of securities laws are pending against him.

## INTEREST OF PROMOTERS

### Interest in promotion of our Company

Our Promoters may be deemed to be interested in the promotion of the Company to the extent of the Equity Shares held by them and also to the extent of any dividend payable to them and other distributions in respect of the aforesaid Equity Shares. For further details, refer to chapter titled “*Related Party Transactions*” beginning on page 218 of this Prospectus. In addition, our Promoters and Directors, Pravin Patel, Mafatlal Patel and Dhanajibhai Patel are deemed to be interested to the extent of remuneration and reimbursement of expenses, if any, payable in terms of the agreements/resolutions entered into by, with our Company and under our Articles of Association.

### Interest in the property of our Company

Except as given below, Our Promoters do not have any other interest in any property acquired by our Company in a period of two years before filing of this Prospectus or proposed to be acquired by us as on date of filing the Prospectus with RoC.



Sr. No	Name	Nature of Interest
1.	Pravinkumar Patel	Our Company has taken on rent from our Promoter premises located at 202, Sampada Complex, B/H Tulsi Complex, Mithakhali Six Roads, Navrangpura, Ahmedabad-380009 for a period of 8 years until January 9, 2020 for use as Registered office at a yearly lease rent of Rs 1.80 Lakhs
2.	Mafatlal Patel Revabhai Patel Nathalal Patel Narsinhbhai Patel	Our Company has taken on lease from the Promoter and Members of Promoter Group agriculture land admeasuring 14.25 acres located at Village Maktupur, Taluka Unjha, District Mehsana, Gujarat - 384170 for a period of 5 years until April 2, 2019 for Research and Development Activity at a yearly lease rent of Rs 1.42 Lakhs
3.	Mafatlal Patel Revabhai Patel Nathalal Patel Narsinhbhai Patel	Our Company has purchased property comprising Godown admeasuring 1569.60 Sq. Mtrs and open land admeasuring 2354.50 Sq. Mtrs located at Revenue Survey No 278, Hector 0-39-24, Aakar Rs. 2.36 Ps in Village Maktupur, Taluka Unjha, District Mehsana, Gujarat 384170 for a consideration of Rs.172.00 Lakhs
4.	Mafatlal Patel	Our Company has taken on lease land from one of the Promoters admeasuring 21,825 Sq. Mts located at Survey Nos 672, 670/1, 670/2 and 671/1 at Village Valad, Ta. Gandhinagar District Gandhinagar for a period of 5 years until March 29, 2020 for Research and Development Activity at a yearly lease rent of Rs 2.18 Lakhs
5.	Revabhai Patel	Our Company has taken on lease land from a member of Promoter Group admeasuring 13,102 Sq. Mts located at Survey Nos 669/1 and 669/2 at Village Valad, Ta. Gandhinagar District Gandhinagar for a period of 5 years until March 29, 2020 for Research and Development Activity at a yearly lease rent of Rs 1.31 Lakhs
6.	Nathalal Patel	Our Company has taken on lease land from a member of Promoter Group admeasuring 14,099 Sq. Mts located at Nos 637 and 650 at Village Valad, Ta. Gandhinagar District Gandhinagar for a period of 5 years until March 29, 2020 for Research and Development Activity at a yearly lease rent of Rs 1.41 Lakhs
7.	Narsinhbhai Patel	Our Company has taken on lease land from rom a member of Promoter Group admeasuring 11,887 Sq. Mts located at Survey Nos 669/2, 668/2 and 668/4 at Village Valad, Ta. Gandhinagar District Gandhinagar for a period of 5 years until March 29, 2020 for Research and Development Activity at a yearly lease rent of Rs 1.19 Lakhs

### Interest as member of our Company

As on date of this Prospectus, our Promoters together holds 11,07,311 Equity Shares in our Company i.e. **35.02%** of the pre Issue paid up Equity Share capital of our Company. Therefore, our Promoters are interested to the extent of their respective shareholding and the dividend declared, if any, by our Company.

### Interest as a creditor of our Company

Except as disclosed in the chapter titled “*Related Party Transactions*” beginning on page 218 of this Prospectus Promoters are not interested as creditors of the Company.

### Interest as Director of our Company

Except as given in the chapters titled “*Our Management*”, “*Financial Statements*” and “*Capital Structure*” beginning on pages 191, 220 and 72 of this Prospectus our Promoters / Director, may deemed to be interested to the extent of remuneration and/or reimbursement of expenses payable to them for services rendered to us in accordance with the provisions of the Companies Act and in terms of agreements entered into with our Company, if any and AoA of our Company.

### Interest in transactions involving acquisition of land

Our Promoters are not currently interested in any transaction with our Company involving acquisition of land except as follows:

Sr. No	Name	Nature of Interest
1.	Pravinkumar Patel	Our Company has taken on rent from our Promoter premises located at 202, Sampada Complex, B/H Tulsi Complex, Mithakhali Six Roads, Navrangpura, Ahmedabad-380009 for a period of 8 years until January 9, 2020 for use as Registered office at a yearly lease rent of Rs 1.80 Lakhs
2.	Mafatlal Patel Revabhai Patel Nathalal Patel Narsinhbhai Patel	Our Company has taken on lease from the Promoter and Members of Promoter Group agriculture land admeasuring 14.25 acres located at Village Maktupur, Taluka Unjha, District Mehsana, Gujarat - 384170 for a period of 5 years until April 2, 2019 for Research and Development Activity at a yearly lease rent of Rs 1.42 Lakhs
3.	Mafatlal Patel Revabhai Patel Nathalal Patel Narsinhbhai Patel	Our Company has purchased property comprising Godown admeasuring 1569.60 Sq. Mtrs and open land admeasuring 2354.50 Sq. Mtrs located at Revenue Survey No 278, Hector 0-39-24, Aakar Rs. 2.36 Ps in Village Maktupur, Taluka Unjha, District Mehsana, Gujarat 384170 for a consideration of Rs.172.00 Lakhs
4.	Mafatlal Patel	Our Company has taken on lease land from one of the Promoters admeasuring 21,825 Sq. Mts located at Survey Nos 672, 670/1, 670/2 and 671/1 at Village Valad, Ta. Gandhinagar District Gandhinagar for a period of 5 years until March 29, 2020 for Research and Development Activity at a yearly lease rent of Rs 2.18 Lakhs
5.	Revabhai Patel	Our Company has taken on lease land from a member of Promoter Group admeasuring 13,102 Sq. Mts located at Survey Nos 669/1 and

Sr. No	Name	Nature of Interest
		669/2 at Village Valad, Ta. Gandhinagar District Gandhinagar for a period of 5 years until March 29, 2020 for Research and Development Activity at a yearly lease rent of Rs 1.31 Lakhs
6.	Nathalal Patel	Our Company has taken on lease land from a member of Promoter Group admeasuring 14,099 Sq. Mts located at Nos 637 and 650 at Village Valad, Ta. Gandhinagar District Gandhinagar for a period of 5 years until March 29, 2020 for Research and Development Activity at a yearly lease rent of Rs 1.41 Lakhs
7.	Narsinhbhai Patel	Our Company has taken on lease land from rom a member of Promoter Group admeasuring 11,887 Sq. Mts located at Survey Nos 669/2, 668/2 and 668/4 at Village Valad, Ta. Gandhinagar District Gandhinagar for a period of 5 years until March 29, 2020 for Research and Development Activity at a yearly lease rent of Rs 1.19 Lakhs

#### OTHER VENTURES OF OUR PROMOTERS

Save and except as disclosed in the chapter titled 'Our Group Entities' beginning on page 214 of this Prospectus, there are no other ventures of our Promoters in which they have business interests/other interests.

#### OUR PROMOTER GROUP

Our Promoter Group in terms of Regulation 2(1)(zb) of the SEBI (ICDR) Regulations is as under:

##### A. Individuals related to our Promoter:

Relationship with Promoters	Pravinkumar Patel	Mafatlal Patel	Dhanajibhai Patel
Father	Mafatlal Patel	Jethabhai Patel	Shivrambhai Patel
Mother	Shantaben Patel	Raiben Patel	Miratben Patel
Brother	-	Nathabhai Patel Revabhai Patel Narsinhbhai Patel	-
Sister	Sangitaben Patel	-	Dhaniben Patel Babiben Patel Pashiben Patel Late Dahiben Patel Shantaben Patel
Spouse	Chhaya Patel	Shantaben Patel	Induben Patel
Son		Pravinbhai Patel	Kunjan Patel Jay Patel
Daughter		Sangita Patel	-

Relationship with Promoters	Pravinkumar Patel	Mafatlal Patel	Dhanajibhai Patel
Spouse's Father	Kantibhai Patel	Shivrambhai Patel	Mangalbhai Patel
Spouse's Mother	Dahiben Patel	Miratben Patel	Babiben Patel
Spouse's Brother	Shailesh Patel Mayur Patel	Dhanajibhai Patel	Pankajbhai Patel
Spouse's Sister	Alpaben Patel	Dhaniben Patel Babiben Patel Pashiben Patel Late Dahiben Patel	Hinaben Patel

**B. In the case of Pravinkumar Patel ,our Individual Promoter:**

Nature of Relationship	Entity
Any body corporate in which 10% or more of the equity share capital is held by the Promoter or an immediate relative of the promoter or a firm or Hindu Undivided Family in which the Promoter or any one or more of his immediate relative is a member	-
Any body corporate in which a body corporate as mentioned above holds 10% or more, of the equity share capital	-
Any HUF or firm in which the aggregate shareholding of the promoter and his immediate relatives is equal to or more than 10%	Mafatlal Patel HUF Pravinkumar Patel HUF Jigneshbhai Patel HUF Pooja Car Accessories – Proprietorship

**C. In the case of Mafatlal Patel ,our Individual Promoter:**

Nature of Relationship	Entity
Any body corporate in which 10% or more of the equity share capital is held by the Promoter or an immediate relative of the promoter or a firm or Hindu Undivided Family in which the Promoter or any one or more of his immediate relative is a member	Patel Krushi Seva Kendra- Proprietorship
Any body corporate in which a body corporate as mentioned above holds 10% or more, of the equity share capital	-
Any HUF or firm in which the aggregate shareholding of the promoter and his immediate relatives is equal to or more than 10%	Mafatlal Patel HUF Nathabhai J Patel HUF Revabhai J Patel HUF Narsinhbhai J Patel HUF Pravinkumar M Patel HUF Jigneshbhai Patel HUF Naranbhai J Patel HUF



**D. In the case of Dhanajibhai Patel, our Individual Promoter:**

Nature of Relationship	Entity
Any body corporate in which 10% or more of the equity share capital is held by the Promoter or an immediate relative of the promoter or a firm or Hindu Undivided Family in which the Promoter or any one or more of his immediate relative is a member	-
Any body corporate in which a body corporate as mentioned above holds 10% or more, of the equity share capital	-
Any HUF or firm in which the aggregate shareholding of the promoter and his immediate relatives is equal to or more than 10%	Dhanajibhai Patel HUF Naranbhai Patel HUF Mafatbhai Patel HUF Nathabhai Patel HUF

**RELATIONSHIP OF PROMOTERS WITH OUR DIRECTORS**

Except as disclosed herein, none of our Promoters are related to any of our Company’s Directors within the meaning of Section 2 (77) of the Companies Act, 2013.

Names	Pravinkumar Patel	Mafatlal Patel	Dhanajibhai Patel
Pravinkumar Patel (Promoter/Director)	-	Father	-
Mafatlal Patel (Promoter/Director)	Son	-	-
Dhanajibhai Patel (Promoter/Director)	-	-	-

**Other persons included in promoter group**

Kalpeshkumar Patel, Kalpeshkumar N Patel – HUF, Truptiben K Patel, Mehulbhai N Patel, Mehulbhai N Patel – HUF, Chandrikaben N Patel, Rinkuben M Patel, Bhargavbhai R Patel, Laxmiben Patel, Pradipkumar N Patel, Pradipkumar N Patel – HUF, Urmiben P Patel and Babiben N Patel are not relatives within the meaning of regulation 2(1)(zb) of ICDR Regulations but are considered for the purposes of shareholding of the Promoter Group under Regulation 2(1)(zb)(v) of ICDR Regulations.

**CHANGES IN OUR PROMOTERS**

Our Promoters are the original promoters of our Company and there has not been any change in the management or control of our Company.

For details on litigations and disputes pending against the Promoters and defaults made by them, please refer to the section titled “*Outstanding Litigation and Material Developments*” beginning on page 291 of this Prospectus. Our Promoters have not been declared as wilful defaulters by RBI or any other governmental authority and there are no violations of securities laws committed by our Promoters in the past or are pending against them.



Our Promoters and the members of our Promoter Group have not been debarred from accessing the capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority. None of our Promoters was or also are promoters, directors or persons in control of any other company which is debarred from accessing the capital market under any order or directions made by the SEBI.



## OUR GROUP ENTITIES

No equity shares of our Group Companies are listed on any stock exchange and none of them made any public or rights issue of securities in the preceding three years.

### A. Our Group Entity

The details of our Group Entities are provided below:

#### 1. Pravinbhai Mafatlal Patel HUF

M/s. Pravinbhai Mafatlal Patel HUF is a Hindu Undivided Family formed on February 4, 2014 having address at Naveriya Vas, Maktupur, Gujarat - 384170, whose Karta is Pravinkumar Patel. It is currently engaged in business of trading in seeds.

#### *Financial Performance*

Amt in lakhs

Particulars	For the years ended		
	March 2014	March 2013	March 2012
Capital	5.31	N.A.	N.A.
Sales and other income	12.40	N.A.	N.A.
Profit/loss after tax	2.75	N.A.	N.A.

#### 2. Dhanjibhai Shivrambhai Patel HUF

M/s. Dhanjibhai Shivrambhai Patel HUF is a Hindu Undivided Family formed on February 3, 2014 having address at C-40, Sardar Society, Highway Road, Maktupur, Gujarat - 384170, whose Karta is Dhanajibhai Patel. It is currently engaged in business of trading in seeds.

#### *Financial Performance*

Amt in lakhs

Particulars	For the years ended		
	March 2014	March 2013	March 2012
Capital	4.93	N.A.	N.A.
Sales and other income	9.00	N.A.	N.A.
Profit/loss after tax	2.30	N.A.	N.A.

#### 3. Mafatlal Jethalal Patel HUF

M/s. Mafatlal Jethalal Patel HUF is a Hindu Undivided Family formed on February 3, 2014 having address at Naveriya Vas, Maktupur, Gujarat - 384170, whose Karta is Mafatlal Jethalal Patel. It is currently engaged in business of trading in seeds.

### Financial Performance

Amt in lakhs

Particulars	For the years ended		
	March 2014	March 2013	March 2012
Capital	5.11	N.A.	N.A.
Sales and other income	13.20	N.A.	N.A.
Profit/loss after tax	2.55	N.A.	N.A.

#### 4. Patel Krushi Seva Kendra

M/s. Patel Krushi Seva Kendra is sole proprietorship concern of Mafatlal Jethalal Patel having address at Gandhichowk, Unjha, Mehsana-384170. It is currently engaged in business of trading in pesticides and fertilizers.

### Financial Performance

Amt in lakhs

Particulars	For the years ended		
	March 2014	March 2013	March 2012
Capital	0.83	-0.11	-8.02
Sales and other income	12.75	11.33	9.99
Profit/loss after tax	1.50	1.10	0.49

### CONFIRMATION

Our Promoter and persons forming part of Promoter Group have confirmed that they have not been declared as wilful defaulters by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past and no proceedings pertaining to such penalties are pending against them. Additionally, none of the Promoter and persons forming part of Promoter Group has been restrained from accessing the capital markets for any reasons by SEBI or any other authorities. Except as disclosed in this chapter, none of our Group Entities have negative net worth as of the date of their respective last audited financial statements.

### LITIGATION

For details on litigations and disputes pending against the Promoter and Group entities and defaults made by them, please refer to the chapter titled, 'Outstanding Litigations and Material Developments' on page 291 of this Prospectus.

### DISSOCIATION BY THE PROMOTER IN THE LAST THREE YEAR

Except as disclosed below Our Promoters have not disassociated themselves from any of the companies, firms or other entities during the last three years preceding the date of the Prospectus





Sr. No	Name of Promoter	Name of Entity	Date of Dissociation	Reason
1.	Pravinkumar Patel	Unjha Psyllium Private Limited	March 30, 2015	Sale of Shares
2.	Pravinkumar Patel	Unjha Spices Private Limited	March 30, 2015	Sale of Shares

#### NEGATIVE NET WORTH

None of our Group Entities have negative net worth as on the date of the Prospectus.

#### DEFUNCT / STRUCK-OFF COMPANY

None of our Group Entities have become defunct or strike – off in the five years preceding the filing of this Prospectus.

#### INTERESTS OF OUR PROMOTERS, GROUP ENTITIES AND ASSOCIATES

All our Promoters, Group Entities and Associates are interested to the extent of their shareholding of Equity Shares, if any, from time to time, and in case of our Individual Promoters, also to the extent of shares held by their relatives from time to time, for which they are entitled to receive the dividend declared, if any, by our Company. Our Individual Promoters may also benefit from holding directorship in our Company. Our Individual Promoters may also be deemed to be interested to the extent of remuneration and/or reimbursement of expenses payable to them under the Articles/ terms of appointment and interest payable, if any on any loans availed from them. As on the date of this Prospectus, our Promoters together hold 11,07,311 Equity Shares of our Company.

Except as stated hereinabove and as stated in “Annexure XXV- Related Party Transactions” under chapter titled “Financial Statements” beginning on page 220 of this Prospectus, we have not entered into any contract, agreements or arrangements during the preceding two years from the date of this Prospectus in which the Promoters are directly or indirectly interested and no payments have been made to them in respect of these contracts, agreements or arrangements which are proposed to be made to them.

Further, except as stated above and as stated otherwise under the paragraph titled “Shareholding of our Directors” in the chapter titled “Our Management” beginning on page 191 of this Prospectus; in “Annexure XXV- Related Party Transactions” under chapter titled “Financial Statements” beginning on page 220 of this Prospectus, and under the paragraph titled “Interest of Directors” in the chapter titled “Our Management” beginning on page 191; paragraph titled “Land and Property” in the chapter titled “Our Business” beginning on page 135, our Promoters do not have any other interests in our Company as on the date of this Prospectus.

Further, except as disclosed above and in the audited restated financial statements of our Company under “Annexure XXV Related Party Transactions” under chapter titled “Financial Statements” beginning on page 220 of this Prospectus, our Group Entities and associates have no business interest in our Company.

## RELATED PARTY TRANSACTIONS

For details on our related party transactions please refer to the paragraph titled *“Land and Property”* in chapter titled *“Our Business”* beginning on page 135 of this Prospectus, paragraph titled *“Interest of Directors”* in the chapter titled *“Our Management”* beginning on page 191 of this Prospectus and *“Annexure XXV - Related Party Transactions”* in chapter titled *“Financial Statements”* beginning on page 220 of this Prospectus and paragraph titled *“Interest of Promoters”* under this chapter Prospectus.

## COMMON PURSUITS

Our Promoters and Directors Pravinkumar Patel, Mafatlal Patel and Dhanajibhai Patel are Kartas of Pravinbhai Mafatlal Patel HUF, Mafatlal Jethalal Patel HUF and Dhanajibhai Shivrambhai Patel HUF respectively which are involved in activities similar to those conducted by our Company. As these entities do not have any non-compete agreements in place amongst themselves, there is a conflict of interest between our Company and the said Group Entities. For associated risk factor, please refer to the section titled *“Risk Factors”* beginning on page 16 of the Prospectus.

## SALES/PURCHASES BETWEEN OUR COMPANY AND PROMOTER COMPANY & GROUP ENTITIES

Other than as disclosed in the chapter titled *“Related Party Transactions”* on page 218, there are no sales/purchases between the Company and the Group Companies, Subsidiaries and Associate companies when such sales or purchases exceed in value in the aggregate 10 per cent of the total sales or purchases of the Company.

## PAYMENT OR BENEFIT TO OUR GROUP ENTITIES

Except as stated in chapter titled *“Related Party Transactions”* beginning on page 218, there has been no payment of benefits to our Group Entities in financial years ended March 31, 2015, March 31, 2014, March 31, 2013 and March 31, 2012 nor is any benefit proposed to be paid to them.



## **RELATED PARTY TRANSACTION**

For details on Related Party Transactions of our Company, please refer to Annexure XXV of restated financial statement under the section titled, '*Financial Statements*' beginning on page 220 of this Prospectus

## **DIVIDEND POLICY**

Under the Companies Act, 2013, an Indian company pays dividends upon a recommendation by its Board of Directors and approval by a majority of the shareholders. Under the Companies Act, 2013 dividends may be paid out of profits of a company in the year in which the dividend is declared or out of the undistributed profits or reserves of the previous years or out of both.

Our Company does not have a formal dividend policy. Any dividends to be declared shall be recommended by the Board of Directors depending upon the financial condition, results of operations, capital requirements and surplus, contractual obligations and restrictions, the terms of the credit facilities and other financing arrangements of our Company at the time a dividend is considered, and other relevant factors and approved by the Equity Shareholders at their discretion. Our Company has not paid any dividend for the last three years.

Dividends are payable within 30 days of approval by the Equity Shareholders at the annual general meeting of our Company. When dividends are declared, all the Equity Shareholders whose names appear in the register of members of our Company as on the “record date” are entitled to be paid the dividend declared by our Company. Any Equity Shareholder who ceases to be an Equity Shareholder prior to the record date, or who becomes an Equity Shareholder after the record date, will not be entitled to the dividend declared by Our Company



**SECTION V – FINANCIAL STATEMENTS**  
**FINANCIAL STATEMENT AS RESTATED**

**STANDALONE FINANCIAL STATEMENT AS RESTATED**

**Independent Auditor’s Report for the Standalone Restated Financial Statements of**

**The Board of Directors**

Mangalam Seeds Limited  
202, Sampada Complex,  
Near Mithakhali Six Road,  
Navarangpura,  
Ahmedabad – 380009  
Gujarat.

Dear Sirs,

- 1) We have examined the attached Standalone Restated Statement of Asset and Liabilities of Mangalam Seeds Limited (The Company) as at 31st March, 2015, 31st March, 2014, 31st March, 2013 and 31st March, 2012 and the related Standalone Statement of Profit & Loss and the related Standalone Restated Statement of Cash Flow for the financial year / period ended on 31st March, 2015, 31st March, 2014, 31st March, 2013 and 31st March, 2012 (collectively the “Standalone Restated Summary Statements” or “Standalone Restated Financial Statements”). These Standalone Restated Summary Statements have been prepared by the Company and approved by the Board of Directors of the company in connection with the Initial Public Offer (IPO) in SME Platform of Bombay Stock Exchange Limited (BSE).
- 2) These Standalone Restated Financial Statements have been prepared in accordance with the requirements of:
  - (i) Part I of Chapter III of the Companies Act, 2013 (“Act”);
  - (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009 (“ICDR Regulations”) issued by the Securities and Exchange Board of India (“SEBI”) in pursuance to Section 11 of the Securities and Exchange Board of India Act, 1992 and related amendments / clarifications from time to time;
  - (iii) The terms of reference to our engagements with the Company letter dated June 1, 2015 requesting us to carry out the assignment, in connection with the Draft Prospectus/ Prospectus being issued by the Company for its proposed Initial Public Offering of equity shares in SME Platform of Bombay Stock Exchange Limited (“IPO” or “SME IPO”); and
  - (iv) The Guidance Note on Reports in Company Prospectus (Revised) issued by the Institute of Chartered Accountants of India (“Guidance Note”).
- 3) The Standalone Restated Summary Statements of the Company have been extracted by the management from the Audited Financial Statements of the Company for the financial year / period ended on 31st March, 2015, 31st March, 2014, 31st March, 2013 and 31st March, 2012 which has been approved by the Board of Directors.

- 4) In accordance with the requirements of Part I of Chapter III of Act, ICDR Regulations, Guidance Note and Engagement Letter, we report that:
- (v) The “Standalone Restated Statement of Assets and Liabilities” as set out in Annexure I to this report, of the Company as at 31st March, 2015, 31st March, 2014, 31st March, 2013 and 31st March, 2012 are prepared by the Company and approved by the Board of Directors. These Statement of Assets and Liabilities, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in Annexure IV to this Report.
  - (vi) The “Standalone Restated Statement of Profit and Loss” as set out in Annexure II to this report, of the Company for the financial year / period ended on 31st March, 2015, 31st March, 2014, 31st March, 2013 and 31st March, 2012 are prepared by the Company and approved by the Board of Directors. These Statement of Profit and Loss, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in Annexure IV to this Report.
  - (vii) The “Standalone Restated Statement of Cash Flow” as set out in Annexure III to this report, of the Company for the financial year / period ended on 31st March, 2015, 31st March, 2014, 31st March, 2013 and 31st March, 2012 are prepared by the Company and approved by the Board of Directors. These Statement of Cash Flow, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Restated Summary Statements as set out in Annexure IV to this Report.
- 5) Based on the above, we are of the opinion that the Standalone Restated Financial Statements have been made after incorporating:
- a) Adjustments for the changes in accounting policies retrospectively in respective financial years / period to reflect the same accounting treatment as per the changed accounting policy for all reporting periods.
  - b) Adjustments for prior period and other material amounts in the respective financial years / period to which they relate and there are no qualifications which require adjustments.
  - c) There are no extra-ordinary items that need to be disclosed separately in the accounts and qualifications requiring adjustments.
  - d) There were no qualifications in the Audit Reports issued by the Statutory Auditors for the financial year / period ended on 31st March, 2015, 31st March, 2014, 31st March, 2013 and 31st March, 2012 which would require adjustments in this Standalone Restated Financial Statements of the Company.
  - e) These Profits and Losses have been arrived at after charging all expenses including depreciation and after making such adjustments / restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting



Polices and Notes to Standalone Restated Summary Statements as set out in Annexure IV to this report.

- 6) Audit for the financial year ended 31st March, 2015, 31st March, 2014, 31st March, 2013 and 31st March, 2012 was conducted by Piyush J. Shah & Co. 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 is based solely on the report submitted by them. Further the Financial Statements for the year ended March 31, 2015 has been re-audited by us as per relevant guidelines.
- 7) 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 financial year / period ended on 31st March, 2015, 31st March, 2014, 31st March, 2013 and 31st March, 2012 proposed to be included in the Draft Prospectus/Prospectus (“Offer Document”).

**Annexure of Restated Financial Statements of the Company: -**

- a) Significant Accounting Policies and Notes to accounts as restated in Annexure IV;
- b) Details of Share Capital as Restated as appearing in ANNEXURE V to this report;
- c) Details of Reserves and Surplus as Restated as appearing in ANNEXURE VI to this report;
- d) Details of Long Term Borrowings as Restated as appearing in ANNEXURE VII to this report;
- e) Details of Deferred Tax Liabilities (Net) as Restated as appearing in ANNEXURE VIII to this report;
- f) Details of Long Term Provisions as Restated as appearing in ANNEXURE IX to this report;
- g) Details of Other Non-Current Liabilities as Restated appearing in ANNEXURE X to this report;
- h) Details of Short Term Borrowings as Restated as appearing in ANNEXURE XI to this report;
- i) Details of Trade Payables as Restated as appearing in ANNEXURE XII to this report;
- j) Details of Other Current Liabilities as Restated as appearing in ANNEXURE XIII to this report;
- k) Details of Short Term Provisions as Restated as appearing in ANNEXURE XIV to this report;
- l) Details of Fixed Assets as Restated as appearing in ANNEXURE XV to this report;
- m) Details of Non-Current Investments as Restated as appearing in ANNEXURE XVI to this report;
- n) Details of Inventories as Restated as appearing in ANNEXURE XVII to this report;
- o) Details of Trade Receivables as Restated enclosed as ANNEXURE XVIII to this report;
- p) Details of Cash and Bank Balances as Restated enclosed as ANNEXURE XIX to this report;
- q) Details of Short Term Loans & Advances as Restated as appearing in ANNEXURE XX to this report;
- r) Details of Other Current Assets as Restated as appearing in ANNEXURE XXI to this report;
- s) Details of Other Income as Restated as appearing in ANNEXURE XXII to this report;

- t) Capitalization Statement as Restated as at 31st March, 2015 as appearing in ANNEXURE XXIII to this report;
  - u) Statement of Tax Shelters as Restated as appearing in ANNEXURE XXIV to this report;
  - v) Details of Related Parties Transactions with the Directors as Restated as appearing in ANNEXURE XXV to this report;
  - w) Details of Significant Accounting Ratios as Restated as appearing in ANNEXURE XXVI to this report;
  - x) Reconciliation of Restated Profit as appearing in ANNEXURE XXVII to this report.
- 8) We, Ramanand & Associates, Chartered Accountants, have been subjected to the peer review process of the Institute of Chartered Accountants of India (“ICAI”) and hold a valid peer review certificate issued by the “Peer Review Board” of the ICAI. (“Peer Reviewed Auditor”)
- 9) The preparation and presentation of the Financial Statements referred to above are based on the Audited financial statements of the Company and are in accordance with the provisions of the Act and ICDR Regulations. The Financial Statements and information referred to above is the responsibility of the management of the Company.
- 10) The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other Firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.
- 11) We have no responsibility to update our report for events and circumstances occurring after the date of the report.
- 12) In our opinion, the above financial information contained in Annexure I to XXVI of this report read with the respective Significant Accounting Policies and Notes to Restated Summary Statements as set out in Annexure IV are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Act, ICDR Regulations, Engagement Letter and Guidance Note.
- 13) Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the SME IPO. Our report should not be used, referred to or adjusted for any other purpose except with our consent in writing.

**FOR M/s. Ramanand & Associates**  
**Chartered Accountants**  
**Firm Registration No.: 117776W**

**Name of Partner: Mr. Ramanand Gupta**  
**Designation: Partner**  
**Membership No.: 103975**  
**Date: June 11, 2015**  
**Place: Mumbai**



**STATEMENT OF ASSETS & LIABILITIES AS RESTATED**
**ANNEXURE-I  
(Rs. In Lakhs)**

Sr. No.	Particulars	As at March 31, 2012	As at March 31, 2013	As at March 31, 2014	As at March 31, 2015
<b>1)</b>	<b>Equity &amp; Liabilities</b>				
	<b>Shareholder's funds</b>				
	a. Share Capital	9.50	9.50	14.00	93.15
	b. Reserves & Surplus	45.98	56.32	108.69	370.05
	<b>Sub-Total</b>	<b>55.48</b>	<b>65.82</b>	<b>122.69</b>	<b>463.20</b>
<b>2)</b>	<b>Non-Current Liabilities</b>				
	a. Long-term borrowings	20.48	34.33	37.30	2.91
	b. Deferred tax liabilities	0.15	1.98	0.97	0.41
	c. Long-term provisions	1.58	3.34	5.27	10.25
	d. Other Non-Current Liabilities	-	37.24	34.97	-
	<b>Sub-Total</b>	<b>22.21</b>	<b>76.89</b>	<b>78.51</b>	<b>13.57</b>
<b>3)</b>	<b>Current Liabilities</b>				
	a. Short-term borrowings	128.05	293.88	301.78	317.35
	b. Trade Payables	130.22	154.71	230.95	22.75
	c. Other Current Liabilities	43.30	210.51	77.03	38.18
	d. Short term Provisions	3.95	1.67	2.56	3.98
	<b>Sub-Total</b>	<b>305.52</b>	<b>660.77</b>	<b>612.32</b>	<b>382.26</b>
	<b>TOTAL (1+2++3)</b>	<b>383.21</b>	<b>803.48</b>	<b>813.52</b>	<b>859.03</b>
<b>4)</b>	<b>Non-Current assets</b>				
	a. Fixed Assets				
	i. Tangible Assets	51.19	90.23	76.38	245.63
	b. Non-current investments	-	-	-	3.00
	<b>Sub-Total</b>	<b>51.19</b>	<b>90.23</b>	<b>76.38</b>	<b>248.63</b>
<b>5)</b>	<b>Current Assets</b>				
	a. Inventories	141.43	571.73	475.72	301.89
	b. Trade receivables	185.18	114.74	131.22	180.54
	c. Cash & Bank	5.41	18.97	127.45	45.48
	d. Short-term loans & advances	-	-	-	0.93
	e. Other current assets	-	7.81	2.75	81.56
	<b>Sub-Total</b>	<b>332.02</b>	<b>713.25</b>	<b>737.14</b>	<b>610.40</b>
	<b>TOTAL (4+5)</b>	<b>383.21</b>	<b>803.48</b>	<b>813.52</b>	<b>859.03</b>

**STATEMENT OF PROFIT AND LOSS AS RESTATED**
**ANNEXURE-II  
(Rs. In Lakhs)**

Sr. No.	Particulars	As at March 31, 2012	As at March 31, 2013	As at March 31, 2014	As at March 31, 2015
	<b>INCOME</b>				
	<b>Revenue from Operations:</b>				
	Income from Trading & Contract Farming	671.19	1183.79	1482.13	442.37
	Income from Agricultural Activity	-	-	-	1259.76
	<b>Total</b>	<b>671.19</b>	<b>1183.79</b>	<b>1482.13</b>	<b>1702.13</b>
	Other income	0.61	0.97	0.81	1.28
	<b>Total revenue (A)</b>	<b>671.80</b>	<b>1184.76</b>	<b>1482.94</b>	<b>1703.41</b>
	<b>EXPENDITURE</b>				
	Cost of materials consumed	450.66	849.77	1075.65	1110.26
	Employee benefit expenses	38.03	55.31	59.18	76.90
	Finance costs	15.98	51.39	51.79	29.08
	Depreciation and amortisation expenses	5.82	10.84	16.32	21.70
	Other expenses	152.59	201.12	262.13	336.54
	<b>Total expenses (B)</b>	<b>663.08</b>	<b>1168.43</b>	<b>1465.07</b>	<b>1574.48</b>
	<b>Net profit/ (loss) before exceptional, extraordinary items and tax, as restated</b>	<b>8.72</b>	<b>16.33</b>	<b>17.87</b>	<b>128.93</b>
	Exceptional items	-	-	-	-
	<b>Net profit/ (loss) before extraordinary items and tax, as restated</b>	<b>8.72</b>	<b>16.33</b>	<b>17.87</b>	<b>128.93</b>
	Extraordinary items	-	-	-	-
	<b>Net profit/ (loss) before tax, as restated</b>	<b>8.72</b>	<b>16.33</b>	<b>17.87</b>	<b>128.93</b>
	Tax expense:				
	(i) Current tax	3.09	4.16	7.01	9.25
	(ii) Deferred tax (asset)/liability	0.15	1.83	(1.01)	(0.57)
	<b>Total tax expense</b>	<b>3.24</b>	<b>5.99</b>	<b>6.00</b>	<b>8.68</b>
	<b>Profit/ (loss) for the year/ period, as restated</b>	<b>5.48</b>	<b>10.34</b>	<b>11.87</b>	<b>120.25</b>
	<b>Earning per equity share(face value of Rs. 10/- each): Basic (Rs.) Diluted (Rs.)</b>	<b>0.22</b>	<b>0.42</b>	<b>0.48</b>	<b>4.79</b>

Note:

EPS has been calculated after taking bonus shares into effect. For detailed EPS Calculations refer Annexure –XXVI.

**STATEMENT OF CASH FLOW AS RESTATED**
**ANNEXURE-III  
(Rs. In Lakhs)**

Particulars	As at March 31.2012	As at March 31.2013	As at March 31.2014	As at March 31.2015
<b><u>Cash flow from operating activities:</u></b>				
Net profit before tax as per statement of profit and loss	8.72	16.33	17.87	128.93
<b>Adjusted for:</b>				
Preliminary expenses	1.56	-	-	-
Provision for gratuity	1.58	1.76	1.93	4.98
Depreciation & amortization	5.82	10.84	16.32	21.70
Profit/(loss) on sale of fixed assets	-	-	(0.81)	-
Interest income on loans & advances given	-	-	-	(1.28)
Income from investments	(0.03)	-	-	-
Interest & finance costs	15.98	51.39	51.79	29.08
<b>Operating cash flow before working capital changes</b>	<b>33.63</b>	<b>80.32</b>	<b>87.10</b>	<b>183.41</b>
<b>Adjusted for:</b>				
(Increase)/ decrease in Inventories	(141.43)	(430.30)	96.01	173.83
(Increase)/ decrease in trade receivables	(185.18)	70.44	(16.48)	(49.32)
(Increase)/ decrease in loans and advances and other assets	-	(7.81)	5.06	(79.74)
Increase/ (decrease) in trade payables	130.22	24.49	76.24	(208.20)
Increase/ (decrease) in liabilities & provisions	44.59	164.93	(132.59)	(37.43)
<b>Cash generated from/ (used in) operations</b>	<b>(118.17)</b>	<b>(97.93)</b>	<b>115.34</b>	<b>(17.45)</b>
Income taxes paid	(3.09)	(4.16)	(7.01)	(9.25)
<b>Net cash generated from/ (used in) operating activities (A)</b>	<b>(121.26)</b>	<b>(102.09)</b>	<b>108.33</b>	<b>(26.70)</b>
<b><u>Cash flow from investing activities</u></b>				
Purchase of fixed assets	(57.01)	(49.88)	(2.93)	(191.43)

Sale of fixed assets	-	-	1.27	-
Interest income on loans & advances given	-	-	-	1.28
Purchase of investments	-	-	-	(3.00)
Income from investments	0.03	-	-	-
Preliminary Expenses	(1.56)	-	-	-
<b>Net cash flow from/(used) in investing activities (B)</b>	<b>(58.54)</b>	<b>(49.88)</b>	<b>(1.66)</b>	<b>(193.15)</b>
<b><u>Cash flow from financing activities</u></b>				
Proceeds from issue of equity shares / Addition in Capital	50.00	-	45.00	220.75
Proceeds from secured borrowings (net)	131.95	171.83	4.25	14.89
Proceeds from unsecured borrowings (net)	19.24	7.85	6.62	(33.71)
Increase / (decrease) in Other Non-Current Liabilities	-	37.24	(2.27)	(34.97)
Interest & finance costs	(15.98)	(51.39)	(51.79)	(29.08)
<b>Net cash flow from/(used in) financing activities (C)</b>	<b>185.21</b>	<b>165.53</b>	<b>1.81</b>	<b>137.88</b>
Net increase/(decrease) in cash & cash equivalents (A+B+C)	5.41	13.56	108.48	(81.97)
Cash & cash equivalents as at beginning of the year	-	5.41	18.97	127.45
Cash & cash equivalents as at end of the year	5.41	18.97	127.45	45.48

**1) Basis of Accounting Policy**

The Standalone Financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting standards referred to in Section 133 of the Companies Act, 2013 or Section 211 (3C) of the Companies Act, 1956.

The financial statements are prepared on accrual basis under the historical cost convention. The financial statements are presented in Indian rupees rounded off to the nearest rupee.

The entity was carrying business in the name of "Mangalam Seeds Corporation" ("the Partnership firm) from 01st April, 2007. W.e.f. 14th September, 2011, it was converted into Company (Mangalam Seeds Limited) under Part IX of The Companies Act, 1956.

**2) Use of Estimates**

The preparation of financial statements in conformity with Indian GAAP requires judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised.

**3) Fixed Assets**

Tangible Assets are stated at cost net of recoverable taxes, trade discounts and rebates, less accumulated depreciation and impairment loss, if any. The cost of Tangible Assets comprises its purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use.

Subsequent expenditures related to an item of Tangible Asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

**4) Depreciation**

Upto March 31st, 2014 depreciation on fixed assets is provided on written down value (WDV) at the rate and manner prescribed in schedule XIV of the Companies Act, 1956 over their useful life.

W.e.f April 1st, 2014 depreciation is provided based on useful life of asset as prescribed in Schedule II of Companies Act 2013. The carrying amount as on April 1st, 2014 is depreciated over the balance useful life of asset.

Depreciation on additions to the assets and the assets sold or disposed off, during the year is provided on prorata basis, at their respective useful life or rate of depreciation as prescribed with reference to the date of acquisition / installation or date of sale / disposal.

**5) Inventories**

Inventories are valued at lower of cost or net realizable value. Inventories are taken as valued and certified by the management of the company.

## **6) Revenue Recognition**

Revenue is primarily derived from sale of seeds to distributors and dealers. Revenue is recognised only when risks and rewards incidental to ownership are transferred to the customer, it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from operations includes sale of goods.

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

## **7) Provision for Current Tax and Deferred Tax**

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961.

Deferred tax resulting from "timing difference" between book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date. The deferred tax assets are recognised and carried.

## **8) Employee Benefits**

The company has defined benefit plan for post employment benefit in the form of Gratuity for employees. The liability for the above Defined Benefit Plan is provided on the basis of management estimation till March 31, 2014 and from April 01, 2014 Liability for the above plan is based on actuarial valuation.

## **9) Investments**

Non Current investments are stated at cost. Provision for diminution in the value of Non Current investments is made only if such a decline is other than temporary.

## **10) Research & Development Expenses**

Revenue expenditure pertaining to research is charged to the Profit and Loss Statement. Development costs of products are charged to the Profit and Loss Statement.

## **11) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

Provision is recognised in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote, if any.

Contingent assets are neither recognised nor disclosed in the financial statements.

**DETAILS OF SHARE CAPITAL AS RESTATED**
**ANNEXURE-V  
(Rs. In Lakhs)**

Particulars	As at March 31, 2012	As at March 31, 2013	As at March 31, 2014	As at March 31, 2015
<b>Share capital</b>				
<b>Authorised:</b>				
Equity shares of Rs. 10/- each	9.50	9.50	14.00	500.00
<b>Issued, subscribed &amp; fully paid up:</b>				
Equity shares of Rs. 10/- each	9.50	9.50	14.00	93.15
<b>TOTAL</b>	<b>9.50</b>	<b>9.50</b>	<b>14.00</b>	<b>93.15</b>

**Reconciliation of number of shares outstanding**

Particulars	As at March 31, 2012	As at March 31, 2013	As at March 31, 2014	As at March 31, 2015
Equity shares outstanding at the beginning of the year	-	95000	95000	140000
Add: Shares issued during the year	95000	-	45000	441500
Add: Issue of bonus shares	-	-	-	350000
<b>Equity shares outstanding at the end of the year</b>	<b>95000</b>	<b>95000</b>	<b>140000</b>	<b>931500</b>

**Details of Shareholders holding more than 5% of the aggregate shares in the Company:**

Name of Shareholder	As at 31 <sup>st</sup> March, 2012		As at 31 <sup>st</sup> March, 2013	
	No. of Shares	%	No. of Shares	%
Patel Pravinkumar M.	14250	15.00	14250	15.00
Patel Kalpeshkumar N.	14250	15.00	14250	15.00
Patel Narsinhbhai J.	14250	15.00	14250	15.00
Patel Revabhai J.	14250	15.00	14250	15.00
Patel Dhanjibhai S.	13300	14.00	13300	14.00
Patel Mafatlal J.	7600	8.00	7600	8.00
Patel Ishwarbhai D.	4750	5.00	4750	5.00
Patel Dharmistaben I.	12350	13.00	12350	13.00
Patel Pradipbhai N.	-	-	-	-
Nathalal J Patel	-	-	-	-
<b>TOTAL</b>	<b>95000</b>	<b>100</b>	<b>95000</b>	<b>100</b>

Name of Shareholder	As at 31 <sup>st</sup> March, 2014		As at 31 <sup>st</sup> March, 2015	
	No. of Shares	%	No. of Shares	%
Patel Pravinkumar M.	15660	14.16	64093	6.88
Patel Kalpeshkumar N.	15680	14.18	58880	6.32
Patel Narsinhbhai J.	15730	14.22	140255	15.06
Patel Revabhai J.	15980	14.45	141130	15.15
Patel Dhanjibhai S.	14730	13.32	80958	8.69
Patel Mafatlal J.	7600	6.87	141500	15.19
Patel Ishwarbhai D.	7000	6.33	-	-
Patel Dharmistaben I.	18200	16.46	-	-
Patel Pradipbhai N.	-	-	63700	6.84
Nathalal J Patel	-	-	87200	9.36
<b>TOTAL</b>	<b>110580</b>	<b>100</b>	<b>777716</b>	<b>83.49</b>

**DETAILS OF RESERVES & SURPLUS AS RESTATED**
**ANNEXURE-VI  
(Rs. In Lakhs)**

Particulars	As at March 31, 2012	As at March 31, 2013	As at March 31, 2014	As at March 31, 2015
<b><u>Securities premium account</u></b>				
Opening balance	-	40.50	40.50	81.00
Add: Additions during the year / period	40.50	-	40.50	176.60
Less: Utilised towards Bonus Issue	-	-	-	(35.00)
Closing balance	40.50	40.50	81.00	222.60
<b><u>Surplus in statement of Profit &amp; Loss</u></b>				
Opening balance	-	5.48	15.82	27.69
Add: Profit for the year/ period	5.48	10.34	11.87	120.25
Adjusted against Depreciation	-	-	-	(0.49)
<b>Closing balance</b>	<b>5.48</b>	<b>15.82</b>	<b>27.69</b>	<b>147.45</b>
<b>TOTAL</b>	<b>45.98</b>	<b>56.32</b>	<b>108.69</b>	<b>370.05</b>



**DETAILS OF LONG TERM BORROWING AS RESTATED**
**ANNEXURE-VII  
(Rs. In Lakhs)**

Particulars	As at March 31, 2012	As at March 31, 2013	As at March 31, 2014	As at March 31, 2015
<b>Secured Loans</b>				
Car Loan- Axis Bank (Refer Note - 1)	1.24	-	-	-
Car Loan- Volkswagen Finance (Refer Note - 2)	-	3.29	1.63	-
Car Loan- Volkswagen Finance (Refer Note - 3)	-	3.95	1.96	-
Car Loan- HDFC Bank Limited (Refer Note - 4)	-	-	-	2.91
<b>Sub-total</b>	<b>1.24</b>	<b>7.24</b>	<b>3.59</b>	<b>2.91</b>
<b>Unsecured Loans From Directors</b>				
Patel Pravinbhai M.	4.94	8.58	6.92	-
Patel Mafatlal J.	4.06	5.73	6.89	-
Patel Dhanjibhai S.	10.24	12.78	19.90	-
Total	19.24	27.09	33.71	-
<b>TOTAL</b>	<b>20.48</b>	<b>34.33</b>	<b>37.30</b>	<b>2.91</b>

**Principal Terms and Conditions of Long Term Borrowings:**

Sr No.	Type of Facility	As at 31 <sup>st</sup> March, 2015	Rate of Interest	Repayment	Security
1.	Car Loan- HDFC Bank Ltd.	2.91	10.51%	24 Equal Monthly Installments	Refer Note 4

**Note:**

- 1) Car Loan of Rs.1.24 Lakhs as on March 31, 2012 of Axis Bank was secured by way of hypothecation of car at the rate of 10.42%.
- 2) Car Loan of Rs. 3.29 Lakhs as on March 31, 2013 and Rs.1.63 Lakhs as on March 31, 2014 of Volkswagen Finance is secured by way of hypothecation of car at the rate of 10.32%.
- 3) Car Loan of Rs. 3.95 Lakhs as on March 31, 2013 and Rs.1.96 Lakhs as on March 31, 2014 of Volkswagen Finance is secured by way of hypothecation of car at the rate of 10.32%.
- 4) Car Loan of Rs. 2.91 Lakhs as on March 31, 2015 of HDFC Bank Limited is secured by way of hypothecation of car at the rate of 10.51%.

**DETAILS OF DEFERRED TAX LIABILITIES (NET) AS RESTATED**
**ANNEXURE-VIII**
**(Rs. In Lakhs)**

Particulars	As at March 31, 2012	As at March 31, 2013	As at March 31, 2014	As at March 31, 2015
DTL on Difference between book and tax depreciation	0.15	1.98	0.97	0.41
<b>TOTAL</b>	<b>0.15</b>	<b>1.98</b>	<b>0.97</b>	<b>0.41</b>

**DETAILS OF LONG TERM PROVISIONS AS RESTATED**
**ANNEXURE-IX**
**(Rs. In Lakhs)**

Particulars	As at March 31, 2012	As at March 31, 2013	As at March 31, 2014	As at March 31, 2015
Provision for Gratuity	1.58	3.34	5.27	10.25
<b>TOTAL</b>	<b>1.58</b>	<b>3.34</b>	<b>5.27</b>	<b>10.25</b>

**DETAILS OF OTHER NON-CURRENT LIABILITIES AS RESTATED**
**ANNEXURE-X**
**(Rs. In Lakhs)**

Particulars	As at March 31, 2012	As at March 31, 2013	As at March 31, 2014	As at March 31, 2015
Security Deposits	-	37.24	34.97	-
<b>TOTAL</b>	<b>-</b>	<b>37.24</b>	<b>34.97</b>	<b>-</b>

**DETAILS OF SHORT TERM BORROWINGS AS RESTATED**
**ANNEXURE-XI**
**(Rs. In Lakhs)**

Particulars	As at March 31, 2012	As at March 31, 2013	As at March 31, 2014	As at March 31, 2015
<b>Secured</b>				
Working Capital Loan- Karur Vysya Bank Ltd. (Refer Note - 1)	128.05	-	-	-
Working Capital Loan- HDFC Bank Ltd. (Refer Note - 2)	-	293.88	301.78	317.35
<b>TOTAL</b>	<b>128.05</b>	<b>293.88</b>	<b>301.78</b>	<b>317.35</b>

**Principal Terms and Conditions of Short Term Borrowings:**

Sr No.	Type of Facility	As at 31 <sup>st</sup> March, 2015	Rate of Interest	Repayment	Security
1.	Cash Credit – HDFC Bank Ltd.	317.35	12.00%	On demand	Refer Note 2



**Note:**

- 1) Working Capital Loan from Karur Vysya Bank as on March 31, 2012 is secured against hypothecation Stock and Book Debt.
- 2) Working Capital Loan from HDFC Bank of Rs. 293.88 Lakhs as on March 31, 2013 , Rs. 301.78 Lakhs as on March 31, 2014 and Rs. 317.35 Lakhs as on March 31, 2015 is secured against hypothecation Stock and Book Debt at the rate of 12%.

**DETAILS OF TRADE PAYABLES AS RESTATED**

**ANNEXURE-XII  
(Rs. In Lakhs)**

Particulars	As at March 31, 2012	As at March 31, 2013	As at March 31, 2014	As at March 31, 2015
Creditors for Goods	111.34	150.05	221.83	1.30
Creditors for Expenses	18.88	4.66	9.12	21.45
<b>TOTAL</b>	<b>130.22</b>	<b>154.71</b>	<b>230.95</b>	<b>22.75</b>

**DETAILS OF OTHER CURRENT LIABILITIES AS RESTATED**

**ANNEXURE-XIII  
(Rs. In Lakhs)**

Particulars	As at March 31, 2012	As at March 31, 2013	As at March 31, 2014	As at March 31, 2015
Other Payables – Capital Goods	0.16	-	-	-
Other Payables	40.48	55.39	62.86	2.72
Advance from Customers	-	150.48	10.52	28.70
<b>Current maturities of Long term Borrowings:</b>				
Car Loan- Axis Bank (Refer Note-1)	2.66	1.24	-	-
Car Loan- Volkswagen Finance (Refer Note-2)	-	1.55	1.66	1.63
Car Loan- Volkswagen Finance (Refer Note - 3)	-	1.85	1.99	1.96
Car Loan- HDFC Bank Limited (Refer Note - 4)	-	-	-	3.17
<b>TOTAL</b>	<b>43.30</b>	<b>210.51</b>	<b>77.03</b>	<b>38.18</b>

**Notes:**

- 1) Car Loan of Rs.2.66 Lakhs as on March 31, 2012 and Rs. 1.24 Lakhs as on March 31, 2013 of Axis Bank was secured by way of hypothecation of car at the rate of 10.42%.
- 2) Car Loan of Rs. 1.55 Lakhs as on March 31, 2013, Rs.1.66 Lakhs as on March 31, 2013 and Rs. 1.63 Lakhs as on March 31, 2015 of Volkswagen Finance is secured by way of hypothecation of car at the rate of 10.32%.

- 3) Car Loan of Rs. 1.85 Lakhs as on March 31, 2013, Rs.1.99 Lakhs as on March 31, 2014 and Rs. 1.96 Lakhs as on March 31, 2015 of Volkswagen Finance is secured by way of hypothecation of car at the rate of 10.32%.
- 4) Car Loan of Rs. 3.17 Lakhs as on March 31, 2015 of HDFC Bank Limited is secured by way of hypothecation of car at the rate of 10.51%.

**Principal Terms and Conditions of Vehicle:**

Sr No.	Type of Facility	As at 31 <sup>st</sup> March, 2015	Rate of Interest	Repayment	Security
1.	Car Loan – Volkswagen Finance.	1.63	10.32%	36 Monthly Installment of Rs. 16,071/-	Refer Note 2
2.	Car Loan – Volkswagen Finance.	1.96	10.32%	36 Monthly Installment of Rs. 19,285/-	Refer Note 3
3.	Car Loan- HDFC Bank Ltd.	3.17	10.51%	24 Monthly Installment of Rs. 30,473/-	Refer Note 4

**DETAILS OF SHORT TERM PROVISIONS AS RESTATED**
**ANNEXURE-XIV**
**(Rs. In Lakhs)**

Particulars	As at March 31, 2012	As at March 31, 2013	As at March 31, 2014	As at March 31, 2015
Others	3.86	1.64	1.55	1.86
Provision for taxation (Net of Advance Tax and TDS Receivable)	0.09	0.03	1.01	2.12
<b>TOTAL</b>	<b>3.95</b>	<b>1.67</b>	<b>2.56</b>	<b>3.98</b>

**DETAILS OF FIXED ASSETS AS RESTATED**
**ANNEXURE-XV**
**(Rs. In Lakhs)**

Particulars	As at March 31, 2012	As at March 31, 2013	As at March 31, 2014	As at March 31, 2015
<b>1. Air Conditioner</b>				
Gross Block	1.94	1.94	1.94	2.26
Less: Accumulated Dep.	0.16	0.41	0.62	1.72
<b>Net Block of Asset</b>	<b>1.78</b>	<b>1.53</b>	<b>1.32</b>	<b>0.54</b>
<b>2. Dead Stock</b>				
Gross Block	1.97	1.96	2.26	2.69
Less: Accumulated Dep.	0.16	0.41	0.67	1.37

Particulars	As at March 31, 2012	As at March 31, 2013	As at March 31, 2014	As at March 31, 2015
<b>Net Block of Asset</b>	<b>1.81</b>	<b>1.55</b>	<b>1.59</b>	<b>1.32</b>
<b>3. Computer &amp; Printer</b>				
Gross Block	1.56	1.56	1.72	1.72
Less: Accumulated Dep.	0.21	0.75	1.09	1.68
<b>Net Block of Asset</b>	<b>1.35</b>	<b>0.81</b>	<b>0.63</b>	<b>0.04</b>
<b>4. Furniture</b>				
Gross Block	9.33	9.33	9.33	9.33
Less: Accumulated Dep.	0.99	2.50	3.73	5.41
<b>Net Block of Asset</b>	<b>8.34</b>	<b>6.83</b>	<b>5.60</b>	<b>3.92</b>
<b>5. Godown Office</b>				
Gross Block	6.71	6.71	6.71	6.71
Less: Accumulated Dep.	0.40	1.03	1.60	1.83
<b>Net Block of Asset</b>	<b>6.31</b>	<b>5.68</b>	<b>5.11</b>	<b>4.88</b>
<b>6. Motor Car</b>				
Gross Block	19.70	32.99	32.22	40.12
Less: Accumulated Dep.	2.76	7.34	13.57	22.98
<b>Net Block of Asset</b>	<b>16.94</b>	<b>25.65</b>	<b>18.65</b>	<b>17.14</b>
<b>7. Motor Cycle</b>				
Gross Block	1.50	1.50	1.50	1.50
Less: Accumulated Dep.	0.12	0.47	0.74	0.97
<b>Net Block of Asset</b>	<b>1.38</b>	<b>1.03</b>	<b>0.76</b>	<b>0.53</b>
<b>8. Plant &amp; Machinery</b>				
Gross Block	12.99	49.58	52.04	52.72
Less: Accumulated Dep.	0.98	3.52	10.26	18.22
<b>Net Block of Asset</b>	<b>12.01</b>	<b>46.06</b>	<b>41.78</b>	<b>34.50</b>
<b>9. Solar Water Heater</b>				
Gross Block	1.31	1.31	1.31	1.31
Less: Accumulated Dep.	0.04	0.22	0.37	0.67
<b>Net Block of Asset</b>	<b>1.27</b>	<b>1.09</b>	<b>0.94</b>	<b>0.64</b>

Particulars	As at March 31, 2012	As at March 31, 2013	As at March 31, 2014	As at March 31, 2015
<b>10. Godown Building</b>				
Gross Block	-	-	-	182.16
Less: Accumulated Dep.	-	-	-	0.04
<b>Net Block of Asset</b>	-	-	-	<b>182.12</b>
<b>Total of Net Block</b>	<b>51.19</b>	<b>90.23</b>	<b>76.38</b>	<b>245.63</b>

**DETAILS OF NON CURRENT INVESTMENTS AS RESTATED**
**ANNEXURE-XVI  
(Rs. In Lakhs)**

Particulars	As at March 31, 2012	As at March 31, 2013	As at March 31, 2014	As at March 31, 2015	Face Value of Share	% Holding
Shares of Mangalam Nutrifeeds Private Limited (10000 Shares)	-	-	-	1.00	10 Rs.	100
Shares of Unjha Pysllium Private Limited (10000 Shares)	-	-	-	1.00	10 Rs.	100
Shares of Unjha Spices Private Limited (10000 Shares)	-	-	-	1.00	10 Rs.	100
<b>TOTAL</b>	-	-	-	<b>3.00</b>	-	-

**DETAILS OF INVENTORIES AS RESTATED**
**ANNEXURE-XVII  
(Rs. In Lakhs)**

Particulars	As at March 31, 2012	As at March 31, 2013	As at March 31, 2014	As at March 31, 2015
Finished goods	141.43	571.73	475.72	301.89
<b>TOTAL</b>	<b>141.43</b>	<b>571.73</b>	<b>475.72</b>	<b>301.89</b>

**DETAILS OF TRADE RECEIVABLES AS RESTATED**
**ANNEXURE-XVIII  
(Rs. In Lakhs)**

Particulars	As at March 31, 2012	As at March 31, 2013	As at March 31, 2014	As at March 31, 2015
<b>Outstanding for a period exceeding six months:</b>				
Unsecured, considered good	-	26.59	33.64	18.06
<b>Other debts:</b>				

Particulars	As at March 31, 2012	As at March 31, 2013	As at March 31, 2014	As at March 31, 2015
Unsecured, considered good	185.18	88.15	97.58	162.48
<b>TOTAL</b>	<b>185.18</b>	<b>114.74</b>	<b>131.22</b>	<b>180.54</b>

**DETAILS OF CASH AND BANK BALANCE AS RESTATED**
**ANNEXURE-XIX**

(Rs. In Lakhs)

Particulars	As at March 31, 2012	As at March 31, 2013	As at March 31, 2014	As at March 31, 2015
Cash in hand	0.10	0.25	2.73	3.87
<b>Balances with banks</b>				
- HDFC Bank A/c 8780	1.95	0.48	-	-
- HDFC Bank A/c 13951	3.24	18.12	124.72	41.61
- Karur Vysya Bank Ltd.	0.12	0.12	-	-
<b>Total</b>	<b>5.41</b>	<b>18.97</b>	<b>127.45</b>	<b>45.48</b>

**DETAILS OF SHORT TERM LOANS AND ADVANCES AS RESTATED**
**ANNEXURE-XX**

(Rs. In Lakhs)

Particulars	As at March 31, 2012	As at March 31, 2013	As at March 31, 2014	As at March 31, 2015
<b>Other loans and advances</b>				
Prepaid expenses	-	-	-	0.69
Others	-	-	-	0.24
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.93</b>

**DETAILS OF OTHER CURRENT ASSETS AS RESTATED**
**ANNEXURE-XXI**

(Rs. In Lakhs)

Particulars	As at March 31, 2012	As at March 31, 2013	As at March 31, 2014	As at March 31, 2015
Others- Advances to Supplier	-	7.81	2.75	81.56
<b>TOTAL</b>	<b>-</b>	<b>7.81</b>	<b>2.75</b>	<b>81.56</b>

**DETAILS OF OTHER INCOME AS RESTATED**
**ANNEXURE-XXII**

(Rs. In Lakhs)

Particulars	As at March 31, 2012	As at March 31, 2013	As at March 31, 2014	As at March 31, 2015	Nature
Other income	0.61	0.97	0.81	1.28	

Particulars	As at March 31, 2012	As at March 31, 2013	As at March 31, 2014	As at March 31, 2015	Nature
Net profit before tax as restated	8.72	16.33	17.87	128.93	
<b>Percentage</b>	7.00%	5.94%	4.53%	0.99%	
<b>Source of income</b>					
Interest income	0.03	-	-	1.28	Non-Recurring Income Not Related to Business
Miscellaneous income	0.58	0.97	0.81	-	Non-Recurring Income Business Income
<b>Total other income</b>	<b>0.61</b>	<b>0.97</b>	<b>0.81</b>	<b>1.28</b>	

**CAPITALISATION STATEMENT AS AT MARCH 31, 2015**
**ANNEXURE-XXIII**
**(Rs. In Lakhs)**

Particulars	Pre Issue	Post Issue
<b>Borrowings:</b>		
Short-term	324.11	
Long-term (A)	2.91	
<b>Total debts (B)</b>	<b>327.02</b>	
<b>Shareholders' funds</b>		
Share capital	93.15	430.21
Reserve and surplus	370.05	709.16
<b>Total shareholders' funds (C)</b>	<b>463.20</b>	<b>1139.36</b>
<b>Long term debt / shareholders' funds (A/C)</b>	<b>0.63%</b>	
<b>Total debt / shareholders' funds (B/C)</b>	<b>70.60%</b>	

- 1) Short term debts represent debts which are due within 12 months from March 31, 2015.
- 2) Long term debts represent debts other than short term debts, as defined above.
- 3) Subsequent to March 31, 2015, the company has made the following changes in its capital structure the effect of which has been considered in post issue capital structure.
  - (i) On May 8, 2015 The Company has issued bonus shares to its existing equity shareholders in the ratio of 13 (Thirteen) shares for every 6 (Six) shares held by them by capitalising its securities





premium account and profit & loss account. The Shares which are not in multiple of 6 (Six) the same has been rounded of as 6 to the nearest value.

(ii) On May 15, 2015 the Company has issued and allotted 2,12,328 shares under private placement to various persons at a price of Rs. 50 per equity share (Rs. 40 towards securities premium).

**STATEMENT OF TAX SHELTER**

**ANNEXURE-XXIV**

(Rs. In Lakhs)

Particulars	As at March 31, 2012	As at March 31, 2013	As at March 31, 2014	As at March 31, 2015
Profit before tax, as restated (A)	8.72	16.33	17.87	128.93
Tax Rate (%)	30.90	30.90	30.90	30.90
<b>Adjustments :</b>				
<b>Permanent differences</b>				
Expenses disallowed under Income Tax Act, 1961				
ROC Expenses	-	-	-	5.82
<b>Total permanent differences(B)</b>	-	-	-	<b>5.82</b>
<b>Income considered separately (C)</b>	-	-	-	-
<b>Timing differences</b>				
Depreciation as per Books	5.82	10.84	16.32	21.70
Depreciation as per IT Act	(7.38)	(15.68)	(12.96)	(20.36)
Provision for Gratuity	1.58	1.76	1.93	4.98
Difference due to expenses allowable/ disallowable u/s 40	-	-	(0.76)	-
<b>Total timing differences (D)</b>	<b>0.02</b>	<b>(3.08)</b>	<b>4.53</b>	<b>6.32</b>
<b>Net adjustments E = (B+C+D)</b>	<b>0.02</b>	<b>(3.08)</b>	<b>4.53</b>	<b>12.14</b>
<b>Tax expense / (saving) thereon</b>	<b>0.01</b>	<b>(0.95)</b>	<b>1.40</b>	<b>3.75</b>
<b>Income from other sources (F)</b>	-	-	-	-
<b>Exempt Income (G)</b>	-	-	-	<b>127.23</b>
<b>Proportion Dep as per IT on Agriculture Income (H)</b>	-	-	-	<b>16.28</b>
<b>Taxable income/(loss) (A+E+F-G+H)</b>	<b>8.74</b>	<b>13.25</b>	<b>22.40</b>	<b>30.12</b>
<b>Tax as per Normal Provision</b>	<b>2.70</b>	<b>4.09</b>	<b>6.92</b>	<b>9.31</b>
<b>Taxable income/(loss) as per MAT</b>	<b>11.55</b>	<b>15.72</b>	<b>17.24</b>	<b>28.84</b>
<b>Income tax as per MAT</b>	<b>2.20</b>	<b>3.00</b>	<b>3.29</b>	<b>5.50</b>
Tax paid as per "MAT" or "Normal Provisions"	Normal Provision	Normal Provision	Normal Provision	Normal Provision

**DETAILS OF RELATED PARTY TRANSACTIONS AS RESTATED**
**ANNEXURE-XXV  
(Rs. In Lakhs)**

Name of the Party	Nature of Transaction	Amount of Transaction in 2011-12	Amount Outstanding as on 31.03.12 (Payable) / Receivable	Amount of Transaction in 2012-13	Amount Outstanding as on 31.03.13 (Payable) / Receivable	Amount of Transaction in 2013-14	Amount Outstanding as on 31.03.14 (Payable) / Receivable	Amount of Transaction in 2014-15	Amount Outstanding as on 31.03.15 (Payable) / Receivable
Babiben N. Patel	Salary	1.92	<b>0.92</b>	2.28	-	2.28	<b>0.26</b>	3.00	-
	Interest	-		0.23		0.08		-	
	<b>Total</b>	<b>1.92</b>		<b>2.51</b>		<b>2.36</b>		<b>3.00</b>	
Chandrikaben N. Patel	Salary	1.86	<b>0.86</b>	2.28	<b>(0.25)</b>	2.28	<b>0.20</b>	3.00	-
	Interest	-		0.12		0.01		-	
	<b>Total</b>	<b>1.86</b>		<b>2.40</b>		<b>2.29</b>		<b>3.00</b>	
Shantaben M. Patel	Salary	1.98	<b>0.98</b>	2.34	-	2.34	<b>2.28</b>	3.00	-
	Interest	-		-		0.09		-	
	<b>Total</b>	<b>1.98</b>		<b>2.34</b>		<b>2.43</b>		<b>3.00</b>	
Chhayaben P. Patel	Salary	1.84	<b>0.84</b>	2.28	-	2.28	<b>0.26</b>	3.00	-
	Interest	-		0.09		0.07		-	
	<b>Total</b>	<b>1.84</b>		<b>2.37</b>		<b>2.35</b>		<b>3.00</b>	

Name of the Party	Nature of Transaction	Amount of Transaction in 2011-12	Amount Outstanding as on 31.03.12 (Payable) / Receivable	Amount of Transaction in 2012-13	Amount Outstanding as on 31.03.13 (Payable) / Receivable	Amount of Transaction in 2013-14	Amount Outstanding as on 31.03.14 (Payable) / Receivable	Amount of Transaction in 2014-15	Amount Outstanding as on 31.03.15 (Payable) / Receivable
Ishwarbhai D. Patel	Salary	0.75	5.10	0.75	6.21	0.95	5.47	1.79	-
	Interest	0.45		0.60		0.74		-	
	<b>Total</b>	<b>1.20</b>		<b>1.35</b>		<b>1.69</b>		<b>1.79</b>	
Kalpeshbhai N. Patel	Salary	1.75	7.67	3.45	5.36	3.17	2.71	2.47	0.25
	Interest	0.90		0.91		0.34		-	
	<b>Total</b>	<b>2.65</b>		<b>4.36</b>		<b>3.51</b>		<b>2.47</b>	
Mafatlal J. Patel	Interest	0.58	4.06	0.14	5.73	0.12	6.88	-	0.06
	Rent	0.79		1.50		1.50		1.86	
	Remuneration	0.15		0.28		0.26		1.19	
	<b>Total</b>	<b>1.52</b>		<b>1.92</b>		<b>1.88</b>		<b>3.05</b>	
Narsinhbhai J. Patel	Salary	1.00	9.22	1.00	24.96	2.00	13.69	2.40	0.80
	Interest	1.17		1.45		1.47		-	
	Rent	0.79		1.50		1.50		1.86	
	<b>Total</b>	<b>2.96</b>		<b>3.95</b>		<b>4.97</b>		<b>4.26</b>	

Name of the Party	Nature of Transaction	Amount of Transaction in 2011-12	Amount Outstanding as on 31.03.12 (Payable) / Receivable	Amount of Transaction in 2012-13	Amount Outstanding as on 31.03.13 (Payable) / Receivable	Amount of Transaction in 2013-14	Amount Outstanding as on 31.03.14 (Payable) / Receivable	Amount of Transaction in 2014-15	Amount Outstanding as on 31.03.15 (Payable) / Receivable
Pravinbhai M. Patel	Interest	0.26	<b>4.94</b>	0.50	<b>8.58</b>	0.73	<b>6.92</b>	-	-
	Rent	0.64		1.80		1.80		1.80	
	Remuneration	0.42		0.53		0.73		1.19	
	<b>Total</b>	<b>1.32</b>		<b>2.83</b>		<b>3.26</b>		<b>2.99</b>	
Revabhai J. Patel	Salary	1.00	<b>9.13</b>	1.00	<b>18.45</b>	2.00	<b>12.23</b>	2.40	<b>1.62</b>
	Interest	1.16		1.23		2.54		-	
	Rent	0.79		1.50		1.50		1.86	
	<b>Total</b>	<b>2.95</b>		<b>3.73</b>		<b>6.04</b>		<b>4.26</b>	
Dharmistaben I. Patel	Salary	1.95	<b>9.36</b>	1.95	<b>12.02</b>	2.47	<b>9.94</b>	3.60	-
	Interest	0.88		1.10		1.44		-	
	<b>Total</b>	<b>2.83</b>		<b>3.05</b>		<b>3.91</b>		3.60	
Nathalal J. Patel	Interest	-	<b>1.19</b>	0.14	<b>12.63</b>	2.36	<b>14.38</b>	-	-

Name of the Party	Nature of Transaction	Amount of Transaction in 2011-12	Amount Outstanding as on 31.03.12 (Payable) / Receivable	Amount of Transaction in 2012-13	Amount Outstanding as on 31.03.13 (Payable) / Receivable	Amount of Transaction in 2013-14	Amount Outstanding as on 31.03.14 (Payable) / Receivable	Amount of Transaction in 2014-15	Amount Outstanding as on 31.03.15 (Payable) / Receivable
	Rent	0.79		1.50		1.50		1.86	
	<b>Total</b>	<b>0.79</b>		<b>1.64</b>		<b>3.86</b>		<b>1.86</b>	
Dhanjibhai S. Patel	Interest	0.95	<b>10.24</b>	1.19	<b>12.78</b>	-	<b>15.28</b>	-	-
	Rent	-		-		1.53		-	
	Remuneration	0.35		0.49		0.46		1.19	
	<b>Total</b>	<b>1.30</b>		<b>1.68</b>		<b>1.99</b>		<b>1.19</b>	
Mehulbhai N Patel	Salary	1.80	<b>0.54</b>	2.28	<b>1.98</b>	2.28	<b>1.22</b>	3.00	-
	Interest	-		0.06		0.18		-	
	<b>Total</b>	<b>1.80</b>		<b>2.34</b>		<b>2.46</b>		<b>3.00</b>	
Laxmiben R Patel	Salary	1.88	<b>1.88</b>	2.28	-	2.28	<b>0.28</b>	3.00	-
	Interest	-		0.23		0.10		-	
	<b>Total</b>	<b>1.88</b>		<b>2.51</b>		<b>2.38</b>		<b>3.00</b>	
Urmiben P Patel	Salary	1.74	<b>0.74</b>	2.28	-	2.28	<b>0.25</b>	3.00	-

Name of the Party	Nature of Transaction	Amount of Transaction in 2011-12	Amount Outstanding as on 31.03.12 (Payable) / Receivable	Amount of Transaction in 2012-13	Amount Outstanding as on 31.03.13 (Payable) / Receivable	Amount of Transaction in 2013-14	Amount Outstanding as on 31.03.14 (Payable) / Receivable	Amount of Transaction in 2014-15	Amount Outstanding as on 31.03.15 (Payable) / Receivable
	Interest	-		0.06		0.06		-	
	<b>Total</b>	<b>1.74</b>		<b>2.34</b>		<b>2.34</b>		<b>3.00</b>	
Induben D Patel	Salary	1.84	<b>1.84</b>	2.28	-	2.28	<b>6.84</b>	3.00	-
	Interest	-		-		0.49		-	
	<b>Total</b>	<b>1.84</b>		<b>2.28</b>		<b>2.77</b>		<b>3.00</b>	
Pradipkumar N Patel	Salary	-	-	2.40	<b>2.40</b>	2.40	<b>0.68</b>	3.60	-
	Interest	-		-		0.20		-	
	<b>Total</b>	<b>-</b>		<b>2.40</b>		<b>2.60</b>		<b>3.60</b>	
Dhanjibhai Patel-HUF	Interest	-	-	-	-	0.02	-	-	-
	Sales	-		-		6.72		10.59	
	<b>Total</b>	<b>-</b>		<b>-</b>		<b>0.02</b>		<b>10.59</b>	
Kalpeshbhai Patel-HUF	Interest	-	-	-	-	0.02	-	-	-
	Sales	-		-		7.68		-	

Name of the Party	Nature of Transaction	Amount of Transaction in 2011-12	Amount Outstanding as on 31.03.12 (Payable) / Receivable	Amount of Transaction in 2012-13	Amount Outstanding as on 31.03.13 (Payable) / Receivable	Amount of Transaction in 2013-14	Amount Outstanding as on 31.03.14 (Payable) / Receivable	Amount of Transaction in 2014-15	Amount Outstanding as on 31.03.15 (Payable) / Receivable
	<b>Total</b>	-		-		<b>7.70</b>		-	
Mafatlal J Patel-HUF	Interest	-	-	-	-	0.04	<b>1.54</b>	-	-
	<b>Total</b>	-		-		<b>0.04</b>		-	
Narsinhbhai Patel-HUF	Interest	-	-	-	-	0.02		-	
	Purchase	-	-	-	-	8.25	-	24.25	-
	<b>Total</b>	-		-		<b>8.27</b>		<b>24.25</b>	
Pravinbhai Patel-HUF	Interest	-	-	-	-	0.04		-	
	Sales	-	-	-	-	-	-	20.10	-
	<b>Total</b>	-		-		<b>0.04</b>		<b>20.10</b>	
Nathalal Patel-HUF	Interest	-	-	-	-	0.02		-	
	Sales	-	-	-	-	7.13	<b>5.17</b>	-	-
	<b>Total</b>	-		-		<b>7.15</b>		-	
Mehulbhai	Interest	-	-	-	-	0.04	<b>5.24</b>	-	-

Name of the Party	Nature of Transaction	Amount of Transaction in 2011-12	Amount Outstanding as on 31.03.12 (Payable) / Receivable	Amount of Transaction in 2012-13	Amount Outstanding as on 31.03.13 (Payable) / Receivable	Amount of Transaction in 2013-14	Amount Outstanding as on 31.03.14 (Payable) / Receivable	Amount of Transaction in 2014-15	Amount Outstanding as on 31.03.15 (Payable) / Receivable
Patel-HUF									
	<b>Total</b>	-		-		<b>0.04</b>		-	
Pradipbhai Patel-HUF	Interest	-		-		0.02	<b>5.12</b>	-	
	Sales	-	-	-	6.58			-	
	<b>Total</b>	-	-	-	<b>6.60</b>			-	
Rajeshbhai Patel-HUF	Interest	-		-		0.03	<b>5.03</b>	-	
	<b>Total</b>	-	-	-	<b>0.03</b>			-	
RevabhaiPatel-HUF	Interest	-		-		0.02	-	-	
	Purchase	-	-	-	6.16			24.24	
	<b>Total</b>	-	-	-	<b>6.18</b>			<b>24.24</b>	
Sureshbhai Patel-HUF	Interest	-		-		0.03	<b>4.98</b>	-	
	<b>Total</b>	-	-	-	<b>0.03</b>			-	



Name of the Party	Nature of Transaction	Amount of Transaction in 2011-12	Amount Outstanding as on 31.03.12 (Payable) / Receivable	Amount of Transaction in 2012-13	Amount Outstanding as on 31.03.13 (Payable) / Receivable	Amount of Transaction in 2013-14	Amount Outstanding as on 31.03.14 (Payable) / Receivable	Amount of Transaction in 2014-15	Amount Outstanding as on 31.03.15 (Payable) / Receivable
Patel KrushiSeva Kendra	Interest	-	-	0.75	0.68	0.06	0.06	-	-
	<b>Total</b>	-		<b>0.75</b>		<b>0.06</b>		-	
Mangalam Seeds-Unjha	Sales	93.26	39.69	51.71	57.17	106.18	(8.70)	51.20	5.33
	<b>Total</b>	<b>93.26</b>		<b>51.71</b>		<b>106.18</b>		<b>51.20</b>	
Patel Truptiben K.	Salary	0.68	0.68	-	-	-	-	3.00	-
	<b>Total</b>	<b>0.68</b>		-		-		<b>3.00</b>	
Patel Rinkuben M.	Salary	-	-	-	-	-	-	3.00	-
	<b>Total</b>	-		-		-		<b>3.00</b>	

**RESTATED SUMMARY STATEMENT OF ACCOUNTING RATIOS**
**ANNEXURE-XXVI**
**(Rs. In Lakhs)**

Ratio	As at March 31, 2012	As at March 31, 2013	As at March 31, 2014	As at March 31, 2015
<b>A. Basic Earnings per Share</b>				
Restated PAT as per statement of profit and loss(B)	5.48	10.34	11.87	120.25
Weighted average number of equity shares at the end of the year/ period(C)	0.95	0.95	0.95	4.91
Add: Impact of Capital Structure undergoing change on account of capitalisation of reserves Prior to 31st March, 2015 on account of Bonus Shares Issued to Existing Equity Shareholders	3.50	3.50	3.50	0.00
Add: Impact of Capital Structure undergoing change on account of capitalisation of reserves subsequent to 31st March, 2015 on account of Bonus Shares Issued to Existing Equity Shareholders	20.18	20.18	20.18	20.18
Weighted average number of equity shares considered for calculating basic EPS(C)	24.63	24.63	24.63	25.09
Share capital as at the end of the year	9.50	9.50	14.00	93.15
<b>Earnings Per Share</b>				
Basic & Diluted (Rs)*	<b>0.22</b>	<b>0.42</b>	<b>0.48</b>	<b>4.79</b>
<b>B. Net Asset value per Equity Share</b>				
Net Worth , as Restated	55.48	65.82	122.69	463.20
No. of Equity Share Outstanding	0.95	0.95	1.40	9.32
Add: Impact of Capital Structure undergoing change on account of capitalisation of reserves Prior to 31st March, 2015 on account of Bonus Shares Issued to Existing Equity Shareholders	3.50	3.50	3.50	-
Add: Impact of Capital Structure undergoing change on account of capitalisation of reserves subsequent to 31st March, 2015 on account of Bonus Shares Issued to Existing Equity Shareholders	20.18	20.18	20.18	20.18
No. of Equity Share Outstanding, Considered	24.63	24.63	25.08	29.50
Net Asset value per Equity Share	<b>2.25</b>	<b>2.67</b>	<b>4.89</b>	<b>15.70</b>
<b>C. Return on net worth</b>				
Net Profit after Tax As Restated	5.48	10.34	11.87	120.25
Net Worth , as Restated	55.48	65.82	122.69	463.20
Return on net worth (%)	<b>9.88%</b>	<b>15.71%</b>	<b>9.67%</b>	<b>25.96%</b>
Nominal value per equity share (Rs.)	10.00	10.00	10.00	10.00



**Notes:**

1) The ratios have been computed as per the following formulas:

**(i) Basic Earning per Share**

Net Profit after tax, as restated for the year / period, attributable to equity shareholders

Weighted average number of equity shares outstanding during the year / period

**(ii) Net Asset Value (NAV)**

Net Asset Value, as restated, at the end of the year / period

Number of equity shares outstanding at the end of the year / period

**(iii) Return on Net Worth (%)**

Net Profit after tax, as restated for the year / period, attributable to equity shareholders

Net worth as restated, at the end of the year / period

2) Net Profit as restated, as appearing in the statement of profit and losses, has been considered for the purpose of computing the above ratios. These ratios are computed on the basis of the restated financial information of the Company.

3) Earning per share calculations are done in accordance with Accounting Standard 20 "Earning Per Share", issued by the Institute of Chartered Accountants of India.

4) Subsequent to March 31, 2015, the company has made the following changes in its capital structure on account of capitalization of reserves, the effects of which have been considered in computing the above accounting ratios :

(i) On May 8, 2015 The Company has issued bonus shares to its existing equity shareholders in the ratio of 13 (Thirteen) shares for every 6 (Six) shares held by them by capitalising its securities premium account and profit & loss account. The Shares which are not in multiple of 6 (Six) the same has been rounded of as 6 to the nearest value.

**RECONCILIATION OF RESTATED PROFIT**

**ANNEXURE-XXVII**

(Rs. In

Lakhs)

Adjustments for	As at March 31, 2012	As at March 31, 2013	As at March 31, 2014	As at March 31, 2015
Net profit/(loss) after tax as per audited statement of profit & loss	8.31	11.78	13.46	114.70
<b><u>Adjustments for:</u></b>				
Preliminary Expenses (Refer Note 1)	(1.25)	0.32	0.31	0.31
Provision for gratuity (Refer Note 2)	(1.58)	(1.76)	(1.93)	5.27
Excess / Short Provision for Tax (Refer Note 3)	-	-	0.03	(0.03)

Adjustments for	As at March 31, 2012	As at March 31, 2013	As at March 31, 2014	As at March 31, 2015
<b>Net profit/ (loss) after tax as restated</b>	<b>5.48</b>	<b>10.34</b>	<b>11.87</b>	<b>120.25</b>

**Explanatory notes to the above restatements made in the audited financial statements of the Company for the respective years/ period.**

**Adjustments having impact on Profit:**

**Note:**

- 1) The Company has amortised preliminary and pre operative expenses in 5 consecutive year in the audited balance sheet while in the restated financial statements, the company has amortised total amount of preliminary and pre operative expenses in the financial year in which it has been incurred i.e. March 31 , 2012.
- 2) The company have not made the provision for gratuity in the previous year ending March 31, 2012 , March 31, 2013 and March 31, 2014, and the company has made total provision up to March 31, 2015 in the financial statement ended on March 31, 2015.
- 3) The company has provided Excess or Short Provision in the year in which the income tax return has been filled. But in restated account, the company has provided Excess or Short Provision in the year to which it relates.

**Adjustments having no impact on Profit Material Regrouping**

Appropriate adjustments have been made in the restated financial statements, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the audited financials of the Company for all the years and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations 2009.

**CHANGES IN SIGNIFICANT ACCOUNTING POLICIES IN LAST THREE YEARS:** Not Applicable



## CONSOLIDATED FINANCIAL STATEMENT AS RESTATED

### Independent Auditor's Report for the Consolidated Restated Financial Statements of

#### The Board of Directors

#### Mangalam Seeds Limited

202, Sampada Complex,  
Near Mithakhali Six Road,  
Navarangpura,  
Ahmedabad – 380009  
Gujarat.

Dear Sirs,

1. We have examined the attached Consolidated Restated Statement of Asset and Liabilities of Mangalam Seeds Limited (The Company) and its subsidiaries Mangalam Nutrifeeds Private Limited, Unjha Psyllium Private Limited and Unjha Spices Private Limited as at 31st March, 2015 and the related Consolidated Statement of Profit & Loss and the related Consolidated Restated Statement of Cash Flow for the financial year / period ended on 31st March, 2015 (collectively the "Consolidated Restated Summary Statements" or "Consolidated Restated Financial Statements"). These Consolidated Restated Summary Statements have been prepared by the Company and approved by the Board of Directors of the company in connection with the Initial Public Offer (IPO) in SME Platform of Bombay Stock Exchange Limited ("BSE").
2. These Consolidated Restated Financial Statements have been prepared in accordance with the requirements of:
  - I. Part I of Chapter III of the Companies Act, 2013 ("Act");
  - II. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009 ("ICDR Regulations") issued by the Securities and Exchange Board of India ("SEBI") in pursuance to Section 11 of the Securities and Exchange Board of India Act, 1992 and related amendments / clarifications from time to time;
  - III. The terms of reference to our engagements with the Company letter dated June 1, 2015 requesting us to carry out the assignment, in connection with the Draft Prospectus/ Prospectus being issued by the Company for its proposed Initial Public Offering of equity shares in SME Platform of Bombay Stock Exchange Limited ("IPO" or "SME IPO"); and
  - IV. The Guidance Note on Reports in Company Prospectus (Revised) issued by the Institute of Chartered Accountants of India ("Guidance Note").
3. The Consolidated Restated Summary Statements of the Company have been extracted by the management from the Audited Financial Statements of the Company for the financial year / period ended on 31st March, 2015 which has been approved by the Board of Directors.
4. In accordance with the requirements of Part I of Chapter III of Act, ICDR Regulations, Guidance Note and Engagement Letter, we report that:

- I. The “Consolidated Restated Statement of Assets and Liabilities” as set out in Annexure I to this report, of the Company as at 31st March, 2015 is prepared by the Company and approved by the Board of Directors. These Statement of Assets and Liabilities, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in Annexure IV to this Report.
  - II. The “Consolidated Restated Statement of Profit and Loss” as set out in Annexure II to this report, of the Company for the financial year / period ended on 31st March, 2015 is prepared by the Company and approved by the Board of Directors. These Statement of Profit and Loss, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Consolidated Restated Summary Statements as set out in Annexure IV to this Report.
  - III. The “Consolidated Restated Statement of Cash Flow” as set out in Annexure III to this report, of the Company for the financial year / period ended on 31st March, 2015 is prepared by the Company and approved by the Board of Directors. These Statement of Cash Flow, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Consolidated Restated Summary Statements as set out in Annexure IV to this Report.
5. Based on the above, we are of the opinion that the Consolidated Restated Financial Statements have been made after incorporating:
- I. Adjustments for the changes in accounting policies retrospectively in respective financial years / period to reflect the same accounting treatment as per the changed accounting policy for all reporting periods.
  - II. Adjustments for prior period and other material amounts in the respective financial years / period to which they relate and there are no qualifications which require adjustments.
  - III. There are no extra-ordinary items that need to be disclosed separately in the accounts and qualifications requiring adjustments.
  - IV. There were no qualifications in the Audit Reports issued by the Statutory Auditors for the financial year / period ended on 31st March, 2015 which would require adjustments in this Consolidated Restated Financial Statements of the Company.
  - V. These Profits and Losses have been arrived at after charging all expenses including depreciation and after making such adjustments / restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Polices and Notes to Consolidated Restated Summary Statements as set out in Annexure IV to this report.

6. Audit for the financial year ended 31st March, 2015 was conducted by Piyush J. Shah & Co. Chartered Accountants and accordingly reliance has been placed on the financial information examined by them for the said years. Further the Financial Statements for the year ended March 31, 2015 has been re-audited by us as per relevant guidelines.
7. 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 financial year / period ended on 31st March, 2015 proposed to be included in the Draft Prospectus/Prospectus (“Offer Document”).

**Annexure of Restated Financial Statements of the Company: -**

1. Significant Accounting Policies and Notes to accounts on Consolidated Restated Financial Statements as restated in Annexure IV;
2. Details of Share Capital as Restated as appearing in ANNEXURE V to this report;
3. Details of Reserves and Surplus as Restated as appearing in ANNEXURE VI to this report;
4. Details of Long Term Borrowings as Restated as appearing in ANNEXURE VII to this report;
5. Details of Deferred Tax Liabilities (Net) as Restated as appearing in ANNEXURE VIII to this report;
6. Details of Long Term Provisions as Restated as appearing in ANNEXURE IX to this report;
7. Details of Short Term Borrowings as Restated as appearing in ANNEXURE X to this report;
8. Details of Trade Payables as Restated as appearing in ANNEXURE XI to this report;
9. Details of Other Current Liabilities as Restated as appearing in ANNEXURE XII to this report;
10. Details of Short Term Provisions as Restated as appearing in ANNEXURE XIII to this report;
11. Details of Fixed Assets as Restated as appearing in ANNEXURE XIV to this report;
12. Details of Inventories as Restated as appearing in ANNEXURE XV to this report;
13. Details of Trade Receivables as Restated enclosed as ANNEXURE XVI to this report;
14. Details of Cash and Bank Balances as Restated enclosed as ANNEXURE XVII to this report;
15. Details of Short Term Loans & Advances as Restated as appearing in ANNEXURE XVIII to this report;
16. Details of Other Current Assets as Restated as appearing in ANNEXURE XIX to this report;
17. Details of Other Income as Restated as appearing in ANNEXURE XX to this report;

18. Capitalization Statement as Restated as at 31st March, 2015 as appearing in ANNEXURE XXI to this report;
  19. Statement of Tax Shelters as Restated as appearing in ANNEXURE XXII to this report;
  20. Details of Related Parties Transactions with the Directors as Restated as appearing in ANNEXURE XXIII to this report;
  21. Details of Significant Accounting Ratios as Restated as appearing in ANNEXURE XXIV to this report;
  22. Reconciliation of Restated Profit as appearing in ANNEXURE XXV to this report.
8. We, Ramanand & Associates, Chartered Accountants, have been subjected to the peer review process of the Institute of Chartered Accountants of India (“ICAI”) and hold a valid peer review certificate issued by the “Peer Review Board” of the ICAI. (“Peer Reviewed Auditor”)
  9. The preparation and presentation of the Financial Statements referred to above are based on the Audited financial statements of the Company and are in accordance with the provisions of the Act and ICDR Regulations. The Financial Statements and information referred to above is the responsibility of the management of the Company.
  10. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other Firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.
  11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
  12. In our opinion, the above financial information contained in Annexure I to XXV of this report read with the respective Significant Accounting Policies and Notes to Consolidated Restated Summary Statements as set out in Annexure IV are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Act, ICDR Regulations, Engagement Letter and Guidance Note.
  13. Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the SME IPO. Our report should not be used, referred to or adjusted for any other purpose except with our consent in writing.

**FOR M/s. Ramanand & Associates**  
**Chartered Accountants**  
**Firm Registration No.: 117776W**

**Name of Partner: Mr. Ramanand Gupta**  
**Designation: Partner**  
**Membership No.: 103975**  
**Date: June 11, 2015**  
**Place: Mumbai**



**CONSOLIDATED STATEMENT OF ASSETS & LIABILITIES AS RESTATED**
**ANNEXURE-I**
**(Rs. In Lakhs)**

Sr. No.	Particulars	As at March 31, 2015
<b>1.</b>	<b>Equity &amp; Liabilities</b>	
<b>A.</b>	<b>Shareholder's funds</b>	
	a. Share Capital	93.15
	b. Reserves & Surplus	370.05
	Sub-Total	463.20
<b>2.</b>	<b>Non-Current Liabilities</b>	
	a. Long-term borrowings	2.91
	b. Deferred tax liabilities	0.41
	c. Long-term provisions	10.25
	Sub-Total	13.57
<b>3.</b>	<b>Current Liabilities</b>	
	a. Short-term borrowings	317.35
	b. Trade Payables	22.75
	c. Other Current Liabilities	38.18
	d. Short term Provisions	3.98
	Sub-Total	382.26
	TOTAL (1+2+3)	859.03
<b>4.</b>	<b>Non-Current assets</b>	
	a. Fixed Assets	
	i. Tangible Assets	245.63
	Sub-Total	245.63
<b>5.</b>	<b>Current Assets</b>	
	a. Inventories	301.89
	b. Trade receivables	180.54
	c. Cash & Bank	48.48
	d. Short-term loans & advances	0.93
	e. Other current assets	81.56
	Sub-Total	613.40
	<b>TOTAL (5+6)</b>	<b>859.03</b>

**STATEMENT OF PROFIT AND LOSS AS RESTATED**

**ANNEXURE-II  
(Rs. In Lakhs)**

Particulars	As at March 31, 2015
<b>INCOME</b>	
Revenue from Operations	
From Trading and Contract Farming	442.37
From Agricultural Activity	1259.76
Other income	1.28
<b>Total revenue (A)</b>	<b>1703.41</b>
<b>EXPENDITURE</b>	
Cost of materials consumed	1110.26
Employee benefit expenses	76.90
Finance costs	29.08
Depreciation and amortisation expenses	21.70
Other expenses	336.54
<b>Total expenses (B)</b>	<b>1574.48</b>
Net profit/(loss) before exceptional, extraordinary items and tax, as restated	128.93
Exceptional items	-
Net profit/(loss) before extraordinary items and tax, as restated	128.93
Extraordinary items	-
Net profit/(loss) before tax, as restated	128.93
Tax expense:	
(i) Current tax	9.25
(ii) Deferred tax (asset)/liability	(0.57)
Total tax expense	8.68
<b>Profit/ (loss) for the year/ period, as restated</b>	<b>120.25</b>
<b>Earning per equity share(face value of Rs. 10/- each):</b>	
<b>Basic (Rs.) Diluted (Rs.)</b>	<b>4.79</b>

**Note: EPS has been calculated after taking bonus shares into effect. For detailed EPS Calculations refer Annexure –XXIV.**

**STATEMENT OF CASH FLOW AS RESTATED**
**ANNEXURE-III  
(Rs. In Lakhs)**

Particulars	As at March 31.2015
<b><u>Cash flow from operating activities:</u></b>	
Net profit before tax as per statement of profit and loss	128.93
<b>Adjusted for:</b>	
Provision for gratuity	4.98
Depreciation & amortization	21.70
Interest income on loans & advances given	(1.28)
Interest & finance costs	29.08
<b>Operating cash flow before working capital changes</b>	<b>183.41</b>
<b>Adjusted for:</b>	
(Increase)/ decrease in Inventories	173.83
(Increase)/ decrease in trade receivables	(49.32)
(Increase)/ decrease in loans and advances and other assets	(79.74)
Increase/ (decrease) in trade payables	(208.20)
Increase/ (decrease) in liabilities & Provisions	(37.43)
<b>Cash generated from/(used in) operations</b>	<b>(17.45)</b>
Income taxes paid	(9.25)
<b>Net cash generated from/ (used in) operating activities (A)</b>	<b>(26.70)</b>
<b><u>Cash flow from investing activities:</u></b>	
Purchase of fixed assets	(191.43)
Interest income on loans & advances given	1.28
<b>Net cash flow from/(used) in investing activities (B)</b>	<b>(190.15)</b>
<b><u>Cash flow from financing activities:</u></b>	
Proceeds from issue of equity shares / Addition in Capital	220.75
Proceeds from secured borrowings (net)	14.89
Proceeds from unsecured borrowings (net)	(33.71)
Increase / (decrease) in Other Non Current Liabilities	(34.97)
Interest & finance costs	(29.08)
<b>Net cash flow from/(used in) financing activities (C)</b>	<b>137.88</b>
Net increase/(decrease) in cash & cash equivalents (A+B+C)	(78.97)
Cash & cash equivalents as at beginning of the year	127.45
Cash & cash equivalents as at end of the year	48.48

## SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO CONSOLIDATED ACCOUNTS AS RESTATED ANNEXURE-IV

### 1. Basis of Preparation of Consolidated Financial Statements

These consolidated financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.

### 2. Principle of Consolidation

The consolidated financial statements relate to Mangalam Seeds Limited ('the Company') and its subsidiary companies. The consolidated financial statements have been prepared on the following basis:

1. The financial statements of the Company and its subsidiary companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions in accordance with Accounting Standard (AS) 21 - "Consolidated Financial Statements"
2. The difference between the cost of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognised in the financial statements as Goodwill or Capital Reserve, as the case may be.
3. As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

### 3. Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised.

### 4. Fixed Assets

Tangible Assets are stated at cost net of recoverable taxes, trade discounts and rebates, less accumulated depreciation and impairment loss, if any. The cost of Tangible Assets comprises its purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use.

Subsequent expenditures related to an item of Tangible Asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

## **5. Depreciation**

Upto March 31st, 2014 depreciation on fixed assets is provided on written down value (WDV) at the rate and manner prescribed in schedule XIV of the Companies Act, 1956 over their useful life.

W.e.f April 1st, 2014 depreciation is provided based on useful life of asset as prescribed in Schedule II of Companies Act 2013. The carrying amount as on April 1st, 2014 is depreciated over the balance useful life of asset.

Depreciation on additions to the assets and the assets sold or disposed off, during the year is provided on prorata basis, at their respective useful life or rate of depreciation as prescribed with reference to the date of acquisition / installation or date of sale / disposal.

## **6. Inventories**

Inventories are valued at lower of cost or net realizable value. Inventories are taken as valued and certified by the management of the company.

## **7. Revenue Recognition**

Revenue is primarily derived from sale of seeds to distributors and dealers. Revenue is recognised only when risks and rewards incidental to ownership are transferred to the customer, it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from operations includes sale of goods.

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

## **8. Provision for Current Tax and Deferred Tax**

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961.

Deferred tax resulting from "timing difference" between book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date. The deferred tax assets are recognised and carried.

## **9. Employee Benefits**

The company has defined benefit plan for post employment benefit in the form of Gratuity for employees. The liability for the above Defined Benefit Plan is provided on the basis of management estimation till March 31, 2014 and from April 01, 2014 Liability for the above plan is based on actuarial valuation.

## **10. Research & Development Expenses**

Revenue expenditure pertaining to research is charged to the Profit and Loss Statement. Development costs of products are charged to the Profit and Loss Statement.

## **11. Provisions, contingent liabilities and contingent assets**

Provision is recognised in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their

present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote, if any.

Contingent assets are neither recognised nor disclosed in the financial statements.

**DETAILS OF SHARE CAPITAL AS RESTATED**
**ANNEXURE-V  
(Rs. In Lakhs)**

Particulars	As at March 31, 2015
<b>Share capital</b>	
<b>Authorised:</b>	
Equity shares of Rs. 10/- each	500.00
<b>Issued, subscribed &amp; fully paid up:</b>	
Equity shares of Rs. 10/- each	93.15
<b>TOTAL</b>	<b>93.15</b>

**Reconciliation of number of shares outstanding**

Particulars	As at March 31, 2015
Equity shares outstanding at the beginning of the year	140000
Add: Shares issued during the year	441500
Add: Issue of bonus shares	350000
<b>Equity shares outstanding at the end of the year</b>	<b>931500</b>

**Details of Shareholders holding more than 5% of the aggregate shares in the Company:**

Name of Shareholder	As at 31 <sup>st</sup> March, 2015	
	No. of Shares	%
Patel Pravinkumar M.	64093	6.88
Patel Kalpeshkumar N.	58880	6.32
Patel Narsinhbhai J.	140255	15.06
Patel Revabhai J.	141130	15.15
Patel Dhanajibhai S.	80958	8.69
Patel Mafatlal J.	141500	15.19
Patel Pradipbhai N.	63700	6.84
Nathalal J Patel	87200	9.36
<b>TOTAL</b>	<b>777716</b>	<b>83.49</b>

**DETAILS OF RESERVES & SURPLUS AS RESTATED**
**ANNEXURE-VI  
(Rs. In Lakhs)**

Particulars	As at March 31, 2015
<b><u>Securities premium account</u></b>	
Opening balance	81.00
Add: Additions during the year / period	176.60
Less: Utilised towards Bonus Issue	(35.00)
Closing balance	222.60
<b><u>Surplus in statement of Profit &amp; Loss</u></b>	
Opening balance	27.69
Add: Profit for the year/ period	120.25
Adjusted against Depreciation	(0.49)
Closing balance	147.45
<b>TOTAL</b>	<b>370.05</b>

**DETAILS OF LONG TERM BORROWING AS RESTATED**
**ANNEXURE-VII  
(Rs. In Lakhs)**

Particulars	As at March 31, 2015
<b><u>Secured Loans</u></b>	
Car Loan- HDFC Bank Limited (Refer Note - 1)	2.91
<b>TOTAL</b>	<b>2.91</b>

**Note:**

1. Car Loan of Rs. 2.91 Lakhs as on March 31, 2015 of HDFC Bank Limited is secured by way of hypothecation of car at the rate of 10.51%.

**Principal Terms and Conditions of Long Term Borrowings:**

Type of Facility	As at 31 <sup>st</sup> March, 2015	Rate of Interest	Repayment	Security
Car Loan- HDFC Bank Ltd.	2.91	10.51 %	24 Monthly Installments	Refer Note 1

**DETAILS OF DEFERRED TAX LIABILITIES (NET) AS RESTATED**
**ANNEXURE-VIII  
(Rs. In Lakhs)**

Particulars	As at March 31, 2015
DTL on Difference between book and tax depreciation	0.41
<b>TOTAL</b>	<b>0.41</b>

**DETAILS OF LONG TERM PROVISIONS AS RESTATED**
**ANNEXURE-IX  
(Rs. In Lakhs)**

Particulars	As at March 31, 2015
Provision for Gratuity	10.25
<b>TOTAL</b>	<b>10.25</b>

**DETAILS OF SHORT TERM BORROWINGS AS RESTATED**
**ANNEXURE-X  
(Rs. In Lakhs)**

Particulars	As at March 31, 2015
<b>Secured</b>	
Working Capital Loan- HDFC Bank Ltd. (Refer Note - 1)	317.35
<b>TOTAL</b>	<b>317.35</b>

**Note:**

1. Working Capital Loan from HDFC Bank of Rs. 317.35 Lakhs as on March 31, 2015 is secured against hypothecation Stock and Book Debt at the rate of 12%.

**DETAILS OF TRADE PAYABLES AS RESTATED**
**ANNEXURE-XI  
(Rs. In Lakhs)**

Particulars	As at March 31, 2015
Creditors for Goods	1.30
Creditors for Expenses	21.45
<b>TOTAL</b>	<b>22.75</b>

**DETAILS OF OTHER CURRENT LIABILITIES AS RESTATED**
**ANNEXURE-XII  
(Rs. In Lakhs)**

Particulars	As at March 31, 2015
Other Payables	2.72
Advance from customers	28.70
<b>Current maturities of Long term Borrowings</b>	
Car Loan- Volkswagen Finance (Refer Note - 1)	1.63
Car Loan- Volkswagen Finance (Refer Note - 2)	1.93
Car Loan- HDFC Bank Limited (Refer Note - 3)	3.17
<b>TOTAL</b>	<b>38.18</b>

**Notes:**

1. Car Loan of Rs. 1.63 Lakhs as on March 31, 2015 of Volkswagen Finance is secured by way of hypothecation of car at the rate of 10.32%.
2. Car Loan of Rs. 1.96 Lakhs as on March 31, 2015 of Volkswagen Finance is secured by way of hypothecation of car at the rate of 10.32%.





3. Car Loan of Rs. 3.17 Lakhs as on March 31, 2015 of HDFC Bank Limited is secured by way of hypothecation of car at the rate of 10.51%.

**Principal Terms and Conditions of Vehicle:**

Sr No.	Type of Facility	As at 31 <sup>st</sup> March, 2015	Rate of Interest	Repayment	Security
1.	Car Loan – Volkswagen Finance.	1.63	10.32%	36 Monthly Installment of Rs. 16,071/-	Refer Note 1
2.	Car Loan – Volkswagen Finance.	1.96	10.32%	36 Monthly Installment of Rs. 19,285/-	Refer Note 2
3.	Car Loan- HDFC Bank Ltd.	3.17	10.51%	24 Monthly Installment of Rs. 30,473/-	Refer Note 3

**DETAILS OF SHORT TERM PROVISIONS AS RESTATED**

**ANNEXURE-XIII  
(Rs. In Lakhs)**

Particulars	As at March 31, 2015
Others	1.86
Provision for taxation (Net of Advance Tax and TDS Receivable)	2.12
<b>TOTAL</b>	<b>3.98</b>

**DETAILS OF FIXED ASSETS AS RESTATED**

**ANNEXURE-XIV  
(Rs. In Lakhs)**

Particulars	As at March 31, 2015
<b>1. Air Conditioner</b>	
Gross Block	2.26
Less: Accumulated Dep.	1.72
<b>Net Block of Asset</b>	<b>0.54</b>
<b>2. Dead Stock</b>	
Gross Block	2.69
Less: Accumulated Dep.	1.37
<b>Net Block of Asset</b>	<b>1.32</b>
<b>3. Computer &amp; Printer</b>	
Gross Block	1.72
Less: Accumulated Dep.	1.68
<b>Net Block of Asset</b>	<b>0.04</b>
<b>4. Furniture</b>	

Particulars	As at March 31, 2015
Gross Block	9.33
Less: Accumulated Dep.	5.41
<b>Net Block of Asset</b>	<b>3.92</b>
<b>5. Godown Office</b>	
Gross Block	6.71
Less: Accumulated Dep.	1.83
<b>Net Block of Asset</b>	<b>4.88</b>
<b>6. Motor Car</b>	
Gross Block	40.12
Less: Accumulated Dep.	22.98
<b>Net Block of Asset</b>	<b>17.14</b>
<b>7. Motor Cycle</b>	
Gross Block	1.50
Less: Accumulated Dep.	0.97
<b>Net Block of Asset</b>	<b>0.53</b>
<b>8. Plant &amp; Machinery</b>	
Gross Block	52.72
Less: Accumulated Dep.	18.22
<b>Net Block of Asset</b>	<b>34.50</b>
<b>9. Solar Water Heater</b>	
Gross Block	1.31
Less: Accumulated Dep.	0.67
<b>Net Block of Asset</b>	<b>0.64</b>
<b>10. Godown Building</b>	
Gross Block	182.16
Less: Accumulated Dep.	0.04
<b>Net Block of Asset</b>	<b>182.12</b>
<b>Total of Net Block</b>	<b>245.63</b>

**DETAILS OF INVENTORIES AS RESTATED**
**ANNEXURE-XV  
(Rs. In Lakhs)**

Particulars	As at March 31, 2015
Finished goods	301.89
<b>TOTAL</b>	<b>301.89</b>

**DETAILS OF TRADE RECEIVABLES AS RESTATED**
**ANNEXURE-XVI  
(Rs. In Lakhs)**

Particulars	As at March 31, 2015
<b>Outstanding for a period exceeding six months:</b>	
Unsecured, considered good	18.06
<b>Other debts:</b>	
Unsecured, considered good	162.48
<b>TOTAL</b>	<b>180.54</b>

**DETAILS OF CASH AND BANK BALANCE AS RESTATED**
**ANNEXURE-XVII  
(Rs. In Lakhs)**

Particulars	As at March 31, 2015
Cash in hand	3.87
<b>Balances with banks</b>	
HDFC Bank A/c 13951	41.61
Cheques on hand	3.00
<b>Total</b>	<b>48.48</b>

**DETAILS OF SHORT TERM LOANS AND ADVANCES AS RESTATED**
**ANNEXURE-XVIII  
(Rs. In Lakhs)**

Particulars	As at March 31, 2015
<b>Other loans and advances</b>	
Prepaid expenses	0.69
Others	0.24
<b>TOTAL</b>	<b>0.93</b>

**DETAILS OF OTHER CURRENT ASSETS AS RESTATED**
**ANNEXURE-XX  
(Rs. In Lakhs)**

Particulars	As at March 31, 2015
Others- Advances to Supplier	81.56
<b>TOTAL</b>	<b>81.56</b>

**DETAILS OF OTHER INCOME AS RESTATED**
**ANNEXURE-XX  
(Rs. In Lakhs)**

Particulars	As at March 31, 2015	Nature
Other income	1.28	
Net profit before tax as restated	128.93	
<b>Percentage</b>	0.99%	
<b>Source of income</b>		
Interest income	1.28	Non-Recurring Income Not Related to Business
<b>Total other income</b>	<b>1.28</b>	

**CAPITALISATION STATEMENT AS AT MARCH 31, 2015**
**ANNEXURE-XXI  
(Rs. In Lakhs)**

Particulars	Pre Issue	Post Issue
<b>Borrowings:</b>		
Short-term	324.11	
Long-term (A)	2.91	
<b>Total debts (B)</b>	<b>327.02</b>	
<b>Shareholders' funds</b>		
Share capital	93.15	430.21
Reserve and surplus	370.05	709.16
<b>Total shareholders' funds (C)</b>	<b>463.20</b>	<b>1139.36</b>
<b>Long term debt / shareholders' funds (A/C)</b>	<b>0.63%</b>	
<b>Total debt / shareholders' funds (B/C)</b>	<b>70.60%</b>	

1. Short term debts represent debts which are due within 12 months from March 31, 2015.
2. Long term debts represent debts other than short term debts, as defined above.
3. Subsequent to March 31, 2015, the company has made the following changes in its capital structure the effect of which has been considered in post issue capital structure.
  - I. On May 8, 2015 The Company has issued bonus shares to its existing equity shareholders in the ratio of 13 (Thirteen) shares for every 6 (Six) shares held by them by capitalising its securities premium account and profit & loss account. The Shares which are not in multiple of 6 (Six) the same has been rounded of as 6 to the nearest value.
  - II. On May 15, 2015 the Company has issued and allotted 2,12,328 shares under private placement to various persons at a price of Rs. 50 per equity share (Rs. 40 towards securities premium).

**STATEMENT OF TAX SHELTERS**
**ANNEXURE-XXII  
(Rs. In Lakhs)**

Particulars	As at March 31, 2015
Profit before tax, as restated (A)	128.93
Tax Rate (%)	30.90
<b>Adjustments :</b>	
<b>Permanent differences</b>	
Expenses disallowed under Income Tax Act, 1961	
ROC Expenses	5.82
<b>Total permanent differences(B)</b>	<b>5.82</b>
<b>Income considered separately (C.)</b>	
<b>Timing differences</b>	
Depreciation as per Books	21.70
Depreciation as per IT Act	(20.36)
Provision for Gratuity	4.98
Difference due to expenses allowable/ disallowable u/s 40	
<b>Total timing differences (D)</b>	<b>6.32</b>
<b>Net adjustments E = (B+C+D)</b>	<b>12.14</b>
<b>Tax expense / (saving) thereon</b>	<b>3.75</b>
<b>Income from other sources (F)</b>	
<b>Exempt Income (G)</b>	<b>127.23</b>
<b>Proportion Dep as per IT on Agriculture Income (H)</b>	<b>16.28</b>
<b>Taxable income/(loss) (A+E+F-G+H)</b>	<b>30.12</b>
<b>Tax as per Normal Provision</b>	<b>9.31</b>
<b>Taxable income/(loss) as per MAT</b>	<b>28.84</b>
<b>Income tax as per MAT</b>	<b>5.50</b>
Tax paid as per "MAT" or "Normal Provisions"	Normal Provision

**DETAILS OF REALTED PARTY TRANSACTIONS AS RESTATED**
**ANNEXURE-XXIII  
(Rs. In Lakhs)**

Name of the Party	Nature of Transaction	Amount of Transaction in 2014-15	Amount Outstanding as on 31.03.15 (Payable)/ Receivable
Babiben N. Patel	Salary	3.00	
	<b>Total</b>	<b>3.00</b>	-
Chandrikaben N. Patel	Salary	3.00	
	<b>Total</b>	<b>3.00</b>	-
Shantaben M. Patel	Salary	3.00	
	<b>Total</b>	<b>3.00</b>	-
Chhayaben P. Patel	Salary	3.00	
	<b>Total</b>	<b>3.00</b>	-
Ishwarbhai D. Patel	Salary	1.79	
	<b>Total</b>	<b>1.79</b>	-
Kalpeshbhai N. Patel	Salary	2.47	
	<b>Total</b>	<b>2.47</b>	<b>0.25</b>
Mafatlal J. Patel	Rent	1.86	
	Remuneration	1.19	
	<b>Total</b>	<b>3.05</b>	<b>0.06</b>
Narsinhbhai J. Patel	Salary	2.40	
	Rent	1.86	
	<b>Total</b>	<b>4.26</b>	<b>0.80</b>
Pravinbhai M. Patel	Rent	1.80	
	Remuneration	1.19	
	<b>Total</b>	<b>2.99</b>	-
Revabhai J. Patel	Salary	2.40	<b>1.62</b>

Name of the Party	Nature of Transaction	Amount of Transaction in 2014-15	Amount Outstanding as on 31.03.15 (Payable)/ Receivable
	Rent	1.86	
	<b>Total</b>	<b>4.26</b>	
Dharmistaben I. Patel	Salary	3.60	
	<b>Total</b>	<b>3.60</b>	-
Nathalal J. Patel	Rent	1.86	
	<b>Total</b>	<b>1.86</b>	-
Dhanajibhai S. Patel	Remuneration	1.19	
	<b>Total</b>	<b>1.19</b>	-
Mehulbhai N Patel	Salary	3.00	
	<b>Total</b>	<b>3.00</b>	-
Laxmiben R Patel	Salary	3.00	
	<b>Total</b>	<b>3.00</b>	-
Urmiben P Patel	Salary	3.00	
	<b>Total</b>	<b>3.00</b>	-
Induben D Patel	Salary	3.00	
	<b>Total</b>	<b>3.00</b>	-
Pradipkumar N Patel	Salary	3.60	
	<b>Total</b>	<b>3.60</b>	-
Dhanajibhai Patel-HUF	Sales	10.59	
	<b>Total</b>	<b>10.59</b>	-
Narsinhbhai Patel-HUF	Purchase	24.25	
	<b>Total</b>	<b>24.25</b>	-

Name of the Party	Nature of Transaction	Amount of Transaction in 2014-15	Amount Outstanding as on 31.03.15 (Payable)/ Receivable
Pravinbhai Patel-HUF	Sales	20.10	-
	<b>Total</b>	<b>20.10</b>	
Revabhai Patel-HUF	Purchase	24.24	-
	<b>Total</b>	<b>24.24</b>	
Mangalam Seeds-Unjha	Sales	51.20	<b>5.33</b>
	<b>Total</b>	<b>51.20</b>	
Patel Truptiben K.	Salary	3.00	-
	<b>Total</b>	<b>3.00</b>	
Patel Rinkuben M.	Salary	3.00	-
	<b>Total</b>	<b>3.00</b>	

**RESTATED SUMMARY STATEMENT OF ACCOUNTING RATIOS**
**ANNEXURE-XXIV  
(Rs. In Lakhs)**

Ratio	As at March 31, 2015
<b>A. Basic Earnings per Share</b>	
Restated PAT as per statement of profit and loss(B)	120.25
Weighted average number of equity shares at the end of the year/ period(C)	4.91
Add: Impact of Capital Structure undergoing change on account of capitalisation of reserves Prior to 31st March, 2015 on account of Bonus Shares Issued to Existing Equity Shareholders	0.00
Add: Impact of Capital Structure undergoing change on account of capitalisation of reserves subsequent to 31st March, 2015 on account of Bonus Shares Issued to Existing Equity Shareholders	20.18
Weighted average number of equity shares considered for calculating basic EPS(C)	25.09
Share capital as at the end of the year	93.15
<b>Earnings Per Share</b>	
Basic & Diluted (Rs)*	<b>4.79</b>
<b>B. Net Asset value per Equity Share</b>	



Ratio	As at March 31, 2015
Net Worth , as Restated	463.20
No. of Equity Share Outstanding	9.32
Add: Impact of Capital Structure undergoing change on account of capitalisation of reserves Prior to 31st March, 2015 on account of Bonus Shares Issued to Existing Equity Shareholders	-
Add: Impact of Capital Structure undergoing change on account of capitalisation of reserves subsequent to 31st March, 2015 on account of Bonus Shares Issued to Existing Equity Shareholders	20.18
No. of Equity Share Outstanding, Considered	29.50
Net Asset value per Equity Share	<b>15.70</b>
<b>C. Return on net worth</b>	
Net Profit after Tax As Restated	120.25
Net Worth , as Restated	463.20
Return on net worth (%)	<b>25.96%</b>
Nominal value per equity share (Rs.)	10.00

**Notes:**

**1) The ratios have been computed as per the following formulae:**

**i. Basic Earning per Share**

$$\frac{\text{Net Profit after tax, as restated for the year / period, attributable to equity shareholders}}{\text{Weighted average number of equity shares outstanding during the year / period}}$$

**ii. Net Asset Value (NAV)**

$$\frac{\text{Net Asset Value, as restated, at the end of the year / period}}{\text{Number of equity shares outstanding at the end of the year / period}}$$

**iii. Return on Net Worth (%)**

$$\frac{\text{Net Profit after tax, as restated for the year / period, attributable to equity shareholders}}{\text{Net worth as restated, at the end of the year / period}}$$

**2) Net Profit as restated, as appearing in the statement of profit and losses, has been considered for the purpose of computing the above ratios. These ratios are computed on the basis of the restated financial information of the Company.**

**3) Earning per share calculations are done in accordance with Accounting Standard 20 "Earning Per Share", issued by the Institute of Chartered Accountants of India.**

**4) Subsequent to March 31, 2015, the company has made the following changes in its capital structure on account of capitalization of reserves, the effects of which have been considered in computing the above accounting ratios :**

- i. On May 8, 2015 The Company has issued bonus shares to its existing equity shareholders in the ratio of 13 (Thirteen) shares for every 6 (Six) shares held by them by capitalising its securities premium account and profit & loss account. The Shares which are not in multiple of 6 (Six) the same has been rounded of as 6 to the nearest value.**

**RECONCILIATION OF RESTATED PROFIT**
**ANNEXURE-XXVI**  
**(Rs. In Lakhs)**

Adjustments for	As at March 31, 2015
Net profit/(loss) after tax as per audited statement of profit & loss	114.70
<b>Adjustments for:</b>	
Preliminary Expenses (Refer Note 1)	0.31
Provision for gratuity (Refer Note 2)	5.27
Excess / Short Provision for Tax (Refer Note 3)	(0.03)
<b>Net profit/ (loss) after tax as restated</b>	<b>120.25</b>

**Explanatory notes to the above restatements made in the audited financial statements of the Company for the respective years/ period.**

**Adjustments having impact on Profit**
**Note:**

- 1) The Company has amortised preliminary and pre operative expenses in 5 consecutive year in the audited balance sheet while in the restated financial statements, the company has amortised total amount of preliminary and pre operative expenses in the financial year in which it has been incurred i.e. March 31 , 2012.
- 2) The company have not made the provision for gratuity in the previous year ending March 31, 2012, March 31, 2013 and March 31, 2014, and the company has made total provision up to March 31, 2015 in the financial statement ended on March 31, 2015.
- 3) The company has provided Excess or Short Provision in the year in which the income tax return has been filled. But in restated account, the company has provided Excess or Short Provision in the year to which it relates.



### **Adjustments having no impact on Profit Material Regrouping**

Appropriate adjustments have been made in the restated financial statements, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the audited financials of the Company for all the years and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations 2009.

**CHANGES IN SIGNIFICANT ACCOUNTING POLICIES IN LAST THREE YEARS:** Not Applicable



## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

The following discussion of our financial condition and results of operations should be read in conjunction with our restated financial statements for the financial years ended March 31, 2015, March 31, 2014, March 31, 2013, and March 31, 2012 prepared in accordance with the Companies Act and Indian GAAP and restated in accordance with the SEBI ICDR Regulations, including the schedules, annexure and notes thereto and the reports thereon, included in the section titled "*Financial Statements*" on page 220 of this Prospectus.

Indian GAAP differs in certain material respects from U.S. GAAP and IFRS. We have not attempted to quantify the impact of IFRS or U.S. GAAP on the financial data included in this Prospectus, nor do we provide a reconciliation of our financial statements to those under U.S. GAAP or IFRS. Accordingly, the degree to which the Indian GAAP financial statements included in this Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with the Companies Act, Indian GAAP and the SEBI ICDR Regulations.

This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those set forth in "*Risk Factors*" and "*Forward-Looking Statements*" beginning on pages 16 and 14, of this Prospectus respectively.

Our Company was incorporated on September 14, 2011 and has completed close to four years since incorporation. The Management's Discussion and Analysis of Financial Condition and Results of Operations reflects the analysis and discussion of our financial condition and results of operations for financial years ended March 31, 2015, March 31, 2014, March 31, 2013, and March 31, 2012.

### Overview

Instituted in 2011, our Company Mangalam Seeds Limited, an ISO 9001:2008 certified is engaged in producing and delivering high quality seeds with specialization in spices and forage crops.

With a vision of "Being the most preferred seed brand in India in major crops like cumin seeds, castor seeds, fennel seeds, lucerene seeds, sesame seeds, fodder bajra seeds etc", our Promoter Mr. Mafatlal Patel, with his rich agricultural experience established Mangalam Seeds Corporation, a partnership firm in 2007, accompanied by technical expertise of our eminent agricultural scientist Dr. I.D. Patel and backed by intense research and development. With handful of hybrids already developed with continuous research and development, our promoters acknowledging the growth prospects the seed industry offers, converted the partnership firm and incorporated our Company under the name "Mangalam Seeds Limited" in 2011.

At present, our Company is offering a wide range of seeds categorised as "research seeds" and "hybrid seeds". Research seeds are high quality seeds, being produced by a backward integration process and offers natural nutrient qualities. These seeds require intensive research and are also called as pure seeds. Hybrid seeds on the other hand, are produced through open pollination and cross pollination process. As on date we have developed 16 varieties of seeds. Further our Company has a collection of around 976 varieties of germplasm in various crops. Our products are being marketed under various brand names like Eklavya, Volina, Leetos, Juddo etc. Currently our Company



has obtained 15 trademarks and already applied for 55 others to secure these brand names and logos.

Our growth strategy is majorly defined by one word i.e. “Research and Development” and our Company makes conscious efforts to produce better and different varieties of seeds. Our Company has R&D farms measuring approximately 29.17 acres to carry on its research activities. We further believe in developing state of art infrastructure and technology and have set up 2 greenhouses and 2 open poly houses and adequate tube wells for uninterrupted water supply.

We believe that in this competing world, no business can survive without marketing. Our company has strong marketing channels in Gujarat and Rajasthan, comprising of around 154 distributors, more than 1840 dealers and retailers to support marketing. We are seasonally organizing farmers and dealers meeting including farm demonstration. We are also putting our products on TV and news paper for advertising and field meetings with farmers to support marketing.

Driven by rich agricultural experience, increasing thrust on R&D, expectations of continued Government support, we foresee to expand our operations from Gujarat and Rajasthan to PAN India basis. We want to continue developing high yielding, diseases and pest resistant varieties in our crops and focus on value addition by assimilating the latest technologies and global best practices.

#### **SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL PERIOD**

In the opinion of the Board of Directors of our Company, there have not arisen, since the date of the last financial statements disclosed in this Prospectus, any circumstance that materially or adversely affect or are likely to affect the profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months except as follows:-

1. M/s. Ramanand & Associates, Chartered Accountants have been appointed as peer reviewed auditors vide engagement letter dated June 1, 2015.
2. We have passed a special resolution on May 20, 2015 authorizing the Board of Directors to borrow funds for the purpose of business of the Company upto an amount of Rs. 25.00 Crores and for the purpose also authorized them to provide requisite security.
3. We have passed a special resolution on May 20, 2015 to authorize the Board of Directors to raise funds by making an initial public offering upto Rs. 6.00 Crores.
4. We have appointed Mr. Pravinkumar Patel as the Managing Director for a term of 5 Years and Mr. Mafatlal Patel and Mr. Dhanajibhai Patel as Executive Directors of the Company with effect from May 20, 2015 respectively.
5. We have issued Bonus Shares in the ratio of 13 shares for every 6 shares held to the then existing shareholders of the Company on May 08, 2015.
6. We have made preferential allotment of 2,12,328 equity shares of face value of Rs. 10 each at an price of Rs. 50 each on May 15, 2015.
7. We have appointed Riddhi Shah, Samir Shah and Mukesh Sheth as Independent Directors on the Board of the Company with effect from May 20, 2015.
8. We have appointed Ankit Soni as Chief Financial Officer of the Company effect from May 20, 2015.

9. We have appointed Rujavi Chalishajar as Company Secretary and Compliance Officer of Our Company on May 20, 2015.

## SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business is subjected to various risks and uncertainties, including those discussed in the section titled "*Risk Factor*" beginning on page 16 of this Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- Competition from other players.
- Demand for Seeds
- Seasonality and weather conditions
- Ability to attract, recruit and retain key personnel.

## SIGNIFICANT ACCOUNTING POLICIES

### 1) Basis of Accounting Policy

The Standalone Financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting standards referred to in Section 133 of the Companies Act, 2013 or Section 211 (3C) of the Companies Act, 1956.

The financial statements are prepared on accrual basis under the historical cost convention. The financial statements are presented in Indian rupees rounded off to the nearest rupee.

The entity was carrying business in the name of "Mangalam Seeds Corporation" ("the Partnership firm) from 01st April, 2007. W.e.f. September 14, 2011, it was converted into Company (Mangalam Seeds Limited) under Part IX of The Companies Act, 1956.

### 2) Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised.

### 3) Fixed Assets

Tangible Assets are stated at cost net of recoverable taxes, trade discounts and rebates, less accumulated depreciation and impairment loss, if any. The cost of Tangible Assets comprises its purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use.

Subsequent expenditures related to an item of Tangible Asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

#### **4) Depreciation**

Upto March 31st, 2014 depreciation on fixed assets is provided on written down value (WDV) at the rate and manner prescribed in schedule XIV of the Companies Act, 1956 over their useful life.

W.e.f April 1st, 2014 depreciation is provided based on useful life of asset as prescribed in Schedule II of Companies Act 2013. The carrying amount as on April 1st, 2014 is depreciated over the balance useful life of asset.

Depreciation on additions to the assets and the assets sold or disposed off, during the year is provided on prorata basis, at their respective useful life or rate of depreciation as prescribed with reference to the date of acquisition / installation or date of sale / disposal.

#### **5) Inventories**

Inventories are valued at lower of cost or net realizable value. Inventories are taken as valued and certified by the management of the company.

#### **6) Revenue Recognition**

Revenue is primarily derived from sale of seeds to distributors and dealers. Revenue is recognised only when risks and rewards incidental to ownership are transferred to the customer, it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from operations includes sale of goods.

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

#### **7) Provision for Current Tax and Deferred Tax**

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961.

Deferred tax resulting from "timing difference" between book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date. The deferred tax assets are recognised and carried.

#### **8) Employee Benefits**

The company has defined benefit plan for post employment benefit in the form of Gratuity for employees. The liability for the above Defined Benefit Plan is provided on the basis of management estimation till March 31, 2014 and from April 01, 2014 Liability for the above plan is based on actuarial valuation.

#### **9) Investments**

Non Current investments are stated at cost. Provision for diminution in the value of Non Current investments is made only if such a decline is other than temporary.

#### **10) Research & Development Expenses**

Revenue expenditure pertaining to research is charged to the Profit and Loss Statement. Development costs of products are charged to the Profit and Loss Statement.

## 11) Provisions, Contingent Liabilities And Contingent Assets

Provision is recognised in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote, if any.

Contingent assets are neither recognised nor disclosed in the financial statements.

### DISCUSSION ON RESULT OF OPERATION

The following discussion on results of operations should be read in conjunction with the audited financial results of our Company for the financial years ended March 31, 2015, March 31, 2014, March 31, 2013 and March 31, 2012.

### OVERVIEW OF REVENUE & EXPENDITURE

#### Revenues

Our total revenue comprises of our revenue from operations and other income. The following table shows our revenue from operations and other income:

(Rs. In Lakhs)

Particulars	As at March 31			
	2012	2013	2014	2015
<b>Income</b>				
Revenue from Operation	671.19	1,183.79	1,482.13	1,702.13
As a % of Total Revenue	99.91%	99.92%	99.95%	99.92%
Other Income	0.61	0.97	0.81	1.28
As a % of Total Revenue	0.09%	0.08%	0.05%	0.08%
<b>Total Revenue</b>	<b>671.80</b>	<b>1,184.76</b>	<b>1,482.94</b>	<b>1,703.41</b>

#### Revenue from operations:

Our principal component of income is from sale of seeds. Our Revenue from operations accounted for 99.92%, 99.95%, 99.92% and 99.91% of our total revenue for fiscal 2015, fiscal 2014, fiscal 2013 and fiscal 2012, respectively. Our Company usually follows negotiated price mechanism. We quote on the basis of requirements received from our customers.

#### Other Income:

Our other Income generally comprises of interest income, discount, etc. Our other income accounted for 0.08%, 0.05%, 0.08% and 0.09% of our total revenue for fiscal 2015, fiscal 2014, fiscal 2013 and fiscal 2012, respectively.



## Expenditure

Our Company's expenditure comprises of Costs of materials consumed, Employee benefit expenses, Finance costs, Depreciation and amortization expenses and other expenses.

The following table sets forth, for the fiscal years indicated, certain items derived from our Company's audited restated financial statements, in each case stated in absolute terms and as a percentage of total sales and/or total revenue.

(Rs. in lakhs)

Particulars	As at March 31			
	2012	2013	2014	2015
<b>INCOME</b>				
Revenue from Operations	671.19	1,183.79	1,482.13	1,702.13
As a % of Total Revenue	99.91%	99.92%	99.95%	99.92%
Other Income	0.61	0.97	0.81	1.28
As a % of Total Revenue	0.09%	0.08%	0.05%	0.08%
<b>Total Revenue (A)</b>	<b>671.80</b>	<b>1,184.76</b>	<b>1,482.94</b>	<b>1,703.41</b>
<b>EXPENDITURE</b>				
Cost of materials consumed	450.66	849.77	1,075.65	1,110.26
As a % of Total Revenue	67.08%	71.73%	72.53%	65.18%
Employee benefit expenses	38.03	55.31	59.18	76.90
As a % of Total Revenue	5.66%	4.67%	3.99%	4.51%
Finance costs	15.98	51.39	51.79	29.08
As a % of Total Revenue	2.38%	4.34%	3.49%	1.71%
Depreciation and amortisation expense	5.82	10.84	16.32	21.70
As a % of Total Revenue	0.87%	0.91%	1.10%	1.27%
Other Expenses	152.59	201.12	262.13	336.54
As a % of Total Revenue	22.71%	16.98%	17.68%	19.76%
<b>Total Expenses (B)</b>	<b>663.08</b>	<b>1,168.43</b>	<b>1,465.07</b>	<b>1,574.48</b>
As a % of Total Revenue	98.70%	98.62%	98.79%	92.43%
<b>Profit before tax (A-B)</b>	<b>8.72</b>	<b>16.33</b>	<b>17.87</b>	<b>128.93</b>
As a % of Total Revenue	1.30%	1.38%	1.21%	7.57%
Exceptional items	-	-	-	-
Profit before extraordinary items and tax	<b>8.72</b>	<b>16.33</b>	<b>17.87</b>	<b>128.93</b>
As a % of Total Revenue	1.30%	1.38%	1.21%	7.57%
Extraordinary items	-	-	-	-
Profit before tax	<b>8.72</b>	<b>16.33</b>	<b>17.87</b>	<b>128.93</b>
<b>PBT Margin</b>	<b>1.30%</b>	<b>1.38%</b>	<b>1.21%</b>	<b>7.57%</b>
Tax expense :				
(i) Current tax	3.09	4.16	7.01	9.25
(ii) Deferred tax(asset)/liability	0.15	1.83	(1.01)	(0.57)
<b>Total Tax Expense</b>	<b>3.24</b>	<b>5.99</b>	<b>6.00</b>	<b>8.68</b>

Particulars	As at March 31			
	2012	2013	2014	2015
Profit for the year/period	5.48	10.34	11.87	120.25
<b>PAT Margin</b>	<b>0.82%</b>	<b>0.87%</b>	<b>0.80%</b>	<b>7.06%</b>

#### *Cost of materials consumed*

Cost of materials consumed comprises of the expenses for lease rent of agricultural farms, labour charges, water charges, tractor rent, pesticides, fertilizers, packing expenses and raw seeds. Cost of materials consumed accounted for 65.18%, 72.53%, 71.73% and 67.08% of our total revenue for the fiscal 2015, 2014, 2013 and 2012 respectively.

#### *Employee Benefits Expenses*

Our employee benefits cost primarily consists of salaries, wages and bonuses paid to our employees and gratuity provisions. Employee benefits accounted for 4.51%, 3.99%, 4.67% and 5.66% of our total revenue for fiscal 2015, fiscal 2014, fiscal 2013 and fiscal 2012, respectively.

#### *Finance Cost*

Our financial cost includes interest on borrowing from banks, other lenders, bank charges, interest on delayed payment of taxes, hypothecation expenses etc. Our finance costs accounted for 1.71%, 3.49%, 4.34% and 2.38% of our total revenue for fiscal 2015, fiscal 2014, fiscal 2013 and fiscal 2012, respectively.

#### *Depreciation*

Depreciation includes depreciation and amortisation on plant & machinery, vehicles, furniture and other tangible and intangible assets. Depreciation and amortization accounted for 1.27%, 1.10%, 0.91% and 0.87% of our total revenue for fiscal 2015, fiscal 2014, fiscal 2013 and fiscal 2012, respectively.

#### *Other Expenses*

Other expenses include trade discounts, research & development expenses, labour expenses, carting charges, publicity expenses, rent charges, transportation expenses, legal & professional charges etc. Other expense accounted for 19.76%, 17.68%, 16.98% and 22.71% of our total revenue for fiscal 2015, fiscal 2014, fiscal 2013 and fiscal 2012, respectively.

## COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2015 WITH FINANCIAL YEAR ENDED MARCH 31, 2014

### INCOME

#### Operating Income

Particulars	2013-2014	2014-2015	Variance
	(Rs. Lakhs)	(Rs. Lakhs)	(%)
Operating Income	1,482.13	1,702.13	14.84%

The operating income of the Company for the year ending March 31, 2015 is Rs. 1,702.13 lakhs as compared to Rs. 1,482.13 lakhs for the year ending March 31, 2014, showing an increase of 14.84%. The increase in sales is due to increase in business operations.

#### Other Income

Our other income increased by 58.02% from Rs. 0.81 lakhs to Rs. 1.28 lakhs.

### DIRECT EXPENDITURE

Particulars	2013-2014	2014-2015	Variance
	(Rs. Lakhs)	(Rs. Lakhs)	(%)
Cost of materials consumed	1,075.65	1,110.26	3.22%

The direct expenditure has increased from Rs. 1,075.65 lakhs in Financial Year 2013-2014 to Rs. 1,110.26 lakhs in Financial Year 2014-2015 showing an increase of 3.22% over the previous year. The increase is less as compared to increase in sales as we have started growing seeds on our own farms which have been taken on lease instead of procuring them from contract farmers.

### MANUFACTURING, ADMINISTRATIVE AND EMPLOYEE COSTS

Particulars	2013-2014	2014-2015	Variance
	(Rs. Lakhs)	(Rs. Lakhs)	(%)
Employee Benefit Expenses	59.18	76.90	29.94%
Other Expenses	262.13	336.54	28.39%
Total	321.31	413.44	28.67%

Our employee benefits expenses increased by 29.94% from Rs. 59.18 lakhs during fiscal 2014 to Rs. 76.90 lakhs in fiscal 2015. This increase in our employee benefit expenses was due to increase in number of employees, salary expenses and provision of gratuity during fiscal 2015.

Our other expenses increased by 28.39% from Rs. 262.13 lakhs during fiscal 2014 to Rs. 336.54 lakhs during fiscal 2015. This increase was primarily due to increase in carting expenses, research & development expenses, trade discounts, etc. These increases in expenses are in line with increase in business activity.

### FINANCE CHARGES

Our finance charges decreased to Rs. 29.08 lakhs in Fiscal 2015 from Rs. 51.79 lakhs during fiscal 2014. This decrease is due to decrease in unsecured borrowings from lenders.

## DEPRECIATION AND AMORTIZATION

Our depreciation and amortization expenses increased to Rs. 21.70 lakhs in fiscal 2015 from Rs. 16.32 lakh in fiscal 2014 due to addition in fixed assets and in changes in useful life of depreciable assets as per norms specified by Companies Act, 2013.

## PROFIT BEFORE TAX

Particulars	2013-2014 (Rs. Lakhs)	2014-2015 (Rs. Lakhs)	Variance (%)
Profit Before Tax	17.87	128.93	621.49%

Profit before tax has increased by 621.49% from Rs. 17.87 lakhs in fiscal 2014 to Rs. 128.93 lakhs in fiscal 2015. As percentage of total revenue, profit before tax has increased from 1.21% in fiscal 2014 to 7.57% in fiscal 2015 showing an increase of 6.36%. The major increase in profit is due to reduction in cost of raw materials on account of growing seeds on our own leased farms instead of procuring raw seeds from contract farmers.

## PROVISION FOR TAX AND NET PROFIT

Particulars	2013-2014 (Rs. Lakhs)	2014-2015 (Rs. Lakhs)	Variance (%)
Taxation Expenses	6.00	8.68	44.67%
Profit after Tax	11.87	120.25	913.06%

The profit after tax has increased to Rs. 120.25 lakhs showing an increase of 913.06%. The increase in profit is due to due to reduction in cost of raw materials on account of growing seeds on our own leased farms instead of procuring raw seeds from contract farmers.

## COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2014 WITH FINANCIAL YEAR ENDED MARCH 31, 2013

### INCOME

#### Operating Income

Particulars	2012-2013	2013-2014	Variance
	(Rs. Lakhs)	(Rs. Lakhs)	(%)
Operating Income	1,183.79	1,482.13	25.20%

The operating income of the Company for the year ending March 31, 2014 is Rs. 1,482.13 lakhs as compared to Rs. 1,183.79 lakhs for the year ending March 31, 2013, showing an increase of 25.20%. The increase in sales was due to increase in business operations.

#### Other Income

Our other income decreased by 16.49% from Rs. 0.97 lakhs to Rs. 0.81 lakhs.

## DIRECT EXPENDITURE

Particulars	2012-2013 (Rs. Lakhs)	2013-2014 (Rs. Lakhs)	Variance (%)
Cost of materials consumed	849.77	1,075.65	26.58%



The direct expenditure has increased from Rs. 849.77 lakhs in Financial Year 2012-2013 to Rs. 1,075.65 lakhs in Financial Year 2013-2014 showing an increase of 26.58% over the previous year. The increase was on account of increase in business operations.

#### **MANUFACTURING, ADMINISTRATIVE AND EMPLOYEE COSTS**

Particulars	2012-2013 (Rs. Lakhs)	2013-2014 (Rs. Lakhs)	Variance (%)
Employee Benefit Expenses	55.31	59.18	7.00%
Other Expenses	201.12	262.13	30.34%
Total	256.43	321.31	25.30%

Our employee benefits expenses increased by 7.00% from Rs. 55.31 lakhs during fiscal 2013 to Rs. 59.18 lakhs in fiscal 2014. This increase in our employee benefit expenses was driven by a general increase in salaries, allowances and bonus paid to our employees as well as an increase in the number of our employees.

Our other expenses increased by 30.34% from Rs. 201.12 lakhs during fiscal 2013 to Rs. 262.13 lakhs during fiscal 2014. This increase was primarily due to increase in special discount, research & development expenses and due to increase in business activity.

#### **FINANCE CHARGES**

Our finance charges increased to Rs. 51.79 lakhs in Fiscal 2014 from Rs. 51.39 lakhs during Fiscal 2013. The increase was due to increase in unsecured borrowings from various lenders.

#### **DEPRECIATION AND AMORTIZATION**

Our depreciation and amortization expenses increased to Rs. 16.32 lakhs in fiscal 2014 from Rs. 10.84 lakhs in fiscal 2013 due to addition in plant & machinery and few assets being depreciated for full year as compared to being depreciated on pro rata basis in previous year.

#### **PROFIT BEFORE TAX**

Particulars	2012-2013 (Rs. Lakhs)	2013-2014 (Rs. Lakhs)	Variance (%)
Profit Before Tax	16.33	17.87	9.43%

Profit before tax has increased by 9.43% from Rs. 16.33 lakhs in fiscal 2013 to Rs. 17.87 lakhs in fiscal 2014. As percentage of total revenue, profit before tax has decreased from 1.38% in fiscal 2013 to 1.21% in fiscal 2014 showing a decrease of 0.17%. The increase in profit is due to increase in business operations.

#### **PROVISION FOR TAX AND NET PROFIT**

Particulars	2012-2013 (Rs. Lakhs)	2013-2014 (Rs. Lakhs)	Variance (%)
Taxation Expenses	5.99	6.00	0.17%
Profit after Tax	10.34	11.87	14.80%

The profit after tax has increased to Rs. 11.87 lakhs in fiscal 2014 showing an increase of 14.80%. The increase is in line with the increase in business operations.

**COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2013 WITH FINANCIAL YEAR ENDED MARCH 31, 2012.**
**INCOME**
**Operating Income**

Particulars	2011-2012 (Rs. Lakhs)	2012-2013 (Rs. Lakhs)	Variance (%)
Operating Income	671.19	1,183.79	76.37%

The operating income of the Company increased by Rs. 512.60 lakhs to Rs. 1,183.79 lakhs in fiscal 2013 as compared to Rs. 671.19 lakhs in fiscal 2012, showing an increase of 76.37%. The increase is as the Company was incorporated in midst of fiscal 2012 and the Company was fully operative in fiscal 2013.

**Other Income**

Our other income increased by 59.02% from Rs. 0.61 lakhs in fiscal 2012 to Rs. 0.97 lakhs in fiscal 2013.

**DIRECT EXPENDITURE**

Particulars	2011-2012 (Rs. Lakhs)	2012-2013 (Rs. Lakhs)	Variance (%)
Cost of materials consumed	450.66	849.77	88.56%

Our direct expenditure increased by Rs. 399.11 lakhs or 88.56% to Rs. 849.77 lakhs in fiscal 2013 from Rs. 450.66 lakhs in fiscal 2012. The increase is as the Company was incorporated in midst of fiscal 2012 and the Company was fully operative in fiscal 2013.

**MANUFACTURING, ADMINISTRATIVE AND EMPLOYEE COSTS**

Particulars	2011-2012 (Rs. Lakhs)	2012-2013 (Rs. Lakhs)	Variance (%)
Employee Benefit Expenses	38.03	55.31	45.44%
Other expenses	152.59	201.12	31.80%
Total	190.62	256.43	34.52%

Our employee benefits expenses increased by Rs. 17.28 lakhs or 45.44% from Rs. 38.03 lakhs during fiscal 2012 to Rs. 55.31 lakhs in fiscal 2013. This increase in our employee benefit expenses was driven by an increase in the number of our employees as well as salaries being paid for full year as compared to part of the previous year.

Our other expenses increased by 31.80 % from Rs. 152.59 lakhs during fiscal 2012 to Rs. 201.12 lakhs during fiscal 2013. This increase was primarily due to company being fully operated during fiscal 2013 and offsetted by reduction in incorporation expenses.

**FINANCE CHARGES**

Our finance charges increased by Rs. 35.41 lakhs to Rs. 51.39 lakhs in fiscal 2013 from Rs. 15.98 lakhs in fiscal 2012. The increase is due to increase in working capital loan and other borrowings.



Also the increase is contributed to company being fully operative during fiscal 2013 as compared to its first year of incorporation i.e. .fiscal 2012.

#### DEPRECIATION

Our depreciation and amortization expenses increased by Rs. 5.02 lakhs from Rs. 5.82 lakhs in fiscal 2012 to Rs. 10.84 lakhs in fiscal 2013. The increase was due to assets being depreciated for whole in year in fiscal 2013 as against depreciation for partial year in fiscal 2012. Further the increase is also contributed to addition of new plant & machinery and vehicles.

#### PROFIT BEFORE TAX

Particulars	2011-2012 (Rs. Lakhs)	2012-2013 (Rs. Lakhs)	Variance (%)
Profit Before Tax	8.72	16.33	87.27%

Our profit before tax increased by 87.27% to Rs. 16.33 lakhs in fiscal 2013 from Rs. 8.72 lakhs in fiscal 2012. Since our Company was incorporated in September 2011, fiscal 2012 was its first year of operations. The increase in profit before tax is due to Company being able to carry out its operations for whole year of 2013.

#### PROVISION FOR TAX AND NET PROFIT

Particulars	2011-2012 (Rs. Lakhs)	2012-2013 (Rs. Lakhs)	Variance (%)
Taxation Expenses	3.24	5.99	84.88%
Profit after Tax	5.48	10.34	88.69%

Our profit after tax increased by Rs. 4.86 lakhs to Rs. 10.34 lakhs in fiscal 2013 from Rs. 5.48 lakhs in fiscal 2012.

Mangalam Nutrifeeds Private Limited, Unjha Psyllium Private Limited and Unjha Spices Private Limited became subsidiaries on February 16, 2015, March 30, 2015 and March 30, 2015, respectively. These Companies are yet to start operations. Also no comparison can be made with previous year as these Companies became subsidiaries in between the year.

#### OTHER MATTERS

##### 1. Unusual or infrequent events or transactions

Except as described in this Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

##### 2. Significant economic changes that materially affected or are likely to affect income from continuing operations

Other than as described in the section titled "Risk Factors" beginning on page 16 of this Prospectus to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

##### 3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations

Other than as disclosed in the section titled "Risk Factors" beginning on page 16 of this

Prospectus to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

**4. Future relationship between Costs and Income**

Our Company’s future costs and revenues will be determined by demand/supply situation, government policies and prices of raw materials.

**5. The extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased prices**

Increase in revenue is by and large linked to increases in volume of business activity by the Company.

**6. Total turnover of each major industry segment in which the issuer company operates.**

The Company is operating in seeds industry. Relevant industry data, as available, has been included in the chapter titled “Our Industry” beginning on page 122 of this Prospectus.

**7. Status of any publicly announced new products or business segments**

Our Company has not announced any new product and segment, other than disclosed in the Prospectus.

**8. The extent to which the business is seasonal**

The business of the company is seasonal because many of its products are sold in Kharif season even though some products are also sold in Rabi season. Also, majority of farmers depend on rain for cultivation. Usually rainfall occurs during Kharif season and hence, the timing of rainfall also has significant impact on the business of the Company. If there is a slight change in timing of rain fall, the sales will get deferred from one reporting period to another reporting period.

Our business operations may be materially and adversely affected by seasonal and weather factors, which can materially and adversely affect the quality and quantity of seeds produced. The weather can also affect the presence of disease and pests. Any sudden changes in the local weather could potentially affect a substantial portion of our production in any year and have a material and adverse effect our business, results of operations and financial condition.

**9. Any significant dependence on a single or few suppliers or customers**

The % of contribution of our Company’s customer and supplier vis a vis revenue from operations and raw materials cost respectively for the year ended March 31, 2015 is as follows:

	<b>5 Customers</b>	<b>6 Suppliers</b>
Top 5 (%)	30.87%	93.13%
Top 10 (%)	47.41%	99.75%

**10. Competitive Conditions**

We face competition from existing and potential unorganized competitors which is common for any business. We have, over a period of time, developed certain competitive strengths which have been discussed in section titled “Our Business” on page 135 of this Prospectus.



## FINANCIAL INDEBTEDNESS

Our Company utilizes various credit facilities from banks, for conducting its business. Set forth below is a brief summary of our Company's secured borrowings from banks together with a brief description of certain significant terms of such financing arrangements.

### Secured Loan

#### 1. Cash Credit Facility of Rs. 400 lakhs sanctioned by HDFC Bank Limited *vide* their sanction letter dated July 18, 2014

Facility	Cash Credit (Regular)	Cash Credit (Seasonal)
Type	Cash Credit facility throughout the year	Cash Credit facility for a period between July to December
Amount	Rs. 300 Lakhs	Rs. 100 Lakhs
Interest Rate (per annum)	Prevailing Base Rate + 2%, i.e. (10% + 2%) = 12%	
Repayment	On Demand	
Security	<p><b>Primary</b> Hypothecation by way of first and exclusive charges on all present and future current assets including all stock and book debts.</p> <p><b>Collateral</b> Equitable mortgage of the Residential Property worth RS.350.00 Lakhs (FMV) located at 15, Hariharashray-2 , Opp. Krishna Bungalow, B/H Silver Square Building, Shilaj Road ,Thaltej, Ahmedabad</p> <p><b>Guarantee</b> Personal Guarantee by :</p> <ol style="list-style-type: none"> <li>1. Mafatlal J Patel</li> <li>2. Pravinbhai M Patel</li> <li>3. Dhanajibhai Patel</li> <li>4. Patel Narsinhbhai</li> <li>5. Patel Revabhai</li> <li>6. Kalpeshbhai Patel</li> </ol>	
Outstanding amount as on March 31, 2015	Rs. 317.62 Lakhs	

### Restrictive Covenants

- a. Company shall not pay interest on unsecured loans/ dividend/ withdrawal in form of salary/ remuneration/ incentive/ commission by the promoters/ directors in case of over dues with the bank.
- b. No withdrawals of unsecured loans of Rs. 195 Lakhs as on March 31, 2014 during the currency of overdraft.
- c. Lender has the right to review the Cash Credit Facility in case of change in ownership of the Company. The Company shall inform the lender immediately in case of change in Shareholding Pattern.
- d. No additional borrowing from any other Bank/FIs without HDFC Bank permission
- e. Company shall not have any account with other bank/financial institutions divert any funds to any purpose and launch any new scheme of expansion without prior permission of the lender.
- f. Borrower shall not divert any funds for any other purpose or launch any other scheme of expansion/ business without permission of the Bank.

**The Cash Credit Facility availed by us is repayable on demand.**

### 2. Car Loan of Rs. 6 lakhs sanctioned by Volkswagen Finance Private Limited *vide* their sanction letter dated March 20, 2013

Facility	Car Loan
Amount	Rs. 6 Lakhs
Interest Rate (per annum)	10.32 %
Repayment Schedule	EMI of Rs. 19,285/- every month for a period of 36 months
Security	Volkswagen Car GJ -01- RB-5240
Outstanding amount as on March 31, 2015	Rs. 2.01 Lakhs

### 3. Car Loan of Rs. 5 lakhs sanctioned by Volkswagen Finance Private Limited *vide* their sanction letter dated March 21, 2013

Facility	Car Loan
Amount	Rs. 5 Lakhs
Interest Rate (per annum)	10.32 %
Repayment Schedule	EMI of Rs. 16,071/- every month for a period of 36 months
Security	Volkswagen Car GJ -01- RA-4783
Outstanding amount as on March 31, 2015	Rs. 1.67

**4. Car Loan of Rs. 6.57 lakhs sanctioned by HDFC Bank Limited *vide* their sanction letter dated January 2, 2015**

Facility	Car Loan
Amount	Rs. 6.57 Lakhs
Interest Rate (per annum)	10.51%%
Repayment Schedule	EMI of Rs. 30,473/- every month for a period of 36 months
Security	Mahindra Bolero Car GJ -02- BP-5240
Outstanding amount as on March 31, 2015	6.07 Lakhs

**Unsecured Borrowings**

**Nil**

## SECTION VI – LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated below and other than as disclosed elsewhere in this Prospectus (i) there are no winding up petitions, outstanding litigation including, but not limited to, suits, criminal proceedings, civil proceedings, statutory or legal proceedings, including those for economic offences, tax liabilities, show cause notices or legal notices pending against our Company, Directors, Promoter and Group Entities or against any other company whose outcome could have a materially adverse effect on the business, operations or financial position of our Company, and (ii) proceedings initiated for economic, civil 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 (a) of Part I of Schedule V of the Companies Act, 2013) other than unclaimed liabilities of our Company, and (iii) no disciplinary action has been taken by SEBI or any stock exchange against our Company, Directors, Promoter or Group Entities.

Unless stated to the contrary, the information provided below is as of the date of this Prospectus.

#### I. Litigation Involving Our Company

##### 1. Outstanding Litigation

###### Criminal Proceedings

- a. Criminal Case number 594/14 before the Honourable Judicial Magistrate (First Class), Jamkandorna, Rajkot has been filled against the company for alleged non-compliance with section 7(b) of the Seeds Act, 1966 ('Seeds Act') by the Agriculture Officer, Jamkandorna, Rajkot on 12 August 2014. The Agriculture Officer alleges that the Cumin MSC-5 seeds having batch number MAR-BLK 131 did not meet the minimum limits of the germination and purity with respect to such seeds notified under section 6 (a) of the Seeds Act. This constitutes a violation of section 7(b) of the Seeds Act which states that no person shall carry on the business of selling, keeping for sale, offering to sell, bartering or otherwise supplying any seed of any notified kind or variety, unless such seeds conform to the minimum limits of germination and purity specified under section 6 (a). If there is an adverse finding against the Company, it will be liable for a fine under section 19 of the Seeds Act, which may extend to five hundred rupees since this will be the Company's first offence. At present the Company has filed its written statement before the Honourable Judicial Magistrate (First Class), Jamkandorna, Rajkot.

###### Civil Proceedings

Save as set out below, there are no criminal proceedings initiated against our Company.

###### Cases Relating to Taxation Laws

There are no proceedings initiated against our Company under any tax legislation.



## **2. Proceedings Initiated Against Our Company For Economic Offences**

There are no proceedings initiated against our Company for any economic offences.

## **3. Past Penalties Imposed On Our Company**

- a. The District Consumer Forum at Chittorgarh, Rajasthan had passed an order against the Company under Section 12 of the Consumer Protection Act, 1986 on 11 November, 2014 requiring the Company to pay a sum of Rs.10,000/- (Rupees Ten Thousand Only) to a farmer who had claimed that the seeds sold by the company did not provide the yield as promised by the Company. The District Forum had also imposed Rs. 2,000/- (Rupees Two Thousand Only) as costs.
- b. The Company was originally established as a partnership firm under the name of M/s Mangalam Seeds Corporation, which was converted to the Company in 2011. Mangalam Seeds Corporation was required to pay a sum of rupees fifteen thousand four hundred sixty under section under the demand notice dated 30 October 2014 under section 156 of the Income Tax Act, 1961 pursuant to an assessment order dated 30 October 2014 under section 143 (3) of the Income Tax Act, 1961 for the assessment year 2012-13 by the Income Tax Officer, Ahmedabad.

## **4. Pending Notices Against Our Company**

- a. The Company has been served with a notice for audit assessment under Section 34 (2) of the Gujarat Value Added Tax, Act, 2003 for the assessment year 2011-2012 dated 11 March 2014 to be present before the Commercial Tax Officer with all necessary evidence to support the self-assessment made by the Company.
- b. The Company has been served with a notice under Rule 9(4) of the Central Sales Tax (Gujarat) Rules, 1970 for the assessment year 2011-2012 dated 11 March 2014 to be present before the Commercial Tax Officer with all necessary evidence to support the return made by the Company and to show cause as to why the Company should not be reassessed to tax and penalty under Section 9 of the Central Sales Tax Act, 1956.

## **5. Material Developments Since The Last Balance Sheet Date**

Except as stated in this Prospectus, there are no material developments since the date of the last balance sheet of our Company.

## **6. Outstanding dues to small scale undertaking(s) or any other creditors**

Otherwise as disclosed below there are no outstanding dues above Rupees One Lakh to small scale undertakings for more than 30 days. There are no outstanding dues above Rupees One Lakh to any other creditors by our Company, except in the ordinary course of business.

Sr. No	Name	Amount (Rs. In Lakhs)
1.	M/S Armour Hybrid Seeds	1.31
2.	Patel Maheshbhai Mohanbhai-Kapadwanj	1.20
3.	Patel Ranchodbhai Jevadbhai-Fulpura	3.00
4.	Prakash Plastic Packaging	1.10
5.	S.P.Enterprise Ahmedabad	2.00
6.	Sun Roto Print Ahmedabad	1.56
7.	Sunflex Laminators	8.67
	<b>Total</b>	<b>18.83</b>

**7. Outstanding Litigation Against Other Companies Whose Outcome Could Have An Adverse Effect On Our Company**

There are no outstanding litigation against other companies whose outcome could have an adverse effect on our Company.

**8. Adverse Findings Against Our Company And Any Persons Or Entities Connected With Our Company As Regards Non Compliance With Securities Laws**

There are no adverse findings involving our Company and any persons or entities connected with our Company as regards non compliance with securities law.

**9. Disciplinary Action Taken By SEBI Or Stock Exchanges Against Our Company**

There is no disciplinary action taken by SEBI or stock exchanges against our Company.

**10. Defaults Including Non-Payment Or Statutory Dues, Over-Dues To Banks Or Financial Institutions**

Except as stated in the section “Financial Statements” beginning on page 220 of this Prospectus, there are no defaults including non-payment or statutory dues, over-dues to banks or financial institutions, defaults against banks or financial institutions or rollover or rescheduling of loans or any other liability, defaults in dues payable to holders of any debenture, bonds and fixed deposits or arrears on cumulative preference shares issued by our Company, Promoter and Group Entities and defaults in creation of full security as per the terms of issue or other liabilities.

**11. Details Of Any Inquiry, Inspection Or Investigation Initiated Or Conducted Under The Companies Act, 2013 Or The Previous Companies Law**

There have been no inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or the Companies Act, 1956 against our Company in the last five years, and no prosecution has been filed, or fines imposed, or compounding done by our Company under the Companies Act, 2013 or the Companies Act, 1956 in the last five years.



## **II. Litigation Involving Directors Of Our Company**

### **1. Outstanding Litigation**

There are no other outstanding litigation involving our Directors including criminal prosecutions or civil proceedings involving our Directors, and there are no material defaults, violation of statutory regulations or non-payment of statutory dues, over dues to banks or financial institutions or defaults against banks/financial institutions by our Directors (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under Schedule V of the Companies Act, 2013), except as disclosed in the sub section "Litigation involving our Company" on page 291 of this Prospectus.

### **2. Past Penalties Imposed On Our Directors**

There are no past penalties imposed on our Directors.

### **3. Proceedings initiated against our Directors for economic offences**

There are no proceedings initiated against our Directors for any economic offences.

### **4. Tax proceedings initiated against our Directors**

There are no tax proceedings initiated against our Directors.

### **5. Directors On The List Of Wilful Defaulters Of RBI**

None of our Directors or any entity with which our Directors are or have been associated as director, promoter, partner and/or proprietor have been declared wilful defaulters by RBI either in the past or present.

## **III. Litigation involving our Promoter**

### **1. Outstanding Litigation Against Our Promoter**

There are no outstanding litigation proceedings involving our Promoter, including criminal prosecutions or civil proceedings, and there are no material defaults, non-payment of statutory dues, over dues to banks or financial institutions or defaults against banks or financial institutions by our Promoter (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (1) of part I of Schedule V of the Companies Act, 2013).

### **2. Outstanding Litigation Filed By Our Promoter**

There are no pending litigation proceedings, including disputed outstanding litigation and material developments or proceeding filed by our Promoter.

### **3. Past Penalties Imposed On Our Promoter**

There are no past penalties imposed on our Promoter.

**4. Litigation/ Legal Action Pending or Taken by Any Ministry or Department of the Government or a Statutory Authority Against Any Promoter.**

No litigation/ legal action is pending or has been taken by any Ministry or Department of the Government of India or any statutory authority against our Promoter in the last five years.

**5. Proceedings Initiated Against Our Promoter For Economic Offences**

There are no proceedings initiated against our Promoter, for any economic offences.

**6. Tax proceedings initiated against our Promoter**

There are no tax proceedings initiated against our Promoter outstanding as on the date of this Prospectus.

**7. Criminal Proceedings Initiated Against Our Promoter**

There are no criminal proceedings initiated against our Promoter outstanding as on the date of this Prospectus.

**8. Litigation/Defaults In Respect Of Companies/Firms/Ventures With Which Our Promoter Was Associated In The Past**

- a. M/s Mangalam Seeds Corporation a partnership firm of the promoters of our Company was required to pay a sum of rupees fifteen thousand four hundred sixty under section under the demand notice dated 30 October 2014 under section 156 of the Income Tax Act, 1961 pursuant to an assessment order dated 30 October 2014 under section 143 (3) of the Income Tax Act, 1961 for the assessment year 2012-13 by the Income Tax Officer, Ahmedabad.

**9. Adverse Findings Against Any Persons/Entities Connected With Our Promoter As Regards Non Compliance With Securities Laws**

There are no adverse findings involving any persons or entities connected with our Promoter with regard to non compliance with securities law.

**10. Civil proceedings initiated against our Promoter**

There are no civil proceedings initiated against our Promoter outstanding as on the date of this Prospectus.

**11. Litigation against our Promoter for violation of statutory regulations**

There are no pending litigation proceedings initiated against our Promoter for violation of statutory regulations as on the date of this Prospectus.





#### **IV. Litigation involving Group Entities**

##### **1. Outstanding Litigation Against Our Group Entities**

There are no pending litigation proceedings, including disputed outstanding litigation and material developments or proceeding filed by our Group Entities.

##### **2. Outstanding Litigation Filed By Our Group Entities**

There are no pending litigation proceedings, including disputed outstanding litigation and material developments or proceeding filed by our Group Entities.

##### **3. Past Penalties Imposed On Our Group Entities**

There are no past penalties imposed on our Group Entities.

##### **4. Proceedings Initiated Against Our Group Entities For Economic Offences**

No proceedings have been initiated against our Group Entities for any economic offence.

##### **5. Adverse Findings Against Any Persons Or Entities Connected With Our Group Entities As Regards Non Compliance With Securities Laws**

There are no adverse findings involving any persons or entities connected with our Group Entities with regard to non compliance with securities law.

##### **6. Proceedings Initiated Against Our Group Entities Involving Labour Disputes Or Closure**

There are no pending litigation proceedings against our Group Entities with respect to labour disputes or closures as on the date of this Prospectus.

##### **7. Proceedings Against Our Group Entities With Respect To Default Or Overdues**

There are no pending litigation proceedings against our Group Entities with respect to default or overdues as on the date of this Prospectus.

#### **V. Litigation involving Subsidiaries**

##### **1. Outstanding Litigation Against Our Subsidiaries**

There are no pending litigation proceedings, including disputed outstanding litigation and material developments or proceeding filed by our Subsidiaries.

##### **2. Outstanding Litigation Filed By Our Subsidiaries**

There are no pending litigation proceedings, including disputed outstanding litigation and material developments or proceeding filed by our Subsidiaries.

##### **3. Past Penalties Imposed On Our Subsidiaries**

There are no past penalties imposed on our Subsidiaries.

**4. Proceedings Initiated Against Our Subsidiaries For Economic Offences**

No proceedings have been initiated against our Subsidiaries for any economic offence.

**5. Adverse Findings Against Any Persons Or Entities Connected With Our Subsidiaries As Regards Non Compliance With Securities Laws**

There are no adverse findings involving any persons or entities connected with our Subsidiaries with regard to non compliance with securities law.

**6. Proceedings Initiated Against Our Subsidiaries Involving Labour Disputes Or Closure**

There are no pending litigation proceedings against our Subsidiaries with respect to labour disputes or closures as on the date of this Prospectus.

**7. Proceedings Against Our Subsidiaries With Respect To Default Or Overdues**

There are no pending litigation proceedings against our Subsidiaries with respect to default or overdues as on the date of this Prospectus.

Except as disclosed otherwise no litigations have arisen after the filing of the Draft Prospectus



## GOVERNMENT AND OTHER STATUTORY APPROVALS

In view of the licenses / permissions / approvals / no-objections / certifications / registrations, (collectively 'Authorisations') listed below, our Company can undertake this Issue and our current business activities and to the best of our knowledge, no further approvals from any governmental or regulatory authority or any other entity are required to undertake this Issue or continue our business activities. Unless otherwise stated, these approvals are all valid as of the date of this Prospectus.

It must be distinctly understood that, in granting these approvals, the Government of India, the RBI or any other authority does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. For further details in connection with the regulatory and legal framework within which we operate, please refer to the chapter titled "Key Industry Regulations and Policies" on page 171 of this Prospectus.

### Approvals for the Issue

#### *Corporate Approvals*

Our Board has, pursuant to a resolution passed at its meeting held on 27 April, 2015 authorized the Issue.

Our shareholders have pursuant to a resolution passed at their meeting dated 20 May, 2015 under Section 62 of the Companies Act, 2013 authorized the Issue.

#### *Approvals from the Stock Exchange*

We have received in-principle approval from the Stock Exchange for the listing of our Equity Shares pursuant to letter DSC/IPO/NP/Ip/372/2015-16 dated 26 June, 2015.

### Incorporation Details

1. Certificate of Incorporation dated 14 September 2011, issued by Registrar of Companies, Gujarat, Dadar and Nagar Havelli in the name of "**Mangalam Seeds Limited**".
2. Certificate for Commencement of Business dated 26 September 2011, was issued by the Registrar of Companies, Gujarat, Dadar and Nagar Havelli to "**Mangalam Seeds Limited**".
3. The Corporate Identity Number (CIN) of the Company is **U01112GJ2011PLC067128**.
4. The Company has entered into an agreement dated May 12, 2015 with the Central Depository Services (India) Limited ('**CDSL**') and the Registrar and Transfer Agent, who in this case is Karvy Computershare Private Limited, for the dematerialization of its shares.
5. Similarly, the Company has also entered into an agreement dated June 5, 2015 with the National Securities Depository Limited ('**NSDL**') and the Registrar and Transfer Agent, who in this case is Karvy Computershare Private Limited for the dematerialization of its shares.
6. The ISIN Number of the Company is INE829S01016

### Taxation Related Approvals/ Licenses/ Registrations

The Company has obtained the following approvals from various tax authorities as set out below:

Sl. No	Description	Authority	Registration Number	Date of Issue/ Application	Date of Expiry/ Status
1.	Permanent Account Number (PAN)	The Income Tax Department, Government of India.	AAHCM4605R	26 September 2011	NA
2.	Tax Deduction and Collection Account Number (TAN)	The Income Tax Department, Government of India.	AHMM11554E	NA	NA
3.	Certificate of Registration under Gujarat Sales Tax Act, 1969*	Sales Tax Officer (1) Class-I, Unit - 8, Ahmedabad	24073404132	28 June 2004	Until Cancelled
4.	Certificate of Registration under section 7(1)/7(2) of Central Sales Tax Act, 1956#	Commissioner of Commercial Tax	24573404132	24 August 2004	Until Cancelled
5.	Professional Tax Enrolment Certificate (PTEC)	Assistant Manager, Professional Tax (W.Z)	PE/C015150857	5 June 2012	Until Cancelled

\* *The certificate was issued to Mangalam Seeds Corporation. The certificate was later amended to reflect the change in entity from Mangalam Seeds Corporation to Mangalam Seeds Limited with effect from 14 September 2011.*

# *The certificate has been amended to reflect the change in entity form Mangalam Seeds Corporation to Mangalam Seeds Limited.*

### Labour Related Approvals/ License/Registrations

Sl. No	Description	Authority	Registration Number	Date of Issue/ Application	Date of Expiry/ Status
1.	Registration under the Gujarat Shops and Establishments Act, 1948**	Deputy Municipal Corporation, Ahmedabad Municipal Corporation	PII/EL/16/0000030 (Ellisbridge)	10 June 2008	31 December 2018

\*\*The certificate has been renewed on 26 February 2014 and is valid for till 31 December 2018.

### Miscellaneous Approval/ Licenses/Registrations

Sl. No	Description	Authority	Registration Number	Date of Issue/ Application	Date of Expiry/ Status
1.	License to Carry on Business of a Dealer in Seeds	Deputy Director of Agriculture (Extension), Ahmedabad	1362	27 June 2003	26 June 2015
2.	License to Carry on Business of a Dealer in Seeds	Licensing Authority, Indore, Madhya Pradesh	1275	28 May 2013	27 May 2016
3.	ISO 9001:2008	Standards Certification Council Private Limited	SCC/IN/QMS/1250	30 December 2014	30 December 2015
4.	Gowdown Registration	Gujarat State Seeds Certification Agency Ahmedabad	Gowdown Registration Number: 065	1 January 2015	31 December 2015
5.	Entrepreneurs' Memorandum (EM) for setting up Micro, Small, Medium Enterprise-Acknowledgement	District Industries Centre, Ahmedabad	No/DIC/AHD/EM/Part-2/19705	11 September 2013	NA

Sl. No	Description	Authority	Registration Number	Date of Issue/ Application	Date of Expiry/ Status
	for Part-II				
6.	Registration of Mangalam-252	Directorate of Agriculture, Gujarat	IQ/Seed-2/Baj.Renew/316-12/16857-58/2014	19 May 2015	18 May 2017
7.	Registration of Eklavya	Directorate of Agriculture, Gujarat	IQ/Seed-2/Baj.Reg/316-12/35464-465/2012	5 April 2012	3 May 2016
8.	Registration of MSC-5240	Directorate of Agriculture, Gujarat	IQ/Seed-2/Baj.Reg/316-12/35466-467/2012	16 May 2012	15 May 2015
9.	Registration of MSC-55	Directorate of Agriculture, Gujarat	IQ/Seed-2/Castor.Renew/55-2003/24985-986/2013	13 May 2013	12 May 2016
10.	Registration of Mangalam-155	Directorate of Agriculture, Gujarat	IQ/Seed-2/Castor.Reg/410-12/8453-54/2013	17 January 2013	16 January 2018
11.	Registration of Leetos	Directorate of Agriculture, Gujarat	IQ/Seed-2/Castor.Reg/137-13/7999-8000/2014	14 February 2014	13 February 2019
12.	Registration of Siddhraj	Directorate of Agriculture, Gujarat	IQ/Seed-2/Castor.Reg/137-13/7999-8000/2014	14 February 2014	13 February 2019
13.	Registration of MSC-55, MSC-155, MSC-5240, Mangalam-252, Mangalam-Eklavya, MSC-66, MSC-8, MSC-5, Mangalam 220, Mangalam-222, Mangalam-Chetak and Juddo	Directorate of Agriculture, Rajasthan	F.24 (113) Agri./Seed Registration/2013-14/216	10 April 2013	9 April 2016

Sl. No	Description	Authority	Registration Number	Date of Issue/ Application	Date of Expiry/ Status
14.	Recognition of In-house R&D Facility	Department of Scientific and Industrial Research	TU/IV-RD/3569	14 February 2015	NA

### Intellectual Property Related Approvals/Registration/Assignments

In order to protect our intellectual property rights, we have registered trademarks and copyrights for our various products.

#### Trademarks:


We have registered/ applied for registration of the following Trademarks with Trademarks Registry, Government of India and as on date of this Prospectus they are legally held by the Company.



Sl. No	Description	Word/Label Mark	Applicant	Application Number	Date of Filing	Class	Date of Expiry	Status
1.	ABHAY ABHAY	DEVICE	Mangalam Seeds Limited	2018605	03 September 2010	31	03 September 2020	Registered Certificate No. 1149965 Dated : 20 January 2014
2.	ABHAY-251 <b>ABHAY-251</b>	DEVICE	Mangalam Seeds Limited	2181635	27 July 2011	31	27 July 2021	Registered Certificate No. 1166015 Dated : 28 April 2014
3.	DAMDAR <b>दमदार</b>	DEVICE	Mangalam Seeds Limited	2181638	27 July 2011	31	27 July 2021	Registered Certificate No. 1193920 Dated : 04 December 2014
4.	EKLAVYA <b>EKLAVYA</b>	DEVICE	Mangalam Seeds Limited	2181637	27 July 2011	31	27 July 2021	Registered Certificate No. 1107583 Dated : 19 July 2013
5.	JUDDO <b>JUDDO</b>	DEVICE	Mangalam Seeds	2181636	27 July 2011	31	27 July 2011	Registered Certificate

Sl. No	Description	Word/Label Mark	Applicant	Application Number	Date of Filing	Class	Date of Expiry	Status
			Limited					No. 1107967 Dated : 22 July 2013
6.	MANGALAM WITH M LOGO 	DEVICE	Mangalam Seeds Limited	2237102	21 November 2011	31	21 November 2021	Registered Certificate No. 1187632 Dated : 30 September 2014
7.	MANGALAM SEEDS LIMITED 	DEVICE	Mangalam Seeds Limited	2237099	21 November 2011	31	21 November 2021	Registered Certificate No. 1187252 Dated : 25 September 2014
8.	VOLINA VOLINA	DEVICE	Mangalam Seeds Limited	2237101	21 November 2011	31	21 November 2021	Registered Certificate No. 1123088 Dated : 10 October 2013
9.	NOVOKA NOVOKA	DEVICE	Mangalam Seeds Limited	2237100	21 November 2011	31	21 November 2021	Registered Certificate No. 1123129 Dated : 10 October 2013
10.	BREEKO BREEKO	DEVICE	Mangalam Seeds Limited	2391236	06 September 2012	31	06 September 2022	Registered Certificate No. 1162348 Dated : 28 March 2014
11.	LEETOS LEETOS	DEVICE	Mangalam Seeds Limited	2391237	06 September 2012	31	06 September 2022	Registered Certificate No. 1175619 Dated : 30 September 2014
12.	OLVELL OLVELL	DEVICE	Mangalam Seeds Limited	2391238	06 September 2012	31	06 September 2022	Registered Certificate No. 1175430 Dated : 27



Sl. No	Description	Word/Label Mark	Applicant	Application Number	Date of Filing	Class	Date of Expiry	Status
								June 2014
13.	ALVIRA <b>ALVIRA</b>	DEVICE	Mangalam Seeds Limited	2391243	06 September 2012	31	06 September 2022	Registered Certificate No. 1162460 Dated : 28 March 2014
14.	ARPITA <b>Arpita</b>	DEVICE	Mangalam Seeds Limited	2391235	06 September 2012	31	NA	Unregistered/ Advertised
15.	NURELA <b>NURELA</b>	DEVICE	Mangalam Seeds Limited	2391239	06 September 2012	31	NA	Opposed
16.	ROZZAK <b>ROZZAK</b>	DEVICE	Mangalam Seeds Limited	2391240	06 September 2012	31	NA	Unregistered/ Advertised
17.	SHIPRA <b>SHIPRA</b>	DEVICE	Mangalam Seeds Limited	2391241	06 September 2012	31	NA	Unregistered/ Advertised
18.	SIDDHRAJ <b>SIDDHRAJ</b>	DEVICE	Mangalam Seeds Limited	2391242	06 September 2012	31	NA	Unregistered/ Advertised
19.	MANGALAM-88 <b>MANGALAM-88</b>	DEVICE	Mangalam Seeds Limited	2470356	01 February 2013	31	NA	Unregistered/ Advertised
20.	MSC-220 <b>MSC-220</b>	DEVICE	Mangalam Seeds Limited	2470357	01 February 2013	31	NA	Unregistered/ Advertised
21.	MANGALAM HARAMOTI <b>MANGALAM HARAMOTI</b>	DEVICE	Mangalam Seeds Limited	2470358	01 February 2013	31	NA	Unregistered/ Advertised
22.	MANGALAM-KRANTI <b>MANGALAM-KRANTI</b>	DEVICE	Mangalam Seeds Limited	2470359	01 February 2013	31	NA	Unregistered/ Advertised
23.	MANGALAM-252 <b>MANGALAM-252</b>	DEVICE	Mangalam Seeds Limited	2470360	01 February 2013	31	NA	Unregistered/ Advertised
24.	MANGALAM-210 <b>MANGALAM-210</b>	DEVICE	Mangalam Seeds Limited	2470361	01 February 2013	31	NA	Unregistered/ Advertised
25.	MSC-5240	DEVICE	Mangalam	2470362	01	31	NA	Objected

Sl. No	Description	Word/Label Mark	Applicant	Application Number	Date of Filing	Class	Date of Expiry	Status
	<b>MSC-5240</b>		Seeds Limited		February 2013			
26.	MSC-5 <b>MSC-5</b>	DEVICE	Mangalam Seeds Limited	2470363	01 February 2013	31	NA	Unregistered/Advertised
27.	MSC-66 <b>MSC-66</b>	DEVICE	Mangalam Seeds Limited	2470364	01 February 2013	31	NA	Unregistered/Advertised
28.	MSC-55 <b>MSC-55</b>	DEVICE	Mangalam Seeds Limited	2518477	23 April 2013	31	NA	Objected
29.	MSC-155 <b>MSC-155</b>	DEVICE	Mangalam Seeds Limited	2549883	17 June 2013	31	NA	Objected
30.	MANGALAM-220 <b>MANGALAM-220</b>	DEVICE	Mangalam Seeds Limited	2549884	17 June 2013	31	NA	Objected
31.	ABHAY-SUPER <b>ABHAY-SUPER</b>	DEVICE	Mangalam Seeds Limited	2549885	17 June 2013	31	NA	Objected
32.	DEVICE OF MAN 	DEVICE	Mangalam Seeds Limited	2549886	17 June 2013	31	NA	Objected
33.	PINAK <b>PINAK</b>	DEVICE	Mangalam Seeds Limited	2566126	17 July 2013	31	17 July 2023	Registered Certificate No. 1203500 Dated : 19 March 2015
34.	KESHMA <b>KESHMA</b>	DEVICE	Mangalam Seeds Limited	2566134	17 July 2013	31	17 July 2023	Registered Certificate No. 1203277 Dated : 18 March 2015
35.	MANGALAM WITH LOGO M AND DEVICE OF LEAVES	DEVICE	Mangalam Seeds Limited	2566124	17 July 2013	31	NA	Objected

Sl. No	Description	Word/Label Mark	Applicant	Application Number	Date of Filing	Class	Date of Expiry	Status
								
36.	SETU 	DEVICE	Mangalam Seeds Limited	2566127	17 July 2013	31	NA	Objected
37.	TAMITA 	DEVICE	Mangalam Seeds Limited	2566128	17 July 2013	31	NA	Objected
38.	UJASH 	DEVICE	Mangalam Seeds Limited	2566129	17 July 2013	31	NA	Objected
39.	ASHAVARI 	DEVICE	Mangalam Seeds Limited	2566130	17 July 2013	31	NA	Objected
40.	BILVA 	DEVICE	Mangalam Seeds Limited	2566131	17 July 2013	31	NA	Objected
41.	BLUM 	DEVICE	Mangalam Seeds Limited	2566132	17 July 2013	31	NA	Objected
42.	GOPUJI 	DEVICE	Mangalam Seeds Limited	2566133	17 July 2013	31	NA	Objected
43.	MANGALAM WITH M LOGO AND DEVICE OF LEAF 	DEVICE	Mangalam Seeds Limited	2569591	24 July 2013	22	NA	Objected
44.	MANGALAM WITH M LOGO AND DEVICE OF LEAF 	DEVICE	Mangalam Seeds Limited	2569592	24 July 2013	10	NA	Objected
45.	MANGALAM WITH M LOGO AND DEVICE OF LEAF 	DEVICE	Mangalam Seeds Limited	2569593	24 July 2013	13	NA	Objected
46.	MANGALAM WITH	DEVICE	Mangalam	2569594	24 July	15	NA	Objected

Sl. No	Description	Word/Label Mark	Applicant	Application Number	Date of Filing	Class	Date of Expiry	Status
	M LOGO AND DEVICE OF LEAF 		Seeds Limited		2013			
47.	MANGALAM WITH M LOGO AND DEVICE OF LEAF 	DEVICE	Mangalam Seeds Limited	2569595	24 July 2013	18	NA	Objected
48.	MANGALAM WITH M LOGO AND DEVICE OF LEAF 	DEVICE	Mangalam Seeds Limited	2569596	24 July 2013	40	NA	Objected
49.	MANGALAM WITH M LOGO AND DEVICE OF LEAF 	DEVICE	Mangalam Seeds Limited	2569597	24 July 2013	43	NA	Objected
50.	MANGALAM WITH M LOGO AND DEVICE OF LEAF 	DEVICE	Mangalam Seeds Limited	2569598	24 July 2013	45	NA	Objected
51.	ANTOP 	DEVICE	Mangalam Seeds Limited	2574372	01 August 2013	31	NA	Objected
52.	DELIOS 	DEVICE	Mangalam Seeds Limited	2574373	01 August 2013	31	NA	Objected
53.	GRONER 	DEVICE	Mangalam Seeds Limited	2574374	01 August 2013	31	NA	Unregistered/ Advertised
54.	KANJARI 	DEVICE	Mangalam Seeds Limited	2574375	01 August 2013	31	NA	Objected
55.	KEROLIN 	DEVICE	Mangalam Seeds	2574376	01 August 2013	31	NA	Unregistered/ Advertised

Sl. No	Description	Word/Label Mark	Applicant	Application Number	Date of Filing	Class	Date of Expiry	Status
			Limited					
56.	REEFIX 	DEVICE	Mangalam Seeds Limited	2574377	01 August 2013	31	NA	Objected
57.	ABHAY-PLUS 	DEVICE	Mangalam Seeds Limited	2636757	03 December 2013	31	NA	Objected
58.	MANGALAM WITH M LOGO 	DEVICE	Mangalam Seeds Limited	2719223	16 April 2014	7	NA	Unregistered
59.	KIOSITECH 	DEVICE	Mangalam Seeds Limited	2719224	16 April 2014	7	NA	Unregistered
60.	MANGALAM 	DEVICE	Mangalam Seeds Limited	2751054	05 June 2014	31	NA	Unregistered
61.	MANGALAM 	DEVICE	Mangalam Seeds Limited	2751055	05 June 2014	31	NA	Unregistered
62.	MANGALAM BRAND KAPASIYA  K HOL आर० कपासिया भोण	DEVICE	Mangalam Seeds Limited	2868903	24 December 2014	31	NA	Required to be sent for Vienna Codification
63.	JUDDO BRAND KAPASIYA KHOL  आर० कपासिया भोण	DEVICE	Mangalam Seeds Limited	2868904	24 December 2014	31	NA	Required to be sent for Vienna Codification
64.	MANGALAM WITH M LOGO 	DEVICE	Mangalam Seeds Limited	2868905	24 December 2014	31	NA	Required to be sent for Vienna Codification
65.	JUDDO 	DEVICE	Mangalam Seeds Limited	2868906	24 December 2014	31	NA	Required to be sent for Vienna Codification
66.	ANTHER	WORD	Mangalam Seeds	2868907	24 December	31	NA	Unregistered

Sl. No	Description	Word/Label Mark	Applicant	Application Number	Date of Filing	Class	Date of Expiry	Status
			Limited		2014			
67.	POLLEN	WORD	Mangalam Seeds Limited	2868908	24 December 2014	31	NA	Unregistered
68.	SPIKE	WORD	Mangalam Seeds Limited	2868909	24 December 2014	31	NA	Unregistered
69.	FUZZ	WORD	Mangalam Seeds Limited	2868910	24 December 2014	31	NA	Unregistered
70.	GLANDS	WORD	Mangalam Seeds Limited	2868911	24 December 2014	31	NA	Unregistered

**Copyright:**

We have applied for the registration of the following copyright with the Copyright Office, Government of India:

Sl.No	Description	Type	Applicant	Application Number	Date of Application	Date of Expiry	Status
1.	MANGALAM WITH LOGO	Copy Right NOC	Mangalam Seeds Limited	43536	July 17, 2013	NA	Inprocess

**Approvals/Licenses to be applied for:**

1. Registration Certificate under the Gujarat State Tax On Professions, Trades, Callings And Employments Act, 1976.
2. Registration Certificate under the Gujarat Shops and Establishments Act, 1948 for the Research and Development Facilities of the Company.



## OTHER REGULATORY AND STATUTORY DISCLOSURES

### AUTHORITY FOR THE ISSUE

The Issue has been authorized by a resolution passed by our Board of Directors at its meeting held on April 27, 2015 and by the shareholders of our Company by a special resolution, pursuant to Section 62 of the Companies Act, 2013 passed at the EGM of our Company held on May 20, 2015.

### PROHIBITION BY SEBI, RBI OR OTHER GOVERNMENTAL AUTHORITIES

None of our Company, our Directors, our Promoter, relatives of Promoter, our Promoter Group, and our Group Entities has been declared as wilful defaulter(s) by the RBI or any other governmental authority. Further, there has been no violation of any securities law committed by any of them in the past and no such proceedings are currently pending against any of them.

We confirm that our Company, Promoter, Promoter Group, Directors or Group Entities have not been prohibited from accessing or operating in the capital markets under any order or direction passed by SEBI or any other government authority. Neither our Promoter, nor any of our Directors or persons in control of our Company were or are a promoter, director or person in control of any other company which is debarred from accessing the capital market under any order or directions made by the SEBI or any other governmental authorities.

None of our Directors is associated with the securities market in any manner, including securities market related business.

### ELIGIBILITY FOR THIS ISSUE

Our Company is eligible for the Issue in accordance with regulation 106M(1) and other provisions of chapter XB of the SEBI (ICDR) Regulations as the post issue face value capital does not exceed Rs. 1,000 lakhs. Our Company also complies with the eligibility conditions laid by the SME Platform of BSE 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 hundred percent underwritten and that the LM will underwrite at least 15% of the total issue size. For further details pertaining to underwriting please refer to chapter titled "*General Information*" beginning on page 63 of this 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 under section 40 of the Companies Act, 2013.
3. In accordance with Regulation 106(O) the SEBI (ICDR) Regulations, we have not filed any Offer Document with SEBI nor has SEBI issued any observations on our Offer Document. Also, we shall ensure that our Lead Manager submits the copy of Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies.

4. In accordance with Regulation 106(V) of the SEBI ICDR Regulations, the LM 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 63 of this Prospectus.
5. The Company has Net Tangible assets of at least Rs. 3 crore as per the latest audited financial results.
6. The Net worth (excluding revaluation reserves) of the Company is at least Rs. 3 crore as per the latest audited financial results.
7. The Company has track record of distributable profits in terms of section 123 of Companies Act for at least two years out of immediately preceding three financial years and each financial year has a period of at least 12 months or has networth of Rs. 5 crore.
8. The distributable Profit, Net tangible Assets and Net worth of the Company as per the restated financial statements for the year ended March 31, 2015, 2014, 2013 and 2012 is as set forth below:-

*(Rs. In lakhs)*

Particulars	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Distributable Profits*	120.25	11.87	10.34	5.48
Net Tangible Assets**	476.77	201.20	142.71	77.69
Net Worth***	463.20	122.69	65.82	55.48

\* “Distributable profits” have been computed in terms section 123 of the Companies Act, 2013.

\*\* ‘Net tangible assets’ are defined as the sum of all net assets (i.e. non current assets, current assets less current liabilities) of our Company, excluding intangible assets as defined in Accounting Standard 26 (AS 26) issued by the Institute of Chartered Accountants of India

\*\*\* “Net Worth” has been defined as the aggregate of the paid up share capital, share application money (excluding the portion included in other current liabilities) and reserves and surplus excluding miscellaneous expenditure, if any

9. The Post-issue paid up capital of the Company shall be Rs. 4.30 Crores.
10. The Company shall mandatorily facilitate trading in demat securities and has already entered into an agreement with both the depositories.
11. The Company has not been referred to Board for Industrial and Financial Reconstruction.
12. No petition for winding up is admitted by a court or a liquidator has not been appointed of competent jurisdiction against the Company.
13. No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the Company.





14. There has been no change in the promoter(s) of the Company in the one year preceding the date of filing application to BSE for listing on SME segment.

15. The Company has a website [www.mangalamseeds.com](http://www.mangalamseeds.com).

We further confirm that we shall be complying with all the other requirements as laid down for such an Issue under Chapter X-B of SEBI (ICDR) Regulations and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106(M)(3) of SEBI (ICDR) Regulations, 2009, the provisions of Regulations 6(1), 6(2), 6(3), Regulation 7, Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and Sub regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to us in this Issue.

#### **DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE OFFER DOCUMENT TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED TO MEAN 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 THIS ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MANAGER, PANTOMATH CAPITAL 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, AS FOR THE TIME BEING IN FORCE. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS PROSPECTUS, THE LEAD MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED, IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED, HAS FURNISHED TO STOCK EXCHANGE/SEBI A DUE DILIGENCE CERTIFICATE IN ACCORDANCE WITH THE SEBI (MERCHANT BANKERS) REGULATIONS, 1992.**

**“WE, THE UNDER NOTED LEAD MANAGER TO THE ABOVE MENTIONED FORTHCOMING ISSUE STATE AS FOLLOWS:**

- 1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE PROSPECTUS PERTAINING TO THE SAID ISSUE;**
- 2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:**
  - A. THE PROSPECTUS FILED WITH THE BOARD IS IN CONFORMITY WITH THE DOCUMENTS,**

**MATERIALS AND PAPERS RELEVANT TO THE ISSUE;**

- B. ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**
- C. THE DISCLOSURES MADE IN THE PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 2013, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.**
- 3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.**
- 4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS. –**
- 5. WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTER DURING THE PERIOD STARTING FROM THE DATE OF FILING THE PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE PROSPECTUS.**
- 6. WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE PROSPECTUS.**
- 7. WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. – NOT APPLICABLE**
- 8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF**



**THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION. – COMPLIED TO THE EXTENT APPLICABLE**

- 9. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION –**
- 10. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE.- NOT APPLICABLE**
- 11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.**
- 12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE PROSPECTUS:**
  - A. AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER AND**
  - B. AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.**
- 13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE. – NOTED FOR COMPLIANCE**
- 14. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE THAT HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS EXPERIENCE, ETC.**
- 15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY. (CHECKLIST ENCLOSED)**
- 16. WE ENCLOSE STATEMENT ON PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKERS AS PER FORMAT SPECIFIED BY THE BOARD (SEBI) THROUGH CIRCULAR – DETAILS ARE ENCLOSED IN “ANNEXURE A”**
- 17. WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTION HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS.” *COMPLIED WITH TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS REPORTED IN ACCORDANCE WITH ACCOUNTING STANDARD 18 IN THE FINANCIAL STATEMENTS OF THE COMPANY INCLUDED IN THE PROSPECTUS***

**ADDITIONAL CONFIRMATIONS/ CERTIFICATION TO BE GIVEN BY MERCHANT BANKER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH OFFER DOCUMENT REGARDING SME EXCHANGE**

- (1) “WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.**
- (2) WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES OFFERED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN.**
- (3) WE CONFIRM THAT THE ABRIDGED PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009. – NOTED FOR COMPLIANCE**
- (4) WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE ISSUER. –**
- (5) WE CERTIFY THAT AS PER THE REQUIREMENTS OF FIRST PROVISIO TO SUB-REGULATION 4 OF REGULATION 32 OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CASH FLOW STATEMENT HAS BEEN PREPARED AND DISCLOSED IN THE PROSPECTUS.**
- (6) WE CONFIRM THAT UNDERWRITING AND MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 106P AND 106V OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE.**

**Note:**

The filing of this Prospectus does not, however, absolve our Company from any liabilities under section 34 and 36 of the Companies Act, 2013 or from the requirement of obtaining such statutory and other clearances as may be required for the purpose of the proposed Issue. SEBI further reserves the right to take up at any point of time, with the Lead manager any irregularities or lapses in the Prospectus.

All legal requirements pertaining to the Issue has been complied with at the time of registration of the Prospectus with the Registrar of Companies, Ahmedabad, Gujarat, in terms of Section 26, 30 and 32 of the Companies Act, 2013.

**DISCLAIMER STATEMENT FROM OUR COMPANY AND THE LEAD MANAGER**

Our Company, our Directors and the Lead Manager accept no responsibility for statements made otherwise than in this Prospectus or in the advertisements or any other material issued by or at instance of our Company and anyone placing reliance on any other source of information, including our website [www.mangalamseeds.com](http://www.mangalamseeds.com) would be doing so at his or her own risk.



## Caution

The Lead Manager accepts no responsibility, save to the limited extent as provided in the Agreement for Issue Management entered into among the Lead Manager and our Company dated June 10, 2015, the Underwriting Agreement dated June 10, 2015 entered into among the Underwriter and our Company and the Market Making Agreement dated June 10, 2015 entered into among the Market Maker, Lead Manager and our Company.

Our Company and the Lead Manager shall make all information available 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 centres, *etc.*

The Lead Manager and its associates and affiliates may engage in transactions with and perform services for, our Company and associates of our Company in the ordinary course of business and may in future engage in the provision of services for which they may in future receive compensation. Pantomath Capital Advisors Private Limited is not an 'associate' of the Company and is eligible to Lead Manager this Issue, under the SEBI (Merchant Bankers) Regulations, 1992.

**Investors who apply in this Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares and will not offer, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares. Our Company and the Lead Manager 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.**

## PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE LEAD MANAGER

For details regarding the price information and track record of the past issue handled by M/s Pantomath Capital Advisors Private Limited, as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please refer "Annexure A" to this Prospectus and the website of the Lead Manager at [www.pantomathgroup.com](http://www.pantomathgroup.com)

## 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 authorized to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of Rs. 2,500 Lakhs, pension funds with minimum corpus of Rs. 2,500 Lakhs and the National Investment Fund, and permitted non-residents including FPIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold Equity

Shares of the Company. The Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Gujarat 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, except that this Prospectus has been filed with BSE for its observations and BSE shall give its observations in due course. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each applicant where required agrees that such applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws, legislations and Prospectus in each jurisdiction, including India.

#### **DISCLAIMER CLAUSE OF THE SME PLATFORM OF BSE**

BSE Limited ("BSE") has given vide its letter dated June 26, 2015 permission to this Company to use its name in this offer document as one of the stock exchanges on which this company's securities are proposed to be listed on the SME Platform. BSE has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. BSE does not in any manner:-

- i. warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
- ii. warrant that this Company's securities will be listed or will continue to be listed on BSE; or
- iii. take any responsibility for the financial or other soundness of this Company, its Promoters, its management or any scheme or project of this Company;

and it should not for any reason be deemed or construed that this offer document has been cleared or approved by BSE. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.



## FILING

The Prospectus has not been filed with SEBI, nor SEBI has issued any observation on the Offer Document in terms of Regulation 106(M) (3). However, a copy of the Prospectus shall be filed with SEBI at the SEBI at the Corporate Finance Department, Ahmedabad. A copy of the Prospectus, along with the documents required to be filed under Section 26 of the Companies Act, 2013 is delivered to the RoC situated at ROC Bhavan, Opp Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013

## LISTING

In terms of Chapter XB of the SEBI (ICDR) Regulations, there is no requirement of obtaining in-principle approval from SME Platform of BSE. However application will be made to the SME Platform of BSE for obtaining permission to deal in and for an official quotation of our Equity Shares. BSE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized.

The SME Platform of BSE has given its in-principal approval for using its name in our Prospectus *vide* its letter dated June 26, 2015.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the SME Platform of BSE, our Company will forthwith repay, without interest, all moneys received from the applicants in pursuance of the Prospectus. If such money is not repaid within 8 days after our Company becomes liable to repay it (i.e. from the date of refusal or within 15 working days from the Issue Closing Date), then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of 8 days, be liable to repay the money, with interest at the rate of 15% per annum on application money, 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 the BSE mentioned above are taken within twelve Working Days from the Issue Closing Date

## CONSENTS

Consents in writing of: (a) the Directors, the Promoters, the Company Secretary & Compliance Officer, the Chief Financial Officer, the Statutory Auditors, the Peer Reviewed Auditors, the Banker to the Company; and (b) Lead manager, Underwriters, Market Makers Registrar to the Issue, Escrow Collection Bank, Banker(s) to the Issue, Legal Advisor to the Issue to act in their respective capacities have been obtained and is filed along with a copy of the Prospectus with the RoC, as required under sections 26 of the Companies Act, 2013 and such consents are not withdrawn up to the time of delivery of this Prospectus for registration with the RoC. Our Peer Reviewed Auditors have given their written consent to the inclusion of their report in the form and context in which it appears in this Prospectus and such consent and report are not withdrawn up to the time of delivery of the Prospectus for filing with the RoC.

## EXPERT TO THE ISSUE

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

- Report of the Peer Reviewed Auditor on Statement of Tax Benefits.

## EXPENSES OF THE ISSUE

The expenses of this Issue include, among others, underwriting and management fees, printing and distribution expenses, legal fees, statutory advertisement expenses and listing fees. For details of total expenses of the Issue, refer to chapter “*Objects of the Issue*” beginning on page 104 of this Prospectus.

## DETAILS OF FEES PAYABLE

### Fees Payable to the Lead Manager

The total fees payable to the Lead Manager will be as per the Mandate Letter dated March 9, 2015 issue by our Company to the Lead Manager, the copy of which is available for inspection at our Corporate Office.

### Fees Payable to the Registrar to the Issue

The fees payable to the Registrar to the Issue will be as per the Agreement signed by our Company and the Registrar to the Issue dated June 10, 2015, 2014 a copy of which is available for inspection at our Corporate Office. The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty and communication expenses. Adequate funds will be provided by the Company to the Registrar to the Issue to enable them to send refund orders or allotment advice by registered post/ speed post/ under certificate of posting.

### Fees Payable to Others

The total fees payable to the Legal Advisor, Auditor and Advertiser, *etc.* will be as per the terms of their respective engagement letters if any.

## UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION

The underwriting commission and selling commission for this Issue is as set out in the Underwriting Agreement entered into between our Company and the Lead Manager. Payment of underwriting commission, brokerage and selling commission would be in accordance with Section 40 of Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rule, 2014.

## PREVIOUS RIGHTS AND PUBLIC ISSUES SINCE THE INCORPORATION

We have not made any previous rights and/or public issues since incorporation, and are an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations.

## PREVIOUS ISSUES OF SHARES OTHERWISE THAN FOR CASH

Except as stated in the chapter titled “*Capital Structure*” beginning on page 72 of this Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

## COMMISSION AND BROKERAGE ON PREVIOUS ISSUES

Since this is the initial public offer of the Equity Shares by our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares since our inception.





#### **PARTICULARS IN REGARD TO OUR COMPANY AND OTHER LISTED COMPANIES UNDER THE SAME MANAGEMENT WITHIN THE MEANING OF SECTION 370 (1B) OF THE COMPANIES ACT, 1956 WHICH MADE ANY CAPITAL ISSUE DURING THE LAST THREE YEARS:**

None of the equity shares of our Group Entities are listed on any recognized stock exchange. None of the above companies have raised any capital during the past 3 years.

#### **PROMISE VERSUS PERFORMANCE FOR OUR COMPANY**

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations. Therefore, data regarding promise versus performance is not applicable to us.

#### **OUTSTANDING DEBENTURES, BONDS, REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS ISSUED BY OUR COMPANY**

As on the date of this Prospectus, our Company has no outstanding debentures, bonds or redeemable preference shares.

#### **STOCK MARKET DATA FOR OUR EQUITY SHARES**

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations. Thus there is no stock market data available for the Equity Shares of our Company.

#### **MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES**

The Agreement between the Registrar and Our Company provides for retention of records with the Registrar for a period of at least three year 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 this Issue for redressal of their grievances. All grievances relating to this Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as the name, address of the applicant, number of Equity Shares applied for, amount paid on application and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection centre of the SCSB where the Application Form was submitted by the ASBA applicants.

#### **DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY**

Our Company or the Registrar to the Issue or the SCSB in case of ASBA Applicant shall redress routine investor grievances within 15 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.

We have constituted the Stakeholders Relationship Committee of the Board *vide* resolution passed at the Board Meeting held on May 20, 2015. For further details, please refer to the chapter titled “Our Management” beginning on page 191 of this Prospectus.

Our Company has appointed Rujavi Chalishajar as Compliance Officer and he may be contacted at the following address:

**Mangalam Seeds Limited**

202, Sampada Complex,  
B/H Tulsi Complex,  
Mithakhali Six Roads, Navrangpura,  
Ahmedabad-380009

**Tel:** +91-79 26447302

**Fax :** +91-79 26447598

**Email:** [ipo@mangalamseeds.com](mailto:ipo@mangalamseeds.com)

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

**Registration Number:** 067128

**Corporate Identification Number:** U01112GJ2011PLC067128

Investors can contact the Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account or refund orders, *etc.*

**CHANGES IN AUDITORS DURING THE LAST THREE FINANCIAL YEARS**

No Changes in Auditors have been done in last three financial years

**CAPITALISATION OF RESERVES OR PROFITS**

Save and except as stated in the chapter titled "*Capital Structure*" beginning on page 72 of this Prospectus, our Company has not capitalized its reserves or profits during the last five years.

**REVALUATION OF ASSETS**

Our Company has not revalued its assets since incorporation.

**PURCHASE OF PROPERTY**

Other than as disclosed in this Prospectus, there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of this Prospectus.

Except as stated elsewhere in this Prospectus, our Company has not purchased any property in which the Promoters and/or Directors have any direct or indirect interest in any payment made there under.

**SERVICING BEHAVIOR**

There has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.



## SECTION VII – ISSUE INFORMATION

### TERMS OF THE ISSUE

*The Equity Shares being issued and transferred are subject to the provisions of the Companies Act, 1956 and Companies Act, 2013 as may be applicable, SEBI ICDR Regulations, our Memorandum and Articles of Association, the SME Equity Listing Agreements, the terms of the Draft Prospectus, the Prospectus, Application Form, ASBA 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 the 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 CIR/CFD/DIL/1/ 2011 dated April 29, 2011, QIB applicants, Non- Institutional applicants and other Applicants whose Application amount exceeds Rs. 2 lakhs can participate in the Issue only through the ASBA process. The Retail Individual Applicants can participate in the Issue either through the ASBA process or the non ASBA process. ASBA Applicants should note that the ASBA process involves Application procedures that may be different from the procedure applicable to non ASBA process.*

### RANKING OF EQUITY SHARES

The Equity Shares being issued or transferred in the Issue shall be subject to the provisions of the Companies Act, 2013 and the Memorandum and Articles of Association and shall rank *pari-passu* with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees 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 in accordance with the Companies Act, 1956 and the Companies Act, 2013 and the Articles. For further details, please refer to the section titled “*Main Provisions of Articles of Association*” beginning on page number 384 of this Prospectus.

### MODE OF PAYMENT OF DIVIDEND

The declaration and payment of dividend will be as per the provisions of the Companies Act, 1956 and the Companies Act, 2013 as may be applicable and recommended by the Board of Directors at their discretion and approved by the shareholders and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividend, if declared, to our Shareholders as per the provisions of the Companies Act and our Articles of Association. For further details, please refer to the chapter titled “*Dividend Policy*” on page 219 of this Prospectus.

### FACE VALUE AND ISSUE PRICE PER SHARE

The face value of the Equity Shares is Rs. 10 each and the Issue Price is Rs. 50 per Equity Share.

The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the section titled “*Basis for Issue Price*” beginning on page 110 of the 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.

## 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 & 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, 1956, Companies Act, 2013 and the terms of the SME Listing Agreement with the Stock Exchange 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 number 384 of this Prospectus.

## MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT

In terms of Section 29 of the Companies Act, 2013, the Equity Shares shall be allotted only in dematerialised form. As per the existing SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised 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 BSE 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 Shares 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.

## 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 12 days of closure of issue.



## JURISDICTION

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Ahmedabad, Gujarat, India.

**The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those 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.**

## JOINT HOLDER

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as joint – tenants with benefits of survivorship.

## NOMINATION FACILITY TO INVESTOR

In accordance with Section 72 of the Companies Act, 2013 the sole applicant, or the first applicant along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the Applicant, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to equity share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Corporate Office or with the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

- a. to register himself or herself as the holder of the Equity Shares; or
- b. to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized mode there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the investor wants to change the nomination, they are requested to inform their respective depository participant.

#### PERIOD OF OPERATION OF SUBSCRIPTION LIST OF PUBLIC ISSUE

<b>ISSUE OPENS ON</b>	<b>July 29, 2015</b>
<b>ISSUE CLOSES ON</b>	<b>July 31, 2015</b>

#### MINIMUM SUBSCRIPTION

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten.

As per Section 39 of the Companies Act, 2013, if the “stated minimum amount” has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If 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 and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act ,2013 and applicable law.

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 12 days of closure of issue.

Further, in accordance with Regulation 106(Q) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than Rs.1,00,000/- (Rupees One Lakh) per application.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be 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.

#### MIGRATION TO MAIN BOARD

Our company may migrate to the Main Board of BSE from the SME Stock Exchange on a later date subject to the following:

If the Paid up Capital of our Company is likely to increase above Rs. 2,500 lakhs by virtue of any further issue of capital by way of rights issue, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the Main Board), our Company shall apply to



BSE for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.

OR

If the Paid up Capital of our company is more than Rs. 1,000 lakhs but below Rs. 2,500 lakhs, our Company may still apply for migration to the Main Board 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 BSE (SME Exchange) with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing of shares offered through the Prospectus. For further details of the market making arrangement please refer to chapter titled “*General Information*” beginning on page 63 of this Prospectus.

#### **ARRANGEMENT FOR DISPOSAL OF ODD LOT**

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 BSE.

#### **AS PER THE EXTANT POLICY OF THE GOVERNMENT OF INDIA, OCBs CANNOT PARTICIPATE IN THIS ISSUE.**

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FIIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors. Overseas Corporate Bodies (OCBs) have been de-recognised as a class of investor in India with effect from September 16, 2003. However, erstwhile OCBs which are incorporated outside India and are not under adverse notice of the RBI can make fresh investments under the FDI Scheme as incorporated non-resident entities, with the prior approval of the Government of India, if the investment is through the Government Route; and with the prior approval of the Reserve Bank, if the investment is through the Automatic Route.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

#### **OPTION TO RECEIVE SECURITIES IN DEMATERIALIZED FORM**

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the

Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange. Allottees shall have the option to re-materialise the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

#### NEW FINANCIAL INSTRUMENTS

The Issuer Company is not issuing any new financial instruments through this Issue.

#### APPLICATION BY ELIGIBLE NRIs, FPI'S REGISTERED WITH SEBI, VCF'S, AIF'S REGISTERED WITH SEBI AND QFI'S

It is to be understood that there is no reservation for Eligible NRIs or FPIs or QFIs or VCFs or AIFs registered with SEBI. Such Eligible NRIs, QFIs, FPIs, VCFs or AIFs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation subject to SEBI and RBI regulations

#### 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 number 72 of this 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 number 384 of this Prospectus.

*The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.*



## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 106(M)(1) of Chapter XB of SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, an issuer, whose post issue face value capital does not exceed ten crore rupees, shall issue specified securities to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the SME Platform of BSE). For further details regarding the salient features and terms of such an issue please refer chapter titled "*Terms of the Issue*" and "*Issue Procedure*" beginning on page 322 and page 331 respectively of this Prospectus.

### Following is the issue structure:

Public Issue of 11,40,000 Equity Shares of face value of Rs. 10 each fully paid (the 'Equity Shares') for cash at a price of Rs. 50 per Equity Share (including a premium of Rs. 40 per Equity Share) aggregating Rs. 570.00 Lakhs ('the Issue') by our Company.

The Issue comprises a Net Issue to Public of 10,80,000 Equity Shares ('the Net Issue'), a reservation of 60,000 Equity Shares for subscription by the designated Market Maker ('the Market Maker Reservation Portion')

Particulars	Net Issue to Public*	Market Maker Reservation Portion
<b>Number of Equity Shares</b>	10,80,000 Equity Shares	60,000 Equity Shares
<b>Percentage of Issue Size available for allocation</b>	94.74% of the Issue Size	5.26% of Issue Size
<b>Basis of Allotment/Allocation if respective category is oversubscribed</b>	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 " <i>Issue Procedure–Basis of Allotment</i> " on page 372 of the Prospectus.	Firm allotment
<b>Mode of Application</b>	<b>For QIB and NII Applicants</b> The application must be made compulsorily through the ASBA Process.  <b>For Retail Individuals Applicants</b> May apply through the ASBA or the Physical Form.	Through ASBA Process Only
<b>Minimum Application</b>	<b>For QIB and NII:</b> Such number of Equity Shares in multiples of 3,000 Equity Shares such that the Application Value	60,000 Equity Shares

Particulars	Net Issue to Public*	Market Maker Reservation Portion
	exceeds Rs. 2,00,000 <b><i>For Retail Individuals:</i></b> 3,000 Equity Shares	
<b>Maximum Application Size</b>	<b><u>For Other than Retail Individual Investors:</u></b>  For all other investors the maximum application size is the Net Issue to public subject to limits the investor has to adhere under the relevant laws and regulations as applicable.  <b><u>For Retail Individuals:</u></b>  3,000 Equity Shares	60,000 Equity Shares of Face Value Rs. 10.00
<b>Mode of Allotment</b>	Compulsorily in dematerialized mode.	Compulsorily in dematerialized mode.
<b>Trading Lot</b>	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
<b>Terms of payment</b>	The entire Application Amount will be payable at the time of submission of the Application Form.	

*\*50 % of the shares offered in the Net Issue to Public portion are reserved for applications whose value is below Rs. 2,00,000 and the balance 50 % of the shares are reserved for applications whose value is above Rs. 2,00,000.*

#### WITHDRAWAL OF THE ISSUE

In accordance with the SEBI ICDR Regulations, our Company, in consultation with 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. However, 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 Exchange shall be informed promptly in this regard and the Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the Bank Accounts of the ASBA



Applicants within one Working Day from the date of receipt of such notification. 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.

#### ISSUE PROGRAMME

<b>ISSUE OPENS ON</b>	<b>July 29, 2015</b>
<b>ISSUE CLOSES ON</b>	<b>July 31, 2015</b>

Applications and any revisions to the same will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form, or in the case of ASBA Applicants, at the Designated Bank Branches except that on the Issue Closing Date applications will be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time). Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

## ISSUE PROCEDURE

All Applicants should review the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI (the "General Information Document") included below under section "- **Part B – General Information Document**", which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, 1956, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI Regulations. The General Information Document has been updated to include reference to the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014 and certain notified provisions of the Companies Act, 2013, to the extent applicable to a public issue. The General Information Document is also available on the websites of the Stock Exchange and the Lead Manager. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

Please note that the information stated/covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Our Company and the Lead Manager would not be liable for any amendment, modification or change in applicable law, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that their Applications do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Draft Prospectus and this Prospectus.

This section applies to all the Applicants, please note that all the Applicants are required to make payment of the full Application Amount along with the Application Form.

### FIXED PRICE ISSUE PROCEDURE

The Issue is being made under Regulation 106(M)(1) of Chapter XB of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 via Fixed Price Process.

Applicants are required to submit their Applications to the Selected Branches / Offices of the Escrow Bankers to the Issue who shall duly submit to the Registrar of the Issue. In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing.

In case of Non Institutional Applicants and Retail Individual Applicants, our Company would have a right to reject the Applications only on technical grounds.

Investors should note that the Equity Shares will be allotted to all successful Applicants only in dematerialized form. Applicants will not have the option of being Allotted Equity Shares in physical form. The Equity Shares on Allotment shall be traded only in the dematerialized segment of the Stock Exchange.

### APPLICATION FORM

Pursuant to SEBI Circular dated September 27, 2011 and bearing No. CIR/CFD/DIL/4/2011, the Application Form has been standardized i.e., there will be a single Application Form for ASBA and



non-ASBA Applicants. The prescribed colours of the Application Form for various investors applying in the Issue are as follows:

Category	Colour of Application Form
Resident Indians and Eligible NRIs applying on a non-repatriation basis (ASBA and Non-ASBA)	White
Non-Residents and Eligible NRIs applying on a repatriation basis (ASBA and Non-ASBA)	Blue

Applicants (other than ASBA Applicants) shall only use the specified Application Form for the purpose of making an application in terms of the Prospectus. The Application Form shall contain information about the Applicant and the price and the number of Equity Shares that the Applicants wish to apply for. Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number.

ASBA Applicants are required to submit their applications only through the SCSBs authorising blocking of funds that are available in the bank account specified in the Application Form.

No separate receipts shall be issued for the money payable on the submission of Application Form. However, the collection centre of the Bankers to the Issue or SCSB, as the case may be, will acknowledge the receipt of the Application Forms by stamping and returning to the Applicant the acknowledgement slip. This acknowledgement slip will serve as the duplicate of the Application Form for the records of the Applicant.

ASBA Applicants applying directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.

Upon completion and submission of the Application Form to a Banker to the Issue or the SCSB, the Applicants are deemed to have authorised our Company to make the necessary changes in the Prospectus, without prior or subsequent notice of such changes to the Applicants.

In accordance with the SEBI (ICDR) Regulations, 2009 in public issues w.e.f. May 1, 2010 all the investors can apply through ASBA process and w.e.f May 02, 2011, the Non-Institutional applicants and the QIB Applicants have to compulsorily apply through the ASBA Process.

1. Availability of Prospectus and Application Forms
2. The Application Forms and copies of the Prospectus may be obtained from the Corporate Office of our Company, Lead Manager to the Issue, Registrar to the Issue and the collection centre of the Bankers to the Issue, as mentioned in the Application Form. The application forms may also be downloaded from the website of BSE Limited i.e. [www.bseindia.com](http://www.bseindia.com).

## WHO CAN APPLY?

In addition to the category of Applicants set forth under “– **General Information Document for Investing in Public Issues – Category of Investors Eligible to participate in an Issue**”, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- FPIs and sub-accounts registered with SEBI other than Category III foreign portfolio investor;
- Category III foreign portfolio investors, which are foreign corporates or foreign individuals only under the Non Institutional Investors (NIIs) category;

- Scientific and/or industrial research organisations authorised in India to invest in the Equity Shares.

#### OPTION TO SUBSCRIBE IN THE ISSUE

- a. As per Section 29(1) of the Companies Act, 2013 allotment of Equity Shares shall be in dematerialised form only.
- b. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.
- c. A single application from any investor shall not exceed the investment limit/minimum number of specified securities that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

#### PARTICIPATION BY ASSOCIATED/ AFFILIATES OF LEAD MANAGER AND SYNDICATE MEMBERS

The Lead Manager and the Syndicate Members, if any, shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Lead Manager and the Syndicate Members, if any, may purchase the Equity Shares in the Issue, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Applicants, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

#### APPLICATION BY INDIAN PUBLIC INCLUDING ELIGIBLE NRI'S APPLYING ON NON REPATRIATION

Application must be made only in the names of individuals, limited companies or statutory corporations/institutions and not in the names of minors, foreign nationals, non residents (except for those applying on non repatriation), trusts, (unless the trust is registered under the Societies Registration Act, 1860 or any other applicable trust laws and is authorized under its constitution to hold shares and debentures in a company), Hindu undivided families, partnership firms or their nominees. In case of HUFs, application shall be made by the Karta of the HUF. An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares offered to the public. Eligible NRIs applying on a non-repatriation basis may make payments by inward remittance in foreign exchange through normal banking channels or by debits to NRE/FCNR accounts as well as NRO accounts.

#### APPLICATIONS BY ELIGIBLE NRI'S/RFPi's ON REPATRIATION BASIS

Application Forms have been made available for eligible NRIs at our Corporate Office and at the Office of the Lead manager. Eligible NRI Applicants may please note that only such applications as are accompanied by payment in free foreign exchange shall be considered for Allotment under the reserved category. The eligible NRIs who intend to make payment through Non Resident Ordinary (NRO) accounts shall use the Forms meant for Resident Indians and should not use the forms meant for the reserved category. Under FEMA, general permission is granted to companies vide notification no. FEMA/20/2000 RB dated 03/05/2000 to issue securities to NRIs subject to the terms and conditions stipulated therein. Companies are required to file the declaration in the prescribed form to the concerned Regional Office of RBI within 30 days from the date of issue of shares for allotment to NRIs on repatriation basis. Allotment of equity shares to Non Resident Indians shall be

subject to the prevailing Reserve Bank of India Guidelines. Sale proceeds of such investments in equity shares will be allowed to be repatriated along with the income thereon subject to permission of the RBI and subject to the Indian tax laws and regulations and any other applicable laws.

**As per the current regulations, the following restrictions are applicable for investments by FPIs:**

1. A foreign portfolio investor shall invest only in the following securities, namely- (a) Securities in the primary and secondary markets including shares, debentures and warrants of companies, listed or to be listed on a recognized stock exchange in India; (b) Units of schemes floated by domestic mutual funds, whether listed on a recognized stock exchange or not; (c) Units of schemes floated by a collective investment scheme; (d) Derivatives traded on a recognized stock exchange; (e) Treasury bills and dated government securities; (f) Commercial papers issued by an Indian company; (g) Rupee denominated credit enhanced bonds; (h) Security receipts issued by asset reconstruction companies; (i) Perpetual debt instruments and debt capital instruments, as specified by the Reserve Bank of India from time to time; (j) Listed and unlisted non-convertible debentures/bonds issued by an Indian company in the infrastructure sector, where 'infrastructure' is defined in terms of the extant External Commercial Borrowings (ECB) guidelines; (k) Non-convertible debentures or bonds issued by Non-Banking Financial Companies categorized as 'Infrastructure Finance Companies'(IFCs) by the Reserve Bank of India; (l) Rupee denominated bonds or units issued by infrastructure debt funds; (m) Indian depository receipts; and (n) Such other instruments specified by the Board from time to time.
2. Where a foreign institutional investor or a sub account, prior to commencement of the SEBI (Foreign Portfolio Investors) Regulations, 2014, holds equity shares in a company whose shares are not listed on any recognized stock exchange, and continues to hold such shares after initial public offering and listing thereof, such shares shall be subject to lock-in for the same period, if any, as is applicable to shares held by a foreign direct investor placed in similar position, under the policy of the Government of India relating to foreign direct investment for the time being in force.
3. In respect of investments in the secondary market, the following additional conditions shall apply:
  - a) A foreign portfolio investor shall transact in the securities in India only on the basis of taking and giving delivery of securities purchased or sold;
  - b) Nothing contained in clause (a) shall apply to:
    - i. Any transactions in derivatives on a recognized stock exchange;
    - ii. Short selling transactions in accordance with the framework specified by the Board;
    - iii. Any transaction in securities pursuant to an agreement entered into with the merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
    - iv. Any other transaction specified by the Board.
  - c) No transaction on the stock exchange shall be carried forward;

- d) The transaction of business in securities by a foreign portfolio investor shall be only through stock brokers registered by the Board; provided nothing contained in this clause shall apply to:
- i. transactions in Government securities and such other securities falling under the purview of the Reserve Bank of India which shall be carried out in the manner specified by the Reserve Bank of India;
  - ii. sale of securities in response to a letter of offer sent by an acquirer in accordance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - iii. sale of securities in response to an offer made by any promoter or acquirer in accordance with the Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2009;
  - iv. Sale of securities, in accordance with the Securities and Exchange Board of India (Buy-back of securities) Regulations, 1998;
  - v. divestment of securities in response to an offer by Indian Companies in accordance with Operative Guidelines for Disinvestment of Shares by Indian Companies in the overseas market through issue of American Depository Receipts or Global Depository Receipts as notified by the Government of India and directions issued by Reserve Bank of India from time to time;
  - vi. Any bid for, or acquisition of, securities in response to an offer for disinvestment of shares made by the Central Government or any State Government;
  - vii. Any transaction in securities pursuant to an agreement entered into with merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - viii. Any other transaction specified by the Board.
- e) A foreign portfolio investor shall hold, deliver or cause to be delivered securities only in dematerialized form:
- Provided that any shares held in non-dematerialized form, before the commencement of the SEBI (Foreign Portfolio Investors) Regulations, 2014, can be held in non-dematerialized form, if such shares cannot be dematerialized.
4. Unless otherwise approved by the Board, securities shall be registered in the name of the foreign portfolio investor as a beneficial owner for the purposes of the Depositories Act, 1996.
  5. The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below ten per cent of the total issued capital of the company.
  6. The investment by the foreign portfolio investor shall also be subject to such other conditions and restrictions as may be specified by the Government of India from time to time.
  7. In cases where the Government of India enters into agreements or treaties with other sovereign Governments and where such agreements or treaties specifically recognize certain entities to be



distinct and separate, the Board may, during the validity of such agreements or treaties, recognize them as such, subject to conditions as may be specified by it.

8. A foreign portfolio investor may lend or borrow securities in accordance with the framework specified by the Board in this regard.

No foreign portfolio investor may issue, subscribe to or otherwise deal in offshore derivative instruments, directly or indirectly, unless the following conditions are satisfied:

- (a) Such offshore derivative instruments are issued only to persons who are regulated by an appropriate foreign regulatory authority;
- (b) Such offshore derivative instruments are issued after compliance with 'know your client' norms:

Provided that those unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated shall not issue, subscribe or otherwise deal in offshore derivatives instruments directly or indirectly:

Provided further that no Category III foreign portfolio investor shall issue, subscribe to otherwise deal in offshore derivatives instruments directly or indirectly.

A foreign portfolio investor shall ensure that further issue or transfer of any offshore derivative instruments issued by or on behalf of it is made only to persons who are regulated by an appropriate foreign regulatory authority.

Foreign portfolio investors shall fully disclose to the Board any information concerning the terms of and parties to off-shore derivative instruments such as participatory notes, equity linked notes or any other such instruments, by whatever names they are called, entered into by it relating to any securities listed or proposed to be listed in any stock exchange in India, as and when and in such form as the Board may specify.

Any offshore derivative instruments issued under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995 before commencement of SEBI (Foreign Portfolio Investors) Regulations, 2014 shall be deemed to have been issued under the corresponding provisions of SEBI (Foreign Portfolio Investors) Regulations, 2014.

The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below 10% of the total issued capital of the company.

An FII or its subaccount which holds a valid certificate of registration shall, subject to payment of conversion fees, be eligible to continue to buy, sell or otherwise deal in securities till the expiry of its registration as an foreign institutional investor or sub-account, or until he obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

A qualified foreign investor may continue to buy, sell or otherwise deal in securities subject to the provisions of the SEBI (Foreign Portfolio Investors) Regulations, 2014, for a period of one year from the date of commencement of the aforesaid regulations, or until it obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

#### APPLICATIONS BY MUTUAL FUNDS

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

The Applications made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

#### APPLICATIONS BY LIMITED LIABILITY PARTNERSHIPS

In case of Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reason thereof. Limited liability partnerships can participate in the Issue only through the ASBA process.

#### APPLICATIONS BY INSURANCE COMPANIES

In case of Applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reasons thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000 (the 'IRDA Investment Regulations'), are broadly set forth below:

1. *Equity shares of a company:* The lesser of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;

*The entire group of the investee company:* 10% of the respective fund in case of a life insurer or 10% of investment assets in case of a general insurer or reinsurer (25% in case of Unit Linked Insurance Plans); and

2. *The industry sector in which the investee company operates:* 10% of the insurer's total investment exposure to the industry sector (25% in case of Unit Linked Insurance Plans).

#### APPLICATIONS UNDER POWER OF ATTORNEY

In case of Applications made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FPI's, Mutual Funds, insurance companies and provident funds with minimum corpus of Rs. 2500 Lakhs (subject to applicable law) and pension funds with a minimum



corpus of Rs. 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 Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

With respect to applications by VCFs, FVCIs, and FPIs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may belong with a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.

In case of Applications made pursuant to a power of attorney by Mutual Funds, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with the certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of Applications made by insurance companies registered with the Insurance Regulatory and Development Authority, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of certificate of registration issued by Insurance Regulatory and Development Authority must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of Applications made pursuant to a power of attorney by FIIs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of Applications made by provident funds with minimum corpus of Rs. 25 crore (subject to applicable law) and pension funds with minimum corpus of Rs. 25 crore, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of certificate from a Chartered Accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

#### **APPLICATIONS BY PROVIDENT FUNDS/PENSION FUNDS**

In case of Applications made by provident funds with minimum corpus of Rs. 25 Crore (subject to applicable law) and pension funds with minimum corpus of Rs. 25 Crore, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

The above information is given for the benefit of the Applicants. Our Company and Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their

independent investigations and ensure that any single application from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulation or as specified in this Prospectus.

#### INFORMATION FOR THE APPLICANTS

1. Our Company and the Lead Managers shall declare the Issue Opening Date and Issue Closing Date in the Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in one regional newspaper with wide circulation. This advertisement shall be in the prescribed format.
2. Our Company will file the Prospectus with the RoC at least three days before the Issue Opening Date.
3. Copies of the Application Form and copies of the Prospectus will be available with the Bankers to the Issue, the Lead Managers and the Registrar to the Issue. For ASBA Applicants, physical Application Forms will be available with the Designated Branches of the SCSBs and at the Corporate Office of our Company. For ASBA Applicants, electronic Application Forms will also be available on the websites of the Stock Exchange.
4. Any Applicant who would like to obtain the Prospectus and/or the Application Form can obtain the same from our Corporate Office.
5. Applicants who are interested in subscribing to the Equity Shares should approach any of the Lead Managers or Bankers to the Issue or their authorised agent(s) to register their applications. Applicants who wish to use the ASBA process should approach the Designated Branches of the SCSBs to register their applications.
6. Applications should be submitted in the prescribed Application Form only. Application Forms submitted to the Bankers to the Issue should bear the stamp of the Broker. Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch. Application Forms submitted by Applicants whose beneficiary account is inactive shall be rejected.
7. In case of ASBA Applicants, the Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained. SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account.
8. ASBA Applicants applying directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of a SCSB, where the ASBA Account is maintained. For ASBA applications submitted directly to the SCSBs, the relevant SCSB shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form, before entering the ASBA application into the electronic system.
9. Except for applications by or on behalf of the Central or State Government and the officials appointed by the courts and by investors residing in the State of Sikkim, the Applicants, or in the case of application in joint names, the first Applicant (the first name under which the

beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participants transacting in the securities market, irrespective of the amount of transaction. Any Application Form without PAN is liable to be rejected. The demat accounts of Applicants for whom PAN details have not been verified, excluding persons resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be “suspended for credit” and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Applicants.

10. The Applicants may note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic collecting system of the Stock Exchange by the Bankers to the Issue or the SCSBs do not match with PAN, the DP ID and Client ID available in the Depository database, the Application Form is liable to be rejected.

## METHOD AND PROCESS OF APPLICATIONS

1. The Bankers to the Issue and the SCSBs shall accept applications from the Applicants during the Issue Period.
2. The Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Issue Period may be extended, if required, by an additional three Working Days, subject to the total Issue Period not exceeding 10 Working Days.
3. During the Issue Period, Applicants (other than QIBs) who are interested in subscribing to the Equity Shares should approach the Bankers to the Issue or their authorised agents to register their application. The Bankers to the Issue shall accept applications from all Applicants and they shall have the right to vet the applications during the Issue Period in accordance with the terms of the Prospectus. Applicants who wish to use the ASBA process should approach the Designated Branches of the SCSBs to register their applications.
4. The Applicant cannot apply on another Application Form after applications on one Application Form have been submitted to any Banker to the Issue or the SCSBs (in case of ASBA Applicants). Submission of a second Application Form to either the same or to another Banker to the Issue or the SCSB will be treated as multiple applications and is liable to be rejected either before entering the application into the electronic collecting system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Issue.
5. The Bankers to the Issue / the SCSBs will enter each application option into the electronic collecting system as a separate application and generate a TRS and give the same to the Applicant.
6. Along with the Application Form, all Applicants (other than ASBA Applicants) will make payment in the manner described under “Payment into Escrow Account for Applicants other than ASBA Applicants” on page 342 of this Prospectus.
7. Upon receipt of the Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, prior to uploading such applications with the Stock Exchange.

8. If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such applications and shall not upload such applications with the Stock Exchange.
9. If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each application option into the electronic collecting system as a separate application and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Applicant on request.
10. The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Applicants to the Public Issue Account. In case of withdrawal / failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

## ESCROW MECHANISM, TERMS OF PAYMENT AND PAYMENT INTO THE ESCROW ACCOUNTS

### Terms of Payment

The entire Issue price of Rs. 50 per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, The Company shall refund the excess amount paid on Application to the Applicants.

### Escrow Mechanism for Applicants other than ASBA Applicants

Our Company, Registrar to the Issue and the Escrow Collection Banks shall enter into an Escrow Agreement pursuant to which Escrow Account(s) with one or more Escrow Collection Bank(s) will be opened in whose favour the Applicants shall make out the cheque or demand draft in respect of his or her application. Cheques or demand drafts received for the full Application Amount from Applicants would be deposited in the Escrow Account. Please note that escrow mechanism is applicable only to Applicants applying by way of non ASBA process.

The Escrow Collection Banks will act in terms of the Prospectus and the Escrow Agreement. The Escrow Collection Bank (s) for and on behalf of the Applicants shall maintain the monies in the Escrow Account until the Designated Date. The Escrow Collection Bank(s) shall not exercise any lien whatsoever over the monies deposited therein and shall hold the monies therein in trust for the Applicants. On the Designated Date, the Escrow Collection Bank(s) shall transfer the funds represented by allocation of Equity Shares (other than ASBA funds with the SCSBs) from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Issue Account with the Banker(s) to the Issue. The balance amount after transfer to the Public Issue Account shall be transferred to the Refund Account. Payments of refund to the Applicants shall also be made from the Refund Account as per the terms of the Escrow Agreement and this Prospectus.

The Applicants should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Escrow Collection Bank(s) and the Registrar to the Issue to facilitate collections from the Applicants.



### **Payment mechanism for ASBA Applicants**

The ASBA Applicants shall specify the bank account number in the Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non Retail Applicants shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalisation of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the application by the ASBA Applicant, as the case may be.

Please note that pursuant to the applicability of the directions issued by SEBI vide its circular bearing number CIR/CFD/DIL/1/2011 dated April 29, 2011, all Applicants who are Non Retail Applicants or are applying in this Issue for Equity Shares for an amount exceeding Rs. 2,00,000 shall mandatorily make use of ASBA facility.

### **Payment into Escrow Account for Applicants other than ASBA Applicants**

Each Applicant shall draw a cheque or demand draft or remit the funds electronically through the RTGS mechanism for the amount payable on the application as per the following terms:

1. All Applicants would be required to pay the full Application Amount at the time of the submission of the Application Form.
2. The Applicants (excluding ASBA Applicants) shall, with the submission of the Application Form, draw a payment instrument for the Application Amount in favour of the Escrow Account and submit the same to the Bankers to the Issue. If the payment is not made favouring the Escrow Account along with the Application Form, the application of the Applicant shall be rejected.
3. The payment instruments for payment into the Escrow Account should be drawn in favour of:
  - a. In case of Resident Retail Applicants: "Mangalam Seeds Limited - R"
  - b. In case of Non Resident Retail Applicants: "Mangalam Seeds Limited - NR"
4. In case of applications by Eligible NRIs applying on repatriation basis, the payments must be made through Indian Rupee drafts purchased abroad or cheques or bank drafts, for the amount payable on application remitted through normal banking channels or out of funds held in NRE Accounts or FCNR Accounts, maintained with banks authorized to deal in foreign exchange in India, along with documentary evidence in support of the remittance. Payment will not be accepted out of an NRO Account of Non-Resident Applicant applying on a repatriation basis. Payment by drafts should be

accompanied by bank certificate confirming that the draft has been issued by debiting to NRE Account or FCNR Account.

5. In case of applications by Eligible NRIs applying on non-repatriation basis, the payments must be made through Indian Rupee drafts purchased abroad or cheques or bank drafts, for the amount payable on application remitted through normal banking channels or out of funds held in NRE Accounts or FCNR Accounts, maintained with banks authorised to deal in foreign exchange in India, along with documentary evidence in support of the remittance or out of an NRO Account of a Non-Resident Applicant applying on a non-repatriation basis. Payment by drafts should be accompanied by a bank certificate confirming that the draft has been issued by debiting an NRE or FCNR or NRO Account.
6. In case of applications by FIIs/FVCIs/multilateral and bilateral financial institutions, the payment should be made out of funds held in a Special Rupee Account along with documentary evidence in support of the remittance. Payment by drafts should be accompanied by a bank certificate confirming that the draft has been issued by debiting the Special Rupee Account.
7. The monies deposited in the Escrow Account will be held for the benefit of the Applicants (other than the ASBA Applicants) till the Designated Date.
8. On the Designated Date, the Escrow Collection Bank shall transfer the funds from the Escrow Account as per the terms of the Escrow Agreement into the Public Issue Account with the Bankers to the Issue.
9. Payments should be made by cheque, or demand draft drawn on any Bank (including a Co-operative Bank), which is situated at and is a member of or sub-member of the bankers' clearing house located at the centre where the Application Form is submitted. Outstation cheques/bank drafts drawn on banks not participating in the clearing process will not be accepted and applications accompanied by such cheques or bank drafts are liable to be rejected. Cash/stockinvest/money orders/postal orders will not be accepted.
10. Payments made through cheques without the Magnetic Ink Character Recognition (MICR) code will be rejected.
11. Applicants are advised to provide the number of the Application Form on the reverse of the cheque or bank draft to avoid misuse of instruments submitted with the Application Form.
12. In terms of RBI circular no. DPSS.CO.CHD.No./133/04.07.05/2013-14 dated July 16, 2013, non-CTS cheques are processed in three CTS centres in separate clearing session. This separate clearing session operate once a week from November 1, 2014 onwards. In order to enable listing and trading of Equity Shares within 12 Working Days of the Issue Closing Date, investors are advised to use CTS cheques or use the ASBA facility to make payment. Investors are cautioned that Application Forms accompanied by non-CTS cheques are liable to be rejected due to any delay in clearing beyond six Working Days from the Issue Closing Date.



## ELECTRONIC REGISTRATION OF APPLICATIONS

1. The SCSBs will register the applications using the on-line facilities of the Stock Exchange.
2. The SCSBs will undertake modification of selected fields in the application details already uploaded within one Working Day from the Issue Closing Date.
3. The SCSBs shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the applications accepted by the Bankers to the Issue and the SCSBs, (ii) the applications uploaded by the SCSBs, (iii) the applications accepted but not uploaded by the SCSBs or (iv) with respect to applications by ASBA Applicants, applications accepted and uploaded without blocking funds in the ASBA Accounts. It shall be presumed that for applications uploaded by the SCSBs, the Application Amount has been blocked in the relevant ASBA Account. With respect to applications by ASBA Applicants, the Designated Branch of the relevant SCSB, which receives the relevant schedule (along with Application Forms), will be responsible for blocking the necessary amounts in the ASBA Accounts.
4. Neither the Lead Managers nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the applications accepted by a Banker to the Issue or the SCSBs, (ii) the applications uploaded by the SCSBs or (iii) the applications accepted but not uploaded by the SCSBs.
5. The Stock Exchange will offer an electronic facility for registering applications for the Issue. This facility will be available at the terminals of the SCSBs and their authorized agents during the Issue Period. The Designated Branches of the SCSBs can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Branches of SCSBs shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Lead Manager on a regular basis.
6. With respect to applications by ASBA Applicants, at the time of registering such applications, the Designated Branches of the SCSBs shall enter the following information pertaining to the ASBA Applicants into in the on-line system:
  - Name of the Applicant;
  - IPO Name;
  - Application Form number;
  - Investor Category;
  - PAN (of First Applicant, if more than one Applicant);
  - DP ID of the demat account of the Applicant;
  - Client Identification Number of the demat account of the Applicant;
  - Numbers of Equity Shares Applied for;
  - Cheque Details in case of Applications other than ASBA Application and Bank Account details in case of ASBA Applicants;
  - Location of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and

- Bank account number.
7. In case of submission of the Application by an ASBA Applicant through the Electronic Mode, the ASBA Applicant shall complete the above-mentioned details and mention the bank account number, except the Electronic ASBA Application Form number which shall be system generated.
  8. A system generated TRS will be given to the Applicant as a proof of the registration of the application. It is the Applicant's responsibility to obtain the TRS from the Designated Branches. The registration of the Application by the Designated Branches does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
  9. Such TRS will be non-negotiable and by itself will not create any obligation of any kind.
  10. In case of Non Retail Applicants and Retail Individual Applicants, applications would not be rejected except on the technical grounds as mentioned in the Prospectus. The SCSBs shall have no right to reject applications, except on technical grounds.
  11. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
  12. The SCSBs will be given up to one day after the Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.

The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for ASBA applications.

#### ALLOCATION OF EQUITY SHARES

1. The Issue is being made through the Fixed Price Process wherein 60,000 Equity Shares shall be reserved for Market Maker. 5,40,000 Equity Shares will be allocated on a proportionate basis to Retail Individual Applicants, subject to valid applications being received from Retail Individual Applicants at the Issue Price. The balance of the Net Issue will be available for allocation on a proportionate basis to Non Retail Applicants.



2. Under-subscription, if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the Lead Managers and the Stock Exchange.
3. Allocation to Non-Residents, including Eligible NRIs, Eligible QFIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.
4. In terms of the SEBI Regulations, Non Retail Applicants shall not be allowed to either withdraw or lower the size of their applications at any stage.
5. Allotment status details shall be available on the website of the Registrar to the Issue.

#### **SIGNING OF UNDERWRITING AGREEMENT AND FILING OF PROSPECTUS WITH ROC**

- a) Our Company has entered into an Underwriting agreement dated June 10, 2015
- b) A copy of the Prospectus is filed with the RoC in terms of Section 26 of the Companies Act, 2013.

#### **PRE- ISSUE ADVERTISEMENT**

Subject to Section 30 of the Companies Act, 2013, our Company shall, after registering the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in: (i) English National Newspaper; (ii) Hindi National Newspaper; and (iii) Regional Newspaper, each with wide circulation.

#### **ISSUANCE OF ALLOTMENT ADVICE**

1. Upon approval of the Basis of Allotment by the Designated Stock Exchange.
2. The Lead Managers or the Registrar to the Issue will dispatch an Allotment Advice to their Applicants who have been allocated Equity Shares in the Issue.

The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Applicant.

#### **GENERAL INSTRUCTIONS**

*Do's:*

- Check if you are eligible to apply;
- Read all the instructions carefully and complete the applicable Application Form;
- Ensure that the details about Depository Participant and Beneficiary Account are correct as Allotment of Equity Shares will be in the dematerialized form only;
- Each of the Applicants should mention their Permanent Account Number (PAN) allotted under the Income Tax Act, 1961;
- Ensure that the demographic details are updated, true and correct in all respects;
- Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant.

- Ensure that you have funds equal to the Application Amount in your bank account maintained with the SCSB before submitting the Application Form to the respective Designated Branch of the SCSB;
- With respect to ASBA Applications ensure that the Application Form is signed by the account holder in case the applicant is not the account holder. Ensure that you have mentioned the correct bank account number in the Application Form;
- Ensure that you have requested for and receive a TRS;
- Non retail applicants should submit their applications through the ASBA process only.

*Don'ts:*

- Do not apply for lower than the minimum Application size;
- Do not apply at a Price Different from the Price mentioned herein or in the Application Form
- Do not apply on another Application Form after you have submitted an Application to the Banker to of the Issue.
- Do not pay the Application Price in cash, by money order or by postal order or by stock invest;
- Do not send Application Forms by post; instead submit the same to the Selected Branches / Offices of the Banker to the Issue.
- Do not fill in the Application Form such that the Equity Shares applied for exceeds the Issue Size and/ or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground;
- Do not submit incorrect details of the DP ID, beneficiary account number and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
- Do not submit Applications on plain paper or incomplete or illegible Application Forms or in a colour prescribed for another category of Applicant;
- Do not make Applications if you are not competent to contract under the Indian Contract Act, 1872, as amended.

### Instructions for Completing the Application Form

1. The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. ASBA Application Forms should bear the stamp of the SCSB's. ASBA Application Forms, which do not bear the stamp of the SCSB, will be rejected.
2. Applicants residing at places where the designated branches of the Banker to the Issue are not located may submit/mail their applications at their sole risk along with Demand Draft payable at Mumbai.



3. SEBI, vide Circular No.CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Application forms in public issues using the stock broker ('broker) network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of BSE i.e. [www.bseindia.com](http://www.bseindia.com) and NSE i.e. [www.nseindia.com](http://www.nseindia.com).

### **Applicant's Depository Account and Bank Details**

1. Please note that, providing bank account details in the space provided in the application form is mandatory and applications that do not contain such details are liable to be rejected.
2. Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicants bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Bank Account details would be used for giving refunds to the Applicants. Hence, Applicants are advised to immediately update their Bank Account details as appearing on the records of the depository participant. Please note that failure to do so could result in delays in dispatch/ credit of refunds to Applicants at the Applicants sole risk and neither the LMs or the Registrar or the Escrow Collection Banks or the SCSB nor the Company shall have any responsibility and undertake any liability for the same. Hence, Applicants should carefully fill in their Depository Account details in the Application Form.
3. These Demographic Details would be used for all correspondence with the Applicants including mailing of the CANs / Allocation Advice and printing of Bank particulars on the refund orders or for refunds through electronic transfer of funds, as applicable. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue.
4. By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.
5. Refund orders/allocation advice would be mailed at the address of the Applicant as per the Demographic Details received from the Depositories. Applicants may note that delivery of refund orders/ allocation advice may get delayed if the same once sent to the address obtained from the depositories are returned undelivered. In such an event, the address and other details given by the Applicant (other than ASBA Applicants) in the Application Form would be used only to ensure dispatch of refund orders. Please note that any such delay shall be at the Applicant's sole risk and neither our Company nor the Escrow Collection Banks, the Registrar to the Issue or the Lead Managers shall be liable to compensate the Applicant for any losses caused to the Applicant due to any such delay or liable to pay any interest for such delay.
6. In case no corresponding record is available with the Depositories, which matches the three parameters, namely, PAN of the sole/First Applicant (including the order of names of joint

holders), the DP ID and the beneficiary's identity, then such applications are liable to be rejected.

#### **SUBMISSION OF APPLICATION FORM**

All Application Forms duly completed and accompanied by account payee cheques or drafts shall be submitted to the Bankers to the Issue at the time of submission of the application. With respect to the ASBA Applicants, the Application Form shall be submitted to the Designated Branches of the SCSBs.

No separate receipts shall be issued for the money payable on the submission of Application Form. However, the collection centre of the Bankers to the Issue will acknowledge the receipt of the Application Forms by stamping and returning to the Applicant the acknowledgement slip. This acknowledgement slip will serve as a duplicate of the Application Form for the records of the Applicant.

#### **COMMUNICATIONS**

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Banker to the Issue where the Application was submitted and cheque or draft number and issuing bank thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, refund orders etc.

#### **DISPOSAL OF APPLICATIONS AND APPLICATION MONEYS AND INTEREST IN CASE OF DELAY**

The Company shall ensure the dispatch of Allotment advice, refund orders (except for Applicants who receive refunds through electronic transfer of funds) and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within two working days of date of Allotment of Equity Shares.

In case of Applicants who receive refunds through ECS, direct credit or RTGS, the refund instructions will be given to the clearing system within 15 days from the Issue Closing Date. A suitable communication shall be sent to the Applicants receiving refunds through this mode within 15 working days of Issue Closing Date, giving details of the Bank where refunds shall be credited along with amount and expected date of electronic credit of refund.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at SME Platform of BSE where the Equity Shares are proposed to be listed are taken within 7 working days of Allotment.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

Allotment of Equity Shares shall be made within 15 (Fifteen) days of the Issue Closing Date;



Dispatch of refund orders or in a case where the refund or portion thereof is made in electronic manner, the refund instructions are given to the clearing system within 15 (Fifteen) days of the Issue Closing Date would be ensured; and

The Company shall pay interest at 15% p.a. for any delay beyond the 15 (Fifteen) working days from the Issue Closing Date, if Allotment is not made or refund orders are not dispatched or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner and/ or demat credits are not made to investors within the 15 (Fifteen) days prescribed above.

The Company will provide adequate funds required for dispatch of refund orders or Allotment Advice to the Registrar to the Issue. Refunds will be made by cheques, pay-orders or demand drafts drawn on a bank appointed by our Company as a Refund Bank and payable at par at places where Applications are received. Bank charges, if any, for en-cashing such cheques, pay orders or demand drafts at other centres will be payable by the Applicants

#### IMPERSONATION

*Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:*

*“Any person who—*

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

***shall be liable for action under Section 447.”***

#### UNDERTAKINGS BY THE COMPANY

We undertake as follows:

1. That the complaints received in respect of the Issue shall be attended expeditiously and satisfactorily;
2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at all the stock exchanges where the Equity Shares are proposed to be listed within seven Working Days of finalization of the Basis of Allotment or twelve (12) Working Days from the Issue Closing Date, whichever is earlier;
3. That we shall apply in advance for the listing of equities on the conversion of debentures/ bonds;
4. That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar to the Issue by us;
5. That where refunds are made through electronic transfer of funds, a suitable communication

shall be sent to the applicant within 15 days of the Issue Closing Date, as the case may be, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

6. That our Promoters' contribution in full has already been brought in;
7. That the certificates of the securities/ refund orders to the non-resident Indians shall be dispatched within specified time;
8. That no further issue of securities shall be made till the Equity Shares offered through the Prospectus are listed or until the Application monies are refunded on account of non-listing, under-subscription etc.; and
9. That adequate arrangements shall be made to collect all Applications Supported by Blocked Amount and to consider them similar to non-ASBA applications while finalizing the Basis of Allotment.

#### UTILIZATION OF THE ISSUE PROCEEDS

The Board of Directors of our Company certifies that:

1. all monies received out of the Issue shall be transferred to a separate Bank Account other than the bank account referred to in Sub-Section (3) of Section 40 of the Companies Act, 2013;
2. details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized;
3. details of all unutilized monies out of the Issue, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested; and
4. Our Company shall comply with the requirements of Clause 52 of the SME Listing Agreement in relation to the disclosure and monitoring of the utilisation of the proceeds of the Issue.
5. Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from all the Stock Exchanges where listing is sought has been received.
6. The Lead manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactory.

#### EQUITY SHARES IN DEMATERIALISED FORM WITH NSDL OR CDSL

1. To enable all shareholders of the Company to have their shareholding in electronic form, the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:
  - a) Agreement dated June 5, 2015 among NSDL, the Company and the Registrar to the Issue;
  - b) Agreement dated May 12, 2015 among CDSL, the Company and the Registrar to the Issue;
2. The Company's shares bear ISIN No. INE829S01016.





## 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/Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Issue. For taking an investment decision, the Bidders/Applicants should rely on their own examination of the Issuer and the Issue, and should carefully read the Draft Prospectus/Prospectus before investing in the Issue.*

#### SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)

This document is applicable to the public issues undertaken *inter-alia* through Fixed Price Issues. The purpose of the “General Information Document for Investing in Public Issues” is to provide general guidance to potential Applicants in IPOs, on the processes and procedures governing IPOs, undertaken in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“**SEBI ICDR Regulations, 2009**”)

Applicants should note that investment in equity and equity related securities involves risk and Applicant should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/or for subscribing to securities in an Issue and the relevant information about the Issuer undertaking the Issue; are set out in the Prospectus filed by the Issuer with the Registrar of Companies (“**RoC**”). Applicants should carefully read the entire Prospectus and the Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Issue. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the Prospectus, the disclosures in the Prospectus shall prevail. The Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the **LM(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 Applicants may refer to the section “Glossary and Abbreviations”.

#### SECTION 2: BRIEF INTRODUCTION TO IPOs ON SME EXCHANGE

##### 2.1 INITIAL PUBLIC OFFER (IPO)

An IPO means an offer of specified securities by an unlisted Issuer to the public for subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.

For undertaking an IPO, an Issuer is *inter-alia* required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI ICDR

Regulations, 2009, if applicable. For details of compliance with the eligibility requirements by the Issuer, Applicants may refer to the Prospectus.

The Issuer may also undertake IPO under of chapter XB of the SEBI (ICDR) Regulations, wherein as per,

- Regulation 106M (1): An issuer whose post-issue face value capital does not exceed ten crore rupees shall issue its specified securities in accordance with provisions of this Chapter.
- Regulation 106M (2): An issuer, whose post issue face value capital, is more than ten crore rupees and upto twenty five crore rupees, may also issue specified securities in accordance with provisions of this Chapter.

The present Issue being made under Regulation 106M (1) of Chapter XB of SEBI (ICDR) Regulation.

## 2.2 OTHER ELIGIBILITY REQUIREMENTS

In addition to the eligibility requirements specified in paragraphs 2.1, an Issuer proposing to undertake an IPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, 2009, the Companies Act, 1956 and the Companies Act, 2013 as may be applicable (the “Companies Act”), The Securities Contracts (Regulation) Rules, 1957 (the “SCRR”), industry-specific regulations, if any, and other applicable laws for the time being in force. Following are the eligibility requirements for making an SME IPO under Regulation 106M (1) of Chapter XB of SEBI (ICDR) Regulation:

- (a) In accordance with regulation 106(P) of the SEBI (ICDR) Regulations, Issue has to be 100% underwritten and the LM has to underwrite at least 15% of the total issue size.
- (b) In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, total number of proposed allottees in the Issue shall be greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight days from the date the company becomes liable to repay it, than the Company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under section 40 of the Companies Act, 2013
- (c) In accordance with Regulation 106(O) the SEBI (ICDR) Regulations, Company is not required to file any Offer Document with SEBI nor has SEBI issued any observations on the Offer Document. The Lead Manager shall submit the copy of Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies.
- (d) In accordance with Regulation 106(V) of the SEBI ICDR Regulations, the LM has to ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares offered in the Issue.
- (e) The Issuer shall have Net Tangible assets of at least Rs. 3 crore as per the latest audited financial results.
- (f) The Net worth (excluding revaluation reserves) of the Issuer shall be at least Rs. 3 crore as per the latest audited financial results.
- (g) The Issuer should have a track record of distributable profits in terms of section 123 of

Companies Act, 2013 for two out of immediately preceding three financial years or it should have net worth of at least Rs. 5 Crores.

- (h) The Post-issue paid up capital of the Issuer shall be at least Rs. 3 Crore.
- (i) The Issuer shall mandatorily facilitate trading in demat securities.
- (j) The Issuer should not be referred to Board for Industrial and Financial Reconstruction.
- (k) No petition for winding up is admitted by a court of competent jurisdiction or a liquidator has not been appointed against the Issuer
- (l) No material regulatory or disciplinary action should have been taken by any stock exchange or regulatory authority in the past three years against the Issuer.
- (m) The Company should have a website
- (n) There has been no change in the promoter(s) of the Company in the one year preceding the date of filing application to BSE for listing on SME segment.

Issuer shall also comply with all the other requirements as laid down for such an Issue under Chapter X-B of SEBI (ICDR) Regulations and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106(M)(3) of SEBI (ICDR) Regulations, 2009, the provisions of Regulations 6(1), 6(2), 6(3), Regulation 7, Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and Sub regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to this Issue.

Thus Company is eligible for the Issue in accordance with regulation 106M (1) and other provisions of chapter XB of the SEBI (ICDR) Regulations as the post issue face value capital does not exceed Rs. 1,000 lakhs. Company also complies with the eligibility conditions laid by the SME Platform of BSE for listing of our Equity Shares.

### 2.3 TYPES OF PUBLIC ISSUES – FIXED PRICE ISSUES AND BOOK BUILT ISSUES

In accordance with the provisions of the SEBI ICDR Regulations, 2009, an Issuer can either determine the Issue Price through the Book Building Process (**“Book Built Issue”**) or undertake a Fixed Price Issue (**“Fixed Price Issue”**). An Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in the Draft Prospectus (in case of a fixed price Issue) and determine the price at a later date before registering the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The Issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-issue advertisement was given at least five Working Days before the Issue Opening Date, in case of an IPO and at least one Working Day before the Issue Opening Date, in case of an FPO.

The Floor Price or the Issue price cannot be lesser than the face value of the securities. Applicants should refer to the Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

## 2.4 ISSUE PERIOD

The Issue may be kept open for a minimum of three Working Days (for all category of Applicants) and not more than ten Working Days. Applicants are advised to refer to the Application Form and Abridged Prospectus or Prospectus for details of the Issue Period. Details of Issue Period are also available on the website of Stock Exchange(s).

## 2.5 MIGRATION TO MAIN BOARD

SME Issuer may migrate to the Main Board of Stock Exchange from the SME Exchange at a later date subject to the following:

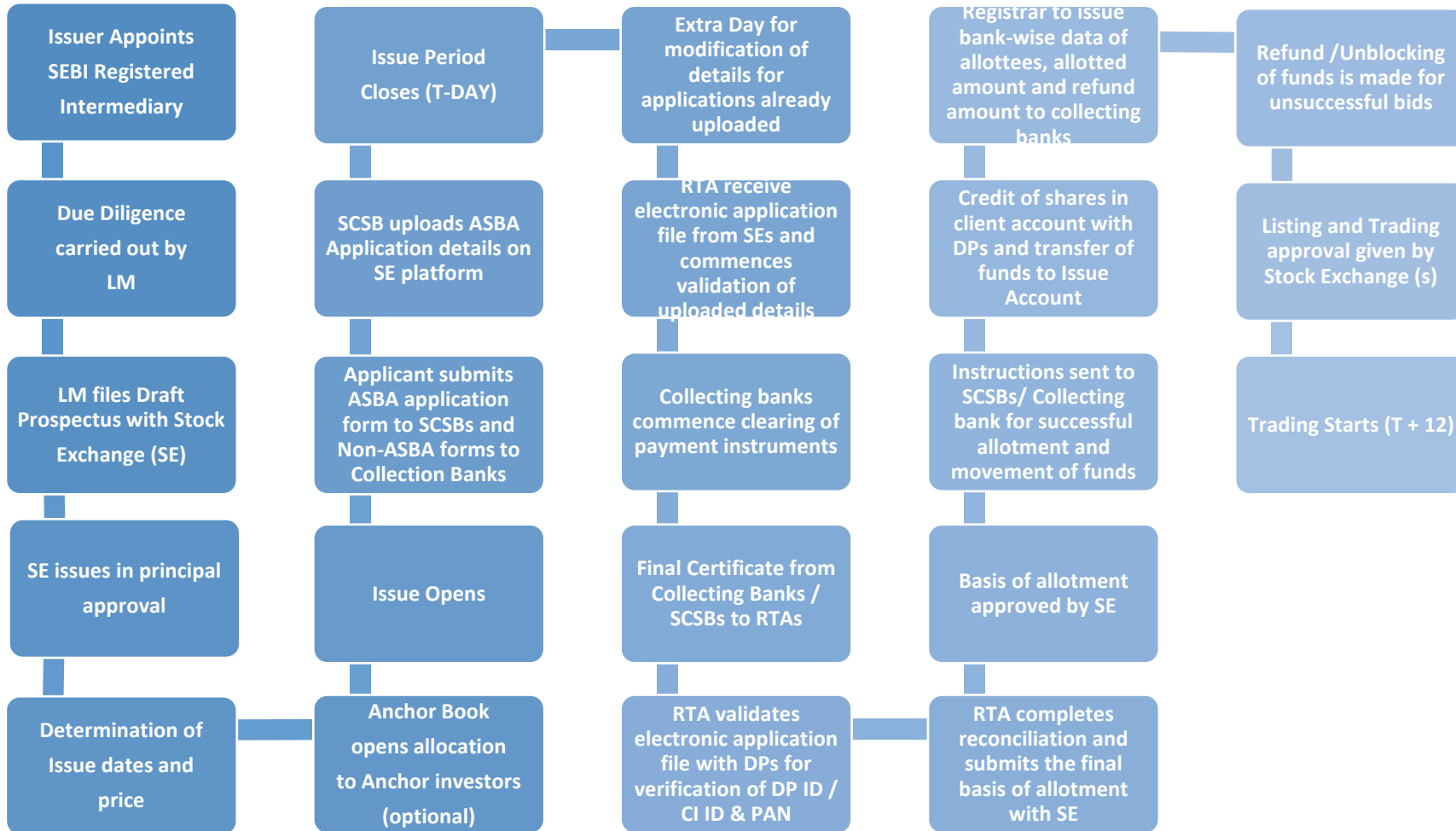
- (a) If the Paid up Capital of the Company is likely to increase above Rs. 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in 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 fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.

OR

- (b) If the Paid up Capital of the company is more than 10 crores but below Rs. 25 crores, the Company may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

## 2.6 FLOWCHART OF TIMELINES

A flow chart of process flow in Fixed Price Issues is as follows



### SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN ISSUE

***Each Applicant should check whether it is eligible to apply under applicable law.*** Furthermore, certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.

Subject to the above, an illustrative list of Applicants is as follows:

- 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 as natural/legal guardian;
- Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;
- 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;
- Mutual Funds registered with SEBI;
- 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;
- 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);
- FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI;
- Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- State Industrial Development Corporations;
- 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;
- Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- Insurance Companies registered with IRDA;
- Provident Funds and Pension Funds with minimum corpus of Rs. 2,500 Lakhs and who are authorized under their constitution to hold and invest in equity shares;
- Multilateral and Bilateral Development Financial Institutions;
- 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;
- Insurance funds set up and managed by army, navy or air force of the Union of India or by Department of Posts, India;
- Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws

As per the existing regulations, OCBs cannot participate in this Issue.

#### SECTION 4: APPLYING IN THE ISSUE

**Fixed Price Issue:** Applicants should only use the specified Application Form either bearing the stamp of Collection Bank(s) or SCSBs as available or downloaded from the websites of the Stock Exchanges. Application Forms are available with the Branches of Collection Banks or Designated Branches of the SCSBs, at the corporate office of the Issuer and at the office of LM. For further details regarding availability of Application Forms, Applicants may refer to the Prospectus.

Applicants should ensure that they apply in the appropriate category. The prescribed colour of the Application Form for various categories of Applicants is as follows:

Category	Colour of the Application
Resident Indian, Eligible NRIs applying on a non repatriation basis	White
NRIs, FVCIs, FPIs, their Sub-Accounts (other than Sub-Accounts which are foreign corporate(s) or foreign individuals applying under the QIB), on a repatriation basis	Blue
Anchor Investors (where applicable) & Applicants 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. Applicants will not have the option of getting the allotment of specified securities in physical form. However, they may get the specified securities rematerialised subsequent to allotment.

#### 4.1 INSTRUCTIONS FOR FILING THE APPLICATION FORM (FIXED PRICE ISSUE)

Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the Prospectus and the Application Form are liable to be rejected.

Instructions to fill each field of the Application Form can be found on the reverse side of the Application Form. Specific instructions for filling various fields of the Resident Application Form and Non-Resident Application Form and samples are provided below.

The samples of the Application Form for resident Applicants and the Application Form for non-resident Applicants are reproduced below:



TEAR HERE

**COMMON APPLICATION FORM FOR ASBA / NON-ASBA** **MANGALAM SEEDS LIMITED - R** **FOR RESIDENT INDIANS & QIBs, ELIGIBLE NRIs APPLYING ON NON-REPATRIATION BASIS**

To, **The Board of Directors**  
**MANGALAM SEEDS LIMITED**  
**FIXED PRICE SME ISSUE**  
**INE829S01016**  
 Date : \_\_\_\_\_  
 Application Form No. \_\_\_\_\_

BROKER'S / AGENT'S STAMP & CODE	SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	1. NAME & CONTACT DETAILS OF SOLE/FIRST APPLICANT
		Mr. / Ms. _____ Age _____
BANK BRANCH STAMP & CODE	BANK BRANCH SERIAL NO.	Address _____ Email _____ Tel. No (with STD code) / Mobile _____
REGISTRAR'S SERIAL NO.		2. PAN OF SOLE/FIRST APPLICANT
		_____

3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL	6. Investor Status
For NSDL enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID.	<input type="checkbox"/> Individual(s) - IND <input type="checkbox"/> Hindu Undivided Family* - HUF <input type="checkbox"/> Bodies Corporate - CO <input type="checkbox"/> Banks & Financial Institutions - FI <input type="checkbox"/> Mutual Funds - MF <input type="checkbox"/> National Investment Funds - NIF <input type="checkbox"/> Insurance Funds - IF <input type="checkbox"/> Insurance Companies - IC <input type="checkbox"/> Venture Capital Funds - VC <input type="checkbox"/> Others (Please Specify) - OTH
4. APPLICATION DETAILS	5. CATEGORY
No. of Equity Shares of Rs.10/- each applied at the Issue Price i.e. at Rs. 50/- per share <sup>1 &amp; 2</sup>	<input type="checkbox"/> Retail Individual <input type="checkbox"/> Non-Institutional <input type="checkbox"/> QIB
(In Figures) _____ (In Words) _____	
<sup>1</sup> Please note that applications must be made in minimum of 3000 shares and further multiples of 3000 shares accordingly. <sup>2</sup> Please note that the trading of equity shares will be only in dematerialised mode on the SME Platform of BSE.	
*HUF Should apply only through Karta (Application by HUF would be treated on par with individual)	

PLEASE FILL IN BLOCK LETTERS

7. PAYMENT DETAILS (Please tick (✓) any one of payment option A or B below)	PAYMENT OPTION : Full Payment
Amount Paid (Rs. in Figures) _____ (Rs. in words) _____	
<input type="checkbox"/> (A) CHEQUE / DEMAND DRAFT (DD)	<input type="checkbox"/> (B) ASBA
Cheque/DD No _____ Dated _____	Bank A/c No. _____
Drawn on (Bank Name & Branch) _____	Bank Name & Branch _____

(WE (ON BEHALF OF JOINT APPLICANTS, IF ANY), HEREBY CONFIRM THAT (WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED FORM 2A AND HEREBY AGREE AND CONFIRM THE 'INVESTOR UNDERTAKING' AS GIVEN OVERLEAF. (WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT (WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE APPLICATION FORM GIVEN OVERLEAF.

8 A. SIGNATURE OF SOLE / FIRST APPLICANT	8 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) (For ASBA Option ONLY)	BANK BRANCH'S STAMP	REFUND OPTION (OPTIONAL)
Date: _____, 2015	(I/We authorize the SCSB to do all acts as are necessary to make the Application in the issue)		Refund through RTGS IFSC Code of the Branch whose account is maintained
	1) _____ 2) _____ 3) _____		

**MANGALAM SEEDS LIMITED - R** Acknowledgement Slip for SCSB Application Form No. \_\_\_\_\_

DPID / CLID _____	PAN _____
Received from Mr./Ms. _____ Address _____ Telephone / Mobile _____ E-mail _____	No. of Equity Shares applied for in Figures _____ in words _____ Cheque / Demand Draft dated _____ Instrument No./ASBA Bank A/c No.: _____ Drawn on (Name of Bank & Branch) _____
	Bank's Stamp & Signature

TEAR HERE

MANGALAM SEEDS LIMITED - R	In Figures	In Words	Stamp & Signature of SCSB	Name of Sole / First Applicant
	No. of Equity Shares			
	Amount Paid (Rs.)			
	Cheque / DD/ ASBA Bank A/c No.: _____			
	Bank & Branch: _____			
	<b>Acknowledgement Slip for Applicant</b>			Application Form No. _____





TEAR HERE

COMMON APPLICATION FORM FOR ASBA / NON-ASBA	<b>MANGALAM SEEDS LIMITED - NR</b>	FOR NRIs, FIs, FVCI ETC. APPLYING ON A REPATRIATION BASIS
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 <b>To, The Board of Directors MANGALAM SEEDS LIMITED</b>	<b>FIXED PRICE SME ISSUE</b> <b>INE829S01016</b>	Date : _____ Application Form No. _____
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BROKER'S / AGENT'S STAMP & CODE	SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	1. NAME & CONTACT DETAILS OF SOLE/FIRST APPLICANT
		Mr. / Ms. _____ Age _____
BANK BRANCH STAMP & CODE	BANK BRANCH SERIAL NO.	Address _____ Email _____
		Tel. No (with STD code) / Mobile _____
REGISTRAR'S SERIAL NO.		2. PAN OF SOLE/FIRST APPLICANT
		_____

3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL For NSDL enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID.	6. Investor Status <input type="checkbox"/> Non-Resident Indians (Repatriation basis) NRI <input type="checkbox"/> Foreign Institutional Investor FI <input type="checkbox"/> Foreign Venture Capital Investor FVCI <input type="checkbox"/> FI Sub Account Corporate/Individual FII SA <input type="checkbox"/> Others (Please Specify) OTH
4. APPLICATION DETAILS No. of Equity Shares of Rs.10/- each applied at the Issue Price i.e. at Rs. 50/- per share <sup>1 &amp; 2</sup> (In Figures) _____ (In Words) _____	5. CATEGORY <input type="checkbox"/> Retail Individual <input type="checkbox"/> Non-Institutional <input type="checkbox"/> QIB

<sup>1</sup> Please note that applications must be made in minimum of 3000 shares and further multiples of 3000 shares accordingly.  
<sup>2</sup> Please note that the trading of equity shares will be only in dematerialised mode on the SME Platform of BSE.

7. PAYMENT DETAILS (Please tick (✓) any one of payment option A or B below)		PAYMENT OPTION : Full Payment
Amount Paid (Rs. in Figures) _____	(Rs. in words) _____	
<input type="checkbox"/> (A) CHEQUE / DEMAND DRAFT (DD) Cheque / DD No. _____ Dated _____ Drawn on (Bank Name & Branch) _____		<input type="checkbox"/> (B) ASBA Bank A/c No. _____ Bank Name & Branch _____

(WE (ON BEHALF OF JOINT APPLICANTS, IF ANY), HEREBY CONFIRM THAT (WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED FORM 2A AND HEREBY AGREE AND CONFIRM THE "INVESTOR UNDERTAKING" AS GIVEN OVERLEAF. (WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT (WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE APPLICATION FORM GIVEN OVERLEAF.

8A. SIGNATURE OF SOLE / FIRST APPLICANT _____ Date: _____, 2015	8 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) (For ASBA Option ONLY) I/We authorize the SCSB to do all acts as are necessary to make the Application in the issue 1) _____ 2) _____ 3) _____	BANK BRANCH'S STAMP _____	REFUND OPTION (OPTIONAL) Refund through RTGS IFSC Code of the Branch whose account is maintained _____
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 <b>MANGALAM SEEDS LIMITED - NR</b>	Acknowledgement Slip for SCSB	Application Form No. _____
--	-------------------------------	----------------------------

DPID/CLID _____ PAN _____	Received from Mr./Ms. _____ Address _____ Telephone / Mobile _____ E-mail _____
No. of Equity Shares applied for in Figures _____ in words _____ Cheque / Demand Draft dated _____	Bank's Stamp & Signature _____ Instrument No./ASBA Bank A/c No.: _____ Drawn on (Name of Bank & Branch) _____

<b>MANGALAM SEEDS LIMITED - NR</b>	Stamp & Signature of SCSB _____	Name of Sole / First Applicant _____ <b>Acknowledgment Slip for Applicant</b> Application Form No. _____
No. of Equity Shares In Figures _____ In words _____ Amount Paid (Rs.) _____ Cheque / DD/ ASBA Bank A/c No.: _____ Bank & Branch: _____		

TEAR HERE

#### 4.1.1 FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/ FIRST APPLICANT

Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.

- (a) **Mandatory Fields:** Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/ mobile number fields are optional. Applicants should note that the contact details mentioned in the Application Form may be used to dispatch communications(including refund orders and letters notifying the unblocking of the bank accounts of ASBA Applicants) in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Application Form may be used by the Issuer, the members of the Syndicate, the Registered Broker and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.
- (b) **Joint Applications:** In case of Joint Applications, the Applications should be made in the name of the Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Applicant would be required in the Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Applicant whose name appears in the Application Form or the Revision Form and all communications may be addressed to such Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.
- (c) **Impersonation:** Attention of the Applicants is specifically drawn to the provisions of sub section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:
- ‘Any person who:**
- **makes or abets making of an application in a fictitious name to a Company for acquiring, or subscribing for, its securities; or**
  - **makes or abets making of multiple applications to a Company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or**
  - **otherwise induces directly or indirectly a Company to allot, or register any transfer of securities to him, or to any other person in a fictitious name,**
- Shall be liable for action under section 447 of the said Act.’**
- (d) **Nomination Facility to Applicant:** Nomination facility is available in accordance with the provisions of Section 109A of the Companies Act. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Applicants should inform their respective DP.

#### 4.1.2 FIELD NUMBER 2: PAN NUMBER OF SOLE /FIRST APPLICANT

- (a) PAN (of the sole/ first Applicant) provided in the Application Form should be exactly the same as the PAN of the person(s) in whose name the relevant beneficiary account is held as per the Depositories’ records.
- (b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Applications on behalf of the Central or State Government, Applications by officials appointed by the courts and Applications

by Applicants residing in Sikkim (“PAN Exempted Applicants”). Consequently, all Applicants, other than the PAN Exempted Applicants, are required to disclose their PAN in the Application Form, irrespective of the Application Amount. An Application Form without PAN, except in case of Exempted Applicants, is liable to be rejected. Applications by the Applicants whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.

- (c) The exemption for the PAN Exempted Applicants is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.
- (d) Application Forms which provide the General Index Register Number instead of PAN may be rejected.
- (e) Applications by Applicants whose demat accounts have been ‘suspended for credit’ are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/ DP/22/2010. Such accounts are classified as “Inactive demat accounts” and demographic details are not provided by depositories.

#### **4.1.3 FIELD NUMBER 3: APPLICANTS DEPOSITORY ACCOUNT DETAILS**

- (a) Applicants should ensure that DP ID and the Client ID are correctly filled in the Application Form. The DP ID and Client ID provided in the Application Form should match with the DP ID and Client ID available in the Depository database, **otherwise, the Application Form is liable to be rejected.**
- (b) Applicants should ensure that the beneficiary account provided in the Application Form is active.
- (c) Applicants should note that on the basis of DP ID and Client ID as provided in the Application Form, the Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for giving refunds and allocation advice (including through physical refund warrants, direct credit, NECS, NEFT and RTGS), or unblocking of ASBA Account or for other correspondence(s) related to an Issue.
- (d) Applicants are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Applicants’ sole risk.

#### **4.1.4 FIELD NUMBER 4: APPLICATION DETAILS**

- (a) The Issuer may mention Price in the Prospectus. However a prospectus registered with RoC contains one price.
- (b) Minimum And Maximum Application Size
  - i. For Retail Individual Applicants

The Application must be for a minimum of 3000 Equity Shares. As the Application Price payable by the Retail Individual Applicants cannot exceed Rs. 2,00,000, they can make Application for only minimum Application size i.e. for 3000 Equity Shares.
  - ii. For Other Applicants (Non Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares such that the Application Amount exceeds Rs. 200,000 and in multiples of 3000 Equity Shares thereafter. An Application cannot be submitted for more than the Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application. In case of revision in Applications, the Non Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than Rs. 2,00,000 for being considered for allocation in the Non Institutional Portion. Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Prospectus.

**4.1.4.1 Multiple Applications:** An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or to Collection Bank(s) or SCSB and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.

(a) Applicants are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple applications:

- i. All applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds and FPI sub-accounts, Applications bearing the same PAN may be treated as multiple applications by an Applicant and may be rejected.
- ii. For applications from Mutual Funds and FPI sub-accounts, submitted under the same PAN, as well as Applications on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. In any such applications which have the same DP ID and Client ID, these may be treated as multiple applications and may be rejected.

(b) The following applications may not be treated as multiple Applications:

- i. Applications by Reserved Categories in their respective reservation portion as well as that made by them in the Net Issue portion in public category.
- ii. Separate applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Applications clearly indicate the scheme for which the Application has been made.
- iii. Applications by Mutual Funds, and sub-accounts of FPIs (or FPIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

#### **4.1.5 FIELD NUMBER 5: CATEGORY OF APPLICANTS**

- i. The categories of applicants identified as per the SEBI ICDR Regulations, 2009 for the purpose of Application, allocation and allotment in the Issue are RIIs, individual applicants other than RII's and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).
- ii. An Issuer can make reservation for certain categories of Applicants permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, applicants may refer to the Prospectus.

- iii. The SEBI ICDR Regulations, 2009 specify the allocation or allotment that may be made to various categories of applicants in an Issue depending upon compliance with the eligibility conditions. For details pertaining to allocation and Issue specific details in relation to allocation, applicant may refer to the Prospectus.

#### **4.1.6 FIELD NUMBER 6: INVESTOR STATUS**

- (a) Each Applicant should check whether it is eligible to apply under applicable law and ensure that any prospective allotment to it in the Issue is in compliance with the investment restrictions under applicable law.
- (b) Certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.
- (c) Applicants should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Application Form and Non-Resident Application Form.
- (d) Applicants should ensure that their investor status is updated in the Depository records.

#### **4.1.7 FIELD 7: PAYMENT DETAILS**

- (a) All Applicants are required to make payment of the full Amount (net of any Discount, as applicable) along-with the Application Form. If the Discount is applicable in the Issue, the RILs should indicate the full Amount in the Application Form and the payment shall be made for an Amount net of Discount. Only in cases where the Prospectus indicates that part payment may be made, such an option can be exercised by the Applicant.
- (b) RILs and/or Reserved Categories applying in their respective reservation portion can apply, either through the ASBA mechanism or by paying the application amount through a cheque or a demand draft (“Non-ASBA Mechanism”).
- (c) Application Amount cannot be paid in cash, through money order or through postal order or through stock invest.
- (d) Please note that, providing bank account details in the space provided in the Application Form is mandatory and Applications that do not contain such details are liable to be rejected.

##### **4.1.7.1 Instructions for non-ASBA Applicants:**

- (a) Non-ASBA Applicants may submit their Application Form with the Collection Bank(s).
- (b) For Applications made through a Collection Bank(s): The Applicant may, with the submission of the Application Form, draw a cheque or demand draft for the application amount in favour of the Escrow Account as specified under the Prospectus and the Application Form and submit the same to the escrow Collection Bank(s).
- (c) If the cheque or demand draft accompanying the Application Form is not made favouring the Escrow Account, the form is liable to be rejected.
- (d) Payments should be made by CTS 2010 compliant cheque, or demand draft drawn on any bank (including a co-operative bank), which is situated at, and is a member of or sub-member of the bankers’ clearing house located at the centre where the Application Form is submitted. Non CTS 2010 cheques/bank drafts drawn on banks not participating in the clearing process may not be accepted and applications accompanied by such cheques or bank drafts are liable to be rejected.

- (e) The Escrow Collection Banks shall maintain the monies in the Escrow Account for and on behalf of the Applicants until the Designated Date.
- (f) Applicants are advised to provide the number of the Application Form and PAN on the reverse of the cheque or bank draft to avoid any possible misuse of instruments submitted.

#### **4.1.7.2 Payment instructions for ASBA Applicants**

- (a) ASBA Applicants may submit the Application Form in physical mode to the Designated Branch of an SCSB where the Applicants have ASBA Account.
- (b) ASBA Applicants should specify the Bank Account number in the Application Form. The Application Form submitted by an ASBA Applicant and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, may not be accepted.
- (c) Applicants should ensure that the Application Form is also signed by the ASBA Account holder(s) if the Applicant is not the ASBA Account holder;
- (d) Applicants shall note that 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 Application Forms can be submitted.
- (f) ASBA Applicants applying directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.
- (g) Upon receipt of the Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form.
- (h) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Application Amount mentioned in the Application Form and may upload the details on the Stock Exchange Platform.
- (i) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Applications on the Stock Exchange platform and such Applications are liable to be rejected.
- (j) Upon submission of a completed Application Form each ASBA Applicant may be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount specified in the Application Form in the ASBA Account maintained with the SCSBs.
- (k) The Application Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of allotment and consequent transfer of the Application 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 Application, as the case may be.
- (l) SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB; else their Applications are liable to be rejected.

#### **4.1.8 Unblocking of ASBA Account**

- (a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB,

along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Application, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Application, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected ASBA Applications, if any, along with reasons for rejection and details of withdrawn or unsuccessful Applications, if any, to enable the SCSBs to unblock the respective bank accounts.

- (b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful ASBA Application to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.
- (c) In the event of withdrawal or rejection of the Application Form and for unsuccessful Applications, the Registrar to the Issue may give instructions to the SCSB to unblock the Application Amount in the relevant ASBA Account within 12 Working Days of the Issue Closing Date.

#### **4.1.8.1 Discount (if applicable)**

- (a) The Discount is stated in absolute rupee terms.
- (b) RIs, Employees and Retail Individual Shareholders are only eligible for discount. For Discounts offered in the Issue, applicants may refer to the Prospectus.
- (c) The Applicants entitled to the applicable Discount in the Issue may make payment for an amount i.e. the Application Amount less Discount (if applicable).

#### **4.1.8.2 Additional Payment Instructions for NRIs**

The Non-Resident Indians who intend to make payment through Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis). In the case of applications by NRIs applying on a repatriation basis, payment shall not be accepted out of NRO Account.

#### **4.1.9 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS**

- (a) Only the First Applicant is required to sign the Application Form. Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.
- (b) If the ASBA Account is held by a person or persons other than the ASBA Applicant, then the Signature of the ASBA Account holder(s) is also required.
- (c) In relation to the ASBA Applications, signature has to be correctly affixed in the authorization/undertaking box in the Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the application amount mentioned in the Application Form.
- (d) Applicants must note that Application Form without signature of Applicant and /or ASBA Account holder is liable to be rejected.

#### **4.1.10 ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

Applicants should ensure that they receive the acknowledgment duly signed and stamped by an Escrow Collection Bank or SCSB, as applicable, for submission of the Application Form.

- (a) All communications in connection with Applications made in the Issue should be

addressed as under:

- i. In case of queries related to Allotment, non-receipt of Allotment Advice, credit of allotted equity shares, refund orders, the Applicants should contact the Registrar to the Issue.
  - ii. In case of ASBA applications submitted to the Designated Branches of the SCSBs, the Applicants should contact the relevant Designated Branch of the SCSB.
  - iii. Applicant may contact the Company Secretary and Compliance Officer or LM(s) in case of any other complaints in relation to the Issue.
- (b) The following details (as applicable) should be quoted while making any queries -
- i. full name of the sole or First Applicant, Application Form number, Applicants' DP ID, Client ID, PAN, number of Equity Shares applied for, amount paid on application.
  - ii. In case of Non-ASBA applications cheque or draft number and the name of the issuing bank thereof.
  - iii. In case of ASBA applications, ASBA Account number in which the amount equivalent to the application amount was blocked.

For further details, Applicant may refer to the Prospectus and the Application Form.

#### **4.2 INSTRUCTIONS FOR FILING THE REVISION FORM**

- (a) During the Issue Period, any Applicant (other than QIBs and NIIs, who can only revise their application amount upwards) who has registered his or her interest in the Equity Shares for a particular number of shares is free to revise number of shares applied using revision forms available separately.
- (b) RII may revise their applications till closure of the Issue period or withdraw their applications until finalization of allotment.
- (c) Revisions can be made only in the desired number of Equity Shares by using the Revision Form.
- (d) The Applicant can make this revision any number of times during the Issue Period. However, for any revision(s) in the Application, the Applicants will have to use the services of the SCSB through which such Applicant had placed the original Application.

A sample Revision form is reproduced below:

Other than instructions already highlighted at paragraph 4.1 above, point wise instructions regarding filling up various fields of the Revision Form are provided below:





**COMMON REVISION FORM FOR ASBA / NON-ASBA** **MANGALAM SEEDS LIMITED - R** **FOR RESIDENT INDIANS & QIBs, ELIGIBLE NRIs APPLYING ON NON-REPATRIATION BASIS**



To,  
The Board of Directors  
**MANGALAM SEEDS LIMITED**

**FIXED PRICE SME ISSUE**  
**INE829S01016**

Application Form No. \_\_\_\_\_

Date : \_\_\_\_\_

BROKER'S / AGENT'S STAMP & CODE	SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	1. NAME & CONTACT DETAILS OF SOLE/FIRST APPLICANT Mr. / Ms. _____ Tel. No (with STD code) / Mobile _____
BANK BRANCH STAMP & CODE	BANK BRANCH SERIAL NO.	
REGISTRAR'S SERIAL NO.		
2. PAN OF SOLE/FIRST APPLICANT _____		
		3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

**4. FROM (as per last Application or Revision)** **PLEASE CHANGE MY APPLICATION**  PHYSICAL

Options	No. of Equity Shares applied (Application must be in multiples of 3000 equity shares) (In Figures)							Price per Equity Share (₹) ----- (In Figures)								
	7	6	5	4	3	2	1	Issue Price	Discount, if any			Net Price				
Option 1																
(OR) Option 2				NOT APPLICABLE												
(OR) Option 3				NOT APPLICABLE												

**5. TO (Revised Application)**

Options	No. of Equity Shares applied (Application must be in multiples of 3000 equity shares) (In Figures)							Price per Equity Share (₹) ----- (In Figures)								
	7	6	5	4	3	2	1	Issue Price	Discount, if any			Net Price				
Option 1																
(OR) Option 2				NOT APPLICABLE												
(OR) Option 3				NOT APPLICABLE												

**6. PAYMENT DETAILS (Please tick (✓) any one of payment option A or B below)**

Additional Amount Paid (₹ in Figures) \_\_\_\_\_ (₹ in words) \_\_\_\_\_

(A) CHEQUE / DEMAND DRAFT (DD)  (B) ASBA

Cheque / DD No. \_\_\_\_\_ Dated DD / MM / YY Bank A/c No. \_\_\_\_\_

Drawn on (Bank Name & Branch) \_\_\_\_\_ Bank Name & Branch \_\_\_\_\_

(I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY), HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED FORM 2A AND HEREBY AGREE AND CONFIRM THE 'APPLICANTS UNDERTAKING' AS GIVEN OVERLEAF. (I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE APPLICATION FORM GIVEN OVERLEAF.

<b>7 A. SIGNATURE OF SOLE / FIRST APPLICANT</b> Date: _____, 2015	<b>7 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S)</b> (AS PER BANK RECORDS) (For ASBA Option ONLY) I/We authorize the SCSB to do all acts as are necessary to make the Application in the issue 1) _____ 2) _____ 3) _____	<b>BROKER'S / SCSB BRANCH'S STAMP</b> (Acknowledging upload of Application in Stock Exchange System)
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TEAR HERE

**MANGALAM SEEDS LIMITED - R** Acknowledgement Slip for SCSB Application Form No. \_\_\_\_\_

D/D / CLID	PAN	Stamp & Signature of Banker
Additional Amount Paid (₹ in figures)	Bank & Branch	
Cheque / DD/ASBA Bank A/c No.		
Received from Mr./Ms.		
Telephone / Mobile	Email	

TEAR HERE

<b>MANGALAM SEEDS LIMITED REVISION - R</b>	Option 1	Option 2	Option 3	<b>Acknowledgement of Syndicate Member / SCSB</b>	<b>Name of Sole / First Applicant</b>
	No. of Equity Shares				
	Issue Price				
	Additional Amount Paid (₹)				
Cheque / DD/ ASBA Bank A/c No.:				<b>Acknowledgment Slip for Applicant</b>	
Bank & Branch:				Application Form No.	



**COMMON REVISION FORM FOR ASBA / NON-ASBA** **MANGALAM SEEDS LIMITED - NR** **FOR NRIs, FIIs, FVCI ETC. APPLYING ON A REPATRIATION BASIS**

To, **The Board of Directors MANGALAM SEEDS LIMITED** **FIXED PRICE SME ISSUE** **INE829S01016** Application Form No. \_\_\_\_\_ Date : \_\_\_\_\_

BROKER'S / AGENT'S STAMP & CODE	SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	1. NAME & CONTACT DETAILS OF SOLE/FIRST APPLICANT Mr. / Ms. _____ Tel. No (with STD code) / Mobile _____
BANK BRANCH STAMP & CODE	BANK BRANCH SERIAL NO.	
REGISTRAR'S SERIAL NO.		
2. PAN OF SOLE/FIRST APPLICANT		
		3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

PLEASE CHANGE MY APPLICATION  PHYSICAL

4. FROM (as per last Application or Revision)

Options	No. of Equity Shares applied (Application must be in multiples of 3000 equity shares) (In Figures)							Price per Equity Share (₹) (In Figures)											
								Issue Price				Discount, if any				Net Price			
	7	6	5	4	3	2	1	4	3	2	1	4	3	2	1	4	3	2	1
Option 1																			
(OR) Option 2																			
(OR) Option 3																			

5. TO (Revised Application)

Options	No. of Equity Shares applied (Application must be in multiples of 3000 equity shares) (In Figures)							Price per Equity Share (₹) (In Figures)											
								Issue Price				Discount, if any				Net Price			
	7	6	5	4	3	2	1	4	3	2	1	4	3	2	1	4	3	2	1
Option 1																			
(OR) Option 2																			
(OR) Option 3																			

6. PAYMENT DETAILS (Please tick (✓) any one of payment option A or B below)

Additional Amount Paid (₹ in Figures) \_\_\_\_\_ (₹ in words) \_\_\_\_\_

(A) CHEQUE / DEMAND DRAFT (DD)  (B) ASBA

Cheque/DD No. \_\_\_\_\_ Dated: DD/MM/YYYY \_\_\_\_\_ Bank A/c No. \_\_\_\_\_

Drawn on (Bank Name & Branch) \_\_\_\_\_ Bank Name & Branch \_\_\_\_\_

(WE (ON BEHALF OF JOINT APPLICANTS, IF ANY), HEREBY CONFIRM THAT (WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED FORM 2A AND HEREBY AGREE AND CONFIRM THE APPLICANTS UNDERTAKING AS GIVEN OVERLEAF. (WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT (WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE APPLICATION FORM GIVEN OVERLEAF.

7 A. SIGNATURE OF SOLE / FIRST APPLICANT  Date: _____, 2015	7 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) (For ASBA Option ONLY) I/We authorize the SCSB to do all acts as are necessary to make the Application in the issue 1) _____ 2) _____ 3) _____	BROKER'S / SCSB BRANCH'S STAMP (Acknowledging upload of Application in Stock Exchange System)
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TEAR HERE

<b>MANGALAM SEEDS LIMITED - NR</b>	Acknowledgement of Syndicate Member / SCSB	Application Form No. _____
DPID / CLID	PAN	
Additional Amount Paid (₹ in figures)	Bank & Branch	Stamp & Signature of Banker
Cheque / DD/ASBA Bank A/c No.		
Received from Mr./Ms.		
Telephone / Mobile	Email	

TEAR HERE

<b>MANGALAM SEEDS LIMITED - REVISION - NR</b>	Option 1	Option 2	Option 3	Acknowledgement of Syndicate Member / SCSB	Name of Sole / First Applicant
	No. of Equity Shares				
	Issue Price				
	Additional Amount Paid (₹)				Acknowledgment Slip for Applicant
Cheque / DD/ ASBA Bank A/c No.:					
Bank & Branch:				Application Form No.	

#### **4.2.1 FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST APPLICANT, PAN OF SOLE/FIRST APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE APPLICANT**

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

#### **4.2.2 FIELD 4 & 5: APPLICATION REVISION 'FROM' AND 'TO'**

- (a) Apart from mentioning the revised number of shares in the Revision Form, the Applicant must also mention the details of shares applied for given in his or her Application Form or earlier Revision Form.
- (b) In case of revision of applications by RIIs, Employees and Retail Individual Shareholders, such Applicants should ensure that the application amount should exceed Rs. 2,00,000/- due to revision and the application may be considered, subject to eligibility, for allocation under the Non-Institutional Category.

#### **4.2.3 FIELD 6: PAYMENT DETAILS**

- (a) With respect to the applications, other than applications submitted by ASBA Applicants, any revision of the application should be accompanied by payment in the form of cheque or demand draft for the amount, if any, to be paid on account of the upward revision of the application.
- (b) All Applicants are required to make payment of the full application amount along with the Revision Form.
- (c) In case of applications submitted by ASBA Applicant, Applicant may Issue instructions to block the revised amount in the ASBA Account, to Designated Branch through whom such Applicant had placed the original application to enable the relevant SCSB to block the additional application amount, if any.

#### **4.2.4 FIELDS 7: SIGNATURES AND ACKNOWLEDGEMENTS**

Applicants may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

### **4.3 SUBMISSION OF REVISION FORM/ APPLICATION FORM**

#### **4.3.1 Applicants may submit completed application form / Revision Form in the following manner:-**

<b>Mode of Application</b>	<b>Submission of Application Form</b>
Non-ASBA Application	Collection Centres of Escrow Banks
ASBA Application	To the Designated branches of the SCSBs where the ASBA Account is maintained

Applicants should submit the application forms/ Revision Form directly to the escrow collection banks/ASBA Bankers, as applicable.

## **SECTION 5: ISSUE PROCEDURE IN FIXED PRICE ISSUE**

### **5.1 APPLICANTS MAY NOTE THAT THERE IS NO BID CUM APPLICATION FORM IN A FIXED PRICE ISSUE**

As the Issue Price is mentioned in the Fixed Price Issue therefore on filing of the Prospectus with the RoC, the Application so submitted is considered as the application form.

Applicants may only use the specified Application Form for the purpose of making an

Application in terms of the Prospectus which may be submitted through SCSB and/or Bankers to the Issue.

ASBA Applicants may submit an Application Form either in physical form to the Designated Branches of the SCSBs or in the electronic form to the SCSB or the Designated Branches of the SCSBs authorising blocking of funds that are available in the bank account specified in the Application Form only ("ASBA Account"). The Application Form is also made available on the websites of the Stock Exchanges at least one day prior to the Issue Opening Date.

In a fixed price Issue, allocation in the net offer to the public category is made as follows: minimum fifty per cent to Retail Individual Investors; and remaining to (i) individual investors other than Retail Individual Investors; and (ii) other Applicants including corporate bodies or institutions, irrespective of the number of specified securities applied for. The unsubscribed portion in either of the categories specified above may be allocated to the Applicants in the other category.

## 5.2 GROUNDS OF REJECTIONS

Applicants are advised to note that Applications are liable to be rejected inter alia on the following technical grounds:

- Amount paid does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Application by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Application Form;
- GIR number furnished instead of PAN;
- Applications for lower number of Equity Shares than specified for that category of investors;
- Applications at a price other than the Fixed Price of the Issue;
- Applications for number of Equity Shares which are not in multiples of 3000;
- Category not ticked;
- Multiple Applications as defined in this Prospectus;
- In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Applications accompanied by Stock invest/ money order/ postal order/ cash;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms, Issue Opening Date advertisement and the Prospectus and as per the instructions in the Prospectus and the Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicants (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;



- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications where clear funds are not available in the Escrow Account as per the final certificate from the Escrow Collection Bank(s);
- Applications by OCBs;
- Applications by US persons other than in reliance on Regulation S or “qualified institutional buyers” as defined in Rule 144A under the Securities Act;
- Applications not duly signed by the sole Applicant;
- Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Applications that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Applications by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- Applications or revisions thereof by QIB Applicants, Non Institutional Applicants where the Application Amount is in excess of Rs. 2,00,000, received after 3.00 pm on the Issue Closing Date , unless the extended time is permitted by BSE

For details of instructions in relation to the Application Form, Applicants may refer to the relevant section of the GID.

**APPLICANTS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE BROKERS DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE APPLICATION FORM IS LIABLE TO BE REJECTED.**

## **SECTION 6: ISSUE PROCEDURE IN BOOK BUILT ISSUE**

This being Fixed Price Issue, this section is not applicable for this Issue.

## **SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT**

### **7.1 BASIS OF ALLOTMENT**

Allotment will be made in consultation with the SME Platform of BSE (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth hereunder:

- (a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of Applicants in the category x number of Shares applied for).
- (b) The number of Shares to be allocated to the successful Applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).

- (c) For applications where the proportionate allotment works out to less than 3,000 equity shares the allotment will be made as follows:
- i. Each successful Applicant shall be allotted 3,000 equity shares; and
  - ii. The successful Applicants out of the total applicants for that category shall be determined by the drawl of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
- (d) If the proportionate allotment to an Applicant works out to a number that is not a multiple of 3,000 equity shares, the Applicant 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 Applicants in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising Applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of 3,000 Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the offer specified under the Capital Structure mentioned in this Prospectus.
- (f) The above proportionate allotment of Shares in an Issue that is oversubscribed shall be subject to the reservation for Retail individual Applicants as described below:
- i. As per Regulation 43 (4) of SEBI (ICDR), as the retail individual investor category is entitled to more than fifty per cent on proportionate basis, the retail individual investors shall be allocated that higher percentage.
  - ii. The balance net offer of shares to the public shall be made available for allotment to
    - individual applicants other than retail individual investors and
    - other investors, including corporate bodies/ institutions irrespective of number of shares applied for.
  - iii. The unsubscribed portion of the net offer to any one of the categories specified in a) or b) shall/may be made available for allocation to applicants in the other category, if so required.

'Retail Individual Investor' means an investor who applies for shares of value of not more than Rs. 2,00,000/-. Investors may note that in case of over subscription, allotment shall be on proportionate basis and will be finalized in consultation with BSE.

The Executive Director / Managing Director of BSE - the Designated Stock Exchange in addition to Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

## 7.2 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

- (a) **Designated Date:** On the Designated Date, the Escrow Collection Banks shall transfer the funds represented by allocation of Equity Shares (other than ASBA funds with the SCSBs) from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Issue Account with the Bankers to the Issue. The balance amount after transfer to the Public Issue Account shall be transferred to the Refund Account. Payments of refund to the applicants shall also be made from the Refund Account as per the terms of the Escrow Agreement and

the Prospectus.

- (b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. Applicants **are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.**

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Applicants who have been Allotted Equity Shares in the Issue.

- (c) The dispatch of Allotment Advice shall be deemed valid, binding and irrevocable contract.
- (d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) credit of shares to the successful Applicants Depository Account will be completed within 12 Working Days of the Issue Closing Date. The Issuer also ensures that the credit of shares to the successful Applicant's depository account is completed within two Working Days from the date of Allotment, after the funds are transferred from the Escrow Account to 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 12 Working Days of the Issue Closing Date. The Registrar to the Issue may give instructions for credit to Equity Shares the beneficiary account with DPs, and dispatch the Allotment Advice within 12 Working Days of the Issue Closing Date.

### 8.2 GROUNDS FOR REFUND

#### 8.2.1 NON RECEIPT OF LISTING PERMISSION

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in Prospectus. The Designated Stock Exchange may be as disclosed in the Prospectus with which the Basis of Allotment may be finalised.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith repay, without interest, all moneys received from the Applicants in pursuance of the Prospectus.

If such money is not repaid within eight days after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of eight days, be liable to repay the money, with interest at such rate, as prescribed under Section 73 of the Companies Act, and as disclosed in the Prospectus.

#### 8.2.2 MINIMUM SUBSCRIPTION

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. As per Section 39 of the Companies Act, 2013, if the "stated minimum amount" has not 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 offer document including devolvement of Underwriters within sixty days from the date of closure of the Issue, the Issuer shall

forthwith refund the entire subscription amount received. If there is a delay beyond eight days after the Issuer becomes liable to pay the amount, the Issuer shall pay interest at a rate 15 (fifteen) percent per annum.

### 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

- (a) **In case of ASBA Applications:** Within 12 Working Days of the Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Application and also for any excess amount blocked on Application.
- (b) **In case of Non-ASBA Applications:** Within 12 Working Days of the Issue Closing Date, the Registrar to the Issue may dispatch the refund orders for all amounts payable to unsuccessful Applicants and also for any excess amount paid on Application, after adjusting for allocation/ allotment to Applicants.
- (c) In case of non-ASBA Applicants, the Registrar to the Issue may obtain from the depositories the Applicants' bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Applicants in their Application Forms for refunds. Accordingly, Applicants are advised to immediately update their details as appearing on the records of their DPs. Failure to do so may result in delays in dispatch of refund orders or refunds through electronic transfer of funds, as applicable, and any such delay may be at the Applicants' sole risk and neither the Issuer, the Registrar to the Issue, the Escrow Collection Banks, or the Syndicate, may be liable to compensate the Applicants for any losses caused to them due to any such delay, or liable to pay any interest for such delay.
- (d) In the case of applications from Eligible NRIs and FPIs, refunds, if any, may generally be payable in Indian Rupees only and net of bank charges and/or commission. If so desired, such payments in Indian Rupees may be converted into U.S. Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and may be dispatched by registered post. The Issuer may not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.

### 8.3.1 Mode of making refunds for Applicants other than ASBA Applicants

The payment of refund, if any, may be done through various modes as mentioned below:

- (a) **NECS** - Payment of refund may be done through NECS for Applicants having an account at any of the centres specified by the RBI. This mode of payment of refunds may be subject to availability of complete bank account details including the nine-digit MICR code of the Applicant as obtained from the Depository;
- (b) **NEFT** - Payment of refund may be undertaken through NEFT wherever the branch of the Applicants' bank is NEFT enabled and has been assigned the Indian Financial System Code ("IFSC"), which can be linked to the MICR of that particular branch. The IFSC Code may be obtained from the website of RBI as at a date prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Applicants have registered their nine-digit MICR number and their bank account number while opening and operating the demat account, the same may be duly mapped with the IFSC Code of that particular bank branch and the payment of refund may be made to the



Applicants through this method. In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in this section;

- (c) **Direct Credit** - Applicants having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account;
- (d) **RTGS** - Applicants having a bank account at any of the centres notified by SEBI where clearing houses are managed by the RBI, may have the option to receive refunds, if any, through RTGS; and
- (e) For all the other Applicants, including Applicants who have not updated their bank particulars along with the nine-digit MICR code, the refund orders may be dispatched through speed post or registered post for refund orders. Such refunds may be made by cheques, pay orders or demand drafts drawn on the Refund Bank and payable at par at places where applications are received.

For details of levy of charges, if any, for any of the above methods, Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centres etc. Applicants are requested to contact their respective Banks.

### **8.3.2 Mode of making refunds for ASBA Applicants**

In case of ASBA Applicants, 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 applications 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 if refund orders are not dispatched or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner and/or demat credits are not made to Applicants or instructions for unblocking of funds in the ASBA Account are not dispatched within the 12 Working days of the Issue Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 15 days from the Issue Closing Date, if Allotment is not made.

## SECTION 9: GLOSSARY AND ABBREVIATIONS

Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time.

Term	Description
Allotment/ Allot/ Allotted	The allotment of Equity Shares pursuant to the Issue to successful Applicants
Allottee	An Applicant to whom the Equity Shares are Allotted
Allotment Advice	Note or advice or intimation of Allotment sent to the Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchanges
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in SEBI ICDR Regulations, 2009.
Anchor Investor Portion	Up to 30% of the QIB Category which may be allocated by the Issuer in consultation with the Lead Manager, to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion is reserved for domestic Mutual Funds, subject to valid bids being received from domestic Mutual Funds at or above the price at which allocation is being done to Anchor Investors
Application Form	The form in terms of which the Applicant should make an application for Allotment in case of issues other than Book Built Issues, includes Fixed Price Issue
Application Supported by Blocked Amount/(ASBA)/ASBA	An application, whether physical or electronic, used by Bidders/Applicants to make a Bid authorising an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB to the extent of the Bid Amount of the ASBA Applicant
ASBA Application	An Application made by an ASBA Applicant
ASBA Applicant	Prospective /Applicants in the Issue who apply through ASBA
Banker(s) to the Issue/ Escrow Collection Bank(s)/ Collecting Banker	The banks which are clearing members and registered with SEBI as Banker to the Issue with whom the Escrow Account(s) may be opened, and as disclosed in the Prospectus and Bid cum Application Form of the Issuer
Basis of Allotment	The basis on which the Equity Shares may be Allotted to successful Applicants under the Issue
Application	An indication to make an offer during the Issue Period by a prospective pursuant to submission of Application Form or during the Anchor Investor Issue Period by the Anchor Investors, to subscribe for or purchase the Equity Shares of the Issuer at a price including all revisions and modifications thereto.
Issue Closing Date	The date after which the SCSBs may not accept any Application for the Issue, which may be notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation Applicants may refer to the Prospectus for the Issue Closing Date
Issue Opening Date	The date on which the SCSBs may start accepting application for the Issue, which may be the date notified in an English national daily, a Hindi national

Term	Description
	daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants/ bidders may refer to the Prospectus for the Issue Opening Date
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants ( can submit their application inclusive of any revisions thereof. The Issuer may consider closing the Issue Period for QIBs one working day prior to the Issue Closing Date in accordance with the SEBI ICDR Regulations, 2009. Applicants may refer to the Prospectus for the Issue Period
Application Amount	The value indicated in Application Form and payable by the Applicant upon submission of the Application, less discounts (if applicable).
Application Form	The form in terms of which the Applicant should make an offer to subscribe for or purchase the Equity Shares and which may be considered as the application for Allotment for the purposes of the Prospectus, whether applying through the ASBA or otherwise.
Applicant	Any prospective investor (including an ASBA Applicant) who makes an application pursuant to the terms of the Prospectus and the Application Form. In case of issues undertaken through the fixed price process, all references to an Applicant should be construed to mean a Bidder/ Applicant
Book Building Process/ Book Building Method	The book building process as provided under SEBI ICDR Regulations, 2009
Lead Manager(s)/Lead Manager/ LM	The Lead Manager to the Issue as disclosed in the Prospectus and the Bid Application Form of the Issuer.
Business Day	Monday to Friday (except public holidays)
CAN/Confirmation of Allotment Note	The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which may be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account
Companies Act	The Companies Act, 1956 and The Companies Act, 2013 (to the extant notified)
DP	Depository Participant
DP ID	Depository Participant's Identification Number
Depositories	National Securities Depository Limited and Central Depository Services (India) Limited
Demographic Details	Details of the Bidders/Applicants including the Bidder/Applicant's address, name of the Applicant's father/husband, investor status, occupation and bank account details
Designated Branches	Such branches of the SCSBs which may collect the Bid cum Application Forms used by the ASBA Bidders/Applicants applying through the ASBA and a list of which is available on- <a href="http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries">http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries</a>
Designated Date	The date on which funds are transferred by the Escrow Collection Bank(s) from the Escrow Account or the amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, after the Prospectus is filed with the RoC, following which the board of directors may Allot Equity Shares to successful Applicants in the Issue may give delivery instructions for the transfer of the

Term	Description
	Equity Shares constituting the Offer for Sale
Designated Stock Exchange	The designated stock exchange as disclosed in the Prospectus of the Issuer
Discount	Discount to the Issue Price that may be provided to Bidders/Applicants in accordance with the SEBI ICDR Regulations, 2009.
Draft Prospectus	The draft prospectus filed with SEBI in case of Fixed Price Issues and which may mention a price or a Price Band
Employees	Employees of an Issuer as defined under SEBI ICDR Regulations, 2009 and including, in case of a new company, persons in the permanent and full time employment of the promoting companies excluding the promoters and immediate relatives of the promoter. For further details the Applicant may refer to the Prospectus
Equity Shares	Equity shares of the Issuer
Escrow Account	Account opened with the Escrow Collection Bank(s) and in whose favour the Applicants (excluding the ASBA /Applicants) may Issue cheques or drafts in respect of the Bid Amount when submitting a Bid
Escrow Agreement	Agreement to be entered into among the Issuer, the Registrar to the Issue, the Lead Manager(s), the Escrow Collection Bank(s) and the Refund Bank(s) for collection of the A applicant Amounts and where applicable, remitting refunds of the amounts collected to the Applicants (excluding the ASBA Applicants) on the terms and conditions thereof
Escrow Collection Bank(s)	Refer to definition of Banker(s) to the Issue
FCNR Account	Foreign Currency Non-Resident Account
Applicant	The Applicant whose name appears first in the Application Form or Revision Form
FPI(s)	Foreign Portfolio Investor
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
FPO	Further public offering
Foreign Venture Capital Investors or FVCIs	Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI (Foreign Venture Capital Investors) Regulations, 2000
IPO	Initial public offering
Issue	Public Issue of Equity Shares of the Issuer including the Offer for Sale if applicable
Issuer/ Company	The Issuer proposing the initial public offering/further public offering as applicable
Issue Price	The final price, less discount (if applicable) at which the Equity Shares may be Allotted in terms of the Prospectus. The Issue Price may be decided by the Issuer in consultation with the Lead Manager(s)
Maximum RII Allottees	The maximum number of RIIs who can be allotted the minimum Application Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Application Lot.
MICR	Magnetic Ink Character Recognition - nine-digit code as appearing on a cheque leaf
Mutual Fund	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996

Term	Description
NECS	National Electronic Clearing Service
NEFT	National Electronic Fund Transfer
NRE Account	Non-Resident External Account
NRI	NRIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the RHP/Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares
NRO Account	Non-Resident Ordinary Account
Net Issue	The Issue less Market Maker Reservation Portion
Non-Institutional Investors or NIIs	All Applicants, including sub accounts of FPIs registered with SEBI which are foreign corporate or foreign individuals, that are not QIBs or RIBs and who have Bid for Equity Shares for an amount of more than Rs. 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Category	The portion of the Issue being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the Prospectus and the Application Form
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, FPIs registered with SEBI and FVCIs registered with SEBI
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
Offer for Sale	Public offer of such number of Equity Shares as disclosed in the RHP/Prospectus through an offer for sale by the Selling Shareholder
Other Investors	Investors other than Retail Individual Investors in a Fixed Price Issue. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
PAN	Permanent Account Number allotted under the Income Tax Act, 1961
Prospectus	The prospectus to be filed with the RoC in accordance with Section 60 of the Companies Act 1956 read with section 26 of Companies Act 2013, containing the Issue Price, the size of the Issue and certain other information
Public Issue Account	An account opened with the Banker to the Issue to receive monies from the Escrow Account and from the ASBA Accounts on the Designated Date
QIB Category Qualified Institutional Buyers or QIBs	The portion of the Issue being such number of Equity Shares to be Allotted to QIBs on a proportionate basis As defined under SEBI ICDR Regulations, 2009
RTGS	Real Time Gross Settlement
Refund Account(s) Refund Bank(s)	The account opened with Refund Bank(s), from which refunds (excluding refunds to ASBA Bidders/ Applicants), if any, of the whole or part of the Application Amount may be made by Refund bank(s) as disclosed in the Prospectus and Bid cum Application Form of the Issuer
Refunds through electronic transfer of funds	Refunds through NECS, Direct Credit, NEFT, RTGS or ASBA, as applicable
Registrar to the	The Registrar to the Issue as disclosed in the Prospectus and Bid cum

Term	Description
Issue/RTI	Application Form
Reserved Category/ Categories	Categories of persons eligible for making application under reservation portion
Reservation Portion	The portion of the Issue reserved for category of eligible Applicants as provided under the SEBI ICDR Regulations, 2009
Retail Individual Investors / RIIs	Investors who applies or for a value of not more than Rs. 200,000.
Retail Individual Shareholders	Shareholders of a listed Issuer who applies for a value of not more than Rs. 200,000.
Retail Category	The portion of the Issue being such number of Equity Shares available for allocation to RIIs which shall not be less than the minimum bid lot, subject to availability in RII category and the remaining shares to be allotted on proportionate basis.
Revision Form	The form used by the Applicant in an issue to modify the quantity of Equity Shares in an Application Forms or any previous Revision Form(s)
RoC	The Registrar of Companies
SEBI	The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992
SEBI ICDR Regulations, 2009	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
Self Certified Syndicate Bank(s) or SCSB(s)	A bank registered with SEBI, which offers the facility of ASBA and a list of which is available on <a href="http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html">http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html</a>
SME IPO	Initial public offering as chapter XB of SEBI (ICDR) Regulation
SME Issuer	The Company making the Issue under chapter XB of SEBI (ICDR) Regulation
Stock Exchanges/SE	The stock exchanges as disclosed in the Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Issue are proposed to be listed
Underwriters	The Lead Manager(s)
Underwriting Agreement	The agreement entered into between the Underwriters and our Company



## 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.

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 Consolidated FDI Policy Circular of 2015, with effect from May 12, 2015 ("Circular of 2015"), consolidates and subsumes 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.

RBI has also issued Master Circular on Foreign Investment in India dated July 01, 2015 which is valid till June 30, 2016. In terms of the Master Circular, an Indian company may issue fresh shares to persons resident outside India (who are eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Circular. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including filing of Form FC-GPR.

Under paragraph 6.2.5 of the current consolidated FDI Policy, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations. At present 100% foreign direct investment through automatic route is permitted in the development and production of seeds and planting material.

The transfer of shares between an Indian resident and a Non-resident does not require prior approval of FIPB or RBI, subject to fulfilment of certain conditions as specified by DIPP / RBI, from time to time. Such conditions include (i) the activities of the investee company are under the automatic route under the foreign direct investment ("FDI") Policy and the non-resident shareholding is within the sectoral limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI. Investors are advised to refer to the exact text of the relevant statutory provisions of law before investing and / or subsequent purchase or sale transaction in the Equity Shares of Our Company.

**The Equity Shares have not been and will not be registered under the U.S Securities Act of 1933, as amended (U.S. 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), except pursuant to exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities laws. Accordingly the Equity Shares are being offered and sold only outside the United States in offshore transaction in reliance on Regulation S under the U.S Securities Act and the applicable laws of the jurisdiction where those offers and sale occur. However 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.**



**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 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 VIII – MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

Pursuant to Schedule II to the Companies Act and the SEBI Regulations, the main provisions of our Articles relating, inter alia, to voting rights, dividend, lien, forfeiture, restrictions on transfer and transmission of Equity Shares or debentures and/or on their consolidation/splitting are detailed below. Please note that each provision herein below is numbered as per the corresponding article number in our Articles and capitalized/defined terms herein have the same meaning given to them in our Articles

Sr. No	Particulars	
1.	No regulation contained in Table “F” in the First Schedule to Companies Act, 2013 shall apply to this Company but the regulations for the Management of the Company and for the observance of the Members thereof and their representatives shall be as set out in the relevant provisions of the Companies Act, 2013 and subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of or addition to its regulations by Special Resolution as prescribed by the said Companies Act, 2013 be such as are contained in these Articles unless the same are repugnant or contrary to the provisions of the Companies Act, 2013 or any amendment thereto.	<b>Table F Applicable.</b>
	<b>Interpretation Clause</b>	
2.	In the interpretation of these Articles the following expressions shall have the following meanings unless repugnant to the subject or context:	
	(a) "The Act" means the Companies Act, 2013 and includes any statutory modification or re-enactment thereof for the time being in force.	<b>Act</b>
	(b) “These Articles" means Articles of Association for the time being in force or as may be altered from time to time vide Special Resolution.	<b>Articles</b>
	(c) “Auditors" means and includes those persons appointed as such for the time being of the Company.	<b>Auditors</b>
	(d) "Capital" means the share capital for the time being raised or authorized to be raised for the purpose of the Company.	<b>Capital</b>
	(e) *“The Company” shall mean Mangalam Seeds Limited	<b>Company</b>
	(f) “Executor” or “Administrator” means a person who has obtained a probate or letter of administration, as the case may be from a Court of competent	<b>Executor or Administrator</b>

Sr. No	Particulars	
	jurisdiction and shall include a holder of a Succession Certificate authorizing the holder thereof to negotiate or transfer the Share or Shares of the deceased Member and shall also include the holder of a Certificate granted by the Administrator General under section 31 of the Administrator General Act, 1963.	
	(g) "Legal Representative" means a person who in law represents the estate of a deceased Member.	<b>Legal Representative</b>
	(h) Words importing the masculine gender also include the feminine gender.	<b>Gender</b>
	(i) "In Writing" and "Written" includes printing lithography and other modes of representing or reproducing words in a visible form.	<b>In Writing and Written</b>
	(j) The marginal notes hereto shall not affect the construction thereof.	<b>Marginal notes</b>
	(k) "Meeting" or "General Meeting" means a meeting of members.	<b>Meeting or General Meeting</b>
	(l) "Month" means a calendar month.	<b>Month</b>
	(m) "Annual General Meeting" means a General Meeting of the Members held in accordance with the provision of section 96 of the Act.	<b>Annual General Meeting</b>
	(n) "Extra-Ordinary General Meeting" means an Extraordinary General Meeting of the Members duly called and constituted and any adjourned holding thereof.	<b>Extra-Ordinary General Meeting</b>
	(o) "National Holiday" means and includes a day declared as National Holiday by the Central Government.	<b>National Holiday</b>
	(p) "Non-retiring Directors" means a director not subject to retirement by rotation.	<b>Non-retiring Directors</b>
	(q) "Office" means the registered Office for the time being of the Company.	<b>Office</b>
	(r) "Ordinary Resolution" and "Special Resolution" shall have the meanings assigned thereto by Section 114 of the Act.	<b>Ordinary and Special Resolution</b>

Sr. No	Particulars	
	(s) "Person" shall be deemed to include corporations and firms as well as individuals.	<b>Person</b>
	(t) "Proxy" means an instrument whereby any person is authorized to vote for a member at General Meeting or Poll and includes attorney duly constituted under the power of attorney.	<b>Proxy</b>
	(u) "The Register of Members" means the Register of Members to be kept pursuant to Section 88(1)(a) of the Act.	<b>Register of Members</b>
	(v) "Seal" means the common seal for the time being of the Company.	<b>Seal</b>
	(w) "Special Resolution" shall have the meanings assigned to it by Section 114 of the Act.	<b>Special Resolution</b>
	(x) Words importing the Singular number include where the context admits or requires the plural number and vice versa.	<b>Singular number</b>
	(y) "The Statutes" means the Companies Act, 2013 and every other Act for the time being in force affecting the Company.	<b>Statutes</b>
	(z) "These presents" means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time.	<b>These presents</b>
	(aa) "Variation" shall include abrogation; and "vary" shall include abrogate.	<b>Variation</b>
	(bb) "Year" means the calendar year and "Financial Year" shall have the meaning assigned thereto by Section 2(41) of the Act.	<b>Year and Financial Year</b>
	Save as aforesaid any words and expressions contained in these Articles shall bear the same meanings as in the Act or any statutory modifications thereof for the time being in force.	<b>Expressions in the Act to bear the same meaning in Articles</b>
	<b>CAPITAL</b>	
3.	a) The Authorized Share Capital of the Company shall be such amount as may be mentioned in Clause V of Memorandum of Association of the Company from time to time.	<b>Authorized Capital.</b>

Sr. No	Particulars	
	b) The minimum paid up Share capital of the Company shall be Rs.5,00,000/- or such other higher sum as may be prescribed in the Act from time to time.	
4.	The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new Shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 47 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article the Directors shall comply with the provisions of Section 64of the Act.	<b>Increase of capital by the Company how carried into effect</b>
5.	Except so far as otherwise provided by the conditions of issue or by these Presents, any capital raised by the creation of new Shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.	<b>New Capital same as existing capital</b>
6.	The Board shall have the power to issue a part of authorized capital by way of non-voting Shares at price(s) premia, dividends, eligibility, volume, quantum, proportion and other terms and conditions as they deem fit, subject however to provisions of law, rules, regulations, notifications and enforceable guidelines for the time being in force.	<b>Non Voting Shares</b>
7.	Subject to the provisions of the Act and these Articles, the Board of Directors may issue redeemable preference shares to such persons, on such terms and conditions and at such times as Directors think fit either at premium or at par, and with full power to give any person the option to call for or be allotted shares of the company either at premium or at par, such option being exercisable at such times and for such consideration as the Board thinks fit.	<b>Redeemable Preference Shares</b>
8.	The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights	<b>Voting rights of preference shares</b>

Sr. No	Particulars	
	attached to his Preference Shares.	
<p><b>9.</b></p>	<p>On the issue of redeemable preference shares under the provisions of Article 7 hereof , the following provisions- shall take effect:</p> <p>(a) No such Shares shall be redeemed except out of profits of which would otherwise be available for dividend or out of proceeds of a fresh issue of shares made for the purpose of the redemption;</p> <p>(b) No such Shares shall be redeemed unless they are fully paid;</p> <p>(c) Subject to section 55(2)(d)(i) the premium, if any payable on redemption shall have been provided for out of the profits of the Company or out of the Company's security premium account, before the Shares are redeemed;</p> <p>(d) Where any such Shares are redeemed otherwise then out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Account", a sum equal to the nominal amount of the Shares redeemed, and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 55of the Act apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company; and</p> <p>(e) Subject to the provisions of Section 55 of the Act, the redemption of preference shares hereunder may be effected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit. The reduction of Preference Shares under the provisions by the Company shall not be taken as reducing the amount of its Authorized Share Capital</p>	<p><b>Provisions to apply on issue of Redeemable Preference Shares</b></p>
<p><b>10.</b></p>	<p>The Company may (subject to the provisions of sections 52, 55, 56, both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce</p> <p>(a) the share capital;</p> <p>(b) any capital redemption reserve account; or</p> <p>(c) any security premium account</p> <p>In any manner for the time being, authorized by law and in</p>	<p><b>Reduction of capital</b></p>

Sr. No	Particulars	
	particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.	
11.	Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.	<b>Debentures</b>
12.	The Company may exercise the powers of issuing sweat equity shares conferred by Section 54 of the Act of a class of shares already issued subject to such conditions as may be specified in that sections and rules framed thereunder.	<b>Issue of Sweat Equity Shares</b>
13.	The Company may issue shares to Employees including its Directors other than independent directors and such other persons as the rules may allow, under Employee Stock Option Scheme (ESOP) or any other scheme, if authorized by a Special Resolution of the Company in general meeting subject to the provisions of the Act, the Rules and applicable guidelines made there under, by whatever name called.	<b>ESOP</b>
14.	Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.	<b>Buy Back of shares</b>
15.	Subject to the provisions of Section 61 of the Act, the Company in general meeting may, from time to time, sub-divide or consolidate all or any of the share capital into shares of larger amount than its existing share or sub-divide its shares, or any of them into shares of smaller amount than is fixed by the Memorandum; subject nevertheless, to the provisions of clause (d) of sub-section (1) of Section 61; Subject as aforesaid the Company in general meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.	<b>Consolidation, Sub-Division And Cancellation</b>

Sr. No	Particulars	
16.	Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue depository receipts in any foreign country.	<b>Issue of Depository Receipts</b>
17.	Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue any kind of securities as permitted to be issued under the Act and rules framed thereunder.	<b>Issue of Securities</b>
<b>MODIFICATION OF CLASS RIGHTS</b>		
18.	<p>(a) If at any time the share capital, by reason of the issue of Preference Shares or otherwise is divided into different classes of shares, all or any of the rights privileges attached to any class (unless otherwise provided by the terms of issue of the shares of the class) may, subject to the provisions of Section 48 of the Act and whether or not the Company is being wound-up, be varied, modified or dealt, with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a separate general meeting of the holders of the shares of that class. The provisions of these Articles relating to general meetings shall mutatis mutandis apply to every such separate class of meeting.</p> <p>Provided that if variation by one class of shareholders affects the rights of any other class of shareholders, the consent of three-fourths of such other class of shareholders shall also be obtained and the provisions of this section shall apply to such variation.</p>	<b>Modification of rights</b>
19.	The rights conferred upon the holders of the Shares including Preference Share, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of shares of that class, be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares ranking pari passu therewith.	<b>New Issue of Shares not to affect rights attached to existing shares of that class.</b>
20.	Subject to the provisions of Section 62 of the Act and these Articles, the shares in the capital of the company for the time being 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 and with the sanction of the company in the General	<b>Shares at the disposal of the Directors.</b>

Sr. No	Particulars	
	Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares.	
21.	The Company may issue shares or other securities in any manner whatsoever including by way of a preferential offer, to any persons whether or not those persons include the persons referred to in clause (a) or clause (b) of sub-section (1) of section 62 subject to compliance with section 42 and 62 of the Act and rules framed thereunder.	<b>Power to issue shares on preferential basis.</b>
22.	The shares in the capital shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned no share shall be subdivided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.	<b>Shares should be Numbered progressively and no share to be subdivided.</b>
23.	An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register shall for the purposes of these Articles, be a Member.	<b>Acceptance of Shares.</b>
24.	Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the Capital of the Company as payment or part payment for any property (including goodwill of any business) sold or transferred, goods or machinery supplied or for services rendered to the Company either in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than in cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares as aforesaid.	<b>Directors may allot shares as full paid-up</b>
25.	The money (if any) which the Board shall on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any	<b>Deposit and call etc.to be a debt payable immediately.</b>



Sr. No	Particulars	
	shares allotted by them shall become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him, accordingly.	
26.	Every Member, or his heirs, executors, administrators, or legal representatives, shall pay to the Company the portion of the Capital represented by his share or shares which may, for the time being, remain unpaid thereon, in such amounts at such time or times, and in such manner as the Board shall, from time to time in accordance with the Company's regulations, require on date fixed for the payment thereof.	<b>Liability of Members.</b>
27.	Shares may be registered in the name of any limited company or other corporate body but not in the name of a firm, an insolvent person or a person of unsound mind.	<b>Registration of Shares.</b>
	<b>RETURN ON ALLOTMENTS TO BE MADE OR RESTRICTIONS ON ALLOTMENT</b>	
28.	The Board shall observe the restrictions as regards allotment of shares to the public, and as regards return on allotments contained in Sections 39 of the Act	
	<b>CERTIFICATES</b>	
29.	(a) Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as provided in the relevant laws) to several certificates, each for one or more of such shares and the company shall complete and have ready for delivery such certificates within two months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application for registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe or approve, provided that in respect of a 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 of shares to one of several joint holders shall be sufficient delivery to all such holder. Such certificate	<b>Share Certificates.</b>

Sr. No	Particulars	
	<p>shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in cases of issues against letter of acceptance or of renunciation or in cases of issue of bonus shares. Every such certificate shall be issued under the seal of the Company, which shall be affixed in the presence of two Directors or persons acting on behalf of the Directors under a duly registered power of attorney and the Secretary or some other person appointed by the Board for the purpose and two Directors or their attorneys and the Secretary or other person shall sign the share certificate, provided that if the composition of the Board permits of it, at least one of the aforesaid two Directors shall be a person other than a Managing or whole-time Director. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person, to whom it has been issued, indicating the date of issue.</p> <p>(b) Any two or more joint allottees of shares shall, for the purpose of this Article, be treated as a single member, and the certificate of any shares which may be the subject of joint ownership, may be delivered to anyone of such joint owners on behalf of all of them. For any further certificate the Board shall be entitled, but shall not be bound, to prescribe a charge not exceeding Rupees Fifty. The Company shall comply with the provisions of Section 39 of the Act.</p> <p>(c) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.</p>	
30.	<p>If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof 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 lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, being given, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every Certificate under the Article</p>	<p><b>Issue of new certificates in place of those defaced, lost or destroyed.</b></p>

Sr. No	Particulars	
	<p>shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.50/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.</p> <p>Provided that notwithstanding what is stated above the Directors shall comply with such Rules or Regulation or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956, or any other Act, or rules applicable in this behalf.</p> <p>The provisions of this Article shall mutatis mutandis apply to debentures of the Company.</p>	
31.	<p>(a) If any share stands in the names of two or more persons, the person first named in the Register shall as regard receipts of dividends or bonus or service of notices and all or any other matter connected with the Company except voting at meetings, and the transfer of the shares, be deemed sole holder thereof but the joint-holders of a share shall be severally as well as jointly liable for the payment of all calls and other payments due in respect of such share and for all incidentals thereof according to the Company's regulations.</p>	<p><b>The first named joint holder deemed Sole holder.</b></p>
	<p>(b) The Company shall not be bound to register more than three persons as the joint holders of any share.</p>	<p><b>Maximum number of joint holders.</b></p>
32.	<p>Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise any equitable, contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as the holder thereof but the Board shall be at liberty at its sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.</p>	<p><b>Company not bound to recognise any interest in share other than that of registered holders.</b></p>
33.	<p>If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by installment, every such installment shall when due be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the</p>	<p><b>Installment on shares to be duly paid.</b></p>

Sr. No	Particulars	
	share or his legal representative.	
	<b>UNDERWRITING AND BROKERAGE</b>	
34.	Subject to the provisions of Section 40 (6) of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing, to subscribe (whether absolutely or conditionally) for any shares or debentures in the Company, or procuring, or agreeing to procure subscriptions (whether absolutely or conditionally) for any shares or debentures in the Company but so that the commission shall not exceed the maximum rates laid down by the Act and the rules made in that regard. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.	<b>Commission</b>
35.	The Company may pay on any issue of shares and debentures such brokerage as may be reasonable and lawful.	<b>Brokerage</b>
	<b>CALLS</b>	
36.	<p>(1) The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board and not by a circular resolution, make such calls as it thinks fit, upon the Members in respect of all the moneys unpaid on the shares held by them respectively and each Member shall pay the amount of every call so made on him to the persons and at the time and places appointed by the Board.</p> <p>(2) A call may be revoked or postponed at the discretion of the Board.</p> <p>(3) A call may be made payable by installments.</p>	<b>Directors may make calls</b>
37.	Fifteen days' notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call shall be paid.	<b>Notice of Calls</b>
38.	A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorising such call was passed and may be made payable by the members whose names appear on the Register of Members on such date or at the discretion of the Directors on such subsequent date as may be fixed by Directors.	<b>Calls to date from resolution.</b>

Sr. No	Particulars	
39.	Whenever any calls for further share capital are made on shares, such calls shall be made on uniform basis on all shares falling under the same class. For the purposes of this Article shares of the same nominal value of which different amounts have been paid up shall not be deemed to fall under the same class.	<b>Calls on uniform basis.</b>
40.	The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the members who on account of the residence at a distance or other cause, which the Board may deem fairly entitled to such extension, but no member shall be entitled to such extension save as a matter of grace and favour.	<b>Directors may extend time.</b>
41.	If any Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board not exceeding 21% per annum but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member.	<b>Calls to carry interest.</b>
42.	If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by installments at fixed time (whether on account of the amount of the share or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or installment accordingly.	<b>Sums deemed to be calls.</b>
43.	On the trial or hearing of any action or suit brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, if shall be sufficient to prove that the name of the Member in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder, at or subsequent to the date at which the money is sought to be recovered is alleged to have become due on the share in respect of which such money is sought to be recovered in the Minute Books: and that notice of such call was duly given to the Member or his representatives used in pursuance of these Articles: and that it shall not be	<b>Proof on trial of suit for money due on shares.</b>

Sr. No	Particulars	
	<p>necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.</p>	
<p><b>44.</b></p>	<p>Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member of the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce forfeiture of such shares as hereinafter provided.</p>	<p><b>Judgment, decree, partial payment motto proceed for forfeiture.</b></p>
<p><b>45.</b></p>	<p>(a) The Board may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the amounts of his respective shares beyond the sums, actually called up and upon the moneys so paid in advance, or upon so much thereof, from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made the Board may pay or allow interest, at such rate as the member paying the sum in advance and the Board agree upon. The Board may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to the Member three months' notice in writing: provided that moneys paid in advance of calls on shares may carry interest but shall not confer a right to dividend or to participate in profits.</p> <p>(b) No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable. The provisions of this Article shall mutatis mutandis apply to calls on debentures issued by the Company.</p>	<p><b>Payments in Anticipation of calls may carry interest</b></p>
	<p><b>LIEN</b></p>	

Sr. No	Particulars	
46.	<p>The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this clause.</p>	<p><b>Company to have Lien on shares.</b></p>
47.	<p>For the purpose of enforcing such lien the Directors may sell the shares subject thereto in such manner as they shall think fit, but no sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such member or the person (if any) entitled by transmission to the shares and default shall have been made by him in payment, fulfillment of discharge of such debts, liabilities or engagements for seven days after such notice. To give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof and purchaser shall be registered as the holder of the shares comprised in any such transfer. Upon any such sale as the Certificates in respect of the shares sold shall stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new Certificate or Certificates in lieu thereof to the purchaser or purchasers concerned.</p>	<p><b>As to enforcing lien by sale.</b></p>
48.	<p>The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.</p>	<p><b>Application of proceeds of sale.</b></p>
<p><b>FORFEITURE AND SURRENDER OF SHARES</b></p>		

Sr. No	Particulars	
49.	<p>If any Member fails to pay the whole or any part of any call or installment or any moneys due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same, the Directors may, at any time thereafter, during such time as the call or installment or any part thereof or other moneys as aforesaid remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such Member or on the person (if any) entitled to the shares by transmission, requiring him to pay such call or installment of such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all reasonable expenses (legal or otherwise) that may have been accrued by the Company by reason of such non-payment. Provided that no such shares shall be forfeited if any moneys shall remain unpaid in respect of any call or installment or any part thereof as aforesaid by reason of the delay occasioned in payment due to the necessity of complying with the provisions contained in the relevant exchange control laws or other applicable laws of India, for the time being in force.</p>	<p><b>If call or installment not paid, notice may be given.</b></p>
50.	<p>The notice shall name a day (not being less than fourteen days from the date of notice) and a place or places on and at which such call or installment and such interest thereon as the Directors shall determine from the day on which such call or installment ought to have been paid and expenses as aforesaid are to be paid.</p> <p>The notice shall also state that, in the event of the non-payment at or before the time and at the place or places appointed, the shares in respect of which the call was made or installment is payable will be liable to be forfeited.</p>	<p><b>Terms of notice.</b></p>
51.	<p>If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given, may at any time thereafter but before payment of all calls or installments, interest and expenses, due in respect thereof, be forfeited by resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited share and not actually paid before the forfeiture.</p>	<p><b>On default of payment, shares to be forfeited.</b></p>
52.	<p>When any shares have been forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of</p>	<p><b>Notice of forfeiture to a Member</b></p>



Sr. No	Particulars	
	the forfeiture, with the date thereof shall forthwith be made in the Register of Members.	
53.	Any shares so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted, or otherwise disposed of, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board in their absolute discretion shall think fit.	<b>Forfeited shares to be property of the Company and may be sold etc.</b>
54.	Any Member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand all calls, installments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of the forfeiture until payment, at such rate as the Board may determine and the Board may enforce the payment of the whole or a portion thereof as if it were a new call made at the date of the forfeiture, but shall not be under any obligation to do so.	<b>Members still liable to pay money owing at time of forfeiture and interest.</b>
55.	The forfeiture shares shall involve extinction at the time of the forfeiture, of all interest in all claims and demand against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.	<b>Effect of forfeiture.</b>
56.	A declaration in writing that the declarant is a Director or Secretary of the Company and that shares in the Company have been duly forfeited in accordance with these articles on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares.	<b>Evidence of Forfeiture.</b>
57.	The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition thereof and the person to whom such share is sold, re-allotted or disposed of may be registered as the holder of the share and he shall not be bound to see to the application of the consideration: if any, nor shall his title to the share be affected by any irregularly or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the shares.	<b>Title of purchaser and allottee of Forfeited shares.</b>
58.	Upon any sale, re-allotment or other disposal under the provisions of the preceding Article, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the	<b>Cancellation of share certificate in respect of forfeited shares.</b>

Sr. No	Particulars	
	Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons entitled thereto.	
59.	In the meantime and until any share so forfeited shall be sold, re-allotted, or otherwise dealt with as aforesaid, the forfeiture thereof may, at the discretion and by a resolution of the Directors, be remitted as a matter of grace and favour, and not as was owing thereon to the Company at the time of forfeiture being declared with interest for the same unto the time of the actual payment thereof if the Directors shall think fit to receive the same, or on any other terms which the Director may deem reasonable.	<b>Forfeiture may be remitted.</b>
60.	Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the Shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the Shares sold, and the purchasers shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such Shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.	<b>Validity of sale</b>
61.	The Directors may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering on such terms the Directors may think fit.	<b>Surrender of shares.</b>
	<b>TRANSFER AND TRANSMISSION OF SHARES</b>	
62.	(a) The instrument of transfer of any share in or debenture of the Company shall be executed by or on behalf of both the transferor and transferee.  (b) The transferor shall be deemed to remain a holder of the share or debenture until the name of the transferee is entered in the Register of Members or Register of Debenture holders in respect thereof.	<b>Execution of the instrument of shares.</b>
63.	The instrument of transfer of any share or debenture shall be in writing and all the provisions of Section 56 and	<b>Transfer Form.</b>

Sr. No	Particulars	
	<p>statutory modification thereof including other applicable provisions of the Act shall be duly complied with in respect of all transfers of shares or debenture and registration thereof.</p> <p>The instrument of transfer shall be in a common form approved by the Exchange;</p>	
<p><b>64.</b></p>	<p>The Company shall not register a transfer in the Company other than the transfer between persons both of whose names are entered as holders of beneficial interest in the records of a depository, unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation if any, of the transferee, has been delivered to the Company along with the certificate relating to the shares or if no such share certificate is in existence along with the letter of allotment of the shares: Provided that where, on an application in writing made to the Company by the transferee and bearing the stamp, required for an instrument of transfer, it is proved to the satisfaction of the Board of Directors that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit, provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares in the Company has been transmitted by operation of law.</p>	<p><b>Transfer not to be registered except on production of instrument of transfer.</b></p>
<p><b>65.</b></p>	<p>Subject to the provisions of Section 58 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, the Directors may, decline to register—</p> <p>(a) any transfer of shares on which the company has a lien.</p> <p>That registration of transfer shall however not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever;</p>	<p><b>Directors may refuse to register transfer.</b></p>
<p><b>66.</b></p>	<p>If the Company refuses to register the transfer of any share or transmission of any right therein, the Company shall within one month from the date on which the instrument of transfer or intimation of transmission was lodged with the Company, send notice of refusal to the transferee and transferor or to the person giving intimation of the transmission, as the case may be, and there upon the</p>	<p><b>Notice of refusal to be given to transferor and transferee.</b></p>

Sr. No	Particulars	
	provisions of Section 56 of the Act or any statutory modification thereof for the time being in force shall apply.	
67.	No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate and letter of administration, Certificate of Death or Marriage, Power of Attorney or similar other document with the Company.	<b>No fee on transfer.</b>
68.	The Board of Directors shall have power on giving not less than seven days previous notice in accordance with section 91 and rules made thereunder close the Register of Members and/or the Register of debentures holders and/or other security holders at such time or times and for such period or periods, not exceeding thirty days at a time, and not exceeding in the aggregate forty five days at a time, and not exceeding in the aggregate forty five days in each year as it may seem expedient to the Board.	<b>Closure of Register of Members or debenture holder or other security holders.</b>
69.	The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all the transfer deeds with the Company after such period as they may determine.	<b>Custody of transfer Deeds.</b>
70.	Where an application of transfer relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.	<b>Application for transfer of partly paid shares.</b>
71.	For this purpose the notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post/speed post/ courier to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.	<b>Notice to transferee.</b>
72.	(a) On the death of a Member, the survivor or survivors, where the Member was a joint holder, and his his nominee or nominees or legal representatives where he was a sole holder, shall be the only person recognized by the Company as having any title to his interest in the shares.	<b>Recognition of legal representative.</b>

Sr. No	Particulars	
	<p>(b) Before recognising any executor or administrator or legal representative, the Board may require him to obtain a Grant of Probate or Letters Administration or other legal representation as the case may be, from some competent court in India.</p> <p>Provided nevertheless that in any case where the Board in its absolute discretion thinks fit, it shall be lawful for the Board to dispense with the production of Probate or letter of Administration or such other legal representation upon such terms as to indemnity or otherwise, as the Board in its absolute discretion, may consider adequate</p> <p>(c) Nothing in clause (a) above shall release the estate of the deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.</p>	
73.	<p>The Executors or Administrators of a deceased Member or holders of a Succession Certificate or the Legal Representatives in respect of the Shares of a deceased Member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the Shares registered in the name of such Members, and the Company shall not be bound to recognize such Executors or Administrators or holders of Succession Certificate or the Legal Representative unless such Executors or Administrators or Legal Representative shall have first obtained Probate or Letters of Administration or Succession Certificate as the case may be from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks fit, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register Shares standing in the name of a deceased Member, as a Member. However, provisions of this Article are subject to Sections 72 of the Companies Act.</p>	<p><b>Titles of Shares of deceased Member</b></p>
74.	<p>Where, in case of partly paid Shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56 of the Act.</p>	<p><b>Notice of application when to be given</b></p>
75.	<p>Subject to the provisions of the Act and these Articles, any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy, insolvency of any member or by any lawful means other than by a transfer in</p>	<p><b>Registration of persons entitled to share otherwise than by transfer.</b></p>

Sr. No	Particulars	
	<p>accordance with these presents, may, with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of this title as the Director shall require either be registered as member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as Member in respect of such shares; provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favour of his nominee an instrument of transfer in accordance so he shall not be freed from any liability in respect of such shares. This clause is hereinafter referred to as the 'Transmission Clause'.</p>	<p><b>(transmission clause).</b></p>
<p><b>76.</b></p>	<p>Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse or suspend register a person entitled by the transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.</p>	<p><b>Refusal to register nominee.</b></p>
<p><b>77.</b></p>	<p>Every transmission of a share shall be verified in such manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.</p>	<p><b>Board may require evidence of transmission.</b></p>
<p><b>78.</b></p>	<p>The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made, or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register or Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or require to regard or attend or give effect to any notice which may be given to them of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty</p>	<p><b>Company not liable for disregard of a notice prohibiting registration of transfer.</b></p>

Sr. No	Particulars	
	to regard and attend to any such notice and give effect thereto, if the Directors shall so think fit.	
79.	In the case of any share registered in any register maintained outside India the instrument of transfer shall be in a form recognized by the law of the place where the register is maintained but subject thereto shall be as near to the form prescribed in Form no. SH-4 hereof as circumstances permit.	<b>Form of transfer Outside India.</b>
80.	No transfer shall be made to any minor, insolvent or person of unsound mind.	<b>No transfer to insolvent etc.</b>
	<b>NOMINATION</b>	
81.	<p>i) Notwithstanding anything contained in the articles, every holder of securities of the Company may, at any time, nominate a person in whom his/her securities shall vest in the event of his/her death and the provisions of Section 72 of the Companies Act, 2013 shall apply in respect of such nomination.</p> <p>ii) No person shall be recognized by the Company as a nominee unless an intimation of the appointment of the said person as nominee has been given to the Company during the lifetime of the holder(s) of the securities of the Company in the manner specified under Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014</p> <p>iii) The Company shall not be in any way responsible for transferring the securities consequent upon such nomination.</p> <p>iv) If the holder(s) of the securities survive(s) nominee, then the nomination made by the holder(s) shall be of no effect and shall automatically stand revoked.</p>	<b>Nomination</b>
82.	<p>A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either-</p> <p>(i) to be registered himself as holder of the security, as the case may be; or</p> <p>(ii) to make such transfer of the security, as the case may be, as the deceased security holder, could have made;</p> <p>(iii) if the nominee elects to be registered as holder of the security, himself, as the case may be, he shall deliver</p>	<b>Transmission of Securities by nominee</b>

Sr. No	Particulars	
	<p>or send to the Company, a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased security holder as the case may be;</p> <p>(iv) a nominee shall be entitled to the same dividends and other advantages to which he would be entitled to, if he were the registered holder of the security except that he shall not, before being registered as a member in respect of his security, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.</p> <p>Provided further 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 or debenture, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable or rights accruing in respect of the share or debenture, until the requirements of the notice have been complied with.</p>	
	<b>DEMATERIALISATION OF SHARES</b>	
<b>83.</b>	Subject to the provisions of the Act and Rules made thereunder the Company may offer its members facility to hold securities issued by it in dematerialized form.	<b>Dematerialisation of Securities</b>
	<b>JOINT HOLDER</b>	
<b>84.</b>	Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint Shareholders with benefits of survivorship subject to the following and other provisions contained in these Articles.	<b>Joint Holders</b>
<b>85.</b>	(a) The Joint holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.	<b>Joint and several liabilities for all payments in respect of shares.</b>
	(b) on the death of any such joint holders the survivor or survivors shall be the only person recognized by the Company as having any title to the share but the Board may require such evidence of death as it may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from	<b>Title of survivors.</b>



Sr. No	Particulars	
	any liability of shares held by them jointly with any other person;	
	(c) Any one of two or more joint holders of a share may give effectual receipts of any dividends or other moneys payable in respect of share; and	<b>Receipts of one sufficient.</b>
	(d) only the person whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share or to receive documents from the Company and any such document served on or sent to such person shall deemed to be service on all the holders.	<b>Delivery of certificate and giving of notices to first named holders.</b>
	<b>SHARE WARRANTS</b>	
<b>86.</b>	The Company may issue warrants subject to and in accordance with provisions of the Act and accordingly the Board may in its discretion with respect to any Share which is fully paid upon application in writing signed by the persons 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 persons signing the application and on receiving the certificate (if any) of the Share, and the amount of the stamp duty on the warrant and such fee as the Board may, from time to time, require, issue a share warrant.	<b>Power to issue share warrants</b>
<b>87.</b>	<p>(a) 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 call in a meeting of the Company, and of attending and voting and exercising the other privileges of a Member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the Share included in the deposit warrant.</p> <p>(b) Not more than one person shall be recognized as depositor of the Share warrant.</p> <p>(c) The Company shall, on two day's written notice, return the deposited share warrant to the depositor.</p>	<b>Deposit of share warrants</b>
<b>88.</b>	(a) Subject as herein otherwise expressly provided, no person, being a bearer of a share warrant, shall sign a requisition for calling a meeting of the Company or	<b>Privileges and disabilities of the holders of share warrant</b>

Sr. No	Particulars	
	<p>attend or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notice from the Company.</p> <p>(b) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the Share included in the warrant, and he shall be a Member of the Company.</p>	
89.	The Board may, from time to time, make bye-laws as to terms on which (if it shall think fit), a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.	<b>Issue of new share warrant coupons</b>
	<b>CONVERSION OF SHARES INTO STOCK</b>	
90.	<p>The Company may, by ordinary resolution in General Meeting.</p> <p>a) convert any fully paid-up shares into stock; and</p> <p>b) re-convert any stock into fully paid-up shares of any denomination.</p>	<b>Conversion of shares into stock or reconversion.</b>
91.	The holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulation 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>Transfer of stock.</b>
92.	The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, participation in profits, voting at meetings of the Company, and other matters, as if they hold the shares for which the stock arose. but no such privilege or advantage shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.	<b>Rights of stock holders.</b>
93.	Such of the regulations of the Company (other than those relating to share warrants), as are applicable to paid up share shall apply to stock and the words "share" and "shareholders" in those regulations shall include "stock" and "stockholders" respectively.	<b>Regulations.</b>

Sr. No	Particulars	
	<b>BORROWING POWERS</b>	
94.	<p>Subject to the provisions of the Act and these Articles, the Board may, from time to time at its discretion, by a resolution passed at a meeting of the Board generally raise or borrow money by way of deposits, loans, overdrafts, cash credit</p> <p>or by issue of bonds, debentures or debenture-stock (perpetual or otherwise) or in any other manner, or from any person, firm, company, co-operative society, any body corporate, bank, institution, whether incorporated in India or abroad, Government or any authority or any other body for the purpose of the Company and may secure the payment of any sums of money so received, raised or borrowed; provided that the total amount borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) shall not without the consent of the Company in General Meeting exceed the aggregate of the paid up capital of the Company and its free reserves that is to say reserves not set apart for any specified purpose.</p>	<b>Power to borrow.</b>
95.	<p>Subject to the provisions of the Act and these Articles, any bonds, debentures, debenture-stock or any other securities may be issued at a discount, premium or otherwise and with any special privileges and conditions as to redemption, surrender, allotment of shares, appointment of Directors or otherwise; provided that debentures with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.</p>	<b>Issue of discount etc. or with special privileges.</b>
96.	<p>The payment and/or repayment of moneys borrowed or raised as aforesaid or any moneys owing otherwise or debts due from the Company may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit, and in particular by mortgage, charter, lien or any other security upon all or any of the assets or property (both present and future) or the undertaking of the Company including its uncalled capital for the time being, or by a guarantee by any Director, Government or third party, and the bonds, debentures and debenture stocks and other securities may be made assignable, free from equities between the Company and the person to whom the same may be issued and also by a similar mortgage, charge or lien to secure and guarantee, the performance by the Company or any other person or company of any obligation undertaken by the Company or</p>	<b>Securing payment or repayment of Moneys borrowed.</b>

Sr. No	Particulars	
	any person or Company as the case may be.	
97.	Any bonds, debentures, debenture-stock or their securities issued or to be issued by the Company shall be under the control of the Board who may issue them upon such terms and conditions, and in such manner and for such consideration as they shall consider to be for the benefit of the Company.	<b>Bonds, Debentures etc. to be under the control of the Directors.</b>
98.	If any uncalled capital of the Company is included in or charged by any mortgage or other security the Directors shall subject to the provisions of the Act and these Articles make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed.	<b>Mortgage of uncalled Capital.</b>
99.	Subject to the provisions of the Act and these Articles if the Directors or any of them or any other person shall incur or be about to incur any liability whether as principal or surety for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.	<b>Indemnity may be given.</b>
	<b>MEETINGS OF MEMBERS</b>	
100.	All the General Meetings of the Company other than Annual General Meetings shall be called Extra-ordinary General Meetings.	<b>Distinction between AGM &amp; EGM.</b>
101.	(a) The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of Members made in compliance with Section 100 of the Act, forthwith proceed to convene Extra-Ordinary General Meeting of the members	<b>Extra-Ordinary General Meeting by Board and by requisition</b>
	(b) If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members of the	<b>When a Director or any two Members may call an Extra Ordinary General Meeting</b>

Sr. No	Particulars	
	Company holding not less than one-tenth of the total paid up share capital of the Company may call for an Extra-Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors.	
102.	No General Meeting, Annual or Extraordinary shall be competent to enter upon, discuss or transfer any business which has not been mentioned in the notice or notices upon which it was convened.	<b>Meeting not to transact business not mentioned in notice.</b>
103.	The Chairman (if any) of the Board of Directors shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there is no such Chairman of the Board of Directors, or if at any meeting he is not present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the chair, then the Members present shall elect another Director as Chairman, and if no Director be present or if all the Directors present decline to take the chair then the Members present shall elect one of the members to be the Chairman of the meeting.	<b>Chairman of General Meeting</b>
104.	No business, except the election of a Chairman, shall be discussed at any General Meeting whilst the Chair is vacant.	<b>Business confined to election of Chairman whilst chair is vacant.</b>
105.	<p>a) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.</p> <p>b) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.</p> <p>c) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.</p> <p>d) 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.</p>	<b>Chairman with consent may adjourn meeting.</b>
106.	In the case of an equality of votes the Chairman shall both on a show of hands, on a poll (if any) and e-voting, have casting vote in addition to the vote or votes to which he may be entitled as a Member.	<b>Chairman's casting vote.</b>

Sr. No	Particulars	
107.	Any poll duly demanded on the election of Chairman of the meeting or any question of adjournment shall be taken at the meeting forthwith.	<b>In what case poll taken without adjournment.</b>
108.	The demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.	<b>Demand for poll not to prevent transaction of other business.</b>
<b>VOTES OF MEMBERS</b>		
109.	No Member shall be entitled to vote either personally or by proxy at any General Meeting or Meeting of a class of shareholders either upon a show of hands, upon a poll or electronically, or be reckoned in a quorum in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised, any right or lien.	<b>Members in arrears not to vote.</b>
110.	Subject to the provision of these Articles and without prejudice to any special privileges, or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the company, every Member, not disqualified by the last preceding Article shall be entitled to be present, and to speak and to vote at such meeting, and on a show of hands every member present in person shall have one vote and upon a poll the voting right of every Member present in person or by proxy shall be in proportion to his share of the paid-up equity share capital of the Company, Provided, however, if any preference shareholder is present at any meeting of the Company, save as provided in sub-section (2) of Section 47 of the Act, he shall have a right to vote only on resolution placed before the meeting which directly affect the rights attached to his preference shares.	<b>Number of votes each member entitled.</b>
111.	On a poll taken at a meeting of the Company a member entitled to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.	<b>Casting of votes by a member entitled to more than one vote.</b>
112.	A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, or a minor may vote, whether on a show of hands	<b>Vote of member of unsound mind and of minor</b>

Sr. No	Particulars	
	or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.	
113.	Notwithstanding anything contained in the provisions of the Companies Act, 2013, and the Rules made there under, the Company may, and in the case of resolutions relating to such business as may be prescribed by such authorities from time to time, declare to be conducted only by postal ballot, shall, get any such business/ resolutions passed by means of postal ballot, instead of transacting the business in the General Meeting of the Company.	<b>Postal Ballot</b>
114.	A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.	<b>E-Voting</b>
115.	<p>a) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. If more than one of the said persons remain present than the senior shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased Member in whose name share stands shall for the purpose of these Articles be deemed joints holders thereof.</p> <p>b) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.</p>	<b>Votes of joint members.</b>
116.	Votes may be given either personally or by attorney or by proxy or in case of a company, by a representative duly Authorised as mentioned in Articles	<b>Votes may be given by proxy or by representative</b>
117.	A body corporate (whether a company within the meaning of the Act or not) may, if it is member or creditor of the Company (including being a holder of debentures) authorise such person by resolution of its Board of Directors, as it thinks fit, in accordance with the provisions of Section 113 of the Act to act as its representative at any Meeting of the members or creditors of the Company or debentures holders of the Company. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate as if it were an individual member, creditor or holder of debentures of the	<b>Representation of a body corporate.</b>

Sr. No	Particulars	
	Company.	
118.	(a) A member paying the whole or a part of the amount remaining unpaid on any share held by him although no part of that amount has been called up, shall not be entitled to any voting rights in respect of the moneys paid until the same would, but for this payment, become presently payable.	<b>Members paying money in advance.</b>
	(b) A member is not prohibited from exercising his voting rights on the ground that he has not held his shares or interest in the Company for any specified period preceding the date on which the vote was taken.	<b>Members not prohibited if share not held for any specified period.</b>
119.	Any person entitled under Article 73 (transmission clause) to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least forty-eight hours before the time of holding the meeting or adjourned meeting, as the case may be at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares and give such indemnify (if any) as the Directors may require or the directors shall have previously admitted his right to vote at such meeting in respect thereof.	<b>Votes in respect of shares of deceased or insolvent members.</b>
120.	No Member shall be entitled to vote on a show of hands unless such member is present personally or by attorney or is a body Corporate present by a representative duly Authorised under the provisions of the Act in which case such members, attorney or representative may vote on a show of hands as if he were a Member of the Company. In the case of a Body Corporate the production at the meeting of a copy of such resolution duly signed by a Director or Secretary of such Body Corporate and certified by him as being a true copy of the resolution shall be accepted by the Company as sufficient evidence of the authority of the appointment.	<b>No votes by proxy on show of hands.</b>
121.	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	<b>Appointment of a Proxy.</b>



Sr. No	Particulars	
	shall not be treated as valid.	
122.	An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.	<b>Form of proxy.</b>
123.	A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the Member, or revocation of the proxy or of any power of attorney which such proxy signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the meeting or adjourned meeting at which the proxy is used.	<b>Validity of votes given by proxy notwithstanding death of a member.</b>
124.	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.	<b>Time for objections to votes.</b>
125.	Any such objection raised to the qualification of any voter in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.	<b>Chairperson of the Meeting to be the judge of validity of any vote.</b>
	<b>DIRECTORS</b>	
126.	Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors (including Debenture and Alternate Directors) shall not be less than three and not more than fifteen. Provided that a company may appoint more than fifteen directors after passing a special resolution	<b>Number of Directors</b>
127.	A Director of the Company shall not be bound to hold any Qualification Shares in the Company.	<b>Qualification shares.</b>
128.	<p>(a) Subject to the provisions of the Companies Act, 2013 and notwithstanding anything to the contrary contained in these Articles, the Board may appoint any person as a director nominated by any institution in pursuance of the provisions of any law for the time being in force or of any agreement</p> <p>(b) The Nominee Director/s so appointed shall not be required to hold any qualification shares in the Company nor shall be liable to retire by rotation. The Board of Directors of the Company shall have no</p>	<b>Nominee Directors.</b>

Sr. No	Particulars	
	<p>power to remove from office the Nominee Director/s so appointed. The said Nominee Director/s shall be entitled to the same rights and privileges including receiving of notices, copies of the minutes, sitting fees, etc. as any other Director of the Company is entitled.</p> <p>(c) If the Nominee Director/s is an officer of any of the financial institution the sitting fees in relation to such nominee Directors shall accrue to such financial institution and the same accordingly be paid by the Company to them. The Financial Institution shall be entitled to depute observer to attend the meetings of the Board or any other Committee constituted by the Board.</p> <p>(d) The Nominee Director/s shall, notwithstanding anything to the Contrary contained in these Articles, be at liberty to disclose any information obtained by him/them to the Financial Institution appointing him/them as such Director/s.</p>	
129.	<p>The Board may appoint an Alternate Director to act for a Director (hereinafter called "The Original Director") during his absence for a period of not less than three months from India. An Alternate Director appointed under this Article shall not hold office for period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to India. If the term of Office of the Original Director is determined before he so returns to India, any provision in the Act or in these Articles for the automatic re-appointment of retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.</p>	<b>Appointment of alternate Director.</b>
130.	<p>Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint any other person to be an Additional Director. Any such Additional Director shall hold office only upto the date of the next Annual General Meeting.</p>	<b>Additional Director</b>
131.	<p>Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint a Director, if the office of any director appointed by the company in general meeting is vacated before his term of office expires in the normal course, who shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been</p>	<b>Directors power to fill casual vacancies.</b>

Sr. No	Particulars	
	vacated by him.	
132.	Until otherwise determined by the Company in General Meeting, each Director other than the Managing/Whole-time Director (unless otherwise specifically provided for) shall be entitled to sitting fees not exceeding a sum prescribed in the Act (as may be amended from time to time) for attending meetings of the Board or Committees thereof.	<b>Sitting Fees.</b>
133.	The Board of Directors may subject to the limitations provided in the Act allow and pay to any Director who attends a meeting at a place other than his usual place of residence for the purpose of attending a meeting, such sum as the Board may consider fair, compensation for travelling, hotel and other incidental expenses properly incurred by him, in addition to his fee for attending such meeting as above specified.	<b>Travelling expenses Incurred by Director on Company's business.</b>
	<b>PROCEEDING OF THE BOARD OF DIRECTORS</b>	
134.	(a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit.  (b) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.	<b>Meetings of Directors.</b>
135.	a) The Directors may from time to time elect from among their members a Chairperson of the Board and determine the period for which he is to hold office. If at any meeting of the Board, the Chairman is not present within five minutes after the time appointed for holding the same, the Directors present may choose one of the Directors then present to preside at the meeting.  b) Subject to Section 203 of the Act and rules made there under, one person can act as the Chairman as well as the Managing Director or Chief Executive Officer at the same time.	<b>Chairperson</b>
136.	Questions arising at any meeting of the Board of Directors shall be decided by a majority of votes and in the case of an equality of votes, the Chairman will have a second or casting vote.	<b>Questions at Board meeting how decided.</b>
137.	The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is	<b>Continuing directors may act notwithstanding any vacancy</b>

Sr. No	Particulars	
	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.	<b>in the Board</b>
138.	Subject to the provisions of the Act, the Board may delegate any of their powers to a Committee consisting of such member or members of its body as it thinks fit, and it may from time to time revoke and discharge any such committee either wholly or in part and either as to person, or purposes, but every Committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.	<b>Directors may appoint committee.</b>
139.	The Meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.	<b>Committee Meetings how to be governed.</b>
140.	<p>a) A committee may elect a Chairperson of its meetings.</p> <p>b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.</p>	<b>Chairperson of Committee Meetings</b>
141.	<p>a) A committee may meet and adjourn as it thinks fit.</p> <p>b) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.</p>	<b>Meetings of the Committee</b>
142.	Subject to the provisions of the Act, all acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment	<b>Acts of Board or Committee shall be valid notwithstanding defect in appointment.</b>

Sr. No	Particulars	
	of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director.	
	<b>RETIREMENT AND ROTATION OF DIRECTORS</b>	
143.	Subject to the provisions of Section 161 of the Act, if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid.	<b>Power to fill casual vacancy</b>
	<b>POWERS OF THE BOARD</b>	
144.	The business of the Company shall be managed by the Board who may exercise all such powers of the Company and do all such acts and things as may be necessary, unless otherwise restricted by the Act, or by any other law or by the Memorandum or by the Articles required to be exercised by the Company in General Meeting. However no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.	<b>Powers of the Board</b>
145.	Without prejudice to the general powers conferred by the Articles and so as not in any way to limit or restrict these powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the Articles, it is hereby, declared that the Directors shall have the following powers, that is to say	<b>Certain powers of the Board</b>
	(1) Subject to the provisions of the Act, to purchase or otherwise acquire any lands, buildings, machinery, premises, property, effects, assets, rights, creditors, royalties, business and goodwill of any person firm or company carrying on the business which this Company is authorised to carry on, in any part of India.	<b>To acquire any property , rights etc.</b>
	(2) Subject to the provisions of the Act to purchase, take on lease for any term or terms of years, or otherwise acquire any land or lands, with or without buildings and out-houses thereon, situate in any part of India,	<b>To take on Lease.</b>

Sr. No	Particulars	
	at such conditions as the Directors may think fit, and in any such purchase, lease or acquisition to accept such title as the Directors may believe, or may be advised to be reasonably satisfy.	
(3)	To erect and construct, on the said land or lands, buildings, houses, warehouses and sheds and to alter, extend and improve the same, to let or lease the property of the company, in part or in whole for such rent and subject to such conditions, as may be thought advisable; to sell such portions of the land or buildings of the Company as may not be required for the company; to mortgage the whole or any portion of the property of the company for the purposes of the Company; to sell all or any portion of the machinery or stores belonging to the Company.	<b>To erect &amp; construct.</b>
(4)	At their discretion and subject to the provisions of the Act, the Directors may pay property rights or privileges acquired by, or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures or other securities of the Company, and any such share may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.	<b>To pay for property.</b>
(5)	To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, produce and other moveable property of the Company either separately or co-jointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.	<b>To insure properties of the Company.</b>
(6)	To open accounts with any Bank or Bankers and to pay money into and draw money from any such account from time to time as the Directors may think fit.	<b>To open Bank accounts.</b>
(7)	To secure the fulfillment of any contracts or engagement entered into by the Company by	<b>To secure contracts by way of mortgage.</b>

Sr. No	Particulars	
	mortgage or charge on all or any of the property of the Company including its whole or part of its undertaking as a going concern and its uncalled capital for the time being or in such manner as they think fit.	
(8)	To accept from any member, so far as may be permissible by law, a surrender of the shares or any part thereof, on such terms and conditions as shall be agreed upon.	<b>To accept surrender of shares.</b>
(9)	To appoint any person to accept and hold in trust, for the Company property belonging to the Company, or in which it is interested or for any other purposes and to execute and to do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees.	<b>To appoint trustees for the Company.</b>
(10)	To institute, conduct, defend, compound or abandon any legal proceeding by or against the Company or its Officer, or otherwise concerning the affairs and also to compound and allow time for payment or satisfaction of any debts, due, and of any claims or demands by or against the Company and to refer any difference to arbitration, either according to Indian or Foreign law and either in India or abroad and observe and perform or challenge any award thereon.	<b>To conduct legal proceedings.</b>
(11)	To act on behalf of the Company in all matters relating to bankruptcy insolvency.	<b>Bankruptcy &amp; Insolvency</b>
(12)	To make and give receipts, release and give discharge for moneys payable to the Company and for the claims and demands of the Company.	<b>To issue receipts &amp; give discharge.</b>
(13)	Subject to the provisions of the Act, and these Articles to invest and deal with any moneys of the Company not immediately required for the purpose thereof, upon such authority (not being the shares of this Company) or without security and in such manner as they may think fit and from time to time to vary or realise such investments. Save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name.	<b>To invest and deal with money of the Company.</b>
(14)	To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal	<b>To give Security by way of indemnity.</b>

Sr. No	Particulars	
	liability whether as principal or as surety, for the benefit of the Company, such mortgage of the Company's property (present or future) as they think fit, and any such mortgage may contain a power of sale and other powers, provisions, covenants and agreements as shall be agreed upon;	
	(15) To determine from time to time persons who shall be entitled to sign on Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose, whether by way of a resolution of the Board or by way of a power of attorney or otherwise.	<b>To determine signing powers.</b>
	(16) To give to any Director, Officer, or other persons employed by the Company, a commission on the profits of any particular business or transaction, or a share in the general profits of the company; and such commission or share of profits shall be treated as part of the working expenses of the Company.	<b>Commission or share in profits.</b>
	(17) To give, award or allow any bonus, pension, gratuity or compensation to any employee of the Company, or his widow, children, dependents, that may appear just or proper, whether such employee, his widow, children or dependents have or have not a legal claim on the Company.	<b>Bonus etc. to employees.</b>
	(18) To set aside out of the profits of the Company such sums as they may think proper for depreciation or the depreciation funds or to insurance fund or to an export fund, or to a Reserve Fund, or Sinking Fund or any special fund to meet contingencies or repay debentures or debenture-stock or for equalizing dividends or for repairing, improving, extending and maintaining any of the properties of the Company and for such other purposes (including the purpose referred to in the preceding clause) as the Board may, in the absolute discretion think conducive to the interests of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as may be required to be invested, upon such investments (other than shares of this Company) as they may think fit and from time to time deal with and vary such investments and dispose of and apply and extend all or any part thereof for the benefit of the Company notwithstanding the matters	<b>Transfer to Reserve Funds.</b>



Sr. No	Particulars	
	<p>to which the Board apply or upon which the capital moneys of the Company might rightly be applied or expended and divide the reserve fund into such special funds as the Board may think fit; with full powers to transfer the whole or any portion of a reserve fund or division of a reserve fund to another fund and with the full power to employ the assets constituting all or any of the above funds, including the deprecation fund, in the business of the company or in the purchase or repayment of debentures or debenture-stocks and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with the power to the Board at their discretion to pay or allow to the credit of such funds, interest at such rate as the Board may think proper.</p>	
	<p>(19) To appoint, and at their discretion remove or suspend such general manager, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisers, research workers, labourers, clerks, agents and servants, for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and to fix their salaries or emoluments or remuneration and to require security in such instances and for such amounts they may think fit and also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit and the provisions contained in the next following clauses shall be without prejudice to the general powers conferred by this clause.</p>	<p><b>To appoint and remove officers and other employees.</b></p>
	<p>(20) At any time and from time to time by power of attorney under the seal of the Company, to appoint any person or persons to be the Attorney or attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in their limits authorised by the Board the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit, and such appointments may (if the Board think fit) be made in favour of the members or</p>	<p><b>To appoint Attorneys.</b></p>

Sr. No	Particulars	
	<p>any of the members of any local Board established as aforesaid or in favour of any Company, or the shareholders, directors, nominees or manager of any Company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such powers of attorney may contain such powers for the protection or convenience for dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegated Attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them.</p>	
	<p>(21) Subject to Sections 188 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.</p>	<p><b>To enter into contracts.</b></p>
	<p>(22) From time to time to make, vary and repeal rules for the regulations of the business of the Company its Officers and employees.</p>	<p><b>To make rules.</b></p>
	<p>(23) To effect, make and enter into on behalf of the Company all transactions, agreements and other contracts within the scope of the business of the Company.</p>	<p><b>To effect contracts etc.</b></p>
	<p>(24) To apply for, promote and obtain any act, charter, privilege, concession, license, authorization, if any, Government, State or municipality, provisional order or license of any authority for enabling the Company to carry any of this objects into effect, or for extending and any of the powers of the Company or for effecting any modification of the Company's constitution, or for any other purpose, which may seem expedient and to oppose any proceedings or applications which may seem calculated, directly or indirectly to prejudice the Company's interests.</p>	<p><b>To apply &amp; obtain concessions licenses etc.</b></p>
	<p>(25) To pay and charge to the capital account of the Company any commission or interest lawfully payable there out under the provisions of Sections 40 of the Act and of the provisions contained in these presents.</p>	<p><b>To pay commissions or interest.</b></p>

Sr. No	Particulars	Particulars
	(26) To redeem preference shares.	<b>To redeem preference shares.</b>
	(27) To subscribe, incur expenditure or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or any other institutions or subjects which shall have any moral or other claim to support or aid by the Company, either by reason of locality or operation or of public and general utility or otherwise.	<b>To assist charitable or benevolent institutions.</b>
	(28) To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.  (29) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereon under the provisions of Sections 40 of the Act.	
	(30) To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing, to provide other associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit and subject to the provision of Section 181 of the Act, to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or object which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of the public and general utility or otherwise.	
	(31) To purchase or otherwise acquire or obtain license for the use of and to sell, exchange or grant license for the use of any trade mark, patent, invention or technical know-how.  (32) To sell from time to time any Articles, materials,	

Sr. No	Particulars	
	<p>machinery, plants, stores and other Articles and thing belonging to the Company as the Board may think proper and to manufacture, prepare and sell waste and by-products.</p> <p>(33) From time to time to extend the business and undertaking of the Company by adding, altering or enlarging all or any of the buildings, factories, workshops, premises, plant and machinery, for the time being the property of or in the possession of the Company, or by erecting new or additional buildings, and to expend such sum of money for the purpose aforesaid or any of them as they be thought necessary or expedient.</p> <p>(34) To undertake on behalf of the Company any payment of rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company and to purchase the reversion or reversions, and otherwise to acquire on free hold sample of all or any of the lands of the Company for the time being held under lease or for an estate less than freehold estate.</p> <p>(35) To improve, manage, develop, exchange, lease, sell, resell and re-purchase, dispose off, deal or otherwise turn to account, any property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested.</p> <p>(36) To let, sell or otherwise dispose of subject to the provisions of Section 180 of the Act and of the other Articles any property of the Company, either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as it thinks fit and to accept payment in satisfaction for the same in cash or otherwise as it thinks fit.</p> <p>(37) Generally subject to the provisions of the Act and these Articles, to delegate the powers/authorities and discretions vested in the Directors to any person(s), firm, company or fluctuating body of persons as aforesaid.</p> <p>(38) To comply with the requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with.</p>	
	<b>MANAGING AND WHOLE-TIME DIRECTORS</b>	

Sr. No	Particulars	
146.	<p>a) Subject to the provisions of the Act and of these Articles, the Directors may from time to time in Board Meetings appoint one or more of their body to be a Managing Director or Managing Directors or whole-time Director or whole-time Directors of the Company for such term not exceeding five years at a time as they may think fit to manage the affairs and business of the Company, and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.</p> <p>b) The Managing Director or Managing Directors or whole-time Director or whole-time Directors so appointed shall be liable to retire by rotation. A Managing Director or Whole-time Director who is appointed as Director immediately on the retirement by rotation shall continue to hold his office as Managing Director or Whole-time Director and such re-appointment as such Director shall not be deemed to constitute a break in his appointment as Managing Director or Whole-time Director.</p>	<p><b>Powers to appoint Managing/ Wholetime Directors.</b></p>
147.	<p>The remuneration of a Managing Director or a Whole-time Director (subject to the provisions of the Act and of these Articles and of any contract between him and the Company) shall from time to time be fixed by the Directors, and may be, by way of fixed salary, or commission on profits of the Company, or by participation in any such profits, or by any, or all of these modes.</p>	<p><b>Remuneration of Managing or Wholetime Director.</b></p>
148.	<p>(1) Subject to control, direction and supervision of the Board of Directors, the day-to-day management of the company will be in the hands of the Managing Director or Whole-time Director appointed in accordance with regulations of these Articles of Association with powers to the Directors to distribute such day-to-day management functions among such Directors and in any manner as may be directed by the Board.</p> <p>(2) The Directors may from time to time entrust to and confer upon the Managing Director or Whole-time Director for the time being save as prohibited in the Act, such of the powers exercisable under these presents by the Directors as they may think fit, and may confer such objects and purposes, and upon such terms and conditions, and with such restrictions</p>	<p><b>Powers and duties of Managing Director or Whole-time Director.</b></p>

Sr. No	Particulars	
	<p>as they think expedient; and they may subject to the provisions of the Act and these Articles confer such powers, either collaterally with or to the exclusion of, and in substitution for, all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any such powers.</p> <p>(3) The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Wholetime Director or Wholetime Directors of the Company and may exercise all the powers referred to in these Articles.</p> <p>(4) The Managing Director shall be entitled to sub-delegate (with the sanction of the Directors where necessary) all or any of the powers, authorities and discretions for the time being vested in him in particular from time to time by the appointment of any attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as they may think fit.</p> <p>(5) Notwithstanding anything contained in these Articles, the Managing Director is expressly allowed generally to work for and contract with the Company and especially to do the work of Managing Director and also to do any work for the Company upon such terms and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time be agreed between him and the Directors of the Company.</p>	
	<p><b>Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer</b></p>	
<p><b>149.</b></p>	<p>a) Subject to the provisions of the Act,—</p> <p>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;</p> <p>ii. A director may be appointed as chief executive officer, manager, company secretary or chief</p>	<p><b>Board to appoint Chief Executive Officer/ Manager/ Company Secretary/ Chief Financial Officer</b></p>

Sr. No	Particulars	
	<p>financial officer.</p> <p><b>b)</b> 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.</p>	
	<b>THE SEAL</b>	
150.	<p>(a) The Board shall provide a Common Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given.</p> <p>(b) The Company shall also be at liberty to have an Official Seal in accordance with of the Act, for use in any territory, district or place outside India.</p>	<b>The seal, its custody and use.</b>
151.	<p>The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.</p>	<b>Deeds how executed.</b>
	<b>Dividend and Reserves</b>	
152.	<p>(1) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.</p> <p>(2) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.</p> <p>(3) All dividends shall be apportioned and paid</p>	<b>Division of profits.</b>

Sr. No	Particulars	
	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.	
153.	The Company in General Meeting may declare dividends, to be paid to members according to their respective rights and interests in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors, but the Company may declare a smaller dividend in general meeting.	<b>The company in General Meeting may declare Dividends.</b>
154.	<p>a) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit.</p> <p>b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.</p>	<b>Transfer to reserves</b>
155.	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.	<b>Interim Dividend.</b>
156.	The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.	<b>Debts may be deducted.</b>
157.	No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this articles as paid on the share.	<b>Capital paid up in advance not to earn dividend.</b>
158.	All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on	<b>Dividends in proportion to</b>



Sr. No	Particulars	
	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 dividends as from a particular date such share shall rank for dividend accordingly.	<b>amount paid-up.</b>
159.	The Board of Directors may retain the dividend payable upon shares in respect of which any person under Articles has become entitled to be a member, or any person under that Article is entitled to transfer, until such person becomes a member, in respect of such shares or shall duly transfer the same.	<b>Retention of dividends until completion of transfer under Articles .</b>
160.	No member shall be entitled to receive payment of any interest or dividend or bonus in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares (or otherwise however, either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend payable to any member all such sums of money so due from him to the Company.	<b>No Member to receive dividend whilst indebted to the company and the Company's right of reimbursement thereof.</b>
161.	A transfer of shares does not pass the right to any dividend declared thereon before the registration of the transfer.	<b>Effect of transfer of shares.</b>
162.	Any one of several persons who are registered as joint holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such share.	<b>Dividend to joint holders.</b>
163.	<p>a) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.</p> <p>b) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.</p>	<b>Dividends how remitted.</b>
164.	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.	<b>Notice of dividend.</b>
165.	No unclaimed dividend shall be forfeited before the claim becomes barred by law and no unpaid dividend shall bear interest as against the Company.	<b>No interest on Dividends.</b>

Sr. No	Particulars	
	<b>CAPITALIZATION</b>	
<p><b>166.</b></p>	<p>(1) The Company in General Meeting may, upon the recommendation of the Board, resolve:</p> <p>(a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the Profit and Loss account, or otherwise available for distribution; and</p> <p>(b) that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.</p> <p>(2) The sums aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in clause (3) either in or towards:</p> <p>(i) paying up any amounts for the time being unpaid on any shares held by such members respectively;</p> <p>(ii) 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; or</p> <p>(iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii).</p> <p>(3) A Securities Premium Account and Capital Redemption Reserve Account may, for the purposes of this regulation, only be applied in the paying up of unissued shares to be issued to members of the Company and fully paid bonus shares.</p> <p>(4) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.</p>	<p><b>Capitalization.</b></p>
<p><b>167.</b></p>	<p>(1) Whenever such a resolution as aforesaid shall have been passed, the Board shall —</p> <p>(a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby and all allotments and issues of fully paid shares, if any, and</p> <p>(b) generally to do all acts and things required to give effect thereto.</p>	<p><b>Fractional Certificates.</b></p>

Sr. No	Particulars	
	<p>(2) The Board shall have full power -</p> <p>(a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in case of shares becoming distributable in fractions; and also</p> <p>(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 capitalization, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions, of the profits resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing shares.</p> <p>(3) Any agreement made under such authority shall be effective and binding on all such members.</p> <p>(4) That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any questions or difficulties that may arise in regard to any issue including distribution of new equity shares and fractional certificates as they think fit.</p>	
<p><b>168.</b></p>	<p>(1) The books containing the minutes of the proceedings of any General Meetings of the Company shall be open to inspection of members without charge on such days and during such business hours as may consistently with the provisions of Section 119 of the Act be determined by the Company in General Meeting and the members will also be entitled to be furnished with copies thereof on payment of regulated charges.</p> <p>(2) Any member of the Company shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company with a copy of any minutes referred to in sub-clause (1) hereof on payment of Rs. 10 per page or any part thereof.</p>	<p><b>Inspection of Minutes Books of General Meetings.</b></p>
<p><b>169.</b></p>	<p>a) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being</p>	<p><b>Inspection of Accounts</b></p>

Sr. No	Particulars	
	<p>directors.</p> <p>b) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.</p>	
	<b>FOREIGN REGISTER</b>	
170.	<p>The Company may exercise the powers conferred on it by the provisions of the Act with regard to the keeping of Foreign Register of its Members or Debenture holders, and the Board may, subject to the provisions of the Act, make and vary such regulations as it may think fit in regard to the keeping of any such Registers.</p>	<b>Foreign Register.</b>
	<b>DOCUMENTS AND SERVICE OF NOTICES</b>	
171.	<p>Any document or notice to be served or given by the Company be signed by a Director or such person duly authorised by the Board for such purpose and the signature may be written or printed or lithographed.</p>	<b>Signing of documents &amp; notices to be served or given.</b>
172.	<p>Save as otherwise expressly provided in the Act, a document or proceeding requiring authentication by the company may be signed by a Director, the Manager, or Secretary or other Authorised Officer of the Company and need not be under the Common Seal of the Company.</p>	<b>Authentication of documents and proceedings.</b>
	<b>WINDING UP</b>	
173.	<p>Subject to the provisions of Chapter XX of the Act and rules made thereunder—</p> <p>(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.</p> <p>(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.</p> <p>(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</p>	

Sr. No	Particulars	
	accept any shares or other securities whereon there is any liability.	
	<b>INDEMNITY</b>	
174.	Subject to provisions of the Act, every Director, or Officer or Servant of the Company or any person (whether an Officer of the Company or not) employed by the Company as Auditor, shall be indemnified by the Company against and it shall be the duty of the Directors to pay, out of the funds of the Company, all costs, charges, losses and damages which any such person may incur or become liable to, by reason of any contract entered into or act or thing done, concurred in or omitted to be done by him in any way in or about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own wrongful act neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him as such Director, Officer or Auditor or other officer of the Company in defending any proceedings whether civil or criminal in which judgment is given in his favour, or in which he is acquitted or in connection with any application under Section 463 of the Act on which relief is granted to him by the Court.	<b>Directors' and others right to indemnity.</b>
175.	Subject to the provisions of the Act, no Director, Managing Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Directors or Officer, or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any lessor damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation, with whom any moneys, securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgment or oversight on his part, or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty.	<b>Not responsible for acts of others</b>
	<b>SECRECY</b>	

Sr. No	Particulars	
176.	<p>(a) Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the company shall, if so required by the Directors, before entering upon his duties, sign a declaration pleading himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matter which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by any meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions in these presents contained.</p>	<p><b>Secrecy</b></p>
	<p>(b) No member or other person (other than a Director) shall be entitled to enter the property of the Company or to inspect or examine the Company's premises or properties or the books of accounts of the Company without the permission of the Board of Directors of the Company for the time being or to require discovery of or any information in respect of any detail of the Company's trading or any matter which is or may be in the nature of trade secret, mystery of trade or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Board it will be inexpedient in the interest of the Company to disclose or to communicate.</p>	<p><b>Access to property information etc.</b></p>



## SECTION IX – OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Prospectus will be delivered to the RoC for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at 202, Sampada Complex, B/H Tulsi Complex, Mithakhali Six Roads, Navrangpura, Ahmedabad-380009 from date of filing this Prospectus with RoC to Issue Closing Date on working days from 10.00 a.m. to 5.00 p.m.

#### Material Contracts

1. Issue Agreement dated June 10, 2015 between our Company and the Lead Manager.
2. Agreement dated June 10, 2015 between our Company and Karvy Computershare Private Limited, Registrar to the Issue.
3. Underwriting Agreement dated June 10, 2015 between our Company and Underwriter viz. Lead Manager.
4. Market Making Agreement dated June 10, 2015 between our Company, Market Maker and the Lead Manager.
5. Escrow Agreement dated June 10, 2015 amongst our Company, the Lead Manager, Escrow Collection Bank and the Registrar to the Issue.
6. Tripartite agreement among the NSDL, our Company and Registrar to the Issue dated June 5, 2015.
7. Tripartite agreement among the CDSL, our Company and Registrar to the Issue dated May 12, 2015

#### Material Documents

1. Certified true copy of the Memorandum and Articles of Association of our Company including certificates of incorporation.
2. Resolution of the Board dated April 27, 2015 authorizing the Issue
3. Special Resolution of the shareholders passed at the EGM dated May 20, 2015 authorizing the Issue.
4. Statement of Tax Benefits dated June 9, 2015 issued by our Peer Review Auditor M/s Ramanand & Associates, Chartered Accountants.
5. Report of the Peer Review Auditor, M/s Ramanand & Associates, Chartered Accountants dated June 11, 2015 on the Restated Financial Statements for Financial Year ended as on March 31, 2015, 2014, 2013 & 2012 of our Company.
6. Consents of Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditors, Peer Review Auditors, Legal Advisor to the Issue, the Lead Manager, Registrar to the Issue, Underwriter, Market Maker, Bankers to the Issue/Escrow Collection Banks, Refund Banker to the Issue, to act in their respective capacities.
7. Copy of approval from BSE Limited *vide* letter dated June 26, 2015, to use the name of BSE in this offer document for listing of Equity Shares on SME Platform of BSE Limited.



8. Due Diligence Certificate dated June 15, 2015 from Lead Manager to BSE Limited.

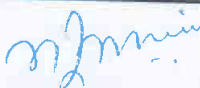



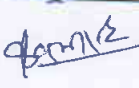



None of the contracts or documents mentioned in this Prospectus may be amended or modified at any time without reference to the shareholders, subject to compliance of the provisions contained in the Companies Act and other relevant statutes.



## DECLARATION

We, the under signed, hereby certify and declare that, all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the regulations / guidelines issued by SEBI, as the case may be, have been complied with and no statement made in the Prospectus is contrary to the provisions of the Companies Act, 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 all the Directors of our Company

Name and designation	Signature
<b>Mafatlal Patel</b> <i>Chairman and Executive Director</i>	
<b>Pravinkumar Patel</b> <i>Managing Director</i>	
<b>Dhanajibhai Patel</b> <i>Executive Director</i>	
<b>Riddhi Shah</b> <i>Independent Director</i>	
<b>Samir Shah</b> <i>Independent Director</i>	
<b>Mukesh Sheth</b> <i>Independent Director</i>	
<b>Ankit Soni</b> <i>Chief Financial Officer</i>	
<b>Rujavi Chalishajar</b> <i>Company Secretary and Compliance Officer</i>	

Place: Ahmedabad

Date: July 23, 2015

**Annexure A**

**DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED**

Sr. No	Issue Name	Issue Size (Cr)	Issue Price (Rs.)	Listing date	Opening price on listing date	Closing price on listing date	% change in price on listing date (closing) vs issue price	Benchmark index on listing date (closing)	Closing price as on 10 <sup>th</sup> calendar day from listing day	Benchmark index as on 10 <sup>th</sup> calendar day from listing day (closing)	Closing price as on 20 <sup>th</sup> calendar day from listing day	Benchmark index as on 20 <sup>th</sup> calendar day from listing day (closing)	Closing price as on 30 <sup>th</sup> calendar day from listing day	Benchmark index as on 30 <sup>th</sup> calendar day from listing day (closing)
1.	Si. Vi. Shipping Corporation Limited	6.855	25.00	March 06, 2014	26.10	26.10	4.40	21,513.87	36.15	21,832.61	34.80	22,095.30	35.00	22,343.45
2.	Women's Next Loungeries Limited	6.50	65.00	April 21, 2014	67.00	67.50	3.85	22,764.83	70.00	22,403.89	70.00	23,551.00	71.00	24,298.02
3	Ultracab (India) Limited	7.97	36.00	October 10, 2014	38.00	38.05	5.69	26,297.38	38.25	26,429.85	38.00	26,429.85	39.00	27,346.33
4.	Momai Apparels Limited	30.00	78.00	October 16, 2014	78.00	79.70	2.18	7,748.20	86.15	79,91.70	86.15	8,338.30	81.00	8,430.75
5.	Jet Infraventur	4.50	125.00	November 25, 2014	130.00	129.10	3.28	28,338.05	127.15	28,458.10	127.90	27,319.56	128.00	27,241.78

Sr. No	Issue Name	Issue Size (Cr)	Issue Price (Rs.)	Listing date	Opening price on listing date	Closing price on listing date	% change in price on listing date (closing) vs issue price	Benchmark index on listing date (closing)	Closing price as on 10 <sup>th</sup> calendar day from listing day	Benchmark index as on 10 <sup>th</sup> calendar day from listing day (closing)	Closing price as on 20 <sup>th</sup> calendar day from listing day	Benchmark index as on 20 <sup>th</sup> calendar day from listing day (closing)	Closing price as on 30 <sup>th</sup> calendar day from listing day	Benchmark index as on 30 <sup>th</sup> calendar day from listing day (closing)
	e Limited													
6	Supreme (India) Impex Limited	7.872	60.00	March 31, 2015	62.00	61.30	2.17	8491.00	62.50	8780.35	61.00	8448.10	62.50	8181.50
7	Filtra Consultants and Engineers Limited	3.112	42.00	April 15, 2015	42.80	44.90	6.90	28,799.69	42.00	27,176.99	42.00	27,440.14	43	27,324.00
8	Ambition Mica Limited	4.296	40	July 14, 2015	45.00	45.15	12.88	27,932.90	NA	NA	NA	NA	NA	NA
9	Jiya Eco Products Limited	4.582	19	July 16, 2015	21.75	21.00	10.53	28446.12	NA	NA	NA	NA	NA	NA
10	M.D. Inducto Cast Limited	17.237	27	July 16, 2015	28.10	29.50	9.26	28446.12	NA	NA	NA	NA	NA	NA

Sr. No	Issue Name	Issue Size (Cr)	Issue Price (Rs.)	Listing date	Opening price on listing date	Closing price on listing date	% change in price on listing date (closing) vs issue price	Benchmark index on listing date (closing)	Closing price as on 10 <sup>th</sup> calendar day from listing day	Benchmark index as on 10 <sup>th</sup> calendar day from listing day (closing)	Closing price as on 20 <sup>th</sup> calendar day from listing day	Benchmark index as on 20 <sup>th</sup> calendar day from listing day (closing )	Closing price as on 30 <sup>th</sup> calendar day from listing day	Benchmark index as on 30 <sup>th</sup> calendar day from listing day (closing )
11	Majestic Research Services and Solutions Limited	1.428	12.75	July 16, 2015	14	14.70	15.29	28446.12	NA	NA	NA	NA	NA	NA

Sources: All share price data is from [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com)

Note:-

1. The BSE Sensex and CNX Nifty are considered as the Benchmark Index
2. Prices on BSE/NSE are considered for all of the above calculations
3. In case 10<sup>th</sup>/20<sup>th</sup>/30<sup>th</sup> day is not a trading day, closing price on BSE/NSE of the next trading day has been considered

### SUMMARY STATEMENT OF DISCLOSURE

Financial year	Total no. of IPO	Total funds raised (Rs. Cr)	Nos of IPOs trading at discount on listing date			Nos of IPOs trading at Premium on listing date			Nos of IPOs trading at discount on 30 <sup>th</sup> Calendar day from listing date			Nos of IPOs trading at premium on 30 <sup>th</sup> Calendar day from listing date#		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
13-14	1	6.855	-	-	-	-	-	1	-	-	-	-	1	-
14-15	**5	56.844	-	-	-	-	-	5	-	-	-	-	-	5
15-16	***5	30.656						5	-	-	-	-	-	#1

\*The scripts of Si. Vi. Shipping Corporation Limited was listed on March 6, 2014.

\*\*The scripts of Women's Next Loungeries Limited, Ultracab (India) Limited, Momai Apparels Limited, Jet Infraventure Limited and Supreme(India) Impex Limited were listed on April 21, 2014, October 10, 2014, October 16, 2014, November 25, 2014, and March 31, 2015

\*\*\*The Scripts of Filtra Consultants and Engineers Limited, Ambition Mica Limited, Jiya Eco Products Limited, M.D. Inducto Cast Limited and Majestic Research Services and Solutions Limited were listed on April 15, 2015, July 14, 2015, July 16, 2015, July 16, 2015 and July 16, 2015 respectively.

# Scrips of Ambition Mica Limited, Jiya Eco Products Limited, M.D. Inducto Cast Limited and Majestic Research Services and Solutions Limited are yet to complete 30 calendar days from the date of Listing.